"WINDS OF CHANGE"

"Those who will not face improvements because they are changes, will face changes that are not improvements." – Charlie Munger

Change is constant. Change creates opportunities: investment and otherwise. Change makes for interesting newsletters. So many of our clients have been with us through changes in our business: name changes, new hires, departures, retirements along with market ups and downs. Likewise, many of our clients have been with us through tremendous changes in their own lives: births, marriages, graduations, deaths, divorces, illnesses, retirements, and business milestones. We thank you for allowing us to be a part of each of those moments over the years- it is truly an honor to be your advisor and friend.

Our firm's heritage can be traced back through many changes to 1993 when Lord, Spence, and Associates was formed. James Spence and Roger Lord decided to break free from the institutional imperative and place their clients' interest first instead of letting large wire houses dictate what their clients should buy. In 2009 we were one of the first firms in the Southwest to transition to a fee-only financial planning advisory firm.

One imperative remains the same since our firm's inception in 1993; we still put our clients' interest first.

With our core philosophy intact, we work to constantly improve. We work to increase our client service, to refine our investment process in ever changing market environments, and to enhance our knowledge. Evolving an investment process in the face of rapidly changing technology, innovation and economic conditions is our greatest challenge. This knowledge pursuit while holding tight to core investment tenets is inspired by some of the world's sharpest minds and greatest investors. One of the world's greatest is Charlie Munger. Charlie passed away on November 28th; 34 days shy of his 100*th* birthday. Many things have changed over the course of Charlie Munger's 99 years of life; however, his investment prowess stood the test of time.

Most people credit Berkshire Hathaway's empire to Warren Buffet, yet few know that Charlie Munger was Buffet's right-hand man, business partner and most trusted confidante. In Buffet's own words, "Berkshire Hathaway could not have been built to its present status without Charlie's inspiration, wisdom and participation."

Thanks to Charlie Munger, Buffet's investment style evolved from buying dirt-cheap companies or "cigar butts" to buying high quality franchise names. In Berkshire's 50-year anniversary letter in 2014, Warren wrote, “Charlie’s most important architectural feat was the design of today’s Berkshire.” Before partnering with Buffet, Charlie generated compound annual returns of 19.8% from 1962-1975 compared to a 5% annual return for the Dow, according to Buffet’s essay *The Superinvestors of Graham-and-Doddsville.* Munger’s approach could best be summarized as, “Buying wonderful businesses at a fair price, not a fair business at a wonderful price.”

Although Charlie never wavered in focusing on wonderful businesses at a fair price, the most dangerous words in business and investing can be: “We have always done it this way.” Wisely, Warren Buffet did not utter those words when adopting Charlie’s way of thinking. If Warren Buffet had not had a growth mentality and been open to Charlie’s approach to thinking about businesses and investing, Berkshire Hathaway would not have become the powerhouse it is today. But also wisely, both Charlie and Warren did not utter those stagnate words and widened their approach to incorporate tremendous technological advancement including cellphones, barcodes, social media, crypto currency, genetic testing, alternative energy, ecommerce, and robotics, to name just a few. They never shied away from working to understand new technologies; but they also never relinquished their quest for finding only wonderful businesses.

It is without doubt that Charlie’s ability to hold steadfast to his investment tenets while navigating nearly a century of technological transformation will be equally important to his legacy as it is to his investment prowess.

Just as we have “borrowed” from Munger and Buffet’s investment philosophies, we will borrow from Munger’s constant ability to improve and evolve while maintaining his core investment philosophies. We are proud to introduce our latest improvement and firm’s new name: **Westwind Capital.** Westwind Capital embodies the embracing of change accompanied by growth in our firm across the Southwest, ever-changing market environments as well as providing superior customer service and investment advice to our clients as their lives change.

Our name will change to Westwind Capital, but our investment philosophy, management, advisors, and team remain. Likewise, ownership has not changed with our transformation to Westwind Capital. Our firm is still the leading employee-owned private wealth management firm specializing in advising clients across the Southwest. We will continue to understand and guide our high-net worth clients and affluent business owners, families, and institutions as well as continue helping them to analyze and evaluate their unique situations. Nothing will change with your account; we will continue to provide unrivalled customer service with the same smiles you are used to seeing each time you stop by or the same voices you are used to hearing on the other end of the line in our phone conversations.

We look forward to 2024 and we thank everyone for your continued trust and for sharing in another exciting change.

Wishing you and yours the happiest of holidays!