

<p><b>Buffett's Letters To Berkshire Shareholders 1979</b></p>	<p>巴菲特致股东的信 1979 年</p>
<p>Again, we must lead off with a few words about accounting. Since our last annual report, the accounting profession has decided that equity securities owned by insurance companies must be carried on the balance sheet at market value. We previously have carried such equity securities at the lower of aggregate cost or aggregate market value. Because we have large unrealized gains in our insurance equity holdings, the result of this new policy is to increase substantially both the 1978 and 1979 yearend net worth, even after the appropriate liability is established for taxes on capital gains that would be payable should equities be sold at such market valuations.</p>	<p>首先，还是会计相关的议题，从去年年报开始，会计原则要求保险公司持有的股票投资在资产负债表日的评价方式，从原先的成本与市价孰低法，改按公平市价法列示，由于我们帐上的股票投资拥有大量的未实现利益，因此即便我们已提列了资本利得实现时应该支付的估计所得税负债，我们 1978 年及 1979 年的净值依然大幅增加。</p>
<p>As you know, Blue Chip Stamps, our 60% owned subsidiary, is fully consolidated in Berkshire Hathaway's financial statements. However, Blue Chip still is required to carry its equity investments at the lower of aggregate cost or aggregate market value, just as Berkshire Hathaway's insurance subsidiaries did prior to this year. Should the same equities be purchased at an identical price by an insurance subsidiary of Berkshire Hathaway and by Blue Chip Stamps, present accounting principles often would require that they end up carried on our consolidated balance sheet at two different values. (That should keep you on your toes.) Market values of Blue Chip Stamps' equity holdings are given in footnote 3 on page 18.</p>	<p>大家都知道，我们持股 60% 的蓝筹邮票业已并入伯克希尔的合并报表之中，然而依照现行会计原则规定，蓝筹邮票的股票投资仍必须按照旧制——也就是成本与市价孰低法列示，换句话说，以同一种价格买进同一种股票，不同公司的会计评价方法竟不一样，（这是不是让你毛骨悚然），蓝筹邮票持股的市值请参阅 18 页的附注三。</p>
<p>1979 Operating Results</p>	<p>1979 年营运成果</p>
<p>We continue to feel that the ratio of operating earnings (before securities gains or losses) to shareholders' equity with all securities valued at cost is the most appropriate way to measure any single year's operating performance.</p>	<p>就短期间而言，我们一向认为营业利益(不含出售证券损益)除以股东权益(所有股票投资按原始成本计算)所得出的比率，为衡量单一年度经营成果的最佳方式。</p>
<p>Measuring such results against shareholders' equity with securities valued at market could significantly distort the operating performance percentage because of wide year-to-year market</p>	<p>之所以不按市价计算的原因，是因为如此做将使得分母每年大幅波动而失去比较意义，举例来说，股票价格大幅下跌造成股东权益跟着下滑，其结</p>

<p>value changes in the net worth figure that serves as the denominator. For example, a large decline in securities values could result in a very low “market value” net worth that, in turn, could cause mediocre operating earnings to look unrealistically good. Alternatively, the more successful that equity investments have been, the larger the net worth base becomes and the poorer the operating performance figure appears. Therefore, we will continue to report operating performance measured against beginning net worth, with securities valued at cost.</p>	<p>果将使得原本平常的营业利益看起来反而不错，同样的，股价表现越好，股东权益分母跟着变大的结果，将使得营业利润率变得失色，所以我们仍将按期初的股东权益(股票投资以原始成本计)为基准来衡量经营绩效。</p>
<p>On this basis, we had a reasonably good operating performance in 1979 – but not quite as good as that of 1978 – with operating earnings amounting to 18.6% of beginning net worth. Earnings per share, of course, increased somewhat (about 20%) but we regard this as an improper figure upon which to focus. We had substantially more capital to work with in 1979 than in 1978, and our performance in utilizing that capital fell short of the earlier year, even though per-share earnings rose. “Earnings per share” will rise constantly on a dormant savings account or on a U.S. Savings Bond bearing a fixed rate of return simply because “earnings” (the stated interest rate) are continuously plowed back and added to the capital base. Thus, even a “stopped clock” can look like a growth stock if the dividend payout ratio is low.</p>	<p>在这样的基础下，1979年我们获得了不错的经营成果，营业利益达到期初净值的18.6%，略逊于1978年的数字，当然每股盈余成长了不少(约20%)，但我们不认为应该对每股盈余过于关注，因为虽然1979年我们可运用的资金又增加了不少，但运用的绩效却反而不如前一年度，因为即便是利率固定的定存帐户，只要摆着不动，将领取的利息滚入本金，每年的盈余还是能达到稳定成长的效果，一个静止不动的时钟，只要不注意，看起来也像运作正常的时钟。</p>
<p>The primary test of managerial economic performance is the achievement of a high earnings rate on equity capital employed (without undue leverage, accounting gimmickry, etc.) and not the achievement of consistent gains in earnings per share. In our view, many businesses would be better understood by their shareholder owners, as well as the general public, if managements and financial analysts modified the primary emphasis they place upon earnings per share, and upon yearly changes in that figure.</p>	<p>所以我们判断一家公司经营好坏的主要依据，取决于其股东权益报酬率(排除不当的财务杠杆或会计作帐)，而非每股盈余的成长与否，我们认为如果管理当局及证券分析师能修正其对每股盈余的关注，则股东及一般投资大众将会对这些公司的营运情况有更深入的了解。</p>
<p>Long Term Results</p>	<p>长期绩效</p>
<p>In measuring long term economic performance – in contrast to yearly performance – we believe it</p>	<p>就长期间而言，我们则认为公司纯益(包含已实现、未实现资本利得与非常</p>

<p>is appropriate to recognize fully any realized capital gains or losses as well as extraordinary items, and also to utilize financial statements presenting equity securities at market value. Such capital gains or losses, either realized or unrealized, are fully as important to shareholders over a period of years as earnings realized in a more routine manner through operations; it is just that their impact is often extremely capricious in the short run, a characteristic that makes them inappropriate as an indicator of single year managerial performance.</p>	<p>损益)除以股东权益(所有投资以公平市价计算)所得的比率,为衡量永续经营成果的最佳方式,其中额外的资本利得,短期间看起来或许相当特殊,但就长期而言,其对股东利益的影响与日常的营业利益并无太大差别。</p>
<p>The book value per share of Berkshire Hathaway on September 30, 1964 (the fiscal yearend prior to the time that your present management assumed responsibility) was \$19.46 per share. At yearend 1979, book value with equity holdings carried at market value was \$335.85 per share. The gain in book value comes to 20.5% compounded annually. This figure, of course, is far higher than any average of our yearly operating earnings calculations, and reflects the importance of capital appreciation of insurance equity investments in determining the overall results for our shareholders. It probably also is fair to say that the quoted book value in 1964 somewhat overstated the intrinsic value of the enterprise, since the assets owned at that time on either a going concern basis or a liquidating value basis were not worth 100 cents on the dollar. (The liabilities were solid, however.)</p>	<p>自现有经营阶层接掌伯克希尔(1964-1979)的十五年来,公司每股净值由 19.46 美元成长至 335.85 美元(持有股票投资以市价计),年复合成长率达 20.5%。这个比率远高于每年营业利益率的平均数,突显保险子公司股票增值利益对于股东权益的重要性,而且 1964 年的帐面价值实际上超过其实质价值,因为当时帐列的资产不论是以继续经营或清算的基础来看,其价值都远低于帐面净值,(至于负债则一毛也少不了)。</p>
<p>We have achieved this result while utilizing a low amount of leverage (both financial leverage measured by debt to equity, and operating leverage measured by premium volume to capital funds of our insurance business), and also without significant issuance or repurchase of shares. Basically, we have worked with the capital with which we started. From our textile base we, or our Blue Chip and Wesco subsidiaries, have acquired total ownership of thirteen businesses through negotiated purchases from private owners for cash, and have started six</p>	<p>我们极少运用财务杠杆(不论是财务面的负债比,或是营运面的保费收入与资本比都相当低),亦很少发行新股筹资或买回自家股份,基本上我们就是利用现有的资金,在原有纺织业或蓝筹邮票及 Wesco 子公司的基础下,前后总计以现金购并了十三家公司,另外也成立了六家公司,(必须说明的是,这些人在把公司卖给我们的当时与事后,对我们都相当客气且坦诚)。</p>

<p>others. (It's worth a mention that those who have sold to us have, almost without exception, treated us with exceptional honor and fairness, both at the time of sale and subsequently.)</p>	
<p>But before we drown in a sea of self-congratulation, a further – and crucial – observation must be made. A few years ago, a business whose per-share net worth compounded at 20% annually would have guaranteed its owners a highly successful real investment return. Now such an outcome seems less certain. For the inflation rate, coupled with individual tax rates, will be the ultimate determinant as to whether our internal operating performance produces successful investment results – i.e., a reasonable gain in purchasing power from funds committed – for you as shareholders.</p>	<p>但在各位过度沉溺于欢乐气氛之前，我们必须更严格的自我检视，几年前，年复合报酬率达到 20% 的投资或许就可以称得上是成功的投资，但目前则未必，因为我们还须把通货膨胀率与个人所得税率列入考量，投资人惟有将这些负面因素扣除后所得购买力的净增加，才能论定最后的投资结果是否令人感到满意。</p>
<p>Just as the original 3% savings bond, a 5% passbook savings account or an 8% U.S. Treasury Note have, in turn, been transformed by inflation into financial instruments that chew up, rather than enhance, purchasing power over their investment lives, a business earning 20% on capital can produce a negative real return for its owners under inflationary conditions not much more severe than presently prevail.</p>	<p>就像是 3% 的储蓄债券、5% 的银行定存以及 8% 的国库券，由于通胀因素使得这些投资变成侵蚀而非增加投资人购买力的工具，同样的一项每年可以赚取 20% 盈余的事业，在严重的通货膨胀情况下，也会产生类似的效果。</p>
<p>If we should continue to achieve a 20% compounded gain – not an easy or certain result by any means – and this gain is translated into a corresponding increase in the market value of Berkshire Hathaway stock as it has been over the last fifteen years, your after-tax purchasing power gain is likely to be very close to zero at a 14% inflation rate. Most of the remaining six percentage points will go for income tax any time you wish to convert your twenty percentage points of nominal annual gain into cash.</p>	<p>而如果我们继续维持每年 20% 的获利，这成绩已相当不简单，而且无法保证每年都如此，而这样的成绩又完全转化成伯克希尔股票价格的上涨，如同过去 15 年来的情况，那么在 14% 的高通货膨胀率之下，各位的购买力可以说几乎没有任何增加，因为剩下的 6% 将会在你决定将这 20% 的所得变现放入口袋时，用来缴交所得税给国库。</p>
<p>That combination – the inflation rate plus the percentage of capital that must be paid by the owner to transfer into his own pocket the annual earnings achieved by the business (i.e., ordinary income tax on dividends and capital gains tax on retained earnings) – can be thought of as an “investor's misery index”. When this</p>	<p>通货膨胀率以及股东在将每年公司获利放入口袋之前必须支付的所得税率（通常是股利以及资本利得所需缴纳的所得税），两者合计可被称为“投资人痛苦指数”，当这个指数超过股东权益的报酬率时，意味着投资人的购买力（真正的资本）不增反减，对于</p>

<p>index exceeds the rate of return earned on equity by the business, the investor's purchasing power (real capital) shrinks even though he consumes nothing at all. We have no corporate solution to this problem; high inflation rates will not help us earn higher rates of return on equity.</p>	<p>这样的情况我们无计可施，因为高通货膨胀率不代表股东报酬率也会跟着提高。</p>
<p>One friendly but sharp-eyed commentator on Berkshire has pointed out that our book value at the end of 1964 would have bought about one-half ounce of gold and, fifteen years later, after we have plowed back all earnings along with much blood, sweat and tears, the book value produced will buy about the same half ounce. A similar comparison could be drawn with Middle Eastern oil. The rub has been that government has been exceptionally able in printing money and creating promises, but is unable to print gold or create oil.</p>	<p>一位长期观察伯克希尔的朋友曾指出，1964年底我们每股帐面净值约可换得半盎司黄金，十五年之后，在我们流血流汗地努力耕耘后，每股帐面净值还是只能换得半盎司黄金，相同的道理也可以适用于中东地区的石油之上，关键就在于我们的政府只会印钞票及划大饼，却不会出产黄金或石油。</p>
<p>We intend to continue to do as well as we can in managing the internal affairs of the business. But you should understand that external conditions affecting the stability of currency may very well be the most important factor in determining whether there are any real rewards from your investment in Berkshire Hathaway.</p>	<p>我们仍将持续努力地妥善管理企业内部事务，但大家必须了解外界环境，如货币情势的变化却是决定各位在伯克希尔投资回报的最后关键因素。</p>
<p>Sources of Earnings</p>	<p>盈余报告</p>
<p>We again present a table showing the sources of Berkshire's earnings. As explained last year, Berkshire owns about 60% of Blue Chip Stamps which, in turn, owns 80% of Wesco Financial Corporation. The table shows both aggregate earnings of the various business entities, as well as Berkshire's share. All of the significant capital gains or losses attributable to any of the business entities are aggregated in the realized securities gain figure at the bottom of the table, and are not included in operating earnings.</p>	<p>下表系伯克希尔盈余的报告，去年我们曾向各位说明过，伯克希尔持有蓝筹邮票 60%的股权，后者又持有 80%的 Wesco 金融公司，表中显示各个事业体的盈余合计数，以及伯克希尔依持股比例可分得的部份，各事业体的资本利得或损失则不包含在营业利益项下，而是加总列在已实现资本利得项下。</p>
<p>Blue Chip and Wesco are public companies with reporting requirements of their own. On pages 37-43 of this report, we have reproduced the narrative reports of the principal executives of both companies, in which they describe 1979</p>	<p>蓝筹邮票及 Wesco 都是公开发行公司，各自都必须对外公开报告，在年报的后段附有这两家公司主要经理人关于公司 1979 年现况的书面报告，他们运用的部份数字可能无法与我们所</p>

<p>operations. Some of the numbers they mention in their reports are not precisely identical to those in the above table because of accounting and tax complexities. (The Yanomamo Indians employ only three numbers: one, two, and more than two. Maybe their time will come.) However, the commentary in those reports should be helpful to you in understanding the underlying economic characteristics and future prospects of the important businesses that they manage.</p>	<p>报告的丝毫不差，但这又是因为会计与税务一些细节规定所致，(Yanomamo 印地安人只会用三个数字：一、二、大于二)，不过我认为他们的见解将有助于各位了解这些旗下重要事业的经营现况，以及未来发展的前景。</p>
<p>A copy of the full annual report of either company will be mailed to any shareholder of Berkshire upon request to Mr. Robert H. Bird for Blue Chip Stamps, 5801 South Eastern Avenue, Los Angeles, California 90040, or to Mrs. Bette Deckard for Wesco Financial Corporation, 315 East Colorado Boulevard, Pasadena, California 91109.</p>	<p>若有需要伯克希尔的股东可向 Mr. Robert (地址: 加州洛杉矶 5801 South Eastern Avenue) 索取蓝筹邮票的年报或向 Mrs. Bette (地址: 加州 Pasadena 315 East Colorado Boulevard) 索取 Wesco 的年报。</p>
<p>Textiles and Retailing</p>	<p>纺织业及零售业</p>
<p>The relative significance of these two areas has diminished somewhat over the years as our insurance business has grown dramatically in size and earnings. Ben Rosner, at Associated Retail Stores, continues to pull rabbits out of the hat - big rabbits from a small hat. Year after year, he produces very large earnings relative to capital employed - realized in cash and not in increased receivables and inventories as in many other retail businesses - in a segment of the market with little growth and unexciting demographics. Ben is now 76 and, like our other "up-and-comers", Gene Abegg, 82, at Illinois National and Louis Vincenti, 74, at Wesco, regularly achieves more each year.</p>	<p>随着保险事业规模与盈余快速的成长，纺织业与零售业占整体事业的重要性日益下滑，然而尽管如此，联合零售商店的 Ben Rosner 还是不断地化腐朽为神奇，即使产业面临停滞不前的窘境，却能利用有限的资本创造出可观的盈余，且大多是现金而非尽是增加一些应收款或存货。Ben 现年 76 岁，就像是其它后进者，伊利诺国家银行 82 岁的 Gene Abegg、Wesco 74 岁的 Louis Vincenti 一样，其功力日益深厚。</p>
<p>Our textile business also continues to produce some cash, but at a low rate compared to capital employed. This is not a reflection on the managers, but rather on the industry in which they operate. In some businesses - a network TV station, for example - it is virtually impossible to avoid earning extraordinary returns on tangible capital employed in the business. And assets in such businesses sell at equally extraordinary prices, one thousand cents or more on the dollar, a valuation reflecting the</p>	<p>虽然我们的纺织事业仍持续不断地有现金流入，但与过去所投入的资金实在是不成正比，这并非经理人的过错，主要是产业的环境使然，在某些产业，比如说地方电视台，只要少数的有形资产就能赚取大量的盈余，而这行的资产售价也奇高，帐面一块钱的东西可以喊价到十块钱，这反应出其惊人获利能力的身价，虽然价格有点吓人，但那样的产业路子可能反而比较好走。</p>

splendid, almost unavoidable, economic results obtainable. Despite a fancy price tag, the “easy” business may be the better route to go.	
We can speak from experience, having tried the other route. Your Chairman made the decision a few years ago to purchase Waumbec Mills in Manchester, New Hampshire, thereby expanding our textile commitment. By any statistical test, the purchase price was an extraordinary bargain; we bought well below the working capital of the business and, in effect, got very substantial amounts of machinery and real estate for less than nothing. But the purchase was a mistake. While we labored mightily, new problems arose as fast as old problems were tamed.	当然我们也不是没有试过其它方法，在纺织业就曾经过数度挣扎，各位的董事长也就是本本人，在数年前曾买下位于 Manchester 的 Waumbec 纺织厂，以扩大我们在纺织业的投资，虽然买进的价格相当划算，也取得一些价美物廉的机器设备与不动产，几乎可以说是半买半送的，但即使我们再怎么努力，整个决策事后证明依然是个错误。因为就算我们再努力，旧的问题好不容易才解决，新的状况又冒出来。
Both our operating and investment experience cause us to conclude that “turnarounds” seldom turn, and that the same energies and talent are much better employed in a good business purchased at a fair price than in a poor business purchased at a bargain price. Although a mistake, the Waumbec acquisition has not been a disaster. Certain portions of the operation are proving to be valuable additions to our decorator line (our strongest franchise) at New Bedford, and it’s possible that we may be able to run profitably on a considerably reduced scale at Manchester. However, our original rationale did not prove out.	最后在经过多次惨痛的教训之后，我们得到的结论是，所谓有“转机” (Turn-arounds) 的公司，最后显少有成功的案例，所以与其把时间与精力花在购买廉价的烂公司上，还不如以合理的价格投资一些体质好的企业。Waumbec 虽然是个错误，但所幸并未酿成灾难，部份的产业仍对位于 New Bedford 的室内装饰品生产线 (这是我们最强的业务) 有所助益，而我们也相信 Manchester 在大幅缩减营运规模之后，仍将有获利的空间，只是我们原先的理论被证明不可行。
Insurance Underwriting	保险核保业务
We predicted last year that the combined underwriting ratio (see definition on page 36) for the insurance industry would “move up at least a few points, perhaps enough to throw the industry as a whole into an underwriting loss position”. That is just about the way it worked out. The industry underwriting ratio rose in 1979 over three points, from roughly 97.4% to 100.7%. We also said that we thought our underwriting performance relative to the industry would improve somewhat in 1979 and, again, things worked out as expected. Our own underwriting ratio actually decreased from 98.2% to 97.1%. Our forecast for 1980 is similar in one respect;	去年我们曾预估保险业的综合核保比率 (Combined Underwriting Ratio) 会上升几个百分点，甚至有可能使得整体保险业界发生核保损失的状况，结果正如我们所预期，综合核保比率从 97.4% 上升到 100.7%。我们也预言 1979 年我们本身的核保表现会比同业平均好一点，事实证明我们确实从 98.2% 降至 97.1%。展望 1980 年，第一项预期不变，那就是整个业界表现将如去年一般会持续恶化，但另一方面，我们却无法保证自己的表现能像去年一般优于同业。(但请大家放心，我们绝不会为了让本人的预测成真而

<p>again we feel that the industry’ s performance will worsen by at least another few points. However, this year we have no reason to think that our performance relative to the industry will further improve. (Don’ t worry - we won’ t hold back to try to validate that forecast.)</p>	<p>故意松懈)。</p>
<p>Really extraordinary results were turned in by the portion of National Indemnity Company’ s insurance operation run by Phil Liesche. Aided by Roland Miller in Underwriting and Bill Lyons in Claims, this section of the business produced an underwriting profit of \$8.4 million on about \$82 million of earned premiums. Only a very few companies in the entire industry produced a result comparable to this.</p>	<p>国家产险公司的Phil Liesche在核保部门 Roland 以及理赔部门 Bill Lyons 的协助下, 再度缴出漂亮的成绩单, 这个部门总计为我们创造 840 万美金的核保利益与 8,200 万美金的保费收入, 这在同业间并不多见。</p>
<p>You will notice that earned premiums in this segment were down somewhat from those of 1978. We hear a great many insurance managers talk about being willing to reduce volume in order to underwrite profitably, but we find that very few actually do so. Phil Liesche is an exception: if business makes sense, he writes it; if it doesn’ t, he rejects it. It is our policy not to lay off people because of the large fluctuations in work load produced by such voluntary volume changes. We would rather have some slack in the organization from time to time than keep everyone terribly busy writing business on which we are going to lose money. Jack Ringwalt, the founder of National Indemnity Company, instilled this underwriting discipline at the inception of the company, and Phil Liesche never has wavered in maintaining it. We believe such strong-mindedness is as rare as it is sound - and absolutely essential to the running of a first-class casualty insurance operation.</p>	<p>而或许你可能会发现这比去年的数字少了些, 虽然我们常听到同业提及宁愿少接单也不愿亏钱作生意, 然真正能贯策执行的并不多, 但 Phil 却能真正作到, 若保单合理他便签, 否则一概拒绝。我们不愿因为生意时好时坏而必须常常裁员, 相对地, 我们宁愿保持一点宽松的弹性, 而不是让大家忙的要死, 到头来却发现作的是亏本的生意, 公司在 Jack Ringwalt 创办时便立下此一理念, 而 Phil 从未放弃保持此一优良传统, 我们也认为这是经营一家一流的产险公司必备的条件。</p>
<p>John Seward continues to make solid progress at Home and Automobile Insurance Company, in large part by significantly expanding the marketing scope of that company in general liability lines. These lines can be dynamite, but the record to date is excellent and, in John McGowan and Paul Springman, we have two cautious liability managers extending our capabilities.</p>	<p>负责家庭与汽车保险公司营运的 John Seward 持续有重大的进展, 目前该公司大举进军一般责任险业务, 这类的业务极具爆炸性, 到目前为止的表现还算不错, 我们有 John MaGowan 及 Paul Springman 等两位经理人来处理这类的新业务。</p>



<p>Our reinsurance division, led by George Young, continues to give us reasonably satisfactory overall results after allowing for investment income, but underwriting performance remains unsatisfactory. We think the reinsurance business is a very tough business that is likely to get much tougher. In fact, the influx of capital into the business and the resulting softer price levels for continually increasing exposures may well produce disastrous results for many entrants (of which they may be blissfully unaware until they are in over their heads; much reinsurance business involves an exceptionally “long tail”, a characteristic that allows catastrophic current loss experience to fester undetected for many years). It will be hard for us to be a whole lot smarter than the crowd and thus our reinsurance activity may decline substantially during the projected prolonged period of extraordinary competition.</p>	<p>由 George Young 领军的再保险部门，在将投资收益并入考量后，持续地给予我们满意的成绩，惟核保部门的绩效仍有待改进。事实上，未来产业的前景并不看好，由于外来资金持续大举投入这一行业，让竞争变得更为激烈，保费水准一降再降的结果，使得新进者勇于承担着极高风险而不自知，直到真正出事时早已为时已晚，而更不幸的是，这类业务的有效期间通常长达许多年，而我们自认并不比其它同业聪明到哪里去的情况下，我们只有选择暂时退出竞争激烈的市场观望，业务量下滑的结果将无可避免。</p>
<p>The Homestate operation was disappointing in 1979. Excellent results again were turned in by George Billings at Texas United Insurance Company, winner of the annual award for the low loss ratio among Homestate companies, and Floyd Taylor at Kansas Fire and Casualty Company. But several of the other operations, particularly Cornhusker Casualty Company, our first and largest Homestate operation and historically a winner, had poor underwriting results which were accentuated by data processing, administrative and personnel problems. We have made some major mistakes in reorganizing our data processing activities, and those mistakes will not be cured immediately or without cost. However, John Ringwalt has thrown himself into the task of getting things straightened out and we have confidence that he, aided by several strong people who recently have been brought aboard, will succeed.</p>	<p>Homestate 1979 的营运则令人感到失望，George Billings 负责的德州联合保险再度以低损失率获得冠军，至于其它分支的营运，尤其是 Cornhusker 产险-Homestate 最大的营运单位，过去一向是传统的赢家，去年不但核保绩效不佳，同时还有数据处理、行政以及人员方面的问题，我们在重新整理数据处理犯下了几件大错，而且未能及时改进，然而目前 John Ringwalt 已经投入火线全力导正错误，而我们也相信在几位新上任且颇具才干同仁的协助下，应该可以顺利达成任务。</p>
<p>Our performance in Worker’s Compensation was far, far better than we had any right to expect at the beginning of 1979. We had a very favorable climate in California for the achievement of good</p>	<p>我们劳工退休金的表现远优于 1979 年初可能的预期，加州今年的天候相当不错，这相当有利我们的营运，除此之外，赛普路斯的 Milt Thornton</p>

<p>results but, beyond this, Milt Thornton at Cypress Insurance Company and Frank DeNardo at National Indemnity's California Worker's Compensation operation both performed in a simply outstanding manner. We have admitted - and with good reason - some mistakes on the acquisition front, but the Cypress purchase has turned out to be an absolute gem. Milt Thornton, like Phil Liesche, follows the policy of sticking with business that he understands and wants, without giving consideration to the impact on volume. As a result, he has an outstanding book of business and an exceptionally well functioning group of employees. Frank DeNardo has straightened out the mess he inherited in Los Angeles in a manner far beyond our expectations, producing savings measured in seven figures. He now can begin to build on a sound base.</p>	<p>以及国家产险加州劳工退休金部门的 Frank Denardo 的表现也很好，我们确实是在购并面犯了些错误，但赛普路斯事后被证明是块宝，而 Milt Thornton 就像 Phil Liesche 一样，不以追求业务量为依归，坚持固守自己了解且熟悉的业务，这使得他拥有绝佳的营运记录以及运作良好的组织，另外 Frank Denardo 已经完全导正他在加州所接手的烂摊子，节省的成果甚至超乎我们预期达到七位数，有了好的开始，他现在可以进一步建立稳固的基础。</p>
<p>At yearend we entered the specialized area of surety reinsurance under the management of Chet Noble. At least initially, this operation will be relatively small since our policy will be to seek client companies who appreciate the need for a long term "partnership" relationship with their reinsurers. We are pleased by the quality of the insurers we have attracted, and hope to add several more of the best primary writers as our financial strength and stability become better known in the surety field.</p>	<p>去年年底在 Chet Noble 的管理下，我们正式进入保证再保险这类专门领域，初期这类的业务量不会太大，因为我们的策略是先与有意愿的客户建立起长期的伙伴关系，对于目前上门的保险客户素质，我们感到相当满意，也期望我们稳健的财务实力在保证业务界建立起名声后，能够吸引更多优质的保险公司加入。</p>
<p>The conventional wisdom is that insurance underwriting overall will be poor in 1980, but that rates will start to firm in a year or so, leading to a turn in the cycle some time in 1981. We disagree with this view. Present interest rates encourage the obtaining of business at underwriting loss levels formerly regarded as totally unacceptable. Managers decry the folly of underwriting at a loss to obtain investment income, but we believe that many will. Thus we expect that competition will create a new threshold of tolerance for underwriting losses, and that combined ratios will average higher in the future than in the past.</p>	<p>从前大家认为核保绩效通常会一年好、一年坏，1980 年若差一点，那么 1981 年应该会好转。但我们却不这么认为，现在的低利率环境使得业者会倾向牺牲部份核保损失，再试图从投资收益上弥补回来，这在过去高利率的时代是不可能发生的。许多同业高喊杀价竞争愚不可及，但实际上跟进者却不少，因此我们判断，同业忍受承保损失的限度将较过去提高，导致竞争越加激烈，综合比率将因此提高。</p>
<p>To some extent, the day of reckoning has been</p>	<p>某种程度而言，这样的预测发生的时</p>

<p>postponed because of marked reduction in the frequency of auto accidents – probably brought on in major part by changes in driving habits induced by higher gas prices. In our opinion, if the habits hadn’ t changed, auto insurance rates would have been very little higher and underwriting results would have been much worse. This dosage of serendipity won’ t last indefinitely.</p>	<p>点将略微延后，主要是由于车祸事故发生率明显的下滑，可能的原因在于油价上涨导致驾驶习惯改变，我们的看法是多亏驾驶习惯发生改变，否则在保险费率没有提高的情况下，核保结果肯定会恶化，当然这种侥幸的意外情况肯定不会一直维持下去。</p>
<p>Our forecast is for an average combined ratio for the industry in the 105 area over the next five years. While we have a high degree of confidence that certain of our operations will do considerably better than average, it will be a challenge to us to operate below the industry figure. You can get a lot of surprises in insurance.</p>	<p>我们的估计是未来五年产险综合比率平均将会落在 105 左右，虽然我们有相当程度的信心，旗下部份的业务应该会比平均数好，但总的来说，还是一项艰难的挑战，保险业总是充满了意外。</p>
<p>Nevertheless, we believe that insurance can be a very good business. It tends to magnify, to an unusual degree, human managerial talent – or the lack of it. We have a number of managers whose talent is both proven and growing. (And, in addition, we have a very large indirect interest in two truly outstanding management groups through our investments in SAFECO and GEICO.) Thus we expect to do well in insurance over a period of years. However, the business has the potential for really terrible results in a single specific year. If accident frequency should turn around quickly in the auto field, we, along with others, are likely to experience such a year.</p>	<p>尽管如此，我们还是认为保险业是个相当不错的行业，它有加大(而且是极大程度)经营能力良窳的特性，我们有一大群经理人，其能力不但经过考验且不断地增强当中，(此外透过 SAFECO 及 GEICO 的间接投资，我们拥有两组非常杰出的经营团队)，因此我们预期这几年在保险业界将大有可为，当然一旦事故比率快速增加，我们以及其它同业也有可能面临某一个表现特别差的年度。</p>
<p>Insurance Investments</p>	<p>保险业投资</p>
<p>In recent years we have written at length in this section about our insurance equity investments. In 1979 they continued to perform well, largely because the underlying companies in which we have invested, in practically all cases, turned in outstanding performances. Retained earnings applicable to our insurance equity investments, not reported in our financial statements, continue to mount annually and, in aggregate, now come to a very substantial number. We have faith that the managements of these companies will utilize those retained earnings effectively and</p>	<p>最近这几年，我们花了相当大的篇幅谈到集团保险业的相关投资，主要是因为这些保险公司由于被投资公司缴出漂亮的成绩单而表现优异，这些被投资公司的保留盈余，虽然未能反应在我们的财务报表之上，但实际上却不断地累积，目前的金额已到了极为可观的地步，我们有信心这些管理阶层将会有效地运用保留下来的每一分钱，进一步创造出比原先更多的价值，从而转化为我们帐上未实现的资本利得。</p>

<p>will translate a dollar retained by them into a dollar or more of subsequent market value for us. In part, our unrealized gains reflect this process.</p>	
<p>We currently believe that equity markets in 1980 are likely to evolve in a manner that will result in an underperformance by our portfolio for the first time in recent years. We very much like the companies in which we have major investments, and plan no changes to try to attune ourselves to the markets of a specific year.</p>	<p>目前我们认为 1980 年的股票市场将会是近几年来我们投资组合头一次的表现不如市场大盘，我们相当喜爱目前这些我们拥有主要持股的公司，同时在未来的几年内，也没有计划主动调整目前的投资组合。</p>
<p>Since we have covered our philosophy regarding equities extensively in recent annual reports, a more extended discussion of bond investments may be appropriate for this one, particularly in light of what has happened since yearend. An extraordinary amount of money has been lost by the insurance industry in the bond area – notwithstanding the accounting convention that allows insurance companies to carry their bond investments at amortized cost, regardless of impaired market value. Actually, that very accounting convention may have contributed in a major way to the losses; had management been forced to recognize market values, its attention might have been focused much earlier on the dangers of a very long-term bond contract.</p>	<p>过去几年的年报，谈的主要是股票投资哲学，现在我想应该换个话题，谈谈债券投资，尤其是去年底以来发生了那么多的事。整个保险业界，因投资债券而蒙受了相当庞大的损失，虽然依照会计原则，允许保险公司以摊销成本而非已严重受损的市场价值来记录其债券投资，事实上，这种会计方法反而是导致更大损失的元凶，因为当初若是保险公司被迫以市场价格来认列损失，那他们或许就会早一点注意到问题的严重性。</p>
<p>Ironically, many insurance companies have decided that a one-year auto policy is inappropriate during a time of inflation, and six-month policies have been brought in as replacements. “How,” say many of the insurance managers, “can we be expected to look forward twelve months and estimate such imponderables as hospital costs, auto parts prices, etc.?” But, having decided that one year is too long a period for which to set a fixed price for insurance in an inflationary world, they then have turned around, taken the proceeds from the sale of that six-month policy, and sold the money at a fixed price for thirty or forty years.</p>	<p>更讽刺的是，某些产物保险公司有鉴于通货膨胀高涨，决定将原本一年期的保单缩短为半年为期，因为他们认为实在是无法去衡量未来的十二个月内，医疗成本、汽车零件价格会是多少？然而荒谬的是，他们在收到保费之后，一转身却将刚收到的保费，拿去购买以三、四十年为期的固定利率债券。</p>
<p>The very long-term bond contract has been the last major fixed price contract of extended duration still regularly initiated in an</p>	<p>长期的债券是目前通货膨胀高涨的环境下唯一还存在的长期固定价格合约，合约的买家可以轻易地锁定 1980</p>

<p>inflation-ridden world. The buyer of money to be used between 1980 and 2020 has been able to obtain a firm price now for each year of its use while the buyer of auto insurance, medical services, newsprint, office space - or just about any other product or service - would be greeted with laughter if he were to request a firm price now to apply through 1985. For in virtually all other areas of commerce, parties to long-term contracts now either index prices in some manner, or insist on the right to review the situation every year or so.</p>	<p>年到 2020 年, 每年使用这笔钱固定必须支付的价格, 相较之下, 其它诸如汽车保险、医疗服务、新闻信息、办公空间或是其它任何产品服务, 如果他要求在未来五年内给予一个固定报价时, 肯定会被别人笑掉大牙, 在其它商业领域中, 只要是签订长期, 合约的任何一方, 通常都会要求适时反应价格或是坚持每年必须重新审议合约。</p>
<p>A cultural lag has prevailed in the bond area. The buyers (borrowers) and middlemen (underwriters) of money hardly could be expected to raise the question of whether it all made sense, and the sellers (lenders) slept through an economic and contractual revolution.</p>	<p>然而在债券的领域却存在有文化落差, 不必指望买家(借款人)以及中介(承销商)会提出合理性的怀疑, 至于卖家(债权人)即便历经经济与合约变革, 却依旧浑然不觉。</p>
<p>For the last few years our insurance companies have not been a net purchaser of any straight long-term bonds (those without conversion rights or other attributes offering profit possibilities). There have been some purchases in the straight bond area, of course, but they have been offset by sales or maturities. Even prior to this period, we never would buy thirty or forty-year bonds; instead we tried to concentrate in the straight bond area on shorter issues with sinking funds and on issues that seemed relatively undervalued because of bond market inefficiencies.</p>	<p>最近这几年来, 我们的保险公司几乎未增加一般长期债券方面的部位 (Straight long-term Bond) (即不含转换权或可提供额外获利可能性的债券), 即使有买进也是为了弥补先前到期或出售的部位, 而在此之前, 我们也从未投资那些长达三、四十年的债券, 顶多是那些较短期限且备有偿债基金或是因市场缺乏效率而使得价格被低估的债券。</p>
<p>However, the mild degree of caution that we exercised was an improper response to the world unfolding about us. You do not adequately protect yourself by being half awake while others are sleeping. It was a mistake to buy fifteen-year bonds, and yet we did; we made an even more serious mistake in not selling them (at losses, if necessary) when our present views began to crystallize. (Naturally, those views are much clearer and definite in retrospect; it would be fair for you to ask why we weren't writing about this subject last year.)</p>	<p>然而, 虽然较之同业我们稍具警觉心, 却仍是不够的。 “虽然半梦半醒, 比起熟睡要好得多, 但却不能保证你不会被熊吃掉。” 若说买进四十年期的债券是个大错, 那么投资十五年期的也好不到那里去, 很遗憾的是, 我们属于后者, 更惨的是, 我们未能适时地忍痛卖掉, 而眼睁睁的看着它们的价值日益缩水。(当然, 事后回想起来, 会觉得真是笨得可以, 而或许你会认为要是去年我就看透这点就好了)。</p>
<p>Of course, we must hold significant amounts of</p>	<p>当然基于保险营运所需, 我们必须持</p>

<p>bonds or other fixed dollar obligations in conjunction with our insurance operations. In the last several years our net fixed dollar commitments have been limited to the purchase of convertible bonds. We believe that the conversion options obtained, in effect, give that portion of the bond portfolio a far shorter average life than implied by the maturity terms of the issues (i.e., at an appropriate time of our choosing, we can terminate the bond contract by conversion into stock).</p>	<p>有大量的债券或固定收益部位，但最近几年我们在固定收益方面的投资多属具转换权的债券，也由于具有转换权，使得这些债券实际发行的时间比其票面的到期日要短得多，因为在到期前，依合约规定我们可以要求转换为股份。</p>
<p>This bond policy has given us significantly lower unrealized losses than those experienced by the great majority of property and casualty insurance companies. We also have been helped by our strong preference for equities in recent years that has kept our overall bond segment relatively low. Nevertheless, we are taking our lumps in bonds and feel that, in a sense, our mistakes should be viewed less charitably than the mistakes of those who went about their business unmindful of the developing problems.</p>	<p>这样的规定使得我们实际的损失要比一些产险或意外险的同业来的轻了许多。另外由于对于股票投资的特别偏好，也让我们在债券投资的部位相对偏低。尽管如此，在债券方面我们还是跌了一跤，而且比起那些从来不管问题发生的同业，我们犯得错实在是不应该。</p>
<p>Harking back to our textile experience, we should have realized the futility of trying to be very clever (via sinking funds and other special type issues) in an area where the tide was running heavily against us.</p>	<p>回顾我们在纺织业的经验，我们早该知道逆流而上(买进备有偿债基金或其它特种债券)的结果肯定是徒劳无功。</p>
<p>We have severe doubts as to whether a very long-term fixed-interest bond, denominated in dollars, remains an appropriate business contract in a world where the value of dollars seems almost certain to shrink by the day. Those dollars, as well as paper creations of other governments, simply may have too many structural weaknesses to appropriately serve as a unit of long term commercial reference. If so, really long bonds may turn out to be obsolete instruments and insurers who have bought those maturities of 2010 or 2020 could have major and continuing problems on their hands. We, likewise, will be unhappy with our fifteen-year bonds and will annually pay a price in terms of earning power that reflects that mistake.</p>	<p>我们实在很怀疑，为什么长期固定利率的债券还能在市场上存在，当我们确信美金的购买力几乎每天都在变小，这些美元，也包含政府发行的任何货币，实在是很难作为长期的商业指针，同理长期的债券终将会沦为壁纸，而那些买进2010年或2020年才到期债券将会变成投资人手中的烫手山芋，而我们同样地也会对这些十五年期的债券，而且每年都必须为这个错误付出购买力下滑的代价。</p>
<p>Some of our convertible bonds appear</p>	<p>在这其中，部份的可转换债券(经由潜</p>

<p>exceptionally attractive to us, and have the same sort of earnings retention factor (applicable to the stock into which they may be converted) that prevails in our conventional equity portfolio. We expect to make money in these bonds (we already have, in a few cases) and have hopes that our profits in this area may offset losses in straight bonds.</p>	<p>在的转换权利),有着跟我们股票投资组合一样的吸引力,我们预计可从中赚不少钱(而事实上,有些个案已开始获利),同时亦期盼这部份的获利能弥补我们在一般债券上的损失。</p>
<p>And, of course, there is the possibility that our present analysis is much too negative. The chances for very low rates of inflation are not nil. Inflation is man-made; perhaps it can be man-mastered. The threat which alarms us may also alarm legislators and other powerful groups, prompting some appropriate response.</p>	<p>当然,我们对债券的看法也有可能保守了些,通胀降低的机率也不是没有,毕竟通货膨胀多是人为因素所造成的,也或许有一天人们真能有效地控制它,立法当局及有力团体应该也已注意到这个警讯,进而采取必要的措施。</p>
<p>Furthermore, present interest rates incorporate much higher inflation projections than those of a year or two ago. Such rates may prove adequate or more than adequate to protect bond buyers. We even may miss large profits from a major rebound in bond prices. However, our unwillingness to fix a price now for a pound of See' s candy or a yard of Berkshire cloth to be delivered in 2010 or 2020 makes us equally unwilling to buy bonds which set a price on money now for use in those years. Overall, we opt for Polonius (slightly restated): "Neither a short-term borrower nor a long-term lender be."</p>	<p>此外,现今的利率已反应较高的预期通货膨胀率,使得新发行的债券对投资者较有保障,这甚至将使我们可能错过债券价格反弹而获利的机会,然而就像我们不愿意以一个固定的价格预先出售公元 2010 年或 2020 年一磅喜斯糖果或一呎伯克希尔生产的布料一样,我们也不愿意以一个固定的价格预先出售我们未来四十年金钱的使用权,我们倾向莎士比亚笔下的 Polonius 的看法(稍微经过改编):“不要作一个短期的借钱者,也不要当长期的借款人”。</p>
<p>Banking</p>	<p>银行业</p>
<p>This will be the last year that we can report on the Illinois National Bank and Trust Company as a subsidiary of Berkshire Hathaway. Therefore, it is particularly pleasant to report that, under Gene Abegg' s and Pete Jeffrey' s management, the bank broke all previous records and earned approximately 2.3% on average assets last year, a level again over three times that achieved by the average major bank, and more than double that of banks regarded as outstanding. The record is simply extraordinary, and the shareholders of Berkshire Hathaway owe a standing ovation to Gene Abegg for the performance this year and every year since our purchase in 1969.</p>	<p>这将会是我们最后一次报告 Illinois National Bank 的状况,而我们也开心的向各位宣布在 Gene Abegg 及 Pete Jeffrey 优秀的领导下,这家银行的获利打破历年来的记录,去年的资产报酬率高达 2.3%,约是同业平均的三倍,对于如此优异的表现,实在值得所有伯克希尔的股东再度给予 Gene Abegg 热烈的掌声,感谢他们自 1969 年成为伯克希尔一员以来所作的贡献。</p>
<p>As you know, the Bank Holding Company Act of 1969</p>	<p>而如同各位所知,1969 年通过的银行</p>

<p>requires that we divest the bank by December 31, 1980. For some years we have expected to comply by effecting a spin-off during 1980. However, the Federal Reserve Board has taken the firm position that if the bank is spun off, no officer or director of Berkshire Hathaway can be an officer or director of the spun-off bank or bank holding company, even in a case such as ours in which one individual would own over 40% of both companies.</p>	<p>控股公司法要求我们必须在 1980 年结束以前将这家银行处份掉，事实上我们曾试图以分割 (spin-off) 的方式处理，但联邦准备局却坚持若要如此，则伯克希尔不能有任何一位董事或经理人在分割后的银行担任任何职务，即使依照我们这个个案，没有任何一个人同时拥有两家公司 40% 以上的股份也一样。</p>
<p>Under these conditions, we are investigating the possible sale of between 80% and 100% of the stock of the bank. We will be most choosy about any purchaser, and our selection will not be based solely on price. The bank and its management have treated us exceptionally well and, if we have to sell, we want to be sure that they are treated equally as well. A spin-off still is a possibility if a fair price along with a proper purchaser cannot be obtained by early fall.</p>	<p>在这种情况下，我们只能探询出售该公司 80%-100% 股权的可能性，但请相信，我们绝对会严格挑选买主，而且价格也不是惟一考量的重点，这家银行与其经营阶层待我们实在不薄，所以即使要卖，我们也要确定能以相同态度回报之。当然如果我们无法在秋天以前以合理的价格找到合适的买主，最后还是有可能以分割的方式解决。</p>
<p>However, you should be aware that we do not expect to be able to fully, or even in very large part, replace the earning power represented by the bank from the proceeds of the sale of the bank. You simply can't buy high quality businesses at the sort of price/earnings multiple likely to prevail on our bank sale.</p>	<p>同时大家必须明了，我们经由出售这家银行所得的资金将来如果再转投资，其为伯克希尔创造盈余的能力可能永远无法与前者比拟。因此同等优质的产业实在是很难以如此低的本益比取得。</p>
<p>Financial Reporting</p>	<p>财务报告</p>
<p>During 1979, NASDAQ trading was initiated in the stock of Berkshire Hathaway. This means that the stock now is quoted on the Over-the-Counter page of the Wall Street journal under "Additional OTC Quotes". Prior to such listing, the Wall Street journal and the Dow-Jones news ticker would not report our earnings, even though such earnings were one hundred or more times the level of some companies whose reports they regularly picked up.</p>	<p>1979 年伯克希尔在那斯达克上市，这表示在每天的华尔街日报证券版将可以看得到伯克希尔的报价，在此之前，不管是华尔街日报或是道琼工业指数都没有报导我们经营情况，即使我们的获利数百倍于它们常常提及的一些公司。</p>
<p>Now, however, the Dow-Jones news ticker reports our quarterly earnings promptly after we release them and, in addition, both the ticker and the Wall Street journal report our annual earnings. This solves a dissemination problem that had bothered us.</p>	<p>现在当我们按季公布获利状况后，华尔街日报将会立即报导相关讯息，这将帮我们一举解决了长期困扰着我们发布消息的难题。</p>
<p>In some ways, our shareholder group is a rather</p>	<p>在某些方面，我们的股东是相当特别</p>



<p>unusual one, and this affects our manner of reporting to you. For example, at the end of each year about 98% of the shares outstanding are held by people who also were shareholders at the beginning of the year. Therefore, in our annual report we build upon what we have told you in previous years instead of restating a lot of material. You get more useful information this way, and we don't get bored.</p>	<p>的一群,这影响着我撰写年报的方式。举例来说,每年结束,约有98%股份的股东会保留他们在伯克希尔的持股,因此每年年报的撰写皆延续前一年度,避免一再重复叙述相同的东西,从而大家可获得一些有用的讯息,而我也不会觉得厌烦。</p>
<p>Furthermore, perhaps 90% of our shares are owned by investors for whom Berkshire is their largest security holding, very often far and away the largest. Many of these owners are willing to spend a significant amount of time with the annual report, and we attempt to provide them with the same information we would find useful if the roles were reversed.</p>	<p>此外,约有90%股份的股东其最大的股票投资就是伯克希尔,所以有许多股东愿意花相当的时间在研读每年年报之上,而我们也努力设身处地的提供所有我们认为有用的信息给全体股东。</p>
<p>In contrast, we include no narrative with our quarterly reports. Our owners and managers both have very long time-horizons in regard to this business, and it is difficult to say anything new or meaningful each quarter about events of long-term significance.</p>	<p>相较之下,我们并未花太多时间对每季季报加以着墨,因为所有股东与经营者,皆以长期的眼光来看待这份事业,所以并不是每季都有新的或有重大的事需要报告。</p>
<p>But when you do receive a communication from us, it will come from the fellow you are paying to run the business. Your Chairman has a firm belief that owners are entitled to hear directly from the CEO as to what is going on and how he evaluates the business, currently and prospectively. You would demand that in a private company; you should expect no less in a public company. A once-a-year report of stewardship should not be turned over to a staff specialist or public relations consultant who is unlikely to be in a position to talk frankly on a manager-to-owner basis. We feel that you, as owners, are entitled to the same sort of reporting by your manager as we feel is owed to us at Berkshire Hathaway by managers of our business units. Obviously, the degree of detail must be different, particularly where information would be useful to a business competitor or the like. But the general scope, balance, and level of candor should be similar. We don't expect a public relations document when</p>	<p>当然当各位果真收到某些讯息时,是因为各位付费聘请的董事长-也就是我本人认为一个股东-亦即是公司老板,应该从经理人那边听到有关公司的状况以及其评估此事的看法。你在一般事业所要求的待遇,在伯克希尔这家公开公司一点也不会少。我们认为一年一度的年报,绝对不应该只是交给底下员工或公关顾问处理便了事,而是应该以经理人向老板报告的方式去作才对,也就是像我们希望旗下被投资公司应该跟我们报告的一样。当然,详细的程度不一样,以免竞争者窥视,但大方向与诚挚的态度却并无二致。</p>

<p>our operating managers tell us what is going on, and we don't feel you should receive such a document.</p>	
<p>In large part, companies obtain the shareholder constituency that they seek and deserve. If they focus their thinking and communications on short-term results or short-term stock market consequences they will, in large part, attract shareholders who focus on the same factors. And if they are cynical in their treatment of investors, eventually that cynicism is highly likely to be returned by the investment community.</p>	<p>而事实上，一家公司往往会吸引同类型的人成为其股东，若公司注重的是短期的成果或是股价的波动，则具有这种特色的投资人便会自动上门成为其股东，而若公司对其股东采取轻蔑的态度，最后投资大众亦会以相同的态度回报之。</p>
<p>Phil Fisher, a respected investor and author, once likened the policies of the corporation in attracting shareholders to those of a restaurant attracting potential customers. A restaurant could seek a given clientele - patrons of fast foods, elegant dining, Oriental food, etc. - and eventually obtain an appropriate group of devotees. If the job were expertly done, that clientele, pleased with the service, menu, and price level offered, would return consistently. But the restaurant could not change its character constantly and end up with a happy and stable clientele. If the business vacillated between French cuisine and take-out chicken, the result would be a revolving door of confused and dissatisfied customers.</p>	<p>费雪 (Phil Fisher) 一位令人尊敬的投资专家与作者，曾比喻一家公司吸引股东的方式，就好比餐厅招揽客户的方法一样，餐厅可标榜其特色，如便利的快餐店、优雅的西餐厅或特别的东方食物等，以吸引同一性质的客户群，若服务好、菜色佳、价钱公道，相信客户会一再上门。然而餐厅却不能时常变换其所强调的特色，一下是法国美食、一下又是外带披萨，最后反而可能导致顾客的忿怒与失望。。</p>
<p>So it is with corporations and the shareholder constituency they seek. You can't be all things to all men, simultaneously seeking different owners whose primary interests run from high current yield to long-term capital growth to stock market pyrotechnics, etc.</p>	<p>同样的，一家公司亦不可能同时迎合所有投资大众的口味，有的要高股利报酬、有的要长期资本成长，有的又要短期股价爆炸性成长。</p>
<p>The reasoning of managements that seek large trading activity in their shares puzzles us. In effect, such managements are saying that they want a good many of the existing clientele continually to desert them in favor of new ones - because you can't add lots of new owners (with new expectations) without losing lots of former owners.</p>	<p>所以我们对于一些公司总是希望自家公司的股票保持高周转率感到疑惑不解，感觉上这些公司好象希望原有的股东赶快厌倦而琵琶别抱、另结新欢，以使得新的股东能够抱着新希望、新幻想赶快加入。。</p>
<p>We much prefer owners who like our service and</p>	<p>相反的，我们希望原有股东一直喜欢</p>

<p>menu and who return year after year. It would be hard to find a better group to sit in the Berkshire Hathaway shareholder “seats” than those already occupying them. So we hope to continue to have a very low turnover among our owners, reflecting a constituency that understands our operation, approves of our policies, and shares our expectations. And we hope to deliver on those expectations.</p>	<p>我们的服务、我们的菜单，而且常常来光顾，我们很难找到比原来的股东更好的新股东来加入我们的行列，因此我们期待公司的股份保持极低的周转率，这表示我们的股东了解并认同公司经营的方向与期待的未来。</p>
<p>Prospects</p>	<p>未来前景</p>
<p>Last year we said that we expected operating earnings in dollars to improve but return on equity to decrease. This turned out to be correct. Our forecast for 1980 is the same. If we are wrong, it will be on the downside. In other words, we are virtually certain that our operating earnings expressed as a percentage of the new equity base of approximately \$236 million, valuing securities at cost, will decline from the 18.6% attained in 1979. There is also a fair chance that operating earnings in aggregate dollars will fall short of 1979; the outcome depends partly upon the date of disposition of the bank, partly upon the degree of slippage in insurance underwriting profitability, and partly upon the severity of earnings problems in the savings and loan industry.</p>	<p>去年我曾说过公司的盈余会成长但股东权益报酬率可能会下降，结果正如我所预期，展望 1980 年亦是如此，而我预测错误，那表示可能会更惨。换句话说，我们几乎可以肯定的说，公司营业利益除以期初股东权益 2.36 亿美元(股票投资以原始成本计)所得的报酬率将会比 1979 年的 18.6% 下滑，甚至营业利益本身也有可能比去年减少，其结果取决于何时正式处分银行、保险业核保获利的好坏以及储贷业亏损的严重性。</p>
<p>We continue to feel very good about our insurance equity investments. Over a period of years, we expect to develop very large and growing amounts of underlying earning power attributable to our fractional ownership of these companies. In most cases they are splendid businesses, splendidly managed, purchased at highly attractive prices.</p>	<p>我们对保险事业持有的股票投资依然非常看好，在往后的数年内，我们预期这些部份股权投资将会持续为母公司累积获利，大部份的个案皆属绩优公司且由优秀的人才所管理，而投资的成本更是价美物廉。</p>
<p>Your company is run on the principle of centralization of financial decisions at the top (the very top, it might be added), and rather extreme delegation of operating authority to a number of key managers at the individual company or business unit level. We could just field a basketball team with our corporate headquarters group (which utilizes only about 1500 square feet of space).</p>	<p>本公司有关财务决策一向是属于中央集权，且决策集中于最高当局。但在营运方面却是极端授权予集团子公司或事业体的专业经理人，我们的集团总部占地仅 1,500 平方呎，约合 42 坪左右)总共只有十二人，刚好可以组一只篮球队。</p>

<p>This approach produces an occasional major mistake that might have been eliminated or minimized through closer operating controls. But it also eliminates large layers of costs and dramatically speeds decision-making. Because everyone has a great deal to do, a very great deal gets done. Most important of all, it enables us to attract and retain some extraordinarily talented individuals - people who simply can't be hired in the normal course of events - who find working for Berkshire to be almost identical to running their own show.</p>	<p>也因此和管理上难免会出点差错，但另一方面扁平化的组织却能大幅降低成本并加速决策时程。因为每个人都有很多事可做，所以大家就可以完成很多事。更重要的是这使得我们能请到最优秀的人才来为我们工作，这是一般企业无法作到的，因为这些人就像是在经营自己的事业般尽情发挥。</p>
<p>We have placed much trust in them - and their achievements have far exceeded that trust.</p>	<p>我们对他们寄与相当的厚望，然而他们的表现却远远超出我们的预期。</p>