



Berkshire

DIVIDEND STRATEGY

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"Casual Friday" Commentary

Casual Friday: Portfolio Change + "What's up at Work?" – September 2nd, 2022

#TGICF!

Portfolio Changes (as of 9.2.22)

Eliminate: Amgen (AMGN)

Initiate Position: TE Connectivity (TEL)

Portfolio Manager Rationale/Trade objectives

- Reduce overall weighting in health care

Portfolio Manager Rational: Amgen

- Inability to generate meaningful revenue growth
- Uncertainty surrounding tax issues
- Generic competition across the core franchise

Portfolio Manager Rational: TE Connectivity

- High-margin engineered industrial products
- Solid balance sheet / FCF generation
- Attractive growing end markets: EV, renewable energy, automotive
- Dividend growth potential approaching 8-10%

Just in time for the long weekend: Your Social Setting Playbook

So..."What's Up at Work?"

It's kind of ironic. On the one hand, you work really hard to network in your community – making sure the right people know you. On the other hand, you might feel uninspired or even awkward asking for meetings from the very people you worked so hard to access!

For example. You're at your local club or a charity event and bump into the business owner you really think would be a great client. Conversation ensues and of course, they're going to

hit you with some version of “what’s up at work” or “what’s going on in the markets”? Here’s the moment that defines what happens next. You could give a generic "safe" answer and gracefully exit the conversation. But that will likely have you feeling like you missed an opportunity.

Or could you create a path where the prospect asks *you* to meet?

Most advisors respond to "what's up at work" with: “Business is good.”, “Portfolios are great.” or, “I think the markets will make a comeback.” -- None of these inspire curiosity or action! Throw out these generic and flat responses. Instead, the only response you need IS THIS...

“I actually thought about you the other day.” Then PAUSE and wait for the response. Of course, this works best when it’s actually true and sincere.

Prospect is going to respond “Really?” or “Why is that?”

Here’s the subtle difference...now you sparked curiosity. You’re *invited* to share how you add value to other clients just like them.

To this wealthy business owner: "I've been reviewing estate plans for my business owners. It's incredible how much the average attorney actually misses. Last month I caught a big mistake on how insurance was structured and the fix is going to potentially save the client's estate _____ (insert some specific and impressive dollar amount of tax saving) in taxes."

Deliver this message in a conversational and relaxed tone...yet deliver it with a sense of wonder and excitement. Now intrigued, the prospect at a minimum may be thinking: "gee I wonder if my guys missed something like that. Or "Wow. How did he do that?" But it's possible he likely asks you outright. This is the dissonance and curiosity you are looking for and it opens the door to advance the conversation where the logical conclusion is to meet and discuss...and no one has to feel weird or awkward. Use your own style to suggest how/when you discuss in person.

You're not viewed as an expert because you tell people you're an expert. You're viewed as an expert when you offer tangible proof points of how your expertise applies. It's a classic case study approach. And remember, the words "for example" might be the two most important words in any sales presentation.

So, if you want to transform your social setting playbook, here's what to do next. Schedule 1 hr this week, and write down you're top 10 ideal client engagements. List very specific ways you added greater value to these relationships. Stick this in a file, review it before your next

event so they are fresh in your mind – and you'll redefine how you respond to “what's up at work?”

Labor Day vs. 'Quiet Quitting'

At its core Labor day is (or should be!) about enjoying the last stretch of summer, taking a day off while still reflecting on the intrinsic satisfaction and rewards obtained from hard work. "Quiet quitting" on the other hand is when someone makes a conscious decision to "check out" from their careers and do the absolute bare minimum. Obviously, we are not fans! To enable such indolence, sadly there is actually a device to make it look like someone is working when they are not.

https://www.cnbc.com/2022/09/02/how-to-use-a-mouse-jiggler-to-make-it-look-like-youre-working.html?_source=androidappshare

This weekend, enjoy great weather, fun, food, friends or whatever you are into. Come Tuesday let's get back to business and crush it in the few remaining months of 22! Let's go!

Have a great weekend!

Gerry

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