

Buffett's Letters To Berkshire Shareholders 1990	巴菲特致股东的信 1990 年
<p>Last year we made a prediction: "A reduction [in Berkshire's net worth] is almost certain in at least one of the next three years." During much of 1990's second half, we were on the road to quickly proving that forecast accurate. But some strengthening in stock prices late in the year enabled us to close 1990 with net worth up by \$362 million, or 7.3%. Over the last 26 years (that is, since present management took over) our per-share book value has grown from \$19.46 to \$4,612.06, or at a rate of 23.2% compounded annually.</p>	<p>去年我们曾经预测过，伯克希尔的净值在未来的三年内有可能会减少，结果在 1990 年的下半年我们差点就证明了这项预测的真实性，还好年底前股票价格的上涨使得我们公司的净值，还是较前一个年度增加 7.3%，约 3.62 亿美元；而总计过去 26 年以来（也就是自从现有经营阶层接手后），每股净值从 19 元成长到现在的 4,612 美元，年复合成长率约为 23.2%。</p>
<p>Our growth rate was lackluster in 1990 because our four major common stock holdings, in aggregate, showed little change in market value. Last year I told you that though these companies - Capital Cities/ABC, Coca-Cola, GEICO, and Washington Post - had fine businesses and superb managements, widespread recognition of these attributes had pushed the stock prices of the four to lofty levels. The market prices of the two media companies have since fallen significantly - for good reasons relating to evolutionary industry developments that I will discuss later - and the price of Coca-Cola stock has increased significantly for what I also believe are good reasons. Overall, yearend 1990 prices of our "permanent four," though far from enticing, were a bit more appealing than they were a year earlier.</p>	<p>1990 年成长之所以减缓的原因主要是因为我们四个主要的股票投资市值加总并没有多大的变动所致，去年我曾向各位表示，虽然这些公司-资本城/ABC、可口可乐、GEICO 保险与华盛顿邮报等，拥有良好的企业体质与经营阶层，但是因为这些特点现在已广为投资大众所认同，所以也促使公司股价推升到一个颇高的价位；另外其中两家媒体事业之后的股价又大幅滑落，原因在于后面我会再详细叙述该产业革命性的演进，另外可口可乐的股价也因为我个人也相当认同的原因为大众所接受而大涨，不过总的来说，目前这四大天王的股价，虽然不够吸引人，但比起一年以前来说，要算是合理的多。</p>
<p>Berkshire's 26-year record is meaningless in forecasting future results; so also, we hope, is the one-year record. We continue to aim for a 15% average annual gain in intrinsic value. But, as we never tire of telling you, this goal becomes ever more difficult to reach as our equity base, now \$5.3 billion, increases.</p>	<p>伯克希尔过去 26 年来辉煌的记录并不足以确保未来也会如此发展，当然我们也希望过去一年惨痛的记录也不能代表未来的结果就是如此，我们还是依旧将目标订在每年 15%的实质价值成长率，只是还有一点是过去从未向各位报告的，以我们现在的股权规模，要完成这项任务的门槛是 53 亿美元！</p>
<p>If we do attain that 15% average, our shareholders should fare well. However,</p>	<p>要是我们真的能够达到这样的目标，那么我们的股东一定赚翻了，因为伯</p>

<p>Berkshire's corporate gains will produce an identical gain for a specific shareholder only if he eventually sells his shares at the same relationship to intrinsic value that existed when he bought them. For example, if you buy at a 10% premium to intrinsic value; if intrinsic value subsequently grows at 15% a year; and if you then sell at a 10% premium, your own return will correspondingly be 15% compounded. (The calculation assumes that no dividends are paid.) If, however, you buy at a premium and sell at a smaller premium, your results will be somewhat inferior to those achieved by the company.</p>	<p>克希尔的企业获利将会为那些买卖价格与公司实质价值一致的投资人创造相同的获利，举例来说，如果你以实质价值 10% 的溢价买进伯克希尔股份，假设后来公司实质价值每年成长了 15%，而之后你同样以实质价值 10% 的溢价卖出所持有的股份，则你的投资年报酬率应该也会是 15% (这个例子假设期间公司并未发放任何股利)，当然要是后来你以低于 10% 的溢价卖出股份的话，那么你最后所得到的投资报酬率可能就会低于公司同期间 15% 的报酬率。</p>
<p>Ideally, the results of every Berkshire shareholder would closely mirror those of the company during his period of ownership. That is why Charlie Munger, Berkshire's Vice Chairman and my partner, and I hope for Berkshire to sell consistently at about intrinsic value. We prefer such steadiness to the value-ignoring volatility of the past two years: In 1989 intrinsic value grew less than did book value, which was up 44%, while the market price rose 85%; in 1990 book value and intrinsic value increased by a small amount, while the market price fell 23%.</p>	<p>在理想的情况下，伯克希尔所有的股东的投资报酬，在其拥有公司部份所有权的期间，应该会与 Company 本身的经营成果相符，这也是为什么查理·芒格—伯克希尔的副主席，也是主要的合伙人，和我本身都希望伯克希尔的股价能与其所代表的实质价值维持一定关系的原因，相较于过去两年股市无视价值的任意波动，我们宁愿伯克希尔股价稳定一点，1989 年的实质价值约成长幅度远低于帐面价值 44% 的增加幅度，与股价 85% 的大涨；到了 1990 年，帐面价值与实质价值都略微增加，但同期间的本公司的股票价格却下跌了 23%。。</p>
<p>Berkshire's intrinsic value continues to exceed book value by a substantial margin. We can't tell you the exact differential because intrinsic value is necessarily an estimate; Charlie and I might, in fact, differ by 10% in our appraisals. We do know, however, that we own some exceptional businesses that are worth considerably more than the values at which they are carried on our books.</p>	<p>截至目前为止，伯克希尔的实质价值仍与帐面价值仍有一段不小的差距，不过我们无法告诉你实际的数字是多少，因为实质价值本身就是一个估计数，事实上光是查理与我自己本身所估出来的数字就可能有超过 10% 的差距，不过可以确信的是，我们所拥有的一些优秀的企业其实际的价值远高于列示在公司帐上的投资成本。</p>
<p>Much of the extra value that exists in our businesses has been created by the managers now running them. Charlie and I feel free to brag about this group because we had nothing to do with developing the skills they possess: These superstars just came that way. Our job is merely to identify talented managers and provide an</p>	<p>我们的被投资公司之所以能够拥有这么多额外的价值，完全要归功于经营它们的这批优秀经理人，查理跟我可以很自在地夸耀这支团队，因为他们之所以能够拥有这些才能与我们一点关系都没有，这些超级经理人一直都是如此，而我们的工作只不过是发掘</p>

<p>environment in which they can do their stuff. Having done it, they send their cash to headquarters and we face our only other task: the intelligent deployment of these funds.</p>	<p>这些有才能的经理人同时提供一个环境，让他们可以好好地发挥，就这样他们就会将现金源源不绝地送回总部，接下来我们就会面临另一项重要的任务-如何有效地运用这些资金。</p>
<p>My own role in operations may best be illustrated by a small tale concerning my granddaughter, Emily, and her fourth birthday party last fall. Attending were other children, adoring relatives, and Beemer the Clown, a local entertainer who includes magic tricks in his act.</p>	<p>我个人在营运上扮演的角色可由我孙女 Emily 的一个小故事来做说明，去年秋天在她四岁的生日宴会上，参加的人除了小朋友与疼爱她的家人之外，还有一位小丑演员 Beemer，席间他还特地为大家表演了一段魔术。</p>
<p>Beginning these, Beemer asked Emily to help him by waving a "magic wand" over "the box of wonders." Green handkerchiefs went into the box, Emily waved the wand, and Beemer removed blue ones. Loose handkerchiefs went in and, upon a magisterial wave by Emily, emerged knotted. After four such transformations, each more amazing than its predecessor, Emily was unable to contain herself. Her face aglow, she exulted: "Gee, I'm really good at this."</p>	<p>一开始 Beemer 请 Emily 帮他拿一支神奇的魔棒在一个宝贝箱上挥舞，绿色的手帕放进箱子里，在 Emily 挥了棒子一下之后，跑出来蓝色的手帕；接着又放进一条手帕，Emily 又挥了一下，这回跑出一条打结的手帕，经过四回合一次比一次精彩的表演之后，Emily 喜不自胜，脸上发光沾沾自喜的大叫，“我实在是太厉害了！”</p>
<p>And that sums up my contribution to the performance of Berkshire's business magicians - the Blumkins, the Friedman family, Mike Goldberg, the Heldmans, Chuck Huggins, Stan Lipsey and Ralph Schey. They deserve your applause.</p>	<p>这就是我在伯克希尔的所有贡献，感谢旗下企业所有的魔术师- Blumkins 家族、Friedman 家族、Mike Goldberg、the Heldmans、Chuck Huggins、Stan Lipsey 与 Ralph Schey 等人，请为这些人精彩的演出给予热烈的掌声。</p>
<p>Sources of Reported Earnings</p>	<p>帐列盈余的来源</p>
<p>The table below shows the major sources of Berkshire's reported earnings. In this presentation, amortization of Goodwill and other major purchase-price accounting adjustments are not charged against the specific businesses to which they apply, but are instead aggregated and shown separately. This procedure lets you view the earnings of our businesses as they would have been reported had we not purchased them. I've explained in past reports why this form of presentation seems to us to be more useful to investors and managers than one utilizing generally accepted accounting principles (GAAP), which require purchase-price adjustments to be made on a business-by-business</p>	<p>下表显示伯克希尔帐列盈余的主要来源，在这张表中商誉的摊销数与购买法会计调整数会从个别被投资公司分离出来，单独加总列示，之所以这样做是为了让旗下各事业的盈余状况，不因我们的投资而有所影响，过去我一再地强调我们认为这样的表达方式，较之一般公认会计原则要求以个别企业基础做调整，不管是对投资者或是管理者来说，更有帮助，当然最后损益加总的数字仍然会与经会计师查核的数字一致。</p>

<p>basis. The total net earnings we show in the table are, of course, identical to the GAAP total in our audited financial statements.</p>	
<p>Much additional information about these businesses is given on pages 39-46, where you also will find our segment earnings reported on a GAAP basis. For information on Wesco's businesses, I urge you to read Charlie Munger's letter, which starts on page 56. His letter also contains the clearest and most insightful discussion of the banking industry that I have seen.</p>	<p>年报中还有企业个别部门的信息，有关 Wesco 公司的信息，我强烈建议大家看看查理孟格所写的年报，里头包含我看过对银行产业写的最详尽精辟的分析。</p>
<p>We refer you also to pages 47-53, where we have rearranged Berkshire's financial data into four segments. These correspond to the way Charlie and I think about the business and should help you more in estimating Berkshire's intrinsic value than consolidated figures would do. Shown on these pages are balance sheets and earnings statements for: (1) our insurance operations, with their major investment positions itemized; (2) our manufacturing, publishing and retailing businesses, leaving aside certain non-operating assets and purchase-price accounting adjustments; (3) our subsidiaries engaged in finance-type operations, which are Mutual Savings and Scott Fetzer Financial; and (4) an all-other category that includes the non-operating assets (primarily marketable securities) held by the companies in segment (2), all purchase-price accounting adjustments, and various assets and debts of the Wesco and Berkshire parent companies.</p>	<p>目前我们已将伯克希尔的财务信息重新分类为四大部门，这是查理跟我认为最可以帮助大家计算本公司实质价值的最好方式，以下的资产负债表与盈余表就是依此分类表示(1) 保险事业，另将主要投资部位归类(2) 制造、出版与零售事业，扣除非本业资产与购买法的会计调整(3) 金融业的子公司-诸如联合储贷与史考特飞兹财务公司(4) 其它项目，包含前述非营业资产(主要是有价证券投资)与购买法调整，还有 Wesco 与伯克希尔母公司一些其它的资产与负债。</p>
<p>If you combine the earnings and net worths of these four segments, you will derive totals matching those shown on our GAAP statements. However, I want to emphasize that this four-category presentation does not fall within the purview of our auditors, who in no way bless it.</p>	<p>如果你将这四个部门的盈余与净值加总，会得到与经会计师依一般公认会计原则查核一致的数字，然而我还是必须强调这种表达方式并未经过会计师的检视，我想他宁可选择不要看的好。</p>
<p>"Look-Through" Earnings</p>	<p>透视盈余</p>
<p>The term "earnings" has a precise ring to it. And when an earnings figure is accompanied by an unqualified auditor's certificate, a naive</p>	<p>盈余这个名词有一个明确的定义，而当盈余数字再加上会计师无保留意见的背书后，单纯的投资人可能就会以</p>

<p>reader might think it comparable in certitude to pi, calculated to dozens of decimal places.</p>	<p>为它是像圆周率一样经过计算，可以到好几个小数点般精确。</p>
<p>In reality, however, earnings can be as pliable as putty when a charlatan heads the company reporting them. Eventually truth will surface, but in the meantime a lot of money can change hands. Indeed, some important American fortunes have been created by the monetization of accounting mirages.</p>	<p>然而事实上，当公司盈余数字是由骗徒所主导时，盈余可能像油灰一样地脆弱，当然到最后真相一定会大白，但在此同时一大笔财富可能已经换手，确实许多美国财富传奇就是靠着这种会计数字假象所创造出来的。</p>
<p>Funny business in accounting is not new. For connoisseurs of chicanery, I have attached as Appendix A on page 22 a previously unpublished satire on accounting practices written by Ben Graham in 1936. Alas, excesses similar to those he then lampooned have many times since found their way into the financial statements of major American corporations and been duly certified by big-name auditors. Clearly, investors must always keep their guard up and use accounting numbers as a beginning, not an end, in their attempts to calculate true "economic earnings" accruing to them.</p>	<p>有趣的企业会计并不是件新鲜事，对于企业诈骗的专家，我特别附上班哲明葛拉罕在 1936 年所写未经出版有关会计做帐的讽刺性文章，自此之后，我们可以发现这种葛拉罕所描写的方法散见于各大美国企业财务报表中，而且全部都经过各大会计师事务所签证背书，所以对此投资人必须特别提高警戒，要了解在计算一家公司的实质的经济盈余时，会计数字只不过是出发点，而绝非是最后的结果。</p>
<p>Berkshire's own reported earnings are misleading in a different, but important, way: We have huge investments in companies ("investees") whose earnings far exceed their dividends and in which we record our share of earnings only to the extent of the dividends we receive. The extreme case is Capital Cities/ABC, Inc. Our 17% share of the company's earnings amounted to more than \$83 million last year. Yet only about \$530,000 (\$600,000 of dividends it paid us less some \$70,000 of tax) is counted in Berkshire's GAAP earnings. The residual \$82 million-plus stayed with Cap Cities as retained earnings, which work for our benefit but go unrecorded on our books.</p>	<p>伯克希尔本身的盈余在某些重要的方面也有所误导，首先我们主要的被投资公司其实际盈余远高于后来发放的股利，而伯克希尔帐列的盈余也仅限于这些已发放的股利收入，最明显的例子就是资本城/ABC 公司，若依照我们持股 17% 的比例，去年可分得的利润是 8,300 万美元，但伯克希尔依照一般公认会计原则所认列的投资利益却只有 53 万美元(亦即 60 万股利收入扣除 7 万美元的税负)，剩下 8,200 多万的盈余则保留在该公司的帐上，虽然实际上对我们大有益处，但在我们公司的帐上却一点踪迹都没有。</p>
<p>Our perspective on such "forgotten-but-not-gone" earnings is simple: The way they are accounted for is of no importance, but their ownership and subsequent utilization is all-important. We care not whether the auditors hear a tree fall in the forest; we do care who owns the tree and what's next done with it.</p>	<p>我们对于这种被遗忘但却存在的盈余的态度很简单，到底认不认列数字一点都不重要，最重要的是我们可以确定这些盈余可以为我们所有且会被充分加以运用，我们不在乎听到会计师说森林中有一棵树被砍倒了，我们在乎的是这棵树是不是属于我们的，以及之后要如何来处理它。</p>

<p>When Coca-Cola uses retained earnings to repurchase its shares, the company increases our percentage ownership in what I regard to be the most valuable franchise in the world. (Coke also, of course, uses retained earnings in many other value-enhancing ways.) Instead of repurchasing stock, Coca-Cola could pay those funds to us in dividends, which we could then use to purchase more Coke shares. That would be a less efficient scenario: Because of taxes we would pay on dividend income, we would not be able to increase our proportionate ownership to the degree that Coke can, acting for us. If this less efficient procedure were followed, however, Berkshire would report far greater "earnings."</p>	<p>当可口可乐利用保留盈余来买回自家股份，该公司等于间接增加我们的持股比例，也就是此举让我认定这家公司是全世界最好的企业(当然可口可乐还将资金运用在很多加强公司利益的地方上)，除了买回股份，可口可乐也可以将这些资金以股利的方式退还给股东，然后我们同样可以利用这笔钱买进更多可口可乐的股票，只是后面这种做法比较没有效率，因为如此还要支付额外的所得税，使得最后所得到的持股比例比前面的方式少一点，而讽刺的是要是利用后面的那种做法，伯克希尔的帐面盈余可能还会更好看。</p>
<p>I believe the best way to think about our earnings is in terms of "look-through" results, calculated as follows: Take \$250 million, which is roughly our share of the 1990 operating earnings retained by our investees; subtract \$30 million, for the incremental taxes we would have owed had that \$250 million been paid to us in dividends; and add the remainder, \$220 million, to our reported operating earnings of \$371 million. Thus our 1990 "look-through earnings" were about \$590 million.</p>	<p>我个人相信最好的方式是利用透视的方法来衡量伯克希尔的盈余，2亿5,000万美元大概是我们在1990年可以从被投资公司那边未分配到的营业利润，扣除3,000万的额外股利所得税，再将剩下的2亿2,000万美元加到本来的帐列盈余3亿7,100万，所得的5亿9,000万大概就是我们经过透视的真正盈余。</p>
<p>As I mentioned last year, we hope to have look-through earnings grow about 15% annually. In 1990 we substantially exceeded that rate but in 1991 we will fall far short of it. Our Gillette preferred has been called and we will convert it into common stock on April 1. This will reduce reported earnings by about \$35 million annually and look-through earnings by a much smaller, but still significant, amount. Additionally, our media earnings - both direct and look-through - appear sure to decline. Whatever the results, we will post you annually on how we are doing on a look-through basis.</p>	<p>就像我去年曾经提到的，我希望我们的透视盈余每年都能够成长15%，在1990年我们确实大幅超越这个比率，但1991年结果却差很多，我们在吉列的可转换特别股投资已经被赎回，我们将在4月1日把它们转为普通股投资，虽然这将会使得我们每年的帐面盈余减少3,500万，透视盈余也会跟着减少，另外我们在媒体事业的直接与透视盈余也可能下滑，但不论如何，我们每年还是会向大家报告透视盈余的计算结果。</p>
<p>Non-Insurance Operations</p>	<p>非保险营运</p>
<p>Take another look at the figures on page 51, which aggregate the earnings and balance sheets of our non-insurance operations. After-tax earnings on average equity in 1990 were 51%, a result that</p>	<p>看看52页的那些数字，亦即我们非保险事业的盈余与资产负债加总，1990年的平均股东权益报酬率是51%，这个获利能力在1989年的财星五百大</p>

would have placed the group about 20th on the 1989 Fortune 500.	可以排在前 20 名。
Two factors make this return even more remarkable. First, leverage did not produce it: Almost all our major facilities are owned, not leased, and such small debt as these operations have is basically offset by cash they hold. In fact, if the measurement was return on assets – a calculation that eliminates the effect of debt upon returns – our group would rank in Fortune’s top ten.	还有两项因素使得这样的成绩显得更为出色, 第一它们完全不靠融资杠杆, 几乎所有的主要设备都是自有而不是向外面租的, 仅有的负债可以由自有的现金完全抵销, 事实上若讲到资产报酬率, 亦即扣除负债对于盈余的影响, 我们非保险事业甚至可以排在前 10 名。
Equally important, our return was not earned from industries, such as cigarettes or network television stations, possessing spectacular economics for all participating in them. Instead it came from a group of businesses operating in such prosaic fields as furniture retailing, candy, vacuum cleaners, and even steel warehousing. The explanation is clear: Our extraordinary returns flow from outstanding operating managers, not fortuitous industry economics.	同样重要的是我们的获利并不是来自于像香烟或是电视台这些拥有特殊经济形态的产业, 相反地它们是来自于一些再平凡不过的产业, 诸如家具零售、糖果、吸尘器甚至是钢铁仓储等, 这样的解释很明白, 我们得来不易的报酬主要是靠优秀杰出的经理人后天的努力而非先天的产业环境优势。
Let’s look at the larger operations:	让我们来看看其中比较大的营运
o It was a poor year for retailing – particularly for big-ticket items – but someone forgot to tell Ike Friedman at Borsheim’s. Sales were up 18%. That’s both a same-stores and all-stores percentage, since Borsheim’s operates but one establishment.	去年对零售业来说算是相当惨淡的一年, 尤其是单价高的东西, 不过大家可能是忘了提醒在波仙珠宝店 Ike Friedman 这项事实, 导致他店里的业绩逆势成长了 18%, 这是单店也是全店的数字, 自从波仙仅此一家别无分号的老店开幕以来就是如此。
But, oh, what an establishment! We can’t be sure about the fact (because most fine-jewelry retailers are privately owned) but we believe that this jewelry store does more volume than any other in the U. S., except for Tiffany’s New York store.	喔! 超厉害的一家店, 我们实在不太敢相信这是事实, (因为大部分最高级的珠宝店多是私人拥有), 但我们却相信这家店除了纽约的 Tiffany 之外, 全美其它所有的珠宝店没有一家比得上它。
Borsheim’s could not do nearly that well if our customers came only from the Omaha metropolitan area, whose population is about 600,000. We have long had a huge percentage of greater Omaha’s jewelry business, so growth in that market is necessarily limited. But every year business from non-Midwest customers grows dramatically. Many visit the store in person. A large number	波仙的客户群若只有大奥玛哈都会区 600 万人口的话, 生意可能没有办法做的那么大, 长久以来我们在奥玛哈地区的占有率一直就很高, 不过这部份的成长潜力实在是有限, 所幸每年来自非中西部地区的生意都大幅成长, 很多都是客户自己慕名而来单独上门, 但还有一大部分是透过相当有

<p>of others, however, buy through the mail in a manner you will find interesting.</p>	<p>趣的邮购方式购买我们的产品。</p>
<p>These customers request a jewelry selection of a certain type and value - say, emeralds in the \$10,000 - \$20,000 range - and we then send them five to ten items meeting their specifications and from which they can pick. Last year we mailed about 1,500 assortments of all kinds, carrying values ranging from under \$1,000 to hundreds of thousands of dollars.</p>	<p>这些客户大多指定要一定品质与价位的珠宝，例如 1 万到 2 万美元的绿宝石，之后我们会送上五到十个符合他们要求的样品供他们做挑选，去年我们总共寄出超过 1,500 种组合，每种组合的价值从 1,000 美元到几十万美元不等。</p>
<p>The selections are sent all over the country, some to people no one at Borsheim's has ever met. (They must always have been well recommended, however.) While the number of mailings in 1990 was a record, Ike has been sending merchandise far and wide for decades. Misanthropes will be crushed to learn how well our "honor-system" works: We have yet to experience a loss from customer dishonesty.</p>	<p>这些产品被分送到全美各地，有些人是波仙素未谋面的，(当然他们必须要经过别人郑重的推荐)，虽然这个数量在 1990 年达到高峰，但事实 Ike 在几十年以前就开始这样的创举，厌世者在得知我们所实施的荣誉制度可能会崩溃，截至目前为止我们还没有因为客户的不诚实而遭受损失。</p>
<p>We attract business nationwide because we have several advantages that competitors can't match. The most important item in the equation is our operating costs, which run about 18% of sales compared to 40% or so at the typical competitor. (Included in the 18% are occupancy and buying costs, which some public companies include in "cost of goods sold.") Just as Wal-Mart, with its 15% operating costs, sells at prices that high-cost competitors can't touch and thereby constantly increases its market share, so does Borsheim's. What works with diapers works with diamonds.</p>	<p>我们之所以能够吸引全美各地的生意上门主要是因为我们有几项优势是其它竞争对手所无法比拟的，其中最重要的一项就是经营的成本，相较于同业的 40% 的高比率，波仙的营业成本大概是营业额的 18% (这包含持有与买进成本，有些公开发行的大公司还把他们的列在销货成本项下)，就像是 Wal-Mart 的营业费用率只有 15%，因此可以以其它高成本竞争者无法达到的价位销售，从而持续地增加其市场占有率，波仙也是如此，同样的方式除了卖尿布以外，换做于卖钻石一样管用。</p>
<p>Our low prices create huge volume that in turn allows us to carry an extraordinarily broad inventory of goods, running ten or more times the size of that at the typical fine-jewelry store. Couple our breadth of selection and low prices with superb service and you can understand how Ike and his family have built a national jewelry phenomenon from an Omaha location.</p>	<p>由于价格低廉所以销售数量也相当大，因此我们可以备有各式各样的产品存货，比起其它店规模与数量甚至超过十倍之多，除了种类齐全、价格低廉之外，再加上我们贴心的服务，这也是为什么 Ike 与他的家庭可以在奥玛哈这个小地方创造出全美闻名的珠宝传奇。</p>
<p>And family it is. Ike's crew always includes son Alan and sons-in-law Marvin Cohn and Donald Yale. And when things are busy - that's often - they</p>	<p>真是虎父无犬子，Ike 的团队总少不了他儿子 Alan 与女婿 Marvin 和 Donald，而且要是生意忙不过来的话，</p>

<p>are joined by Ike's wife, Roz, and his daughters, Janis and Susie. In addition, Fran Blumkin, wife of Louie (Chairman of Nebraska Furniture Mart and Ike's cousin), regularly pitches in. Finally, you'll find Ike's 89-year-old mother, Rebecca, in the store most afternoons, Wall Street Journal in hand. Given a family commitment like this, is it any surprise that Borsheim's runs rings around competitors whose managers are thinking about how soon 5 o'clock will arrive?</p>	<p>Ike 的老婆 Roz 跟他的女儿们 Janis 与 Susie 还会跳进来帮忙, 另外 Fran Blumkin-Louie 的老婆(内布拉斯加家具店的老板-Ike 的侄子), 有时也会插花帮忙, 最后大家绝对不要忘了还有高龄 89 岁的老祖母 Rebecca, 每天下午都会手拿华尔街日报坐镇店里, 能够有一个家族像这样的投入, 也难怪他们可以轻松击败那些由每天只等五点下班的专业经理人所经营的店。</p>
<p>o While Fran Blumkin was helping the Friedman family set records at Borsheim's, her sons, Irv and Ron, along with husband Louie, were setting records at The Nebraska Furniture Mart. Sales at our one-and-only location were \$159 million, up 4% from 1989. Though again the fact can't be conclusively proved, we believe NFM does close to double the volume of any other home furnishings store in the country.</p>	<p>当 Fran Blumkin 帮助 Friedman 家族创造波仙珠宝店的记录时, 她的先生 Louie 再搭配儿子 Irv 与 Ron, 同时也在内布拉斯加家具店创造记录, 1990 年单店的营业额 1.59 亿美元, 较前一年度增加 4%, 虽然没有精确的统计数字, 但我们相信 NFM 的销售量最少是全美其它同业的两倍以上。</p>
<p>The NFM formula for success parallels that of Borsheim's. First, operating costs are rock-bottom - 15% in 1990 against about 40% for Levitz, the country's largest furniture retailer, and 25% for Circuit City Stores, the leading discount retailer of electronics and appliances. Second, NFM's low costs allow the business to price well below all competitors. Indeed, major chains, knowing what they will face, steer clear of Omaha. Third, the huge volume generated by our bargain prices allows us to carry the broadest selection of merchandise available anywhere.</p>	<p>NFM 成功的方程式与波仙十分的相近, 首先经营成本实在是够低, 1990 年相较于全美最大家具零售商 Levitz 的 40% 与家用电器折扣量贩店 Circuit City 的 25%, NFM 竟只有 15%, 第二也由于成本低, 所以 NFM 的产品订价就可以比竞争同业低许多, 事实上许多通路商也很清楚这一点, 所以他们唯一的做法就是尽量远离奥玛哈地区, 第三便宜的价格导致销量大好, 从而可以让我们备有更多别处所看不到, 种类齐全的产品。</p>
<p>Some idea of NFM's merchandising power can be gleaned from a recent report of consumer behavior in Des Moines, which showed that NFM was Number 3 in popularity among 20 furniture retailers serving that city. That may sound like no big deal until you consider that 19 of those retailers are located in Des Moines, whereas our store is 130 miles away. This leaves customers driving a distance equal to that between Washington and Philadelphia in order to shop with us, even though they have a multitude of alternatives next</p>	<p>有关 NFM 的商品魔力可以从最近 Des Moines 地区的消费者行为调查报告中看出端倪, NFM 在该地区所有的 20 家家具零售商当中排名第三, 这讯息乍听之下或许没什么了不得, 但你可知道其它 19 家都位在 Des Moines, 除了 NFM 离该地区足足有 130 英里远, 这距离代表当地的居民虽然在附近有更多的选择, 却还是情愿大老远开车走相当从华盛顿到费城的距离, 只为了买我们的产品, 事实上 NFM 就像波</p>

<p>door. In effect, NFM, like Borsheim's, has dramatically expanded the territory it serves – not by the traditional method of opening new stores but rather by creating an irresistible magnet that employs price and selection to pull in the crowds.</p>	<p>仙一样，急速地扩张其版图范围，靠的不是传统地展店模式，而是利用价格与种类散发出强烈的磁场，吸引客户远道而来。</p>
<p>Last year at the Mart there occurred an historic event: I experienced a counterrevelation. Regular readers of this report know that I have long scorned the boasts of corporate executives about synergy, deriding such claims as the last refuge of scoundrels defending foolish acquisitions. But now I know better: In Berkshire's first synergistic explosion, NFM put a See's candy cart in the store late last year and sold more candy than that moved by some of the full-fledged stores See's operates in California. This success contradicts all tenets of retailing. With the Blumkins, though, the impossible is routine.</p>	<p>去年在家具店发生了一件重大的历史事件，使我经历了一次自我反省，经常阅读我们年报的读者应该都知道长久以来我对于企业主管动不动就强调的企业综效饬之以鼻，认为这不过是经营阶层对于愚蠢购并案所作的推托之词，不过现在我学乖了，在伯克希尔我们创造出第一个企业综效，NFM在去年底决定在店内摆设喜斯的糖果车，结果所卖出的糖果甚至比加州的旗舰店还要多，这次的成功打破了所有零售业的定律，有B太太家族在，所有不可能的事都变成家常便饭。</p>
<p>o At See's, physical volume set a record in 1990 – but only barely and only because of good sales early in the year. After the invasion of Kuwait, mall traffic in the West fell. Our poundage volume at Christmas dropped slightly, though our dollar sales were up because of a 5% price increase.</p>	<p>提到喜斯糖果，1990年的销售数量又创新高，不过成长相当有限且主要是拜年初业绩大好所致，在伊拉克入侵科威特之后，西方世界的交通活动大减，使得圣诞节的销售数量稍微下滑，虽然因为调整价格的关系，使得我们的营收成长了5%。</p>
<p>That increase, and better control of expenses, improved profit margins. Against the backdrop of a weak retailing environment, Chuck Huggins delivered outstanding results, as he has in each of the nineteen years we have owned See's. Chuck's imprint on the business – a virtual fanaticism about quality and service – is visible at all of our 225 stores.</p>	<p>销售金额增加加上营业费用控制得当，获利也有所改善，面对零售业大环境不佳的窘境，就如同过去他接手后的19年，Chuck Huggins还是一如往常递出漂亮的成绩单，Chuck对于品质与服务的坚持，在我们所有225家分店中都看得到。</p>
<p>One happening in 1990 illustrates the close bond between See's and its customers. After 15 years of operation, our store in Albuquerque was endangered: The landlord would not renew our lease, wanting us instead to move to an inferior location in the mall and even so to pay a much higher rent. These changes would have wiped out the store's profit. After extended negotiations got us nowhere, we set a date for closing the</p>	<p>1990年所发生的一件事最足以说明喜斯糖果与客户之间紧密的关系，经过15年的营运，我们在Albuquerque的分店经营发生危机，地主不愿与我们继续签订租约，反而希望我们搬到购物商场地点较差的摊位，并且还要调涨租金，如此一来将会把我们仅有的利润给吃光，经过协调不成，迫不得已我们贴出的即将停业的告示。</p>

store.	
On her own, the store's manager, Ann Filkins, then took action, urging customers to protest the closing. Some 263 responded by sending letters and making phone calls to See's headquarters in San Francisco, in some cases threatening to boycott the mall. An alert reporter at the Albuquerque paper picked up the story. Supplied with this evidence of a consumer uprising, our landlord offered us a satisfactory deal. (He, too, proved susceptible to a counterrevelation.)	之后靠着店经理 Ann Filkins 个人的努力, 采取行动敦促客户们像房东表达抗议, 总计有 263 位客户写信或打电话到喜斯位于旧金山的总部, 有的甚至扬言要抵制购物商场, 甚至引起当地记者的注意, 大幅刊载这项消息, 有了众多客户的支持, 房东最后终于妥协, 提供一个令我们满意的条件(我想他应该也得到一个自我反省的机会教育)。
Chuck subsequently wrote personal letters of thanks to every loyalist and sent each a gift certificate. He repeated his thanks in a newspaper ad that listed the names of all 263. The sequel: Christmas sales in Albuquerque were up substantially.	事后 Chuck 对喜斯所有忠实的支持者一一写给每个人亲笔的感谢函, 并在报纸上刊登所有 263 位客户名单, 后续的发展是我们在 Albuquerque 分店的业绩大幅成长。
o Charlie and I were surprised at developments this past year in the media industry, including newspapers such as our Buffalo News. The business showed far more vulnerability to the early stages of a recession than has been the case in the past. The question is whether this erosion is just part of an aberrational cycle - to be fully made up in the next upturn - or whether the business has slipped in a way that permanently reduces intrinsic business values.	查理跟我对于过去几年媒体事业的发展感到相当的意外, 包含水牛城日报等报纸在内, 这个产业现在因为经济衰退所受到的伤害, 要比过去的经验要来的严重许多, 问题是这种退化只是因为景气循环的暂时失调呢?(意味着下次景气翻扬会再回复), 或是有可能一去不复返, 企业的价值就此永远地流失掉。
Since I didn't predict what <i>has</i> happened, you may question the value of my prediction about what <i>will</i> happen. Nevertheless, I'll proffer a judgment: While many media businesses will remain economic marvels in comparison with American industry generally, they will prove considerably less marvelous than I, the industry, or lenders thought would be the case only a few years ago.	因为我没能预料到已经发生的事, 所以你可能会质疑我预测未来的能力, 尽管如此我还是提供个人的判断供大家参考, 虽然相较于美国其它产业, 媒体事业仍然维持一个不错的经济荣景, 不过还是远不如我个人、产业界或是借款人几年前的预期。
The reason media businesses have been so outstanding in the past was not physical growth, but rather the unusual pricing power that most participants wielded. Now, however, advertising dollars are growing slowly. In addition, retailers that do little or no media advertising (though they sometimes use the Postal Service)	媒体事业过去之所以能有如此优异的表现, 并不是因为销售数量上的成长, 而主要是靠所有的业者运用非比寻常的价格主导力量, 不过时至今日, 广告预算成长已大不如前, 此外逐渐取得商品销售市场占有率的一般零售通路商根本就不做媒体广告(虽然有时

<p>have gradually taken market share in certain merchandise categories. Most important of all, the number of both print and electronic advertising channels has substantially increased. As a consequence, advertising dollars are more widely dispersed and the pricing power of ad vendors has diminished. These circumstances materially reduce the intrinsic value of our major media investments and also the value of our operating unit, Buffalo News – though all remain fine businesses.</p>	<p>他们会做邮购服务),最重要的是印刷与电子广告媒体通路大幅增加,因此广告预算被大幅度地分散稀释,广告商的议价能力逐渐丧失殆尽,这种现象大大地减低我们所持有几个主要媒体事业投资与水牛城报纸的实际价值,虽然大体而言,他们都还算是不错的企业。</p>
<p>Notwithstanding the problems, Stan Lipsey's management of the News continues to be superb. During 1990, our earnings held up much better than those of most metropolitan papers, falling only 5%. In the last few months of the year, however, the rate of decrease was far greater.</p>	<p>不看这些问题, Stan Lipsey 的新闻事业经营还是相当杰出,1990 年我们的盈余比起其它主要都会地区的报纸要好的多,大概只下滑了 5%,虽然去年有几个月份,减少的幅度稍微大了一点。</p>
<p>I can safely make two promises about the News in 1991: (1) Stan will again rank at the top among newspaper publishers; and (2) earnings will fall substantially. Despite a slowdown in the demand for newsprint, the price per ton will average significantly more in 1991 and the paper's labor costs will also be considerably higher. Since revenues may meanwhile be down, we face a real squeeze.</p>	<p>展望 1991 年我可以很安心地向大家做出两个保证(1)Stan 将会继续在所有的主要新闻出版者当中名列前茅(2) 盈余一定会大幅缩水,因为虽然新闻印刷需求大幅缩水,但每吨印刷成本与劳工成本还是会大幅增加,再加上营收下降,面临两头挤压的窘境。</p>
<p>Profits may be off but our pride in the product remains. We continue to have a larger "news hole" – the portion of the paper devoted to news – than any comparable paper. In 1990, the proportion rose to 52.3% against 50.1% in 1989. Alas, the increase resulted from a decline in advertising pages rather than from a gain in news pages. Regardless of earnings pressures, we will maintain at least a 50% news hole. Cutting product quality is not a proper response to adversity.</p>	<p>获利虽然缩水,但我们对于产品依然感到骄傲,比起其它相同规模的报纸,我们拥有超高的新闻比率-新闻占报纸所有版面的比率,从 1989 年的 50.1%增加为 52.3%,只可惜增加的原因是因为广告量的减少,而不是新闻版面的增加,虽然受到盈余不小的压力,但我们还是会坚持 50%的新闻比率,降低产品的品质不是身处逆境最好的应对方式。</p>
<p>o The news at Fechheimer, our manufacturer and retailer of uniforms, is all good with one exception: George Heldman, at 69, has decided to retire. I tried to talk him out of it but he had one irrefutable argument: With four other Heldmans – Bob, Fred, Gary and Roger – to carry on, he was leaving us with an abundance</p>	<p>接下来是我们制服的制造与销售商费区海默的好消息,除了一个坏消息之外,那就是 69 岁的 George Heldman 决定要退休,我曾经试着说服他,不过他有一项令人无法拒绝的理由,因为他留下了其它四位 Heldmans 家族的成员-Bob、Fred、Gary 与 Roger 做</p>

of managerial talent.	接班。
Fechheimer's operating performance improved considerably in 1990, as many of the problems we encountered in integrating the large acquisition we made in 1988 were moderated or solved. However, several unusual items caused the earnings reported in the "Sources" table to be flat. In the retail operation, we continue to add stores and now have 42 in 22 states. Overall, prospects appear excellent for Fechheimer.	费区海默的经营绩效在 1990 年又大幅增进,因为先前在 1988 年大型的购并所产生的问题已逐渐获得解决,然而由于几个特殊的事件使得我们今年的盈余表现平平,在零售的部份,我们持续地拓展店面,目前在全美 22 个州拥有 42 家店,总言之,我们对于费区海默的前景仍然相当看好。
o At Scott Fetzer, Ralph Schey runs 19 businesses with a mastery few bring to running one. In addition to overseeing three entities listed on page 6 - World Book, Kirby, and Scott Fetzer Manufacturing - Ralph directs a finance operation that earned a record \$12.2 million pre-tax in 1990.	轮到史考特飞兹, Ralph Schey 经营 19 家企业的手法比起一般人经营一个还娴熟,除了后面所叙述的三家企业-世界百科全书、寇比吸尘器与史考特飞兹制造公司之外, Ralph 甚至还掌管一家年税前获利 1,220 万美元的财务公司。
Were Scott Fetzer an independent company, it would rank close to the top of the Fortune 500 in terms of return on equity, although it is not in businesses that one would expect to be economic champs. The superior results are directly attributable to Ralph.	如果史考特飞兹是一个独立的集团,它在财富五百大股东权益报酬率的排名一定能名列前茅,虽然它所处的产业很难出现耀眼的明星,但这些难得的成绩全都要归功于 Ralph。
At World Book, earnings improved on a small decrease in unit volume. The costs of our decentralization move were considerably less in 1990 than 1989 and the benefits of decentralization are being realized. World Book remains far and away the leader in United States encyclopedia sales and we are growing internationally, though from a small base.	世界百科全书,虽然销售数量略微下滑,但盈余却变佳,1990 年因分散决策中心的做法所须负担的成本较 1989 年减少,而其所带来的效益却逐渐显现,世界百科全书在全美百科全书销售中依旧独占鳌头,至于海外市场方面虽然基础规模较小,但却持续地成长中。
Kirby unit volume grew substantially in 1990 with the help of our new vacuum cleaner, The Generation 3, which was an unqualified success. Earnings did not grow as fast as sales because of both start-up expenditures and "learning-curve" problems we encountered in manufacturing the new product. International business, whose dramatic growth I described last year, had a further 20% sales gain in 1990. With the aid of a recent price increase, we expect excellent earnings at Kirby in 1991.	受惠于新款的真空吸尘器,寇比在 1990 年的销售数量大增,第三代的推出无疑是一大胜利,由于先期开发成本与新产品制造所面临的学习曲线问题,使得获利增加不若营收成长的幅度,海外市场方面相较于去年爆炸性的成长,今年再度有 20% 的成长,而由于最近产品价格再度调涨,我们预期寇比在 1991 年的获利应该会更好。
Within the Scott Fetzer Manufacturing Group, Campbell Hausfeld, its largest unit, had a	至于史考特飞兹制造公司部份,最大的单位 Campbell Hausfeld 今年的表

<p>particularly fine year. This company, the country's leading producer of small and medium-sized air compressors, achieved record sales of \$109 million, more than 30% of which came from products introduced during the last five years.</p>	<p>现特别好，它是全美中小型空气压缩机的领导品牌，年度营业额创下 1.09 亿美元的新高，其中有 30% 的营收来自于最近五年新推出的产品。</p>
<p>In looking at the figures for our non-insurance operations, you will see that net worth increased by only \$47 million in 1990 although earnings were \$133 million. This does not mean that our managers are in any way skimping on investments that strengthen their business franchises or that promote growth. Indeed, they diligently pursue both goals.</p>	<p>在看我们非保险业的营运数字时，大家可能会好奇为何我们年度的盈余有 1.33 亿美元，但净值却只增加了 4,700 万美元呢？这并不代表我们的经理人用任何方法来掩盖其公司的经济实力或成长潜力，事实上他们无不努力追求这些目标。</p>
<p>But they also never deploy capital without good reason. The result: In the past five years they have funneled well over 80% of their earnings to Charlie and me for use in new business and investment opportunities.</p>	<p>不过他们也从不会毫无理由地浪费资金，过去五年以来他们将所赚得的 80% 盈余送回母公司，交给查理跟我运用在新的事业与投资机会之上。</p>
<p>Insurance Operations</p>	<p>保险业营运</p>
<p>The combined ratio represents total insurance costs (losses incurred plus expenses) compared to revenue from premiums: A ratio below 100 indicates an underwriting profit, and one above 100 indicates a loss. The higher the ratio, the worse the year. When the investment income that an insurer earns from holding policyholders' funds ("the float") is taken into account, a combined ratio in the 107 - 111 range typically produces an overall breakeven result, exclusive of earnings on the funds provided by shareholders.</p>	<p>综合比率代表保险的总成本(理赔损失加上费用)占保费收入的比例，比率在 100 以下代表有承保的损失，在 100 以上则代表有承保的获利综合比率代表的是保险的总成本(损失加上费用)占保费收入的比率，100 以下代表会有承销利益，100 以上代表会有承销损失，若把持有保费收入浮存金(扣除股东权益部份所产生的盈余)所产生的投资收益列入考量，损益两平的范围大概是在 107-111 之间。</p>
<p>For the reasons laid out in previous reports, we expect the industry's incurred losses to grow at an average of 10% annually, even in periods when general inflation runs considerably lower. (Over the last 25 years, incurred losses have in reality grown at a still faster rate, 11%.) If premium growth meanwhile materially lags that 10% rate, underwriting losses will mount, though the industry's tendency to under-reserve when business turns bad may obscure their size for a time.</p>	<p>基于前几次年报所说明的理由，即使是通货膨胀在这几年来相对温和，我们预期保险业每年损失增加的比率约在 10% 左右，若是保费收入成长没有到达 10% 以上，损失一定会增加，(事实上过去 25 年以来，理赔损失系以 11% 的速度在成长)，虽然保险公司在景气不好时，会习惯性地将损失暂时隐藏起来。</p>
<p>Last year premium growth fell far short of the</p>	<p>去年保费收入的成长远低于最基本的</p>

<p>required 10% and underwriting results therefore worsened. (In our table, however, the severity of the deterioration in 1990 is masked because the industry's 1989 losses from Hurricane Hugo caused the ratio for that year to be somewhat above trendline.) The combined ratio will again increase in 1991, probably by about two points.</p>	<p>10%要求,承保成绩可想而知会继续恶化,(不过在这张表上,1990年恶化的程度因为1989年发生Hugo飓风巨额损失而被略微掩盖),1991年的综合比率将会再度恶化,有可能会增加2个百分点以上。</p>
<p>Results will improve only when most insurance managements become so fearful that they run from business, even though it can be done at much higher prices than now exist. At some point these managements will indeed get the message: The most important thing to do when you find yourself in a hole is to stop digging. But so far that point hasn't gotten across: Insurance managers continue to dig - sullenly but vigorously.</p>	<p>虽然以现在的市场状况保险业者大可以用比现在更高的价格来作生意,但营运结果却只可能在所有的保险公司主管因为恐惧而远离市场时才有可能好转,就某种程度而言,这些经理人应该已经收到了一些讯息,当你发现自己深陷洞中最重要的一件事就是不要再挖了,不过这个临界点显然还没到,许多保险公司虽然不甘愿但还是用力地在挖洞。</p>
<p>The picture would change quickly if a major physical or financial catastrophe were to occur. Absent such a shock, one to two years will likely pass before underwriting losses become large enough to raise management fear to a level that would spur major price increases. When that moment arrives, Berkshire will be ready - both financially and psychologically - to write huge amounts of business.</p>	<p>还好这种情况可能在发生重大的自然灾害或金融风暴后很快地改变,但若是没有这类事件发生,可能还要再等一、两年,直到所有的保险公司受不了巨额的承保损失,才有可能迫使经理人大幅提高保费,而等那个时刻到来时,伯克希尔一定会作好准备,不论是在财务上或是心理上,等着接下大笔大笔的保单。</p>
<p>In the meantime, our insurance volume continues to be small but satisfactory. In the next section of this report we will give you a framework for evaluating insurance results. From that discussion, you will gain an understanding of why I am so enthusiastic about the performance of our insurance manager, Mike Goldberg, and his cadre of stars, Rod Eldred, Dinos Iordanou, Ajit Jain, and Don Wurster.</p>	<p>在此同时,我们的保费收入虽然很少但还是处于可以接受的范围,在下一段报告中我会告诉大家如何去衡量保险公司的绩效表现,看完之后你就会明了,为何我对我们的保险事业经理人,包含Mike Goldberg与他的明星团队Rod Eldred、Dinos Iordanou、Ajit Jain与Don Wurster的表现会感到如此满意了。</p>
<p>In assessing our insurance results over the next few years, you should be aware of one type of business we are pursuing that could cause them to be unusually volatile. If this line of business expands, as it may, our underwriting experience will deviate from the trendline you might expect: In most years we will somewhat exceed expectations and in an occasional year we will fall far below them.</p>	<p>在衡量我们保险事业过去几年的经营绩效时,大家必须特别注意因为我们所追求的生意形态而造成经营结果的波动,若是这类型的生意扩张,事实上这很有可能,则我们的承保结果可能会与一般产业趋势有很大的差异,大部分的时候,我们的成绩会超乎大家的预期,但很有可能在某一年度又大幅落后在产业标准之下。</p>

<p>The volatility I predict reflects the fact that we have become a large seller of insurance against truly major catastrophes ("super-cats"), which could for example be hurricanes, windstorms or earthquakes. The buyers of these policies are reinsurance companies that themselves are in the business of writing catastrophe coverage for primary insurers and that wish to "lay off," or rid themselves, of part of their exposure to catastrophes of special severity. Because the need for these buyers to collect on such a policy will only arise at times of extreme stress - perhaps even chaos - in the insurance business, they seek financially strong sellers. And here we have a major competitive advantage: In the industry, our strength is unmatched.</p>	<p>我预估的波动主要是反应在我们即将成为真正超大型意外灾害保单(又称霹雳猫)承保人的事实之上, 这些灾害有可能是飓风、风暴或是地震, 这类保单的购买者大多是接受一般保险业者分散风险的再保公司, 由于他们自己本身也要分散或是卸下部份单一重要灾害的风险, 而由于这些保险公司主要是希望在发生若干重大的意外后, 在一片混乱之中还能有可以依靠的对象, 所以在选择投保对象时, 首重的就是财务实力, 而这正是我们最主要的竞争优势, 在这个业界, 我们坚强的实力是别人所比不上的。</p>
<p>A typical super-cat contract is complicated. But in a plain- vanilla instance we might write a one-year, \$10 million policy providing that the buyer, a reinsurer, would be paid that sum only if a catastrophe caused two results: (1) specific losses for the reinsurer above a threshold amount; and (2) aggregate losses for the insurance industry of, say, more than \$5 billion. Under virtually all circumstances, loss levels that satisfy the second condition will also have caused the first to be met.</p>	<p>典型的霹雳猫合约相当的复杂, 不过以一个最简单的例子来说, 我们可能签下一年期, 1,000 万美元的保单, 其中规定再保公司在灾害造成两种状况下才有可能得到理赔, (1)再保公司的损失超过一定的门槛(2)整个保险业界的总损失超过一定的门槛, 假设是 50 亿美元, 只是通常在第二种条件符合时, 第一个条件也会达到标准。</p>
<p>For this \$10 million policy, we might receive a premium of, say, \$3 million. Say, also, that we take in annual premiums of \$100 million from super-cat policies of all kinds. In that case we are very likely in any given year to report either a profit of close to \$100 million or a loss of well over \$200 million. Note that we are not spreading risk as insurers typically do; we are concentrating it. Therefore, our yearly combined ratio on this business will almost never fall in the industry range of 100 - 120, but will instead be close to either zero or 300%.</p>	<p>对于这种 1,000 万的保单, 我们收取的保费可能会在 300 万左右, 假设我们一年收到所有的霹雳猫保费收入为 1 亿美元, 则有可能某些年度我们可以认列将近 1 亿美元的利益, 但也有可能在单一年度要认列 2 亿美元的损失, 值得注意的是我们不像其它保险公司是在分散风险, 相反地我们是将风险集中, 因此在这一部份, 我们的综合比率不像一般业者会介于 100-120 之间, 而是有可能会介于 0-300 之间。</p>
<p>Most insurers are financially unable to tolerate such swings. And if they have the ability to do so, they often lack the desire. They may back away, for example, because they write gobs of</p>	<p>当然有许多业者无法承受这样大幅的变动, 而且就算有能力可以做到, 他们的意愿也不会太高, 他们很可能在吃下一大笔保单之后, 因为灾害发生</p>

<p>primary property insurance that would deliver them dismal results at the very time they would be experiencing major losses on super-cat reinsurance. In addition, most corporate managements believe that their shareholders dislike volatility in results.</p>	<p>一时必须承担大额的损失而被吓跑，此外大部分的企业管理阶层会认为他们背后的股东应该不喜欢变动太大。</p>
<p>We can take a different tack: Our business in primary property insurance is small and we believe that Berkshire shareholders, if properly informed, can handle unusual volatility in profits so long as the swings carry with them the prospect of superior long-term results. (Charlie and I always have preferred a lumpy 15% return to a smooth 12%.)</p>	<p>不过我们采取的方向就不同了，我们在初级产险市场的业务相当少，但我们相信伯克希尔的股东，若事先经过沟通，应该可以接受这种获利波动较大，只要最后长期的结果能够令人满意就可以的经营结果，(查理跟我总是喜欢变动的 15%更胜于固定的 12%)。</p>
<p>We want to emphasize three points: (1) While we expect our super-cat business to produce satisfactory results over, say, a decade, we're sure it will produce absolutely terrible results in at least an occasional year; (2) Our expectations can be based on little more than subjective judgments - for this kind of insurance, historical loss data are of very limited value to us as we decide what rates to charge today; and (3) Though we expect to write significant quantities of super-cat business, we will do so only at prices we believe to be commensurate with risk. If competitors become optimistic, our volume will fall. This insurance has, in fact, tended in recent years to be woefully underpriced; most sellers have left the field on stretchers.</p>	<p>我们有三点必须要强调(1)我们预期霹雳猫的业务长期来讲，假设以 10 年为期，应该可以获得令人满意的结果，当然我们也知道在这其中的某些年度成绩可能会很惨(2)我们这样的预期并非是基于客观的判断，对于这样的保险业务，历史的资料对于我们在做订价决策时并没有太大的参考价值(3)虽然我们准备签下大量的霹雳猫保单，但有一个很重要的前提那就是价格必须要能够与所承担的风险相当，所以若我们的竞争对手变得乐观积极，那么我们的量就会马上减少，事实上过去几年市场价格有点低的离谱，这使得大部分的参与者都被用担架抬离场。</p>
<p>At the moment, we believe Berkshire to be the largest U.S. writer of super-cat business. So when a major quake occurs in an urban area or a winter storm rages across Europe, light a candle for us.</p>	<p>在此同时，我们相信伯克希尔将会成为全美最大的霹雳猫承保公司，所以要是那天都会地区发生大地震或是发生席卷欧陆地区的风暴时，请点亮蜡烛为我们祈祷。</p>
<p>Measuring Insurance Performance</p>	<p>衡量保险业的表现</p>
<p>In the previous section I mentioned "float," the funds of others that insurers, in the conduct of their business, temporarily hold. Because these funds are available to be invested, the typical property-casualty insurer can absorb losses and expenses that exceed premiums by 7% to 11% and still be able to break even on its business.</p>	<p>在前段文章我曾提到浮存金-也就是保险业者在从事业务时，所暂时持有的资金，因为这些资金可以用在投资之上，所以产物意外险公司即使在损失与费用超过保费收入 7%到 11%，仍能自行吸收达到损益两平，当然这要扣除保险业者本身的净值，也就是股</p>

<p>Again, this calculation excludes the earnings the insurer realizes on net worth – that is, on the funds provided by shareholders.</p>	<p>东自有资金所产生的获利，。</p>
<p>However, many exceptions to this 7% to 11% range exist. For example, insurance covering losses to crops from hail damage produces virtually no float at all. Premiums on this kind of business are paid to the insurer just prior to the time hailstorms are a threat, and if a farmer sustains a loss he will be paid almost immediately. Thus, a combined ratio of 100 for crop hail insurance produces no profit for the insurer.</p>	<p>当然 7%到 11%的范围还是有许多例外情况，例如保险业者承保谷物冰雹伤害损失几乎没有浮存金的贡献，保险业者通常是在冰雹即将来临之前才收到保费收入，而只要其中有任何一位农夫发生损失就要马上支付赔偿金，因此即使谷物冰雹保险的综合比率为 100，保险业者也赚不了半毛钱。</p>
<p>At the other extreme, malpractice insurance covering the potential liabilities of doctors, lawyers and accountants produces a very high amount of float compared to annual premium volume. The float materializes because claims are often brought long after the alleged wrongdoing takes place and because their payment may be still further delayed by lengthy litigation. The industry calls malpractice and certain other kinds of liability insurance “long-tail” business, in recognition of the extended period during which insurers get to hold large sums that in the end will go to claimants and their lawyers (and to the <i>insurer’s</i> lawyers as well).</p>	<p>另外一个极端的例子，执行业务过失保险——一种专门提供给医师、律师与会计师分散可能责任风险的保险，较之每年收到的保费收入，这部份险种的浮存金就很高，这种浮存金之所以很重要的原因在于理赔申请案通常会在业务过失发生很长一段时间之后才会提出，而且真正理赔的时点也会因冗长的法律诉讼程序结束后才会执行，保险业界统称业务过失保险与其它特定种类的责任保险为“长尾巴业务”意思是说保险业者在将理赔金支付给申请人跟他的律师(或甚至是保险公司的律师)之前，可以持有这一大笔的资金相当长的一段时间。</p>
<p>In long-tail situations a combined ratio of 115 (or even more) can prove profitable, since earnings produced by the float will exceed the 15% by which claims and expenses overrun premiums. The catch, though, is that “long-tail” means exactly that: Liability business written in a given year and presumed at first to have produced a combined ratio of 115 may eventually smack the insurer with 200, 300 or worse when the years have rolled by and all claims have finally been settled.</p>	<p>像这种长尾巴业务，通常即使综合比率高达 115(或更高)都还可能有获利，因为在索赔与费用发生之前的那一段时间利用浮存金所赚的利润甚至会超过 15%，但重点是所谓的长尾巴顾名思义，就是在某一年度承接的责任保险保单之时，假设会有 115 的综合比率，但结果到最后尾大不掉，经过多年的纠缠，终于和解的结果，有可能让保险业者承担 200、300 或是更糟的综合比率。</p>
<p>The pitfalls of this business mandate an operating principle that too often is ignored: Though certain long-tail lines may prove profitable at combined ratios of 110 or 115, insurers will invariably find it unprofitable to price using those ratios as targets. Instead,</p>	<p>这项业务一定要特别注意一项时常令人忽略的经营原则的陷阱，虽然部份长尾巴业务在 110 到 115 的综合比率之间仍可以获利，但若是保险业者依此比率来订定保费价格的话很可能会亏大钱，所以保费价格必须要有一个</p>

<p>prices must provide a healthy margin of safety against the societal trends that are forever springing expensive surprises on the insurance industry. Setting a target of 100 can itself result in heavy losses; aiming for 110 - 115 is business suicide.</p>	<p>安全的边际空间以防止当今总是会保险行业有昂贵的意外蹦出来的社会趋势，将综合比率设在 100 一定会产生重大的损失，将目标锁定在 110-115 之间则无异是自杀的行为。</p>
<p>All of that said, what should the measure of an insurer's profitability be? Analysts and managers customarily look to the combined ratio - and it's true that this yardstick usually is a good indicator of where a company ranks in profitability. We believe a better measure, however, to be a comparison of underwriting loss to float developed.</p>	<p>说了那么多，到底该如何衡量一家保险公司的获利能力呢？分析师与经理人通常习惯性的会去看综合比率，当然在我们要看一家保险公司是否赚钱时，这项比率是一个很好的正确指针，但我们认为还有一项数字是更好的衡量标准，那就是承保损失与浮存金的比率。</p>
<p>This loss/float ratio, like any statistic used in evaluating insurance results, is meaningless over short time periods: Quarterly underwriting figures and even annual ones are too heavily based on estimates to be much good. But when the ratio takes in a period of years, it gives a rough indication of the cost of funds generated by insurance operations. A low cost of funds signifies a good business; a high cost translates into a poor business.</p>	<p>这种损失/浮存金比率跟其它保险业常用的绩效衡量统计数字一样，必须要有一段相当长的时间才有意义，单季或甚至是单一年度的数字，会因为估计的成份太浓而无参考价值，但是只要时间一拉长，这个比率就可以告诉我们保险营运所产生浮存金的资金成本，若资金成本低就代表这是一家好公司，相反地就是一家烂公司。</p>
<p>The float figures are derived from the total of loss reserves, loss adjustment expense reserves and unearned premium reserves minus agents' balances, prepaid acquisition costs and deferred charges applicable to assumed reinsurance. At some insurers other items should enter into the calculation, but in our case these are unimportant and have been ignored.</p>	<p>浮存金的数字是将所有的损失准备、损失费用调整准备与未赚取保费加总后，再扣除应付佣金、预付购并成本及相关再保递延费用，若是别的保险业者可能还有其它项目需要列入做计算，但因为这些科目在伯克希尔并不重要，所以予以省略。</p>
<p>During 1990 we held about \$1.6 billion of float slated eventually to find its way into the hands of others. The underwriting loss we sustained during the year was \$27 million and thus our insurance operation produced funds for us at a cost of about 1.6%. As the table shows, we managed in some years to underwrite at a profit and in those instances our cost of funds was less than zero. In other years, such as 1984, we paid a very high price for float. In 19 years out of the 24 we have been in insurance, though, we have developed funds at a cost below that paid by the</p>	<p>在 1990 年我们大概持有 16 亿美元的浮存金，这些钱会慢慢地流到其它人的手中，当年度的承保损失约为 2,600 万美元，因此我们从保险营运所获得的资金，其成本约为 1.6%，而就如同这张表所显示的，有些年度我们有承保获利，所以我们的资金成本甚至低于零，但是也有些年度，像 1984 年我们必须为浮存金支付相当高的成本，但是总计至今 24 个年度当中有 19 个年度，我们负担的资金成本甚至比美国政府发行债券的成本还</p>

government.	低。
There are two important qualifications to this calculation. First, the fat lady has yet to gargle, let alone sing, and we won't know our true 1967 - 1990 cost of funds until all losses from this period have been settled many decades from now. Second, the value of the float to shareholders is somewhat undercut by the fact that they must put up their own funds to support the insurance operation and are subject to double taxation on the investment income these funds earn. Direct investments would be more tax-efficient.	这项计算式有两个重要的要求，首先胖女人漱口都很难听了，更何况还要她唱歌，除非等到这时间所发生的损失都已确定解决，否则我们不能确定1967年-1990年的资金成本到底是多少，第二浮存金对于股东的价值有点打折，因为股东们还必须投入相对的资金来支持保险事业的营运，同时这些资金所赚取的投资收益又必须面临双重的课税，相较之下直接投资的税负就少多了。
The tax penalty that indirect investments impose on shareholders is in fact substantial. Though the calculation is necessarily imprecise, I would estimate that the owners of the average insurance company would find the tax penalty adds about one percentage point to their cost of float. I also think that approximates the correct figure for Berkshire.	间接投资加诸在股东身上的租税惩罚事实上是相当重的，虽然计算公式铁定没办法做的很精确，但我估计对于这些保险事业的所有者来说，租税惩罚至少让他们增加一个百分点以上的资金成本，我想这个数字也适用于伯克希尔之上。
Figuring a cost of funds for an insurance business allows anyone analyzing it to determine whether the operation has a positive or negative value for shareholders. If this cost (including the tax penalty) is higher than that applying to alternative sources of funds, the value is negative. If the cost is lower, the value is positive - and if the cost is <i>significantly</i> lower, the insurance business qualifies as a very valuable asset.	分析保险事业的资金成本使得任何人都可以据此判断这家公司的营运对于股东到底是正面的还是负面的，若是这项成本(包含租税惩罚)高于其它替代性的资金来源，其价值就是负的，若是成本更低，那么对股东便能产生正面的价值，而若是成本远低于一般水准，那么这个事业就是一项相当有价值的资产。
So far Berkshire has fallen into the significantly-lower camp. Even more dramatic are the numbers at GEICO, in which our ownership interest is now 48% and which customarily operates at an underwriting profit. GEICO's growth has generated an ever-larger amount of funds for investment that have an effective cost of considerably less than zero. Essentially, GEICO's policyholders, in aggregate, pay the company interest on the float rather than the other way around. (But handsome is as handsome does: GEICO's unusual profitability results from its extraordinary operating efficiency and its	到目前为止，伯克希尔算是资金成本相当低的那类，虽然我们拥有48%股权的GEICO的比率更好，且通常每年都享有承保获利，GEICO藉由不断地成长提供越来越多的资金以供投资，而且它的资金成本还远低于零成本以下，意思是说GEICO的保单持有人不但要先付保费给公司而且还要支付利息，(但就像有人又帅又有才干，GEICO非凡的获利能力导因于公司经营的效率与对风险的严格分类，如此使得保户也可享受超低价格的保单)。

<p>careful classification of risks, a package that in turn allows rock-bottom prices for policyholders.)</p>	
<p>Many well-known insurance companies, on the other hand, incur an underwriting loss/float cost that, combined with the tax penalty, produces negative results for owners. In addition, these companies, like all others in the industry, are vulnerable to catastrophe losses that could exceed their reinsurance protection and take their cost of float right off the chart. Unless these companies can materially improve their underwriting performance – and history indicates that is an almost impossible task – their shareholders will experience results similar to those borne by the owners of a bank that pays a higher rate of interest on deposits than it receives on loans.</p>	<p>在另外一方面,许多知名的保险公司,在考量承保损失/浮存金成本,再加上租税惩罚之后,事实上让股东产生负的报酬,此外这些公司像其它业者一样,相当容易受到大型灾害的伤害,在扣除再保部份所得到的保护之后,资金成本率还是有可能升高到无以复加的地步,而除非这些公司能够大幅改善其承保的成绩,历史的经验显示这是项不可能的任务,这些股东很可能会和吸收较高的存款利息支出,却只能收到较低的借款利息收入的银行股东一样的下场。</p>
<p>All in all, the insurance business has treated us very well. We have expanded our float at a cost that on the average is reasonable, and we have further prospered because we have earned good returns on these low-cost funds. Our shareholders, true, have incurred extra taxes, but they have been more than compensated for this cost (so far) by the benefits produced by the float.</p>	<p>总的来说,保险营运给我们的回报算是相当不错的了,我们的保险浮存金以合理的资金成本率持续增加,而靠着这些低成本的资金赚取更高的投资报酬使我们的事业蒸蒸日上,确实我们的股东必须负担额外的税负,但大家从这样低的资金成本所获得的利益却补回更多(至少到目前为止是如此)。</p>
<p>A particularly encouraging point about our record is that it was achieved despite some colossal mistakes made by your Chairman prior to Mike Goldberg's arrival. Insurance offers a host of opportunities for error, and when opportunity knocked, too often I answered. Many years later, the bills keep arriving for these mistakes: In the insurance business, there is no statute of limitations on stupidity.</p>	<p>尤其有更令人振奋的一点,这些记录还包含本人之前所犯下一些重大的错误,在 Mike Goldberg 接手后,应该会有更好的成绩,保险往往会有一大堆让你发生错误的机会,而通常在这些机会敲门时,我都会响应,以致于经过那么多年之后,到现在我们还必须为我以前所犯的那些错误付出代价,在保险业愚蠢的程度是没有上限的。</p>
<p>The intrinsic value of our insurance business will always be far more difficult to calculate than the value of, say, our candy or newspaper companies. By any measure, however, the business is worth far more than its carrying value. Furthermore, despite the problems this operation periodically hands us, it is the one – among all</p>	<p>我们保险事业的实际价值永远比其它事业如糖果或是报纸事业难以估计,但是不管用任何计算方法,保险事业的价值一定远高于其帐面价值,更重要的是虽然保险业让我们三不五时会出状况,但这行业却是我们现在所有不错的事业当中,最有成长潜力的。</p>

the fine businesses we own – that has the greatest potential.	
Marketable Securities	有价证券投资
Lethargy bordering on sloth remains the cornerstone of our investment style: This year we neither bought nor sold a share of five of our six major holdings. The exception was Wells Fargo, a superbly-managed, high-return banking operation in which we increased our ownership to just under 10%, the most we can own without the approval of the Federal Reserve Board. About one-sixth of our position was bought in 1989, the rest in 1990.	树懒天生特有的懒散正代表着我们的投资模式，今年我们没有增加也没有处分任何持股，除了 Wells Fargo 这家拥有良好的经营团队，并享有相当高的股东权益报酬率的银行，所以我们将持股比率增加到 10%左右，这是我们可以不必向联准会申报的最高上限，其中六分之一是在 1989 年买进，剩下的部份则是在 1990 年增加。
The banking business is no favorite of ours. When assets are twenty times equity – a common ratio in this industry – mistakes that involve only a small portion of assets can destroy a major portion of equity. And mistakes have been the rule rather than the exception at many major banks. Most have resulted from a managerial failing that we described last year when discussing the “institutional imperative:” the tendency of executives to mindlessly imitate the behavior of their peers, no matter how foolish it may be to do so. In their lending, many bankers played follow-the-leader with lemming-like zeal; now they are experiencing a lemming-like fate.	银行业并不是我们的最爱，因为这个行业的特性是资产约为股权的 20 倍，这代表只要资产发生一点问题就有可能把股东权益亏光光，而偏偏大银行出问题早已变成是常态而非特例，许多情况是管理当局的疏失，就像是去年度我们曾提到的系统规范-也就是经营主管会不自主的模仿其它同业的做法，不管这些行为有多愚蠢，在从事放款业务时，许多银行业者也都有旅鼠那种追随领导者的行为倾向，所以现在他们也必须承担像旅鼠一样的命运。
Because leverage of 20:1 magnifies the effects of managerial strengths and weaknesses, we have no interest in purchasing shares of a poorly-managed bank at a “cheap” price. Instead, our only interest is in buying into well-managed banks at fair prices.	因为 20 比 1 的比率，使得所有的优势与缺点所造成的影响会被放大，我们对于用便宜的价格买下经营不善的银行一点兴趣都没有，相反地我们希望能够以合理的价格买进一些经营良好的银行。
With Wells Fargo, we think we have obtained the best managers in the business, Carl Reichardt and Paul Hazen. In many ways the combination of Carl and Paul reminds me of another – Tom Murphy and Dan Burke at Capital Cities/ABC. First, each pair is stronger than the sum of its parts because each partner understands, trusts and admires the other. Second, both managerial teams pay able people well, but abhor having a bigger head count than is needed. Third, both attack costs as	在 Wells Fargo，我想我们找到银行界最好的经理人 Carl Reichardt 与 Paul Hazen，在许多方面这两个人的组合使我联想到另外一对搭档，那就是资本城/ABC 的 Tom Murphy 与 Dan Burke，首先两个人加起来的力量都大于个别单打独斗，因为每个人都了解、信任并尊敬对方，其次他们对于有才能的人从不吝啬，但也同时厌恶冗员过多，第三尽管公司获利再好，他们

<p>vigorously when profits are at record levels as when they are under pressure. Finally, both stick with what they understand and let their abilities, not their egos, determine what they attempt. (Thomas J. Watson Sr. of IBM followed the same rule: "I'm no genius," he said. "I'm smart in spots - but I stay around those spots.")</p>	<p>控制成本的努力不曾稍减，最后两者都坚持自己所熟悉的，让他们的能力而非自尊来决定成败，就像 IBM 的 Thomas Watson 曾说：“我不是天才，我只是有点小聪明，不过我却充分运用这些小聪明。”</p>
<p>Our purchases of Wells Fargo in 1990 were helped by a chaotic market in bank stocks. The disarray was appropriate: Month by month the foolish loan decisions of once well-regarded banks were put on public display. As one huge loss after another was unveiled - often on the heels of managerial assurances that all was well - investors understandably concluded that no bank's numbers were to be trusted. Aided by their flight from bank stocks, we purchased our 10% interest in Wells Fargo for \$290 million, less than five times after-tax earnings, and less than three times pre-tax earnings.</p>	<p>我们是在 1990 年银行股一片混乱之间买进 Wells Fargo 的股份的，这种失序的现象是很合理的，几个月来有些原本经营名声不错的银行，其错误的贷款决定却一一被媒体揭露，随着一次又一次庞大的损失数字被公布，银行业的诚信与保证也一次又一次地被践踏，渐渐地投资人越来越不敢相信银行的财务报表数字，趁着大家出脱银行股之际，我们却逆势以 2.9 亿美元，五倍不到的本益比(若是以税前获利计算，则本益比甚至不到三倍)，买进 Wells Fargo 10% 的股份。</p>
<p>Wells Fargo is big - it has \$56 billion in assets - and has been earning more than 20% on equity and 1.25% on assets. Our purchase of one-tenth of the bank may be thought of as roughly equivalent to our buying 100% of a \$5 billion bank with identical financial characteristics. But were we to make such a purchase, we would have to pay about twice the \$290 million we paid for Wells Fargo. Moreover, that \$5 billion bank, commanding a premium price, would present us with another problem: We would not be able to find a Carl Reichardt to run it. In recent years, Wells Fargo executives have been more avidly recruited than any others in the banking business; no one, however, has been able to hire the dean.</p>	<p>Wells Fargo 实在是相当的大，帐面资产高达 560 亿美元，股东权益报酬率高达 20%，资产报酬率则为 1.25%，买下他 10% 的股权相当于以买下一家 50 亿美元资产 100% 股权，但是真要有这样条件的银行，其价码可能会是 2.9 亿美元的一倍以上，此外就算真的可以买得到，我们同样也要面临另外一个问题，那就是找不到像 Carl Reichardt 这样的人才来经营，近几年来，从 Wells Fargo 出身的经理人一直广受各家银行同业所欢迎，但想要请到这家银行的老宗师可不是一件容易的事了。</p>
<p>Of course, ownership of a bank - or about any other business - is far from riskless. California banks face the specific risk of a major earthquake, which might wreak enough havoc on borrowers to in turn destroy the banks lending to them. A second risk is systemic - the possibility of a business contraction or financial panic so severe that it would endanger almost every highly-leveraged institution, no</p>	<p>当然拥有一家银行的股权，或是其它企业也一样，绝非没有风险，像加州的银行就因为位于地震带而必须承担客户受到大地震影响而还不出借款的风险，第二个风险是属于系统性的，也就是严重的企业萧条或是财务风暴导致这些高财务杠杆经营的金融机构，不管经营的再好都有相当的危机，最后市场当时主要的考虑点是美国西</p>

<p>matter how intelligently run. Finally, the market's major fear of the moment is that West Coast real estate values will tumble because of overbuilding and deliver huge losses to banks that have financed the expansion. Because it is a leading real estate lender, Wells Fargo is thought to be particularly vulnerable.</p>	<p>岸的房地产因为供给过多而崩盘的风险，连带使得融资给这些扩张建案的银行承担巨额损失，而也因为 Wells Fargo 就是市场上最大的不动产借款银行，一般咸认它最容易受到伤害。</p>
<p>None of these eventualities can be ruled out. The probability of the first two occurring, however, is low and even a meaningful drop in real estate values is unlikely to cause major problems for well-managed institutions. Consider some mathematics: Wells Fargo currently earns well over \$1 billion pre-tax annually after expensing more than \$300 million for loan losses. If 10% of all \$48 billion of the bank's loans - not just its real estate loans - were hit by problems in 1991, and these produced losses (including foregone interest) averaging 30% of principal, the company would roughly break even.</p>	<p>以上所提到的风险都很难加以排除，当然第一点与第二点的可能性相当低，而且即使是房地产大幅的下跌，对于经营绩效良好的银行也不致造成太大的问题，我们可以简单地算一下，Wells Fargo 现在一年在提列 3 亿美元的损失准备之后，税前还可以赚 10 亿美元以上，今天假若该银行所有的 480 亿借款中有 10% 在 1991 年发生问题，且估计其中有 30% 的本金将收不回来，必须全部转为损失（包含收不回来的利息），则在这种情况下，这家银行还是可以损益两平。</p>
<p>A year like that - which we consider only a low-level possibility, not a likelihood - would not distress us. In fact, at Berkshire we would love to acquire businesses or invest in capital projects that produced no return for a year, but that could then be expected to earn 20% on growing equity. Nevertheless, fears of a California real estate disaster similar to that experienced in New England caused the price of Wells Fargo stock to fall almost 50% within a few months during 1990. Even though we had bought some shares at the prices prevailing before the fall, we welcomed the decline because it allowed us to pick up many more shares at the new, panic prices.</p>	<p>若是真有一年如此，虽然我们认为这种情况发生的可能性相当低，我们应该还可以忍受，事实上在伯克希尔选择购并或是投资一家公司，头一年不赚钱没有关系，只要以后每年能够有 20% 的股东权益报酬率，尽管如此，加州大地震使得投资人害怕新英格兰地区也会有同样的危险，导致 Wells Fargo 在 1990 年几个月间大跌 50% 以上，虽然在股价下跌前我们已买进一些股份，但股价下跌使我们可以开心地用更低的价格捡到更多的股份。</p>
<p>Investors who expect to be ongoing buyers of investments throughout their lifetimes should adopt a similar attitude toward market fluctuations; instead many illogically become euphoric when stock prices rise and unhappy when they fall. They show no such confusion in their reaction to food prices: Knowing they are forever going to be buyers of food, they welcome falling prices and deplore price increases. (It's the seller of food who doesn't like declining</p>	<p>以长期投资作为终生目标的投资人对于股市波动也应该采取同样的态度，千万不要因为股市涨就欣喜若狂，股市跌就如丧考妣，奇怪的是他们对于食物的价格就一点都不会搞错，很清楚知道自己每天一定会买食物，当食物价格下跌时，他们可高兴的很，（要烦恼的应该是卖食物的人），同样的在水牛城报纸我们期望印刷成本能够降低，虽然这代表我们必须将帐列的新</p>

<p>prices.) Similarly, at the Buffalo News we would cheer lower prices for newsprint – even though it would mean marking down the value of the large inventory of newsprint we always keep on hand – because we know we are going to be perpetually buying the product.</p>	<p>闻印刷存货价值向下调整，因为我们很清楚，我们必须一直买进这些产品。</p>
<p>Identical reasoning guides our thinking about Berkshire’s investments. We will be buying businesses – or small parts of businesses, called stocks – year in, year out as long as I live (and longer, if Berkshire’s directors attend the seances I have scheduled). Given these intentions, declining prices for businesses benefit us, and rising prices hurt us.</p>	<p>同样的原则也适用在伯克希尔的投资之上，只要我还健在(若我死后，伯克希尔的董事会愿意透过我所安排的降神会接受我的指示，则期间或许更长久)，我们会年复一年买下企业或是企业的一部份—也就是股票，也因此企业的价格下跌对我们更有利，反之则可能会对我们不利。</p>
<p>The most common cause of low prices is pessimism – some times pervasive, some times specific to a company or industry. We want to do business in such an environment, not because we like pessimism but because we like the prices it produces. It’s optimism that is the enemy of the rational buyer.</p>	<p>股价不振最主要的原因是悲观的情绪，有时是全面性的，有时则仅限于部份产业或是公司，我们很期望能够在这种环境下做生意，不是因为我们天生喜欢悲观，而是如此可以得到便宜的价格买进更多好的公司，乐观是理性投资人最大的敌人。</p>
<p>None of this means, however, that a business or stock is an intelligent purchase simply because it is unpopular; a contrarian approach is just as foolish as a follow-the-crowd strategy. What’s required is thinking rather than polling. Unfortunately, Bertrand Russell’s observation about life in general applies with unusual force in the financial world: “Most men would rather die than think. Many do.”</p>	<p>当然以上所述并不代表不受欢迎或注意的股票或企业就是好的投资标的，反向操作有可能与群众心理一样的愚蠢，真正重要的是独立思考而不是投票表决，不幸的是 Bertrand Russell 对于人性的观察同样地也适用于财务投资之上，“大多数的人宁死也不愿意去思考！”。</p>
<p>Our other major portfolio change last year was large additions to our holdings of RJR Nabisco bonds, securities that we first bought in late 1989. At yearend 1990 we had \$440 million invested in these securities, an amount that approximated market value. (As I write this, however, their market value has risen by more than \$150 million.)</p>	<p>我们去年其它主要的投资组合的变动就是增加 RJR Nabisco 的债券，我们是在 1989 年开始买进这种有价证券，到了 1990 年底我们的投资金额约为 4.4 亿美元，与目前的市价相当(不过在撰写年报的同时，他们的市价已增加了 1.5 亿美元)。</p>
<p>Just as buying into the banking business is unusual for us, so is the purchase of below-investment-grade bonds. But opportunities that interest us and that are also large enough to have a worthwhile impact on Berkshire’s results are rare. Therefore, we will look at any</p>	<p>就像我们很少买进银行股，同样地我们也很少买进投资等级以下的债券，不过能够引起我们兴趣的投资机会，同时规模大到足以对伯克希尔有相当影响力的投资机会实在是不多，因此我们愿意尝试各种不同的投资工具，</p>

<p>category of investment, so long as we understand the business we're buying into and believe that price and value may differ significantly. (Woody Allen, in another context, pointed out the advantage of open-mindedness: "I can't understand why more people aren't bi-sexual because it doubles your chances for a date on Saturday night.")</p>	<p>只要我们对于即将买进的投资标的有相当的了解，同时价格与价值有相当大的差距(伍迪艾伦也另一句台词用来形容开明的好处：“我实在不了解为什么有那么多人排斥双性恋，人们在星期六夜晚至少可以有更多一倍的机会能够约会？”)。</p>
<p>In the past we have bought a few below-investment-grade bonds with success, though these were all old-fashioned "fallen angels" - bonds that were initially of investment grade but that were downgraded when the issuers fell on bad times. In the 1984 annual report we described our rationale for buying one fallen angel, the Washington Public Power Supply System.</p>	<p>在过去我们也曾成功地投资了好几次投资等级以下的债券，虽然他们多是传统上所谓的失翼的天使，意思是指原先发行时属于投资等级但后来因为公司出现问题而被降等，在1984年的年报中我们也曾经提到过买进华盛顿公用电力系统债券的原因。</p>
<p>A kind of bastardized fallen angel burst onto the investment scene in the 1980s - "junk bonds" that were far below investment-grade when issued. As the decade progressed, new offerings of manufactured junk became ever junkier and ultimately the predictable outcome occurred: Junk bonds lived up to their name. In 1990 - even before the recession dealt its blows - the financial sky became dark with the bodies of failing corporations.</p>	<p>不过到了1980年代大量假冒的失翼的天使充斥着整个投资界，也就是所谓的垃圾债券，这些债券在发行时企业本身的信用评等就不佳，十几年下来垃圾债券越来越垃圾，最后真的变成名符其实的垃圾，到了1990年代在经济衰退引发债权危机之前，整个投资界的天空已布满着这些假冒失翼天使的尸体。</p>
<p>The disciples of debt assured us that this collapse wouldn't happen: Huge debt, we were told, would cause operating managers to focus their efforts as never before, much as a dagger mounted on the steering wheel of a car could be expected to make its driver proceed with intensified care. We'll acknowledge that such an attention-getter would produce a very alert driver. But another certain consequence would be a deadly - and unnecessary - accident if the car hit even the tiniest pothole or sliver of ice. The roads of business are riddled with potholes; a plan that requires dodging them all is a plan for disaster.</p>	<p>迷信这些债券的门徒一再强调不可能发生崩盘的危机，巨额债务会迫使公司经理人更专注于经营，就像是一位驾驶开着一辆轮胎上插着一只匕首的破车，大家可以确定这位驾驶一定会小心翼翼地开车，当然我们绝对相信这位驾驶一定会相当小心谨慎，但是另外却还有一个变量必须克服，那就是只要车子碰到一个小坑洞或是一小片雪就可能造成致命的车祸，而偏偏在商业的道路上，遍布着各种坑坑洞洞，一个要求必须避开所有坑洞的计划实在是一个相当危险的计划。</p>
<p>In the final chapter of The Intelligent Investor Ben Graham forcefully rejected the dagger thesis: "Confronted with a challenge to distill</p>	<p>在葛拉罕智能型投资人的最后一章中，很强烈地驳斥这种匕首理论，如果要将稳健的投资浓缩成三字箴言，</p>

<p>the secret of sound investment into three words, we venture the motto, Margin of Safety.” Forty-two years after reading that, I still think those are the right three words. The failure of investors to heed this simple message caused them staggering losses as the 1990s began.</p>	<p>那就是安全边际，在读到这篇文章的42年后，我仍深深相信这三个字，没能注意到这个简单原则的投资人在1990年代开始就会慢慢尝到损失的痛苦。</p>
<p>At the height of the debt mania, capital structures were concocted that guaranteed failure: In some cases, so much debt was issued that even highly favorable business results could not produce the funds to service it. One particularly egregious “kill- ’em-at-birth” case a few years back involved the purchase of a mature television station in Tampa, bought with so much debt that the interest on it exceeded the station’s gross revenues. Even if you assume that all labor, programs and services were donated rather than purchased, this capital structure required revenues to explode - or else the station was doomed to go broke. (Many of the bonds that financed the purchase were sold to now-failed savings and loan associations; as a taxpayer, you are picking up the tab for this folly.)</p>	<p>在债务恐慌最高点的时候，资本结构注定导致失败的发生，有些公司的融资杠杆高到即使是再好的企业也无法负担，有一个特别惨、一出生就夭折的案例，就是一个坦帕湾地方电视台的购并案，这个案子一年的利息负担甚至还超过他一整年的营收，也就是说即使所有的人工、节目与服务都不须成本，且营收也能有爆炸性的成长，这家电视台还是会步上倒闭的命运，（许多债券都是由现在大多倒闭的储贷机构买进，所以身为纳税义务人的你，等于间接替这些愚蠢的行为买单）。</p>
<p>All of this seems impossible now. When these misdeeds were done, however, dagger-selling investment bankers pointed to the “scholarly” research of academics, which reported that over the years the higher interest rates received from low-grade bonds had more than compensated for their higher rate of default. Thus, said the friendly salesman, a diversified portfolio of junk bonds would produce greater net returns than would a portfolio of high-grade bonds. (Beware of past-performance “proofs” in finance: If history books were the key to riches, the Forbes 400 would consist of librarians.)</p>	<p>现在看起来这种情况当然不太可能再发生，当这些错误的行为发生时，专门贩卖匕首的投资银行家纷纷把责任推给学术单位，表示研究显示低等级债券所收到的利息收入应该可以弥补投资人所承担可能收不回本金的风险，因此推断说好心的业务员所介绍给客户的高收益债券将给客户带来比高等级债券更好的收益，（特别要小心财务学上过去的统计资料实证，若历史资料是致富之钥，那么富比士四百大富豪不都应该是图书管理员吗？）</p>
<p>There was a flaw in the salesman’s logic - one that a first- year student in statistics is taught to recognize. An assumption was being made that the universe of newly-minted junk bonds was identical to the universe of low-grade fallen angels and that, therefore, the default experience of the latter group was meaningful in</p>	<p>不过这些业务员的逻辑有一个漏洞，这是统计系的新生都知道的，那就是假设所有新发行的垃圾债券都与以前的失翼天使一样，也就是说前者还不出本金的机率与后者是一样的，（这种错误就像是在喝 Jonestown 的毒药之前，以过去的死亡率为参考）。</p>

<p>predicting the default experience of the new issues. (That was an error similar to checking the historical death rate from Kool-Aid before drinking the version served at Jonestown.)</p>	
<p>The universes were of course dissimilar in several vital respects. For openers, the manager of a fallen angel almost invariably yearned to regain investment-grade status and worked toward that goal. The junk-bond operator was usually an entirely different breed. Behaving much as a heroin user might, he devoted his energies not to finding a cure for his debt-ridden condition, but rather to finding another fix. Additionally, the fiduciary sensitivities of the executives managing the typical fallen angel were often, though not always, more finely developed than were those of the junk-bond-issuing financier.</p>	<p>这个世界在许多方面当然有很大的不同，对于开拓者来说，失翼天使的经理人无不渴望重新到投资等级的名单之上，但是垃圾债券的经营者就全然不是那么一回事了，不思解决其为债务所苦的困境，反而偏好运用英雄式的行径，寻找暂时解脱之道，此外失翼天使忠诚的敏感特质通常比那些垃圾债券经营者要来的好的多。</p>
<p>Wall Street cared little for such distinctions. As usual, the Street's enthusiasm for an idea was proportional not to its merit, but rather to the revenue it would produce. Mountains of junk bonds were sold by those who didn't care to those who didn't think - and there was no shortage of either.</p>	<p>华尔街对于这样的差异根本就不在乎，通常华尔街关心的不是它到底有多少优缺点，而是它可以产生多少收入，成千上万的垃圾债券就是由这帮不在乎的人卖给那些不懂得思考之人。</p>
<p>Junk bonds remain a mine field, even at prices that today are often a small fraction of issue price. As we said last year, we have never bought a new issue of a junk bond. (The only time to buy these is on a day with no "y" in it.) We are, however, willing to look at the field, now that it is in disarray.</p>	<p>即使现在垃圾债券的市场价格只有发行价格的一点点，它还是个地雷区，就像是去年我们曾经说过的，我们从来不买新发行的垃圾债券，(唯一会买进的时点是没有 y 之时)，不过趁现在市场一遍混乱，我们倒是愿意花点时间看看。</p>
<p>In the case of RJR Nabisco, we feel the Company's credit is considerably better than was generally perceived for a while and that the yield we receive, as well as the potential for capital gain, more than compensates for the risk we incur (though that is far from nil). RJR has made asset sales at favorable prices, has added major amounts of equity, and in general is being run well.</p>	<p>在 RJR Nabisco 这个案子我们认为这家公司的债信要比外界想象中好一点，同时我们感觉潜在的利益，应该可以弥补我们要承担的风险(虽然绝非无风险)，RJR 资产处份的价格还算不错，股东权益增加了许多，现在经营也渐上轨道了。</p>
<p>However, as we survey the field, most low-grade bonds still look unattractive. The handiwork of the Wall Street of the 1980s is even worse than</p>	<p>然而在我们看了市场以后发现，大部分低等级的债券还是不具吸引力，华尔街 1980 年代的技术比我们想象中</p>

<p>we had thought: Many important businesses have been mortally wounded. We will, though, keep looking for opportunities as the junk market continues to unravel.</p>	<p>差多了，许多重要生意都大受影响，不过我们还是会继续在垃圾债券市场中寻找好的投资机会。</p>
<p>Convertible Preferred Stocks</p>	<p>可转换特别股</p>
<p>We continue to hold the convertible preferred stocks described in earlier reports: \$700 million of Salomon Inc, \$600 million of The Gillette Company, \$358 million of USAir Group, Inc. and \$300 million of Champion International Corp. Our Gillette holdings will be converted into 12 million shares of common stock on April 1. Weighing interest rates, credit quality and prices of the related common stocks, we can assess our holdings in Salomon and Champion at yearend 1990 as worth about what we paid, Gillette as worth somewhat more, and USAir as worth substantially less.</p>	<p>我们持续持有先前向各位报告过的可转换特别股，包括所罗门 7 亿美金、吉列 6 亿美金、美国航空 3.58 亿美金与冠军企业 3 亿美金。我们吉列的特别股将会在 4 月 1 日转换为 1,200 万股的普通股，在衡量利率、债信与普通股的价格之后，我们可以确信在所罗门与冠军企业的投资现值应该与我们当初的成本差不多，吉列的价值比成本高，至于美国航空的价值则远低于当初的投资成本。</p>
<p>In making the USAir purchase, your Chairman displayed exquisite timing: I plunged into the business at almost the exact moment that it ran into severe problems. (No one pushed me; in tennis parlance, I committed an "unforced error.") The company's troubles were brought on both by industry conditions and by the post-merger difficulties it encountered in integrating Piedmont, an affliction I should have expected since almost all airline mergers have been followed by operational turmoil.</p>	<p>在投资美国航空时，本人在下我真是抓对了时点，我几乎是在航空业爆发严重的问题之前，跳进去这个产业，(没有人强迫我，如同在网球场上，我把它形容做是非受迫性失误)，美国航空问题的发生，导因于产业本身的状况与对 Piedmont 购并后所产生的后遗症，这点我应该要早该预料到，因为几乎所有的航空业购并案最后的结果都是一团混乱。</p>
<p>In short order, Ed Colodny and Seth Schofield resolved the second problem: The airline now gets excellent marks for service. Industry-wide problems have proved to be far more serious. Since our purchase, the economics of the airline industry have deteriorated at an alarming pace, accelerated by the kamikaze pricing tactics of certain carriers. The trouble this pricing has produced for all carriers illustrates an important truth: In a business selling a commodity-type product, it's impossible to be a lot smarter than your dumbest competitor.</p>	<p>在这不久之后，Ed Colodny 与 Seth Schofield 解决了第二个难题，美国航空现在的服务受到好评，不过整个产业所面临的问题却越来越严重，自从我们开始投资之后，航空业的状况便很急遽地恶化，尤其再加上某些业者自杀性的杀价竞争，这样的结果导致所有的航空业者都面临一项残酷的事实，在销售制式化商品的产业之中，你很难比最笨的竞争对手聪明到哪里去。</p>
<p>However, unless the industry is decimated during the next few years, our USAir investment should work out all right. Ed and Seth have decisively</p>	<p>不过除非在未来几年内，航空业全面地崩溃，否则我们在美国航空的投资应该能够确保安全无虞，Ed 与 Seth</p>

<p>addressed the current turbulence by making major changes in operations. Even so, our investment is now less secure than at the time I made it.</p>	<p>很果决地在营运上做了一些重大的改变来解决目前营运所面临的问题，虽然如此，我们的投资现在的情况比起当初还是差了一点。</p>
<p>Our convertible preferred stocks are relatively simple securities, yet I should warn you that, if the past is any guide, you may from time to time read inaccurate or misleading statements about them. Last year, for example, several members of the press calculated the value of all our preferreds as equal to that of the common stock into which they are convertible. By their logic, that is, our Salomon preferred, convertible into common at \$38, would be worth 60% of face value if Salomon common were selling at \$22.80. But there is a small problem with this line of reasoning: Using it, one must conclude that all of the value of a convertible preferred resides in the conversion privilege and that the value of a <i>non</i>-convertible preferred of Salomon would be zero, no matter what its coupon or terms for redemption.</p>	<p>我们的可转换特别股算是相当单纯的投资工具，不过我还是必须警告各位，若是过去的经验有任何参考价值，大家可能还是会读到一些不正确或是误导的讯息，举例来说像去年，有几家报章杂志错误地将它们的价值与可以转换的普通股价格混为一谈，我们的所罗门特别股转换价格为 38 美元，根据它们的逻辑，由于所罗门普通股的现价为 22.8 美元，所以其可转换特别股的价值只有面额的 60%，但这样的推论却有一个盲点，因为这样的说法表示所有的可转换特别股，其价值只在其所拥有的转换权利，至于所罗门不可转换的债券价值则为零，不管它所拥有的赎回条件为何。</p>
<p>The point you should keep in mind is that most of the value of our convertible preferreds is derived from their fixed-income characteristics. That means the securities cannot be worth less than the value they would possess as non-convertible preferreds and may be worth more because of their conversion options.</p>	<p>大家必须特别记住的一点是我们可转换特别股大部分的价值其实是来自于固定收益的特性，这意思是说这些有价证券的价值不可能低于一般不具转换权的特别股，相反地会因为它们拥有可转换的选择权而具有更高的价值。</p>
<p>I deeply regret having to end this section of the report with a note about my friend, Colman Mockler, Jr., CEO of Gillette, who died in January. No description better fitted Colman than "gentleman" - a word signifying integrity, courage and modesty. Couple these qualities with the humor and exceptional business ability that Colman possessed and you can understand why I thought it an undiluted pleasure to work with him and why I, and all others who knew him, will miss Colman so much.</p>	<p>很遗憾我必须在报告末段以我的好朋友 Colman Mockler-吉列的 CEO 在今年一月过世做为结尾，除了“绅士”这个代表品格、勇气与谦和的字，没有其它字更能贴切形容 Colman 这个人，除了这些特质之外，再加上他所拥有的幽默与超凡的经营能力，所以大家应该可以想象与他共事是多么令人感到愉快的一件事，这也是为何包含我在内的许多人，会对他感到特别怀念的缘故。</p>
<p>A few days before Colman died, Gillette was richly praised in a <u>Forbes</u> cover story. Its theme was simple: The company's success in shaving products has come not from marketing savvy</p>	<p>在 Colman 死之前几天，吉列受到富比士以封面故事大加赞扬，标题很简单，这家公司在刮胡刀产业的成功，不单只靠行销手段(虽然他们一再展现</p>

<p>(though it exhibits that talent repeatedly) but has instead resulted from its devotion to quality. This mind-set has caused it to consistently focus its energies on coming up with something better, even though its existing products already ranked as the class of the field. In so depicting Gillette, <u>Forbes</u> in fact painted a portrait of Colman.</p>	<p>这方面的能力),同时更源自于他们对于品质的追求,这种心理建设使得他们持续将精力摆在推出更新更好的产品之上,虽然现有的产品已是市场上最经典的,富比士对于吉列的形容,就好象是在描述 Colman 本人一样。</p>
<p>Help! Help!</p>	<p>救命!救命!</p>
<p>Regular readers know that I shamelessly utilize the annual letter in an attempt to acquire businesses for Berkshire. And, as we constantly preach at the Buffalo News, advertising does work: Several businesses have knocked on our door because someone has read in these pages of our interest in making acquisitions. (Any good ad salesman will tell you that trying to sell something without advertising is like winking at a girl in the dark.)</p>	<p>熟悉的读者都知道我经常利用年报不顾廉耻地替伯克希尔寻找合适的投资标的,此外我们也常常在水牛城报纸刊登广告征求投资标的,而如此的宣传做法确实也收到效果,有好几家企业收到我们相关的讯息后,上门前来(任何好的业务销售人员都会告诉你,不靠广告卖东西就好象是在黑夜里对于女孩眨眼一样没有用)。</p>
<p>In Appendix B (on pages 26-27) I've reproduced the essence of a letter I wrote a few years back to the owner/manager of a desirable business. If you have no personal connection with a business that might be of interest to us but have a friend who does, perhaps you can pass this report along to him.</p>	<p>附录 B 是我回信给一位可能的卖方的摘要,若是你知道那家企业可能会是我们有兴趣的标的,同时你有认识的朋友在那家企业,欢迎你直接将这份资料送给他参考。</p>
<p>Here's the sort of business we are looking for: (1) Large purchases (at least \$10 million of after-tax earnings), (2) Demonstrated consistent earning power (future projections are of little interest to us, nor are "turnaround" situations), (3) Businesses earning good returns on equity while employing little or no debt, (4) Management in place (we can't supply it), (5) Simple businesses (if there's lots of technology, we won't understand it), (6) An offering price (we don't want to waste our time or that of the seller by talking, even preliminarily, about a transaction when price is unknown).</p>	<p>以下就是我们想要找的企业条件 (1) 巨额交易(每年税后盈余至少有一千万美元) (2) 持续稳定获利(我们对有远景或具转机的公司没兴趣) (3) 高股东报酬率(并且甚少举债) (4) 具备管理阶层(我们无法提供) (5) 简单的企业(若牵涉到太多高科技,我们弄不懂) (6) 合理的价格(在价格不确定前,我们不希望浪费自己与对方太多时间)</p>
<p>We will not engage in unfriendly takeovers. We can promise complete confidentiality and a very fast answer - customarily within five minutes - as to whether we're interested. We prefer to buy</p>	<p>我们不会进行敌意的购并,并承诺完全保密并尽快答复是否感兴趣(通常不超过五分钟),我们倾向采现金交易,除非我们所换得的内含价值跟我</p>

for cash, but will consider issuing stock when we receive as much in intrinsic business value as we give.	们付出的一样多，否则不考虑发行股份。
Our favorite form of purchase is one fitting the Blumkin- Friedman-Heldman mold. In cases like these, the company's owner- managers wish to generate significant amounts of cash, sometimes for themselves, but often for their families or inactive shareholders. At the same time, these managers wish to remain significant owners who continue to run their companies just as they have in the past. We think we offer a particularly good fit for owners with such objectives. We invite potential sellers to check us out by contacting people with whom we have done business in the past.	我们最喜欢的交易对象之一是像 B 太太- Heldman 家族那样，公司经营者希望能马上有一大笔现金，不管是给自己、家人或是其它股东，最好这些经营者如往常一样能够继续留在公司，我想我们可以提供具有以上想法的经营者，一个满意的方式，我们也欢迎可能的卖方与那些过去与我们合作过的对象打听。
Charlie and I frequently get approached about acquisitions that don't come close to meeting our tests: We've found that if you advertise an interest in buying collies, a lot of people will call hoping to sell you their cocker spaniels. A line from a country song expresses our feeling about new ventures, turnarounds, or auction-like sales: "When the phone don't ring, you'll know it's me."	另一方面查理跟我也常常接到一些不符合我们条件的询问，包括新事业、转机股、拍卖案以及最常见的中介案。我们发现如果你登广告要买牧羊犬，结果却有一大堆人打电话来要卖你长耳猎犬，对于这类的事业，有首乡村歌曲其中的一句歌词最能描述我们的感觉，“若电话不响，你就知道那是我”。
Besides being interested in the purchase of businesses as described above, we are also interested in the negotiated purchase of large, but not controlling, blocks of stock comparable to those we hold in Capital Cities, Salomon, Gillette, USAir, and Champion. We are not interested, however, in receiving suggestions about purchases we might make in the general stock market.	除了以上买下整家公司的购并案外，我们也会考虑买进一大部份不具控制权的股份，就像我们在资本城、所罗门、吉列、美国航空与冠军企业这几个 Case 一样的公司，不过对于一般直接从股票市场上买进股份的建议我们，则一点兴趣都没有。
Miscellaneous	其它事项
Ken Chace has decided not to stand for reelection as a director at our upcoming annual meeting. We have no mandatory retirement age for directors at Berkshire (and won't!), but Ken, at 75 and living in Maine, simply decided to cut back his activities.	Ken Chace 决定从今年股东会起不再担任本公司的董事，在伯克希尔我们没有强制董事退休的年龄限制(以后绝对也不会有)，但是住在缅因州 75 岁的 Ken 还是决定减少自己在伯克希尔的活动量。
Ken was my immediate choice to run the textile operation after Buffett Partnership, Ltd. assumed control of Berkshire early in 1965.	Ken 是我在 1965 年透过巴菲特合伙入主伯克希尔时，选择经营纺织事业的第一人选，虽然我在坚持纺织事业继

<p>Although I made an economic mistake in sticking with the textile business, I made no mistake in choosing Ken: He ran the operation well, he was always 100% straight with me about its problems, and he generated the funds that allowed us to diversify into insurance.</p>	<p>续经营上做了错误的决策，但选择 Ken 却是正确的决定，他把公司经营的非常好，对于所面临的问题也是百分之百地坦诚，更重要的是他产生出足够让我们进军保险业的资金。</p>
<p>My wife, Susan, will be nominated to succeed Ken. She is now the second largest shareholder of Berkshire and if she outlives me will inherit all of my stock and effectively control the company. She knows, and agrees, with my thoughts on successor management and also shares my view that neither Berkshire nor its subsidiary businesses and important investments should be sold simply because some very high bid is received for one or all.</p>	<p>我的内人 Susan 将会被提名接替 Ken 担任董事，她个人现在是伯克希尔第二大股东，而且要是她活的比我久的话，还会继承我个人所持有的股份，进而取得公司的控制权，她明了也完全同意我个人对于可能接替人选的想法，同时也认同不管是伯克希尔本身或是旗下事业与主要的投资，都不会单纯地因为有人出高价要买，便轻易地对外出售。</p>
<p>I feel strongly that the fate of our businesses and their managers should not depend on my health - which, it should be added, is excellent - and I have planned accordingly. Neither my estate plan nor that of my wife is designed to preserve the family fortune; instead, both are aimed at preserving the character of Berkshire and returning the fortune to society.</p>	<p>我强烈地感觉伯克希尔企业与经理人的命运不应该依赖在我个人的健康之上，当然若是因此可以加分会更好，为此我已做好的万全的计划，不管是我个人或是我内人的遗嘱都不打算将这些财产留给家族，相反地重点会放在如何保持伯克希尔的特质，并将所有的财富回归给社会。</p>
<p>Were I to die tomorrow, you could be sure of three things: (1) None of my stock would have to be sold; (2) Both a controlling shareholder and a manager with philosophies similar to mine would follow me; and (3) Berkshire's earnings would increase by \$1 million annually, since Charlie would immediately sell our corporate jet, The Indefensible (ignoring my wish that it be buried with me).</p>	<p>所以万一要是明天我突然死了，大家可以确定三件事(1)我在伯克希尔的股份，一股都不会卖(2)继承我的所有权人与经理人一定会遵循我的投资哲学(3)伯克希尔的盈余会因为出售我个人的专用飞机-无可辩解号，每年可增加 100 万美元(不要管我希望让她陪葬的遗愿)。</p>
<p>About 97.3% of all eligible shares participated in Berkshire's 1990 shareholder-designated contributions program. Contributions made through the program were \$5.8 million, and 2,600 charities were recipients.</p>	<p>大约有 97.3% 的有效股权参与 1990 年的股东指定捐赠计划，总计约 580 万美元捐出的款项分配给 2,600 家慈善机构。</p>
<p>We suggest that new shareholders read the description of our shareholder-designated contributions program that appears on pages 54-55. To participate in future programs, you must make sure your shares are registered in the name of the actual owner, not in the nominee name</p>	<p>我们敦促新加入的股东，仔细阅读年报上有关股东捐赠计划的详细内容，如果在未来年度内，你想要参加这类的计划，我们强烈建议你股份登记在自己而不是受托人的名下，必须在 1991 年 8 月 31 日之前完成登记，才</p>

<p>of a broker, bank or depository. Shares not so registered on August 31, 1991 will be ineligible for the 1991 program.</p>	<p>有权利参与 1991 年的捐赠计划。</p>
<p>In addition to the shareholder-designated contributions that Berkshire distributes, managers of our operating businesses make contributions, including merchandise, averaging about \$1.5 million annually. These contributions support local charities, such as The United Way, and produce roughly commensurate benefits for our businesses.</p>	<p>伯克希尔除了透过股东指定捐赠计划对外捐赠之外，我们旗下事业的经理人每年也会透过公司对外捐赠，包含商品在内每年平均金额约在 150 万美元左右。这些捐赠主要是赞助当地像是联合劝募等慈善团体，所得的效益应该与我们所捐出的相当。</p>
<p>However, neither our operating managers nor officers of the parent company use Berkshire funds to make contributions to broad national programs or charitable activities of special personal interest to them, except to the extent they do so as shareholders. If your employees, including your CEO, wish to give to their alma maters or other institutions to which they feel a personal attachment, we believe they should use their own money, not yours.</p>	<p>然而不管是旗下事业或是母公司的经理人在利用伯克希尔的资金对外捐赠给全国性组织或特别利益团体时，都是以站在股东利益立场所应该做的，相对地若是你的员工也包含 CEO 在内，想要与其校友会或其它人建立个人关系的，我们认为他们最好是用自己的钱，而不是从你的口袋里掏钱。</p>
<p>The annual meeting this year will be held at the Orpheum Theater in downtown Omaha at 9:30 a. m. on Monday, April 29, 1991. Attendance last year grew to a record 1,300, about a 100-fold increase from ten years ago.</p>	<p>今年的股东会预计在 1991 年 4 月 29 日，星期一早上 9 点 30 分举行在 Orpheum 中心召开，去年股东会参加人数突破 1,300 人，大概是十年前的一百倍。</p>
<p>We recommend getting your hotel reservations early at one of these hotels: (1) The Radisson-Redick Tower, a small (88 rooms) but nice hotel across the street from the Orpheum; (2) the much larger Red Lion Hotel, located about a five-minute walk from the Orpheum; or (3) the Marriott, located in West Omaha about 100 yards from Borsheim's and a twenty minute drive from downtown. We will have buses at the Marriott that will leave at 8:30 and 8:45 for the meeting, and return after it ends.</p>	<p>我们建议大家最好先向以下旅馆预订房间(1)Radisson-Redick 旅馆-就在 Orpheum 中心对街拥有 88 个房间的一家小旅馆(2)较大一点的 Red Lion 旅馆-离 Orpheum 中心约五分钟路程，或是(3)Marriott 位在奥玛哈西区，离波仙珠宝店约 100 公尺，开车到市中心约需 20 分钟，届时将会有巴士接送大家往返股东会会场。</p>
<p>Charlie and I always enjoy the meeting, and we hope you can make it. The quality of our shareholders is reflected in the quality of the questions we get: We have never attended an annual meeting anywhere that features such a consistently high level of intelligent, owner-related questions.</p>	<p>查理跟我一直都很喜欢开股东会，我也希望大家能够来参加，我们股东的素质可由大家所提出的问题看得出来，我们参加过很多股东会，但从来没有别的公司的股东像伯克希尔的股东一样由高智能水准与经营者荣枯与共的股东组合。</p>

<p>An attachment to our proxy material explains how you can obtain the card you will need for admission to the meeting. Because weekday parking can be tight around the Orpheum, we have lined up a number of nearby lots for our shareholders to use. The attachment also contains information about them.</p>	<p>后面附有股东会开会投票的相关资料，跟各位解释如何拿到入场所许的识别证，因为开会当天会场不好停车，我们特地为大家预留了一些位置，附件也有相关说明供大家参考。</p>
<p>As usual, we will have buses to take you to Nebraska Furniture Mart and Borsheim's after the meeting and to take you to downtown hotels or to the airport later. I hope that you will allow plenty of time to fully explore the attractions of both stores. Those of you arriving early can visit the Furniture Mart any day of the week; it is open from 10 a.m. to 5:30 p.m. on Saturdays, and from noon to 5:30 p.m. on Sundays. While there, stop at the See's Candy cart and see for yourself the dawn of synergism at Berkshire.</p>	<p>一如往常，会后我们备有巴士带大家到内布拉斯加家具店与波仙珠宝店或是到饭店与机场，我希望大家能有多一点的时间好好探索这两家店的奥妙，当然早几天到的股东也可利用假日逛逛家具店，星期六从早上 10 点到下午 5 点 30 分，星期日则从中午开到下午 5 点 30 分，到那里时记得到喜斯糖果摊逛逛，看看伯克希尔企业综效的初步成果。</p>
<p>Borsheim's normally is closed on Sunday, but we will open for shareholders and their guests from noon to 6 p.m. on Sunday, April 28. At our Sunday opening last year you made Ike very happy: After totaling the day's volume, he suggested to me that we start holding annual meetings quarterly. Join us at Borsheim's even if you just come to watch; it's a show you shouldn't miss.</p>	<p>波仙星期天通常不开门营业，但在股东会期间特别破例，4 月 28 日星期天从中午开到下午 6 点，去年由于大家的卖力表现让 Ike 相当的开心，在看过那天的业绩数字之后，他建议我们最好能够每一季都召开股东会，今年记得到波仙去看看，就算不买也没有关系，那是一场你不能错过的秀。</p>
<p>Last year the first question at the annual meeting was asked by 11-year-old Nicholas Kenner, a third-generation shareholder from New York City. Nicholas plays rough: "How come the stock is down?" he fired at me. My answer was not memorable.</p>	<p>去年股东会第一个问题是由来自纽约 11 岁的 Nicholas Kenner 所提出，他们一家三代都是伯克希尔的股东，一开场 Nicholas 就来硬的，：“为什么股价会下跌？”面对如此强大的火力，我的回答却不甚了了。</p>
<p>We hope that other business engagements won't keep Nicholas away from this year's meeting. If he attends, he will be offered the chance to again ask the first question; Charlie and I want to tackle him while we're <i>fresh</i>. This year, however, it's Charlie's turn to answer.</p>	<p>我希望今年 Nicholas 最好有其它的事要忙，不要来参加今年的股东会，若他真的出席了，他可能有机会再提出第一个问题，查理跟我都希望尽量不要碰到他，还好今年轮到查理先回答。</p>
<p>APPENDIX A</p>	<p>附录 A</p>
<p><u>U. S. STEEL ANNOUNCES SWEEPING MODERNIZATION SCHEME</u></p>	<p>美国钢铁公司宣布全面更新计划</p>
<p>An unpublished satire by Ben Graham, written in 1936 and given by the author to Warren Buffett in 1954.</p>	<p>本文是葛拉罕于 1936 年所写未对外公开的讽刺性文章，由巴菲特于 1954 年提供</p>

<p>Myron C. Taylor, Chairman of U. S. Steel Corporation, today announced the long awaited plan for completely modernizing the world's largest industrial enterprise. Contrary to expectations, no changes will be made in the company's manufacturing or selling policies. Instead, the bookkeeping system is to be entirely revamped. By adopting and further improving a number of modern accounting and financial devices the corporation's earning power will be amazingly transformed. Even under the subnormal conditions of 1935, it is estimated that the new bookkeeping methods would have yielded a reported profit of close to \$50 per share on the common stock. The scheme of improvement is the result of a comprehensive survey made by Messrs. Price, Bacon, Guthrie & Colpitts; it includes the following six points:</p>	<p>Myron C. Taylor-美国钢铁公司的董事长，今天宣布令人期待已久，有关全世界最大的制造公司的全面更新计划，与预期相反的，公司的制造或是销售政策全部没有变动，反而是会计帐务系统做了大幅度的调整，在采取一系列最新最好的现代会计与财务措施之后，公司的获利能力因而大幅增进，即使是在景气不佳的1935年，在采用新的会计制度下，估计每股盈余还是可以达到50美元的水准，这项改造计划是经由 Messrs 等人经过广泛的研究调查后制定的，其中主要包含六大点：</p>
<p>1. Writing down of Plant Account to Minus \$1,000,000,000.</p>	<p>2. Par value of common stock to be reduced to 1¢.</p>
<p>3. Payment of all wages and salaries in option warrants.</p>	<p>4. Inventories to be carried at \$1.</p>
<p>5. Preferred Stock to be replaced by non-interest bearing bonds redeemable at 50% discount.</p>	<p>6. A \$1,000,000,000 Contingency Reserve to be established.</p>
<p>(1) 将厂房价值减少到负的10亿美元</p>	<p>(2) 普通股每股面额减到一美分</p>
<p>(3) 以认股权的方式支付所有的薪水与奖金</p>	<p>(4) 存货的帐面价值减为1美元</p>
<p>(5) 原有特别股改成不必马上支付利息 50%折价发行的公司债</p>	<p>(6) 建立10亿美元的或有准备</p>
<p>The official statement of this extraordinary Modernization Plan follows in full:</p>	<p>以下就是这项全面更新计划的官方完整声明</p>
<p>The Board of Directors of U. S. Steel Corporation is pleased to announce that after intensive study of the problems arising from changed conditions in the industry, it has approved a comprehensive plan for remodeling the Corporation's accounting methods. A survey by a Special Committee, aided and abetted by Messrs. Price, Bacon, Guthrie & Colpitts, revealed that our company has lagged somewhat behind other American business enterprises in utilizing certain advanced bookkeeping methods, by means of which the earning power may be phenomenally enhanced without requiring any cash outlay or any changes in operating or sales conditions. It has been</p>	<p>美国钢铁公司的董事会很高兴向大家宣布，在经过对产业界所面临的问题广泛地研究之后，我们已经核准了一项重新塑造公司会计制度的方案，一项由特别委员会主导并经 Messrs 等人协助之下完成的调查显示，我们公司在运用最先进的会计制度方面远远落后于其它美国企业，透过这样的做法，公司不必负担额外的支出、营业与销售政策也不必改变，就可以不费吹灰之力地大大改善获利能力，所以大家一致决定不但要立即跟进采用，而且还要将这项技术发展到淋漓尽致的境界，董事会所采用的做法，主要</p>

decided not only to adopt these newer methods, but to develop them to a still higher stage of perfection. The changes adopted by the Board may be summarized under six heads, as follows:	可以归纳为以下六点:
1. Fixed Assets to be written down to <u>Minus \$1,000,000,000.</u>	固定资产减为负的 10 亿美元
Many representative companies have relieved their income accounts of all charges for depreciation by writing down their plant account to \$1. The Special Committee points out that if their plants are worth only \$1, the fixed assets of U. S. Steel Corporation are worth a good deal less than that sum. It is now a well-recognized fact that many plants are in reality a liability rather than an asset, entailing not only depreciation charges, but taxes, maintenance, and other expenditures. Accordingly, the Board has decided to extend the write-down policy initiated in the 1935 report, and to mark down the Fixed Assets from \$1,338,522,858.96 to a round <u>Minus \$1,000,000,000.</u>	许多代表公司都已将其帐列厂房价值减为象征性的 1 美元, 好让其损益表免于折旧费用沉重的负担, 特别委员会指出如果它们的厂房只值 1 美元, 那么美国钢铁的的固定资产比起它们来说还要少很多, 事实上近来大家都承认一项事实, 许多厂房对公司来说实际上是一种负债而不是资产, 除了要摊提折旧之外, 还要负担税金、维修及其它开支, 因此董事会决定要从 1935 年开始将资产打销, 从原先帐列 1,338,522,858.96 美元减少为负的 1,000,000,000 美元。
The advantages of this move should be evident. As the plant wears out, the liability becomes correspondingly reduced. Hence, instead of the present depreciation charge of some \$47,000,000 yearly there will be an annual <u>appreciation credit</u> of 5%, or \$50,000,000. This will increase earnings by no less than \$97,000,000 per annum.	这样做法的效益相当明显, 随着工厂逐渐折减, 所代表的负债也相对地减少, 因此以往每年 4,700 万的折旧费用不但可以免除, 以后每年还可以有 5,000 万美元的折旧利益, 一来一往等于让公司的获利至少增加 9,700 万美元。
2. Reduction of Par Value of Common Stock to 1¢, and	将普通股面额减少到 1 美分。
3. Payment of Salaries and Wages in Option Warrants.	所有的薪资与奖金一律以认股权的方式发放。
Many corporations have been able to reduce their overhead expenses substantially by paying a large part of their executive salaries in the form of options to buy stock, which carry no charge against earnings. The full possibilities of this modern device have apparently not been adequately realized. The Board of Directors has adopted the following advanced form of this idea:	许多企业早已将本来应该支付给经营主管薪水奖金的大笔支出改以不必认列费用的股票认股权方式取代, 这种现代化的创新做法很明显地还没有被充分运用, 所以董事会决定采取一项更先进的做法。
The entire personnel of the Corporation are to receive their compensation in the form of rights to buy common stock at \$50 per share, at the rate of one purchase right for each \$50 of salary	企业所有的员工将发给认购价为 50 美元的认股权作为薪资的替代, 而普通股面额则减少到 1 美分。

and/or wages in their present amounts. The par value of the common stock is to be reduced to 1¢.	
The almost incredible advantages of this new plan are evident from the following:	这项计划很明显的有下列好处:
A. The payroll of the Corporation will be entirely eliminated, a saving of \$250,000,000 per annum, based on 1935 operations.	A 公司将不再有任何的薪资支出, 参考 1935 年的情况, 每年估计将因此省下 2.5 亿美元。
B. At the same time, the effective compensation of all our employees will be increased severalfold. Because of the large earnings per share to be shown on our common stock under the new methods, it is certain that the shares will command a price in the market far above the option level of \$50 per share, making the readily realizable value of these option warrants greatly in excess of the present cash wages that they will replace.	B 同时, 所有员工的报酬将因此增加好几倍, 因为在新的会计原则之下公司帐上显示的每股盈余将因此大增, 从而使得公司的股价远高于认股权所设定的 50 美元认购价, 于是所有的员工都将因为认股权的行使而受惠, 所得到的报酬将远比他们原来领的现金收入要高的多。
C. The Corporation will realize an additional large annual profit through the exercise of these warrants. Since the par value of the common stock will be fixed at 1¢, there will be a gain of \$49.99 on each share subscribed for. In the interest of conservative accounting, however, this profit will not be included in the income account, but will be shown separately as a credit to Capital Surplus.	C 透过这些认股权的行使, 公司因此还可以实现额外特别的年度利益, 而由于我们将普通股面额设定为 1 美分, 因此每认购一股便能产生 49.99 美元的利益, 虽然就会计学保守的立场, 这些利益可能无法显现在损益表之上, 但却可以在资产负债表上以资本溢价的方式单独列示。
D. The Corporation's cash position will be enormously strengthened. In place of the present annual cash <u>outgo</u> of \$250,000,000 for wages (1935 basis), there will be annual cash <u>inflow</u> of \$250,000,000 through exercise of the subscription warrants for 5,000,000 shares of common stock. The Company's large earnings and strong cash position will permit the payment of a liberal dividend which, in turn, will result in the exercise of these option warrants immediately after issuance which, in turn, will further improve the cash position which, in turn, will permit a higher dividend rate -- and so on, indefinitely.	D 企业的现金部位也会因此大大地增强, 每年不但不再有 2.5 亿美元的薪资流出, 透过行使 500 万股认股权的做法, 每年还可以创造 2.5 亿美元的现金流入, 公司惊人的获利能力加上坚强的现金部位将使得我们可以随心所欲地配发股利, 然后我们又可以透过行使认股权的方式补强现金实力, 之后又可以有更高的配股能力, 如此一直循环下去。
4. Inventories to be carried at \$1.	4. 帐列存货价值调为 1 美元
Serious losses have been taken during the depression due to the necessity of adjusting inventory value to market. Various enterprises	在经济衰退时因为必须将存货价值调整至市价, 公司可能会因此蒙受巨额损失, 因此许多公司, 尤其是钢铁

<p>-- notably in the metal and cotton-textile fields -- have successfully dealt with this problem by carrying all or part of their inventories at extremely low unit prices. The U. S. Steel Corporation has decided to adopt a still more progressive policy, and to carry its entire inventory at \$1. This will be effected by an appropriate write-down at the end of each year, the amount of said write-down to be charged to the Contingency Reserve hereinafter referred to.</p>	<p>与纺织公司纷纷将其帐列存货价值压到相当低的程度，而成功地解决这方面的问题，有鉴于此美国钢铁公司决定采用一种更积极的做法，打算将存货价值一举压低到 1 美元的最低限度，在每年底都会进行这样的动作，将存货予以调整，差异的数字则全部摆到前面所提到的或有准备科目项下。</p>
<p>The benefits to be derived from this new method are very great. Not only will it obviate all possibility of inventory depreciation, but it will substantially enhance the annual earnings of the Corporation. The inventory on hand at the beginning of the year, valued at \$1, will be sold during the year at an excellent profit. It is estimated that our income will be increased by means of this method to the extent of at least \$150,000,000 per annum which, by a coincidence, will about equal the amount of the write-down to be made each year against Contingency Reserve.</p>	<p>这种新做法的好处相当的大，不但可以消除存货耗损的可能性，同时可大大地增进公司每年的获利能力，每年初存货因为帐列价值只有 1 美元，所以将因出售而获得大笔的利益，经估计透过这种新会计方法的运用将可使我们每年至少增加 1.5 亿美元的收益，而碰巧的是这个数字与我们每年冲销的或许准备金额相当。</p>
<p>A minority report of the Special Committee recommends that Accounts Receivable and Cash also be written down to \$1, in the interest of consistency and to gain additional advantages similar to those just discussed. This proposal has been rejected for the time being because our auditors still require that any recoveries of receivables and cash so charged off be credited to surplus instead of to the year's income. It is expected, however, that this auditing rule -- which is rather reminiscent of the horse-and-buggy days -- will soon be changed in line with modern tendencies. Should this occur, the minority report will be given further and favorable consideration.</p>	<p>特别委员会的一项报告建议为了维持一致性，应收帐款与约当现金最好也能够将帐面数字调整为 1 美元，同时也一样可以有先前所提的好处，但这样子的提案现在被驳回，因为我们的签证会计师认为，任何应收帐款或约当现金若冲回，最好还是先贷记原有科目，而不是直接作为损益表上的收入，但是我们也预期这种老掉牙的会计原则应该很快会更新，好与现代趋势做接轨，而等新原则一通过之后，我们一定会马上将这份报告的建议列为优先执行的方案。</p>
<p>5. Replacement of Preferred Stock by Non-Interest-Bearing Bonds Redeemable at 50% Discount.</p>	<p>5. 将现有特别股改成不必马上支付利息 50%折价发行的公司债。</p>
<p>During the recent depression many companies have been able to offset their operating losses by including in income profits arising from repurchases of their own bonds at a substantial</p>	<p>过去许多公司在面临景气不佳的时候，大都利用买回自己原先发行大幅折价的债券来弥补其营业上的损失，不幸的是由于美国钢铁公司的债信一</p>

<p>discount from par. Unfortunately the credit of U. S. Steel Corporation has always stood so high that this lucrative source of revenue has not hitherto been available to it. The Modernization Scheme will remedy this condition.</p>	<p>向都还算不错，所以没有类似这样的油水可以趁机捞一笔，但现代更新计划解决了这样的难题。</p>
<p>It is proposed that each share of preferred stock be exchanged for \$300 face value of non-interest-bearing sinking-fund notes, redeemable by lot at 50% of face value in 10 equal annual installments. This will require the issuance of \$1,080,000,000 of new notes, of which \$108,000,000 will be retired each year at a cost to the Corporation of only \$54,000,000, thus creating an annual profit of the same amount.</p>	<p>报告建议原先发行的每一股特别股全部换成面额 300 美元不必支付利息的债券，并且可分为十期以面额的 50% 赎回，总计将要发行面额 10.8 亿美元的债券，每年有 1.08 亿美元到期，并由公司以 5,400 万美元的价格赎回，同时公司每年将可因此增加 5,400 万美元的获利。</p>
<p>Like the wage-and/or-salary plan described under 3. above, this arrangement will benefit both the Corporation and its preferred stockholders. The latter are assured payment for their present shares at 150% of par value over an average period of five years. Since short-term securities yield practically no return at present, the non-interest-bearing feature is of no real importance. The Corporation will convert its present annual <u>charge</u> of \$25,000,000 for preferred dividends into an annual bond-retirement <u>profit</u> of \$54,000,000 -- an aggregate yearly gain of \$79,000,000.</p>	<p>就像是第 3 条所述的薪资奖金计划，这样的安排将可以让公司与其特别股股东一体受惠，后者可以确定在五年内收回现有特别股面额的 150%，因为短期的有价证券实在是没有多少报酬率，所以不必付息的特点算是无关紧要，如此一来公司每年将可以减少 2,500 万的特别股股息，再加上每年多出 5,400 万美元的获利，加总之后将可获得每年 7,900 万的利益。</p>
<p>6. Establishment of a Contingency Reserve of \$1,000,000,000.</p>	<p>The Directors are confident that the improvements hereinbefore described will assure the Corporation of a satisfactory earning power under all conditions in the future. Under modern accounting methods, however, it is unnecessary to incur the slightest risk of loss through adverse business developments of any sort, since all these may be provided for in advance by means of a Contingency Reserve.</p>
<p>6. 建立 10 亿美元的或有负债准备</p>	<p>董事们有信心经过上述的安排，公司未来不管在任何情况下，都可以确保拥有令人满意的获利能力，然而在现今的会计原则下，公司最好不要承担</p>

	任何可能的潜在损失的风险，因为最好能够事先建立一个或有损失负债准备以兹因应。
The Special Committee has recommended that the Corporation create such a Contingency Reserve in the fairly substantial amount of \$1,000,000,000. As previously set forth, the annual write-down of inventory to \$1 will be absorbed by this reserve. To prevent eventual exhaustion of the Contingency Reserve, it has been further decided that it be replenished each year by transfer of an appropriate sum from Capital Surplus. Since the latter is expected to increase each year by not less than \$250,000,000 through the exercise of the Stock Option Warrants (see 3. above), it will readily make good any drains on the Contingency Reserve.	特别委员会因此建议公司可以建立一个10亿美元的或有负债准备，就像是先前所述的，存货价值调整为1美元的差异将由这个准备来吸收，同时为了怕将来或有准备消耗殆尽，每年还将固定由资本公积提拨补充，因为后者透过股票选择权的运用每年将至少可以增加2.5亿美元(见前面第3点)，所以随时准备好可供或有准备补充之用。
In setting up this arrangement, the Board of Directors must confess regretfully that they have been unable to improve upon the devices already employed by important corporations in transferring large sums between Capital, Capital Surplus, Contingency Reserves and other Balance Sheet Accounts. In fact, it must be admitted that our entries will be somewhat too simple, and will lack that element of extreme mystification that characterizes the most advanced procedure in this field. The Board of Directors, however, have insisted upon clarity and simplicity in framing their Modernization Plan, even at the sacrifice of possible advantage to the Corporation's earning power.	透过这样的安排，董事会必须坦承他们很遗憾还不能够向其它美国大企业一样，充分地运用各种方法，让股本、资本公积、或有负债与资产负债表其它科目互通有无，事实上我们必须承认，目前我们公司所作的分录还过于简单，根本没有达到一般业界那样能够利用最先进的手法，让整个会计程序神秘复杂化，然而对此董事会还是强调在规划革新方案时，还是必须坚持清楚明了的原则，虽然这样做会对公司的获利能力有所影响。
It is perhaps unnecessary to point out to our stockholders that modern accounting methods give rise to balance sheets differing somewhat in appearance from those of a less advanced period. In view of the very large earning power that will result from these changes in the Corporation's Balance Sheet, it is not expected that undue attention will be paid to the details of assets and liabilities.	实在是不必要跟各位股东报告，更新过后的资产负债表与原先的报表将会有很大的不同，我想为了让公司的获利大增因此必须就资产负债科目做很大的调整，大家应该不会对此有太多的意见。
In conclusion, the Board desires to point out that the combined procedure, whereby plant will be carried at a minus figure, our wage bill will	总而言之，董事会这一连串措施，包含将厂房价值调为负数、薪水删掉、存货降到几乎为零，将可使美国钢铁

<p>be eliminated, and inventory will stand on our books at virtually nothing, will give U. S. Steel Corporation an enormous competitive advantage in the industry. We shall be able to sell our products at exceedingly low prices and still show a handsome margin of profit. It is the considered view of the Board of Directors that under the Modernization Scheme we shall be able to undersell all competitors to such a point that the anti-trust laws will constitute the only barrier to 100% domination of the industry.</p>	<p>在产业的竞争力大为增加，我们将可以因此以非常低的价格销售我们所生产的产品，同时还可以保有很好的获利，董事会也认为在这项更新计划之下，我们将可以彻底打败竞争对手，直到我们达到反托拉斯法 100%市场占有率的最高上限。</p>
<p>In making this statement, the Board is not unmindful of the possibility that some of our competitors may seek to offset our new advantages by adopting similar accounting improvements. We are confident, however, that U. S. Steel will be able to retain the loyalty of its customers, old and new, through the unique prestige that will accrue to it as the originator and pioneer in these new fields of service to the user of steel. Should necessity arise, moreover, we believe we shall be able to maintain our deserved superiority by introducing still more advanced bookkeeping methods, which are even now under development in our Experimental Accounting Laboratory.</p>	<p>当然在准备这份报告时，董事会不是不知道同业也有可能仿效我们这类的做法，使得我们这样做的效益大打折扣，但是我们有信心美国钢铁身为提供钢铁用户这类新式服务的先驱领航者，一定能够维持住客户的忠诚度，不论是老客户或是新客户，当然若是有任何意外，美国钢铁仍将透过我们新设立的会计研究实验室，致力于研发出更新的会计做帐原则，以保持我们的优势地位。</p>
<p>APPENDIX B</p>	<p>附录 B</p>
<p>Some Thoughts on Selling Your Business</p>	<p>对于阁下有意出售公司的一些想法</p>
<p>This is an edited version of a letter I sent some years ago to a man who had indicated that he might want to sell his family business. I present it here because it is a message I would like to convey to other prospective sellers. -- W. E. B.</p>	<p>这是几年前我写给一位有意出售其家族事业给我们的人士，在经过修正后，我特地把这封信摆在这里，因为这正是我想传达给其它有意出售事业者的讯息-华伦巴菲特</p>
<p>Here are a few thoughts pursuant to our conversation of the other day.</p>	<p>以下是在前几天我们的谈话后，我个人的一些想法。</p>
<p>Most business owners spend the better part of their lifetimes building their businesses. By experience built upon endless repetition, they sharpen their skills in merchandising, purchasing, personnel selection, etc. It's a learning process, and mistakes made in one year often contribute to competence and success in succeeding years.</p>	<p>大部分的企业老板无不终其一生努力地建立自己的企业王国，经过不断地努力淬炼，他们在行销、采购与人事管理上的经验都能持续地精进，这是一个学习的过程，先前一时的挫败通常会成就后来的成功。</p>
<p>In contrast, owner-managers sell their business</p>	<p>相对地，自己当老板的经理人在面对</p>

<p>only once -- frequently in an emotionally-charged atmosphere with a multitude of pressures coming from different directions. Often, much of the pressure comes from brokers whose compensation is contingent upon consummation of a sale, regardless of its consequences for both buyer and seller. The fact that the decision is so important, both financially and personally, to the owner can make the process more, rather than less, prone to error. And, mistakes made in the once-in-a-lifetime sale of a business are not reversible.</p>	<p>来自各方的压力，偶尔会在一时冲动的情况下，考虑出售自己拥有的事业，通常是因为中间人为了赚取成交的佣金不顾买卖双方的利益而怂恿老板赶快做决定，事实上做这样的决策牵涉重大，不管是在财务或是个人方面皆是如此，仓促地决定可能使得老板做出错误而不是正确的决策，而且一旦发生可就是一辈子无法挽回的错误。</p>
<p>Price is very important, but often is not the most critical aspect of the sale. You and your family have an extraordinary business -- one of a kind in your field -- and any buyer is going to recognize that. It's also a business that is going to get more valuable as the years go by. So if you decide not to sell now, you are very likely to realize more money later on. With that knowledge you can deal from strength and take the time required to select the buyer you want.</p>	<p>价格当然很重要，但是通常它并不是整个交易最关键的因素，你跟你的家族拥有业界最棒的企业，所有的潜在买家当然都知道这一点，而随着时间的演进，你的事业也会变得更有价值，所以若你现在决定不卖了，这代表以后你可能可以赚更多的钱，而有了这样的认知，你大可以从容以对，慢慢地寻找你希望的买主。</p>
<p>If you should decide to sell, I think Berkshire Hathaway offers some advantages that most other buyers do not. Practically all of these buyers will fall into one of two categories:</p>	<p>但是要是你真的决定要卖，我相信伯克希尔绝对可以提供比别人更好的条件，基本上可能的买主可以分为两大类：</p>
<p>(1) A company located elsewhere but operating in your business or in a business somewhat akin to yours. Such a buyer -- no matter what promises are made -- will usually have managers who feel they know how to run your business operations and, sooner or later, will want to apply some hands-on "help." If the acquiring company is much larger, it often will have squads of managers, recruited over the years in part by promises that they will get to run future acquisitions. They will have their own way of doing things and, even though your business record undoubtedly will be far better than theirs, human nature will at some point cause them to believe that their methods of operating are superior. You and your family probably have friends who have sold their businesses to larger companies, and I suspect</p>	<p>(1) 第一种是你的同业或是与你的所处的产业相近的业者，这种买家不管他给你怎么样的承诺，通常会让你感觉到好象他比你懂得如何来经营你的事业，而早晚有一天他会想要插手来帮忙你的营运，而若是买方再大一点，通常还会应征一大堆经理人进来，借口表示以后还会有更多的购并案，他们一定会有自己的一套做事方法，虽然你过去的经营记录明显地比他们好太多，但人性的某一面还是使他们觉得他们做事的方法才是对的，你跟你家人的朋友大概也有人曾经将公司卖给大企业的，我想他们应该也有这方面的经验，可以证实大公司有倾向将子公司的业务接过去管理，尤其是他们对这行也很内行或自认很内行时。</p>

<p>that their experiences will confirm the tendency of parent companies to take over the running of their subsidiaries, particularly when the parent knows the industry, or thinks it does.</p>	
<p>(2) A financial maneuverer, invariably operating with large amounts of borrowed money, who plans to resell either to the public or to another corporation as soon as the time is favorable. Frequently, this buyer's major contribution will be to change accounting methods so that earnings can be presented in the most favorable light just prior to his bailing out. I'm enclosing a recent article that describes this sort of transaction, which is becoming much more frequent because of a rising stock market and the great supply of funds available for such transactions.</p>	<p>(2) 第二类的公司是财务公司,大量运用所借来的资金,只要时机得当,总是准备随时将公司再卖给投资大众或是别的大企业,通常这类买主对公司最大的贡献就是改变公司的会计政策,使得公司盈余比以前看起来好看一点,如此一来使他得以用更好的价格脱手而出,附件是最近一篇有关这类交易的文章报导,由于最近股市热络所以这类的活动也相当频繁,同时这类的资金也相当充沛。</p>
<p>If the sole motive of the present owners is to cash their chips and put the business behind them -- and plenty of sellers fall in this category -- either type of buyer that I've just described is satisfactory. But if the sellers' business represents the creative work of a lifetime and forms an integral part of their personality and sense of being, buyers of either type have serious flaws.</p>	<p>如果公司现在的拥有人唯一的目标只是随时准备将企业待价而沽,弃企业整体的利益于不顾,很多的卖主确实属于这类型,那么先前所描述的买方应该都可以为卖方所接受,但是要是卖方所要出售的公司是他一辈子的心血结晶,甚至已经成为其人格与生命的一部份,那么这两类的买方可能都不能符合你的标准。</p>
<p>Berkshire is another kind of buyer -- a rather unusual one. We buy to keep, but we don't have, and don't expect to have, operating people in our parent organization. All of the businesses we own are run autonomously to an extraordinary degree. In most cases, the managers of important businesses we have owned for many years have not been to Omaha or even met each other. When we buy a business, the sellers go on running it just as they did before the sale; we adapt to their methods rather than vice versa.</p>	<p>至于伯克希尔则属于另外一类型的买主,而且绝对是与众不同的,我们买进是为了拥有,但我们不要,也不希望公司的营运主管由母公司指派,我们旗下所有的事业都能够相当独立自主地营运,大部分的情况下,我们所拥有的重要事业管理人从来就没有来过奥玛哈,甚至于双方连面都没碰过,当我们买下一间公司之后,卖方依旧还是照原来的样子经营公司,是我们要去适应他们,不是他们要来适应我们。</p>
<p>We have no one -- family, recently recruited MBAs, etc. -- to whom we have promised a chance to run businesses we have bought from owner-managers. And we won't have.</p>	<p>我们没有任何家族成员或是新进聘用的企管硕士,准备要来经营我们买下的任何企业,我想以后也不会有这种情况。</p>
<p>You know of some of our past purchases. I'm enclosing a list of everyone from whom we have ever bought a business, and I invite you to check</p>	<p>如果你知道我们过去的购并案,我会附上过去我们购买企业的名单,我建议你可以打个电话 check 看看,我们</p>

<p>with them as to our performance versus our promises. You should be particularly interested in checking with the few whose businesses did not do well in order to ascertain how we behaved under difficult conditions.</p>	<p>是不是说到做到，特别是你可以问问少数几家经营不甚理想的公司，看看在艰难的状况下，我们又会采取怎样的做法。</p>
<p>Any buyer will tell you that he needs you personally -- and if he has any brains, he most certainly does need you. But a great many buyers, for the reasons mentioned above, don't match their subsequent actions to their earlier words. We will behave exactly as promised, both because we have so promised, and because we need to in order to achieve the best business results.</p>	<p>任何买主都会告诉你，私底下他很需要你的协助，当然若他真的有大脑，他就会知道他真的是需要你，但大多数的买主，基于先前所提的几个理由，大都不会遵守先前所作的承诺，但我们不一样，绝对是说到做到，因为一方面我们已做出承诺，另一方面我们也是为了有更有的经营成果。</p>
<p>This need explains why we would want the operating members of your family to retain a 20% interest in the business. We need 80% to consolidate earnings for tax purposes, which is a step important to us. It is equally important to us that the family members who run the business remain as owners. Very simply, we would not want to buy unless we felt key members of present management would stay on as our partners. Contracts cannot guarantee your continued interest; we would simply rely on your word.</p>	<p>这样的需求可以说明为何我们希望原有的经营团队最好能够保留 20% 的股份，基于租税规划我们需要 80% 以上的股权，这点很重要，但同时我们也希望继续留下来管理的家族成员也能够自己当老板，所以很简单，除非我们确定原有的主要经理人还会继续留下来成为我们的合伙人，否则我们不会考虑买下公司，合约并不能保证你会继续投入，我们相信的是你承诺的每一个字。</p>
<p>The areas I get involved in are capital allocation and selection and compensation of the top man. Other personnel decisions, operating strategies, etc. are his bailiwick. Some Berkshire managers talk over some of their decisions with me; some don't. It depends upon their personalities and, to an extent, upon their own personal relationship with me.</p>	<p>我们会介入的领域是资金的规划与配置，以及高阶人员的任命与报酬，其余的人事、营运策略等那就是你自己的事，有些伯克希尔旗下事业的经理人会把他们所作的一些商业决定向我报告，有些则不会，这主要是视他们本身的个性，以及与我个人的私人关系而定。</p>
<p>If you should decide to do business with Berkshire, we would pay in cash. Your business would not be used as collateral for any loan by Berkshire. There would be no brokers involved.</p>	<p>如果你决定要跟伯克希尔一起做生意，我们会以现金的方式给予报酬，你的企业资产也不会被伯克希尔拿来当作借款的抵押品，也不会有掮客牵涉其中。</p>
<p>Furthermore, there would be no chance that a deal would be announced and that the buyer would then back off or start suggesting adjustments (with apologies, of course, and with an explanation that banks, lawyers, boards of directors, etc. were to be blamed). And finally, you would know exactly with whom you are dealing. You would not</p>	<p>另外在交易成交后，我们也不会临时宣布退出不玩，或是提出要调整的要求，(当然要是银行、律师、董事会等方面的出状况，我们也会做出道歉与合理的解释)，你不会碰到几年前与你谈判的主管突然走人，之后新上任的主管一概不认帐，或是公司总裁很</p>

<p>have one executive negotiate the deal only to have someone else in charge a few years later, or have the president regretfully tell you that his board of directors required this change or that (or possibly required sale of your business to finance some new interest of the parent's).</p>	<p>遗憾地跟你说，他背后的董事会要求你这样或要求你那样，(或甚至想要再把你的公司卖掉以支应母公司新的资金需求)。</p>
<p>It's only fair to tell you that you would be no richer after the sale than now. The ownership of your business already makes you wealthy and soundly invested. A sale would change the form of your wealth, but it wouldn't change its amount. If you sell, you will have exchanged a 100%-owned valuable asset that you understand for another valuable asset -- cash -- that will probably be invested in small pieces (stocks) of other businesses that you understand less well. There is often a sound reason to sell but, if the transaction is a fair one, the reason is not so that the seller can become wealthier.</p>	<p>另外也必须要提醒你在交易完成后，你并不会比原来还富有，因为拥有原来的事业已经让你用最有利的投资方式赚了很多钱，整个交易只会让你的财富形式有所改变，但基本上金额数量并不会改变，若你要卖，你可以确定将能够把原有 100%持有且熟悉的资产，换得另外一种资产-现金，或再加上一小部份你比较不熟悉的企业股份，要做出出售的决定总有许多理由，但若整个交易是公平合理的话，这个理由绝对不是卖方因此可以变得更富有。</p>
<p>I will not pester you; if you have any possible interest in selling, I would appreciate your call. I would be extraordinarily proud to have Berkshire, along with the key members of your family, own _____; I believe we would do very well financially; and I believe you would have just as much fun running the business over the next 20 years as you have had during the past 20.</p>	<p>我不会刻意纠缠你，但若你有任何的意愿想要出售的话，我会很乐意接到你的电话，我很荣幸能够让伯克希尔与你的家族成员一起拥有这份事业；我相信公司在财务上一定会变得更好，而我也相信在未来的 20 年内，你也会像过去 20 年来一样，愉快地继续经营这份事业。</p>