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THE WOMEN OF BURGUNDY: “SHARING OUR STORIES”

Anne Maggisano delivered the following speech on April 23, 2014 at the inaugural Women of Burgundy event, “Sharing Our Stories.”

Good afternoon! My name is Anne Maggisano and I am absolutely delighted to welcome you to our first ever Women of Burgundy event. In the spirit of today’s theme, “sharing our stories,” let me begin with a story. It’s a true story involving one of my clients who shall remain unnamed. The one thing I will say is that she may or may not be in the room today! This is a story of courage, a story of self-empowerment and a story of beginnings.

The time is late November / early December, just five months ago. I arrived in my office to a voice message from this woman who wanted to meet with me. When I called her back we arranged to meet later that same day. My client arrived and we headed directly into the boardroom – many of you know the one; it’s on the 45th floor overlooking Lake Ontario. We sat down and the first thing she told me was that it was the first time she had been to our offices alone and without her husband. I remember being a bit surprised. After all, she has been a client for a very long time – longer than the six years I have been at Burgundy – but I acknowledged that we had always met together with her husband. Then my client told me that through all her life, she had taken a back seat where investing matters were concerned. She had let her husband make all the decisions. She did this because she didn’t understand investing (“it was over her head,” she said) and she didn’t feel comfortable admitting this when her husband and another male Investment Counsellor had been in the room.

Wow. My heart sank. In all the time that I had been acting in the role of Investment Counsellor for this client, it never occurred to me that I was taking care of only one half of the relationship. What a revelation to me – and I look back now and realize what an amazing amount of courage it required on her part to expose her vulnerability to me in that way.

And then my client told me that she had decided to change. She wanted to learn about investing so that she could make her own decisions about her money from an informed point of view. She wanted to make sure that if anything ever happened to her husband and she had to manage her finances on her own, that she would be comfortable doing so. And she told me that because I was a woman she knew she could learn from me.

I agreed and we got right to work. We began a real discussion. We talked about her financial goals and we studied her investments so that she could understand that they were structured in a way to meet her goals. And, we even implemented a suggestion that had been presented to both her and her husband at an earlier meeting. That's the self-empowerment part of the story – and I think you will agree this is a pretty inspiring woman and story! It's also the part of the story that speaks to beginnings – a new beginning for this client and her amazing journey into the world of investing. And a beginning for our Women of Burgundy series, because when I shared this story with my colleagues we realized right away that we had to do a better job of engaging, educating and empowering our women clients.

So here we are at our first Women of Burgundy event and let me tell you, the enthusiasm and encouragement we have received from both inside Burgundy and from our clients – both the women and the men – has been unanimously positive. It's a sign that we are moving in the right direction for our clients.

“ Our mission is to empower every woman to make better investment decisions with their capital.”

Last May, Warren Buffett published an article in Fortune Magazine. Many of you know that Warren Buffett is very much a role model for Burgundy and for our philosophy of investing, which is called value investing. The title of the article is, “Warren Buffett is bullish...on women!” Please don't let the word “bullish” turn you away; it's pure industry jargon for the concept of rising prices. Focus instead on the underlying message which is optimistically poignant: it's the idea that investors make money during periods of rising prices, and Buffett's argument is that investing in women will lead to a large return on investment for all of us.

The article is so good I want to share a portion of it with you. He says:

“Start with the fact that our country's progress since 1776 has been mind-blowing, like nothing the world has ever seen. Our secret sauce has been a political and economic system that unleashes human potential to an extraordinary degree. As a result Americans today enjoy an abundance of goods and services that no one could have dreamed of just a few centuries ago.

But that's not the half of it – or rather, it's just about the half of it. America has forged this success while utilizing, in large part, only half of the country's talent. For most of our history, women – whatever their abilities – have been relegated to the sidelines. Only in recent years have we begun to correct that problem.”

And here's the clincher:

“The closer that America comes to fully employing the talents of all its citizens, the greater its output of goods and services will be. We've seen what can be accomplished when we use 50% of our human capacity. If you visualize what 100% can do, you'll join me as an unbridled optimist about America's future.”

I can't help but read this and think that if not just some but ALL the women in my life – my family, my friends, and my clients – had the tools and guidance for how to invest their capital more efficiently, then we would all be better off. And I am very proud to stand here today to tell you that we formed the Women of Burgundy because we are in a position to help solve this problem.

Our mission is to empower every woman to make better investment decisions with their capital. In doing so we will advance a new generation of women investors forward into the future. Let's visualize that.

We propose to achieve our mission by adopting many of the recommendations outlined in a 2009 research paper that focuses on women in fund

management, authored by the National Council for Research on Women. Specifically, we will focus our efforts on three areas.

First, we will build a community of women. As the name Women of Burgundy suggests, our community will include our women clients and the women who work at Burgundy. We are a group of women united by the shared belief that investing our capital in only the highest-quality companies and only at the right price is the best way to preserve and grow our capital over the long term. As a community, we will have the opportunity to connect with supportive women within the field of value investing, and thus benefit from informal mentoring, role modelling and information sharing. Our community will encourage women to not only become engaged with their investments, it will also provide an opportunity for women to deepen and broaden their level of knowledge and engagement by interacting with experts in the field. We believe that, as a community, we will achieve a critical mass that will necessarily change the dynamics, decision-making process and culture around women and investing.

Second, we will facilitate conversations about investing. One of Burgundy's mandates has always been to educate our clients to make better investment decisions. Traditionally, we have achieved this through one-on-one counselling with Investment Counsellors, extensive written quarterly reports and annual Client Days with presentations directly from our Portfolio Managers and our senior management team.

Through the Women of Burgundy community, we will continue to develop our educational initiatives with the goal of ensuring that we are having an impact on our women. We will host seminars for women on investment topics of relevance. We will ask you what you want to learn about – and we will deliver. We will also encourage informal and formal mentoring by matching our women clients with women in the investment business who can provide the support and wisdom to encourage optimal learning and growth.

Finally, we will highlight successful women in finance to provide role models for other women. One of the challenges for women in investing is that we face real structural barriers and biases. Women comprise nearly half of the country's entire workforce, yet only a small percentage succeed in the investment business. Furthermore, it is well documented in the press that we face persistent biases such as the perception that women are not well suited for finance.

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Let me present to you a different view. At Burgundy, we have 98 employees – over half of whom are women. Our 57 women are dispersed broadly across the firm in the most important areas, which include investments, client relationships, compliance, business operations, executive assistance, administration and communications.

If I may diverge for a moment, today is Administrative Professionals Day and I would like to recognize some very special Burgundy women in the room who are celebrating with us today: Therese Marques, Robyn Ross, Sandy Whitehouse and Vivian Obara. On behalf of all of us at Burgundy, thank you so much for being with us. It is a joy to know you and to work alongside you. Thank you so much for all that you do.

Within the broad areas of the investment firm, we also have a significant amount of depth. We have five senior professional women at the Vice President level or above, and 22 professionals that provide a significant level of depth in their respective domains of expertise. Most of the remaining women are well on their way, having achieved or working towards higher level designations such as the CFA designation.

We are lucky. Because of the strength of the women at Burgundy and within our networks, we have an incredible opportunity to spotlight successful women in investing and women leaders. We will encourage women to put themselves forward as experts to help make women's talent more visible. In doing so, we will directly challenge the perception that women are not well suited for making investment decisions and remove any barriers that may prevent us from taking a lead role in managing our wealth.

Speaking of role models, did you know that a 29-year-old woman named Tracy Britt Cool just happens to be one of Warren Buffett's most trusted advisors? In 2012 Tracy was named Chairman of four of Berkshire Hathaway's holdings, one of which is the paint company, Benjamin Moore. The four companies in her domain have combined sales exceeding US\$4 billion and more than 10,000 workers. She is also one of six Directors on the Board of the H.J. Heinz Company, famous of course for its world-renowned ketchup.

When Tracy met Warren Buffett she had a prestigious Harvard MBA, a college degree in finance and a glittering resume with summer jobs spent on Wall Street. But this is not what I find interesting about Tracy.

What I find interesting about her story is that, when asked about the factors that led to her success as an investor, she talks about her experience being raised on her family's farm. She talks about the hours she spent as a teenager negotiating with fruit and vegetable distributors. She talks about time spent managing both the wholesale and retail ends of the business. How interesting is it that the skill set involved in managing a family business is somehow translatable to the skill set required to work alongside one of the world's greatest investors.

Tracy also credits the mentorship of a woman she met during a summer internship as an important part of her success. She says this woman provided her with the "guidance necessary to navigate the industry as well as the insight and confidence to be successful in finance." In an industry dominated

by men, it seems every woman – even those with prestigious Harvard MBAs – need another woman's hand to help guide her forward.

Finally, what I find really incredible about Tracy's story is that in her first days at Harvard she wrote that her dream was to "work with a great investor, who even more importantly is a wonderful teacher and mentor." But it wasn't until she co-founded a woman's group at Harvard – the group is called the Smart Women Securities group – and amassed a critical mass of women that she found the courage to write Warren Buffett a letter asking if her group could visit him. He agreed, 90 Harvard college women made the trip to Omaha, and the rest is history! What an amazing testament to the collective power of a group of women to make incredible things happen.

So, I want to leave you with a promise that we are making here at Burgundy today: we are making it a priority to encourage women to become more comfortable and knowledgeable in matters of investment. We believe investment common sense is an important life skill and seeing investment skills as mainly "man's work" is just not good enough. More confidence in handling investments will serve us all well going forward.

So let's get to work. Let's build a world where every woman is empowered to make better investment decisions with their capital. We can do it. Look around us – we are a group of women filled with knowledge, talent, energy and vision.

At each table, we have Burgundy investment professionals and Burgundy clients. Let's talk about issues of women and investments. Everyone's ideas will help us move forward in this area.

Thank you so much for coming today. We look forward to your feedback. **B**

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