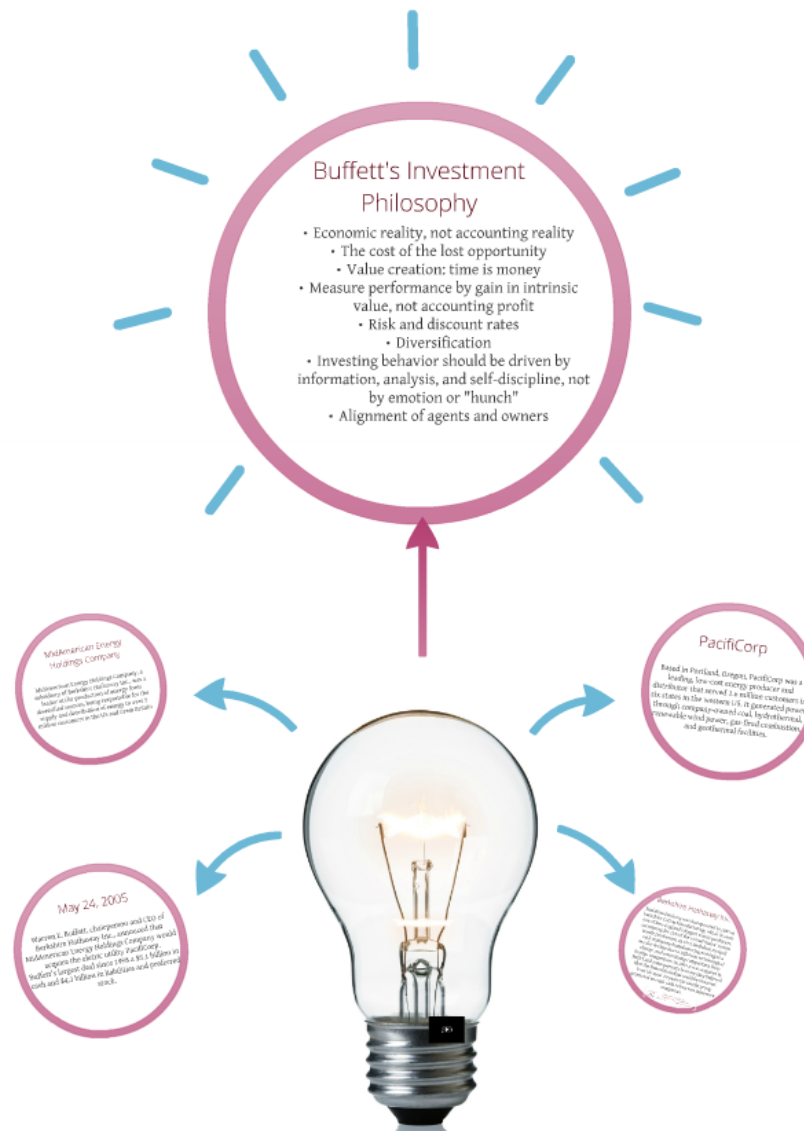
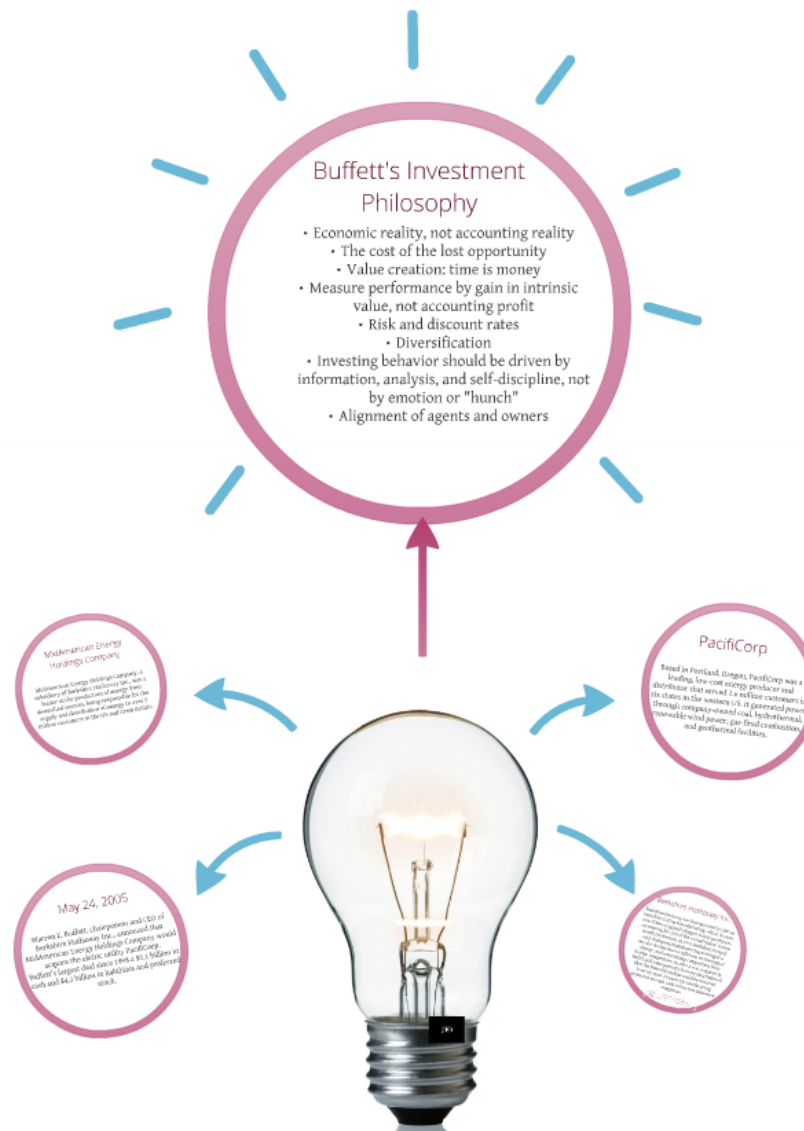


# Warren E. Buffet Harvard Case Solution & Analysis



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YouTube



May 24, 2005

Warren E. Buffett, chairperson and CEO of Berkshire Hathaway Inc., announced that MidAmerican Energy Holdings Company would acquire the electric utility PacifiCorp. Buffett's largest deal since 1998 a \$5.1 billion in cash and \$4.3 billion in liabilities and preferred stock.

# Berkshire Hathaway Inc.

Berkshire Hathaway was incorporated in 1889 as Berkshire Cotton Manufacturing, which became one of New England's biggest textile producers, accounting for 25% of the United States' cotton textile production. In 1955 Berkshire merged with Hathaway Manufacturing and began a secular decline due to inflation, technological change, and intensifying competition from foreign competitors. In 1965 it was acquired by Buffet and some partners because they believed that the financial decline could be reversed.

Over the next 20 years the textile group generated enough cash to buy two insurance companies.

- Insurance
- Finance and financial products
- Apparel
- Flight services
- Grocery distribution
- Building products
- Retail
- Carpet and floor coverings

the next 20 years the textile & apparel industry will have enough cash to buy two in other industries.  
companies.

- Insurance
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# MidAmerican Energy Holdings Company

MidAmerican Energy Holdings Company, a subsidiary of Berkshire Hathaway Inc., was a leader in the production of energy from diversified sources, being responsible for the supply and distribution of energy to over 5 million customers in the US and Great Britain

# PacifiCorp

Based in Portland, Oregon, PacifiCorp was a leading, low-cost energy producer and distributor that served 1.6 million customers in six states in the western US. It generated power through company-owned coal, hydrothermal, renewable wind power, gas-fired combustion, and geothermal facilities.