2017 Berkshire Hathaway Annual Shareholder Meeting

The Berkshire Hathaway annual meeting is an opportunity for shareholders and analysts to pose questions to Warren Buffett and Charlie Munger. They answered about 60 questions during the five-hour gathering.

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Thousands of people come to Omaha each spring for the Berkshire Hathaway annual shareholders' meeting to hear the insights of Warren Buffett and Charles Munger, Buffett's longtime business partner. Rather than a transcript, these notes are highlights organized to group common themes from responses to related questions. Some historical context is added for clarity where needed. The electronic version of this report is hyperlinked to more information, and a webcast of the meeting is available at Yahoo.com. An appendix lists the time and topic of each question in the webcast, not all of which are covered in these notes.

The format of the meeting is question and answer. Shareholders and investment analysts pose questions to Buffett and Munger in two, 2.5-hour sessions covering about 60 questions. They answer in clear-thinking and entertaining ways that keep shareholders coming back year after year.

Berkshire Hathaway is one of the larger holdings in the Brown Advisory Flexible Equity Strategy. Buffett and Munger are significant influences on the investment approach used in managing Flexible Equity Strategy portfolios.

BERKSHIRE HATHAWAY

In the 52 years since Buffett took control, Berkshire Hathaway has grown from a small, economically challenged New England textile company to one of the largest U.S. companies, with over 400,000 employees and an equity market capitalization of $420 billion. Berkshire is the sixth most valuable company in the U.S. after Apple, Alphabet (Google), Microsoft, Amazon and Facebook.

Berkshire is extremely decentralized, with just 25 employees at its corporate offices and the rest at over 90 separate operating companies. Berkshire is unusual among public companies. It doesn't manage for quarter-to-quarter earnings, provide earnings guidance or have budgets at the parent company, though many of the subsidiaries do. Capital allocation decisions are centralized with Buffett and a few others, and operating decisions are made at the subsidiary level by the managers of those businesses. At Berkshire, the goal is growing the normalized earnings power on a per share basis over the long term.

Berkshire's largest business is property and casualty insurance, with GEICO the most recognizable brand among several insurance businesses. Insurance operations in total contributed about 20% of Berkshire's revenue in 2016, and about 6% of pretax income came from insurance underwriting profits. More importantly, insurance contributed $91.5 billion of investable float in 2016, which partially funds Berkshire's $260 billion investment portfolio. Other large or recognized noninsurance businesses within Berkshire are Burlington Northern Railroad, Berkshire Hathaway Energy, Precision Castparts, Fruit of the Loom, Dairy Queen, See's Candies and Clayton Homes. Berkshire's investment portfolio holds about $160 billion in equities and over $100 billion in cash equivalents and bonds as of

March 31. Among the larger equity holdings are Wells Fargo (Berkshire owns 9.8% of the shares outstanding), Kraft Heinz (26.8%), Coca-Cola (9.3%), American Express (16.8%), International Business Machines, Bank of America and Apple (Source: Berkshire Hathaway).

Berkshire's share price and shareholders' equity per share have compounded at an amazing pace that is almost twice the 9.7% annual rate of the Standard & Poor's 500® Index since Buffett took control in 1965. More relevant to today, Berkshire has continued to compound its value faster than the U.S. equity market, even after becoming a large enterprise. In the last 10 years, 2007 through 2016, Berkshire's shareholders' equity per share and share price compounded at roughly 9.3% and 8.2% annualized compared with 6.9% total return for the S&P 500 Index (Source: Berkshire Hathaway and Brown Advisory Analysis).

Buffett and Munger celebrate good business and investment practices, the potential for human achievement, high ethics and decency to one's fellow man. Listening to Buffett and Munger, you get a course in business, investing and decision-making drawn from their seven decades of business experience. The course is more how to think than what to think, but if ever I've found myself disagreeing with their thinking, I have benefited from rethinking my views. The meeting also serves to ingrain the culture of Berkshire with shareholders and employees. Readers seeking to know more about their approach are encouraged to study Buffett's annual letters to shareholders; Berkshire's Owner's Manual, available at www.berkshirehathaway.com and the book Poor Charlie's Almanack, a collection of speeches and presentations by Munger.

WELLS FARGO, INCENTIVE SYSTEMS AND CORPORATE CULTURE

The first question of the day focused on the scandal at Wells Fargo over sales practices and how to avoid the same at Berkshire given its decentralized corporate structure. Buffett explained that Berkshire counts more heavily on its culture and principles of behavior than on a rule book to guide managerial and employee behavior. He tells his managers that Berkshire has all the money it needs but no reputation to spare, not even an ounce. The firm's reputation is in the managers' hands. With 400,000 employees, someone is bound to be doing something wrong. Managers need to be concerned with spotting and correcting that quickly when it surfaces. Failing that, does the message of bad behavior somehow get to Omaha, and do they do something about it then? Berkshire has a hotline that gets about 4,000 reports a year. Most are frivolous, but a few are serious. The head of internal audit looks into these, and spends real money investigating them. The hotline has led to serious action more than once.

Munger said to count him as a skeptic if you think a legalistic approach will work. A business with a lot of people under incentives is going to have some misbehavior. All the big brokerage firms have large compliance departments, and they should. He thinks Berkshire has had fewer problems by being careful to whom they give power and having a culture of trust. Buffett added that one of Munger's favorite adages, "an ounce of prevention being worth a pound of cure," understates the value of prevention. He would add that a pound of cure properly applied is worth a ton of cure that is delayed. The hotline and anonymous letters are very helpful in finding out about things that may need correcting. When something is amiss, you can't call it a traffic ticket or a foot fault. (At each annual meeting as part of reinforcing its culture, Berkshire shows a film clip of Buffett's testimony to Congress following a 1991 scandal at Salomon Brothers that details Buffett's view on employee ethical behavior and his ruthlessness in dealing with lapses.)

Specific to Wells Fargo, Buffett said there is nothing wrong with incentive systems generally, but you have to be careful not to incentivize bad behavior and recognize it if it occurs. Wells made three mistakes. First, the system led to some bad behavior. Second, it didn't act on it when they learned of it. And third, Wells underestimated the seriousness of the problem measuring it by the relatively small size of the $185 million fine they paid.

INVESTING: PICKING YOUR PITCH, LEARNING FROM GOOD AND BAD BUSINESSES

Buffett often uses an analogy comparing investing to hitting a baseball and waiting for a pitch in your sweet spot. A questioner wanted to know what puts an investment in Buffett's sweet spot. Buffett explained that when they are looking at buying a business, they are looking for a competitive advantage that will last 5, 10 or 20 years, with a manager they trust who fits with and wants to join the Berkshire culture, and a price where present value of the expected future cash the business returns is more than the current asking price. The more certainty they gain on these points, the better they feel.

Buffett and Munger both cited the purchase of See's Candy in 1972 as an example. See's, as the first outstanding business Berkshire purchased, was a watershed event for the company and their own education about business and investing. They paid $25 million for a business earning $4 million pretax and have gotten close to $2 billion out of it since. Their key insight in buying See's was that people would be eating candy 10 or 20 years later and would still pay a premium for a high-quality, recognized brand like See's on special occasions rather than buying the cheapest available.

Buffett explained they were lucky the price stayed low. If the price had gone $5 million higher, he would have walked away—not realizing what a bargain it still would have been. Munger saw See's was worth more and would have bid higher, but not Buffett at the time. Munger added that they were lucky that some of the earliest businesses they purchased were so awful. Had those early businesses—the textile company and a department store—been just a little better, they might not have realized as quickly the advantages of better businesses despite their higher prices. Trying to fix the unfixable was such a bad experience that they learned to avoid bad businesses in the future. When See's came along, they learned how wonderful a good business can be. Stressing the importance of continuous learning, Munger said no one in the audience today would be there to listen to them if they hadn't kept learning all the time. Buffett added that there is nothing like the pain of being in a lousy business to help you appreciate a good one. You'll learn a lot more about business struggling in a lousy one for a few years than jumping right into a great one. It's a useful experience, but he doesn't advise too much of it.

About businesses like See's or later Coca-Cola, which their experience with See's helped them to spot, Munger said the first rule of fishing is to fish where the fish are. There are still fish in the water, but now there are a lot more boats chasing after them, causing the prices to be higher.

To a later question about Berkshire's stakes in some public companies that have recently had business troubles—Wells Fargo, American Express losing a large client and United Airlines with its customer service issues—Buffett explained that all businesses have problems from time to time. With the airlines, Berkshire is the largest holder of each of the biggest four U.S. carriers, so this is more of an industry bet. With the others, they were purchased because they have strong business positions that can help ward off competition, not that they would never face any competition or problems. The better the business, the more likely someone will want to challenge it, but a wide moat with an able knight behind it can defend the economic castle from assault—and speed recovery from occasional stumbles.

Responding to a subsequent question about the sectors on which he is bullish or bearish, Buffett said he doesn't think much about macroeconomic issues or sectors. Rather, he tries to be opportunistic, looking for things that he can know enough about to come to a conclusion, have good returns on present and future capital invested in the business, are run by trustworthy people and have a price that makes sense. "What is smart at one price is stupid at another" is a quote from the 2016 annual report. With Berkshire holding $100 billion in cash, it can swing a very big bat at the right investment or acquisition pitch. Munger offered that he could see an acquisition as large as $150 billion for the right deal.

INTRINSIC VALUE AND VALUE INVESTING

Asked the rate at which Berkshire had compounded its intrinsic value over the last 10 years and what to expect for the next 10, Buffett first explained intrinsic value as the value of the cash flows (in or out) an investment produces in its future, discounted back to the present at an appropriate rate. Since May 2007, Buffett estimated Berkshire had compounded its intrinsic value at roughly 10%, but he thought 10% would be difficult to achieve in the next decade if interest rates stay as low as they are currently. Buffett noted that predicting interest rates isn't easy, and rates can stay low for a long time as they have in Japan, but he is inclined to believe they will be higher in the future than today. Regardless, he thought the chances of getting either a sensational result or a disastrous one from Berkshire are low given its diversity, culture, financial strength and size.

Munger agreed the future would be less glorious than the past in terms of the rate of compounding, but he thought the collection of businesses at Berkshire is as good as or better than the S&P 500 Index, and that Berkshire has a better culture toward shareholders. He noted a key advantage is that lots of people at other companies are running around trying to be brilliant, whereas they are just trying to be rational and avoid really dumb things. In response to another question, Munger said if conditions in economic affairs and investment markets were to get bad and then return to normal, Berkshire was likely to do much better relative to others. It is the nature of things in market systems to sometimes go haywire. Berkshire is temperamentally better prepared to take advantage of these occasional hiccups than others.

A questioner from China asked how Buffett's investment philosophy could be promoted in China in place of the speculation that predominates there. Buffett referenced Keynes' writings in *The General Theory of Employment, Interest and Money* about speculation and investment, as well as Benjamin Graham's *Security Analysis*, and his *The Intelligent Investor*. There are always some value investors and some speculators in markets, though younger markets that haven't been through the downside of wild speculations are more prone to the speculative influence. Investors who keep their wits about them can get more opportunities when speculation unwinds and greed turns to fear. Berkshire has an advantage when that happens. Markets are there to be taken advantage of rather than followed. In that regard, Munger thought a good investor may have more opportunities in China.

Asked about using valuation tools, like aggregate market cap to GDP or cyclically adjusted P/E ratios to gauge markets, Buffett explained that neither of these is paramount. People are always looking for a formula, but it isn't clear cut. The formula is the present value of future cash flows, but the variables that will affect the future cash flows aren't perfectly clear. For markets as a whole, the most important variable is future interest rates. Buffett doesn't have a better figure than the current interest rate, but that doesn't mean he wants to use the current interest rates in his calculation of value.

INVESTMENTS IN APPLE AND IBM, AND TECHNOLOGY MISSES: AMAZON AND GOOGLE

After years of avoiding investments in technology companies, Buffett was asked what he had learned about technology companies, and what is different about his recent investment in Apple and a 2011 investment in IBM that was recently reduced in size. Buffett said he views Apple and IBM differently. Apple is more of a consumer products company with a lot of technology in its products. These products play an important role in their users' lives, and users seem very loyal to them. Six years ago, he thought IBM would do better as a business than it has.

Munger said they avoided tech stocks in the past because they thought they had no advantage in the field, and it's not a good idea to play where other people are sharper. In retrospect, they were smart enough to have figured out Google, and he regrets missing it. They were paying Google lots of money for GEICO ads, and still, they missed it. They missed Walmart too when it was a total cinch at one point. Later, he noted they've missed a lot of things but haven't missed everything. Regarding Apple, Munger thinks it is a good sign that Buffett bought it. Either Buffett has gone crazy or he's learning, and Munger prefers the learning explanation.

Returning to IBM and the competition it faces for its corporate customers' cloud computing led Buffett to discuss the incredible job Jeff Bezos has done at Amazon in building two amazing businesses in very different industries—retailing and cloud computing. Neither Buffett nor Munger could think of anyone else who had ever done that. Others have built one business from a standing start and then funded others, but Bezos has been integrally involved all along the way in both.

Asked why Berkshire has not bought Amazon, Buffett said he underestimated the brilliance of the execution. He didn't see it working as well as it has, and thus, Amazon always looked expensive. A questioner wondered if Berkshire's Fruit of the Loom business had seen any effect from consumers' shift to buying online rather than from traditional retailers. Buffett said not so far, but anyone who thinks that retailing and brands that sell through retail stores won't be affected is incorrect. Brands will be tested and have to make business decisions that will be interesting to watch. Berkshire's furniture retailing stores are doing well on a same-store basis, but he has no illusions that the business will look the same in 10 years.

INVESTING IN CAPITAL LIGHT VERSUS CAPITAL-INTENSIVE BUSINESSES

A shareholder wondered why Berkshire was tilting more to capital-intensive businesses in its capital allocation from a previous preference for capital-light businesses. Buffett explained the ideal business is one that grows earnings without requiring any additional capital investment. Such businesses earn almost infinite returns on equity after a point. Berkshire owns some businesses like this, but the ones Berkshire has don't grow fast enough to absorb the capital they generate. Berkshire looks for less capital-intensive businesses first if it understands them and the price, but its capital-intensive businesses can absorb more capital at a still-good return.

Buffett noted that the five largest companies by market capitalization—Apple, Alphabet, Microsoft, Amazon and Facebook—don't require any equity capital at all. Previously, earning a lot of money took a lot of capital. To be able to build a huge business without much capital is a new and different world. Munger added that some venture-capital-backed companies are losing a lot of money chasing the idea that their businesses will become the eventual winners in potentially winner-take-most or take-all markets. A few will win big in this, but there will be losers too.

INVESTMENT IN AIRLINES

In 2016, Berkshire bought roughly equal stakes in the stocks in the four largest U.S. airlines (Southwest, Delta, American and United). Despite a history of bankruptcies for a 100 years in the industry and his own problematic experience with a US Airways preferred stock in the 1990s, Buffett explained the terrible economics the industry has been known for may get better in the future. It's a competitive business, but it may not be suicidal as it was before in terms of adding too much capacity to meet growing demand. The airlines are making a good return on capital now and buying back stock at low multiples of earnings. It isn't a cinch, but the odds are better for a good outcome now than before.

CORPORATE TAX CUT POTENTIAL TO BENEFIT BERKSHIRE

Asked how much a reduction in corporate tax rates would benefit Berkshire, Buffett explained that the benefit varied for each business in which Berkshire is invested. In the utility business, the regulatory structure of the industry will pass a cut in corporate tax rates through to the customers, so Berkshire won't get to keep it. In Berkshire's investment portfolio, the deferred tax liability on its accumulated gains would decline, and Berkshire would keep that. For the other businesses, the amount of the tax cut that benefits shareholders versus customers would depend on the nature of competition in each industry. Companies in less competitive industries would tend to keep more of the tax cuts, whereas companies in more competitive industries would see the benefit of lower taxes competed away thus passing it through to the industry's customers.

> Buffett and Munger celebrate good business and investment practices, the potential for human achievement, high ethics and decency to one's fellow man.

INDEX FUND INVESTING VERSUS BERKSHIRE (OR ACTIVE MANAGEMENT)

A shareholder wondered why Buffett had directed his wife to invest in index funds rather than Berkshire stock after his death. Buffett rephrased the question to what investment will create the least worry and least risk of a bad outcome for her as someone who is not an investment professional or versed in investment matters. She will have plenty of money. An index fund is certain to deliver a good result over time, and everything else introduces worry, potential for bad advice or potential for bad decisions.

Munger differed, saying he is more comfortable with Berkshire stock than an index fund. He recognizes the logic that the index is hard to beat, but he prefers Berkshire. Recall his earlier comment that Berkshire's businesses are as good as, if not better than, the S&P companies, and its culture and shareholder orientation are better.

Later, a questioner asked Buffett for his thoughts on Munger's value as a financial advisor. Buffett explained that he has known that he could predict a dozen people's success as investors, and Munger was one of them. Perhaps there are hundreds or even thousands of people who beat the market, but he wouldn't take all advisors as a group and expect them to beat the market. For doctors, dentists or plumbers, there is value added by what they do versus what you can do on your own. That isn't true for investment managers in the aggregate versus the index. Most people have a hard time identifying the managers who will beat the index.

CAPITALISM AND SOCIETY, PRODUCTIVITY, 3G AND BERKSHIRE

Several questions touched on the upsides and downsides of capitalism, job losses from trade and productivity gains, and 3G Capital, the firm with whom Berkshire partnered in buying control of Kraft Heinz.

Buffett responded to these questions with a two-sided discussion. On the positive side, the U.S. system has produced huge gains in the standards of living, a sixfold increase during Buffett's lifetime. Capitalism, productivity gains and international trade have contributed in making the U.S. a very wealthy country. Collectively, we are all better off for that, but the gains are not spread evenly and are not widely recognized from generation to generation. Buffett doesn't worry when capital providers are hurt by changes, since they can move their capital and diversify their risks, but individuals who have spent a lifetime in one field that disappears can't. He cited Berkshire's shoe businesses as an example. Trade and foreign competition cost Berkshire some money, but the employees lost their livelihoods. Domestic competition from cheaper southern manufacturers produced a similar effect on Berkshire's original textile mill in Massachusetts. Berkshire moved on with its capital, but the employees couldn't. Job retraining isn't going to work for a 55-year-old who only knows how to do one thing and is rooted for a lifetime in one community. Society, particularly a very rich society like the U.S., can and should take care of people so there isn't "human roadkill" when this happens.

On 3G Capital's reputation for eliminating jobs and cost cutting, Buffett said 3G believes in having their companies be as productive as possible. Improving productivity is good, and without it, Americans would still live as they did in 1776. 3G cuts unnecessary costs very quickly, but that isn't its only business strategy. Berkshire prefers to buy businesses that are already run efficiently. Cutting jobs is not fun, so Buffett would forgo buying a business where the benefit would come from dramatically cutting employment. Munger agreed on productivity but noted the bad publicity around job cutting doesn't mean it is always a bad idea.

On advances in artificial intelligence and its effect on Berkshire and society, Buffett said he had no special insights, but he expected that a lot would happen. It would result in fewer jobs in some areas, but that should be good for society, as with other advances in productivity. Taken to an extreme, one person could push one button to make everything happen. That would be enormously prosocial eventually but would be equally disruptive getting there. Munger added that if it happens at a rate of a few percent per year, people will love it, but not if it is 25%.

CAPITAL ALLOCATION SKILLS AND COMPENSATION FOR SUCCESSORS TO BUFFETT

Capital allocation skills will be high on the list for determining Buffett's successor. At many other companies, CEOs get into the top position without any real experience in capital allocation. It is like practicing violin all your life, and when you get to Carnegie Hall, they hand you a piano. That won't be the case at Berkshire. Having a "money mind" and experience using it are skills Buffett's successor must have. In the next decade, Berkshire will have $400 billion in capital to allocate, more than everything that has come before. Munger added that a successor will also have the option of buying back stock in putting that capital to work.

To a question about how to compensate his eventual successor, Buffett offered that ideally, his successor would already be very rich so that money alone would not be the motivator. The board could pay his successor a modest amount in cash, with an incentive in stock options whose strike price would increase with the capital retained and a requirement that shares obtained through the option are held for a few years past retirement.

Munger and Buffett both would avoid compensation consultants altogether. Munger expressed contempt for compensation consultants and the excesses in CEO pay they help produce. Munger cited capitalism as the golden egg-laying goose on which we all depend for society's advancement. It would not be a good outcome if people develop contempt for capitalism because of the excesses in corporate pay. The excesses in corporate pay are driven by the excuse that everyone else is doing it. "Everyone else is doing it" is never accepted as a reason at Berkshire.

U.S. HEALTH CARE SYSTEM

When asked about the health care system in the U.S. and proposals to change it, Buffett noted that health care spending was about 5% of GDP in the U.S. in 1960, compared to 17% today. Corporate taxes were about 4% of GDP then and 2% now. Other developed countries have seen health care costs grow from 5% to 11% over the same period. Businesses pay for a lot of health care here, so "medical costs are the tapeworm of American economic competitiveness." Munger, who has chaired a major hospital board for many years, agreed with Buffett about the cost of medical care. He cited too much medicine applied to hopeless situations—doctors and hospitals feasting like a bunch of jackals on the carcass of some dying person—and other craziness in the system. Huge and vocal vested interests make it very hard to change the system, however. The political parties hate each other so much that neither can think rationally.

BERKSHIRE'S VALUE TO THE WORLD

A questioner, referencing Apple's creation of the iPhone, asked what Berkshire's value to the world is—wouldn't Berkshire's subsidiaries do just as well as independent companies? Buffett believes Berkshire's subsidiaries run better because operating authority is delegated to skilled managers. Berkshire's approach frees up a lot of time and energy for managers to focus on running their businesses well rather than communicating with Wall Street and shareholders. Berkshire's capital strength and allocation skills allow capital to go to its best uses in big amounts. Buffet cited GEICO as an example of putting capital to its best long-term use versus the shorter-term profit constraints GEICO had as a public company. Berkshire's ownership allowed GEICO to increase its advertising to attract new customers and grow its market share nearly fivefold. New customers are initially less profitable than existing customers, but have a life-time present value greater than the investment expenditure to get them. Munger added that Berkshire's value to the world is its teaching ethos, staying sane and honest and being a good example for the world. To another question on his legacy, Buffett said he would be pleased to be remembered as a good teacher.

FISHING ANALOGIES

Munger loves fishing analogies. Here are a few from the day.

"I have a friend who says the first rule of fishing is to fish where the fish are, and the second rule of fishing is not to forget the first rule. We've got to fish where the fish are."

"There are too many other boats in the damn water, but the fish are still there."

"The investment world has gotten tougher with more competition, more affluence and more absolute obsession with finance. [We had] a lot of low-hanging fruit in the old days where it was very, very easy, and we had huge margins of safety. Now, we operate in a less advantageous general climate, and maybe we have small statistical advantages, where in the old days, it was like shooting fish in a barrel."

"A good fisherman can find more fish in China."

2018 ANNUAL SHAREHOLDERS MEETING

The 2018 meeting will occur on Saturday, May 5, 2018, in Omaha, Nebraska. Omaha is a nice weekend getaway with a number of attractions in addition to the annual meeting events. Make your plans now if you would like to attend, as hotels and planes fill up early. Alternatively, the meeting is likely to be webcast again, as it was this year.

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Appendix: Time Index
Berkshire Hathaway Annual Meeting Webcast at
https://finance.yahoo.com/brklivestream/
May 6, 2017

Time	Discussion Topic
00:13	Webcast Begins – Yahoo! Commentary
14:15	Meeting Begins with Introductions and Opening Remarks
29:50	Berkshire's Risk for Ethical Lapses like What Happened at Wells Fargo
42:25	Autonomous Technology Effect on Burlington Northern Railroad
44:35	Optimal Attributes to be in Buffett's Investment Sweet Spot
50:10	Reviews of Investment Holdings
55:05	Reinsurance Transaction with AIG
1:01:03	Munger's Most Noteworthy Deal
1:04:36	Investing in Technology: IBM and Apple
1:11:10	Investments in Airlines
1:19:40	Ethics of Capitalism – Will Berkshire divest of Coca Cola?
1:26:00	Compounded Intrinsic Value of Berkshire

Time	Discussion Topic
1:32:05	Effect of Reduced Tax Rates
1:37:38	Buffett's Cadillac in Charity Auction
1:40:13	Index Funds vs. Berkshire
1:45:15	Unilever and 3G
1:47:40	Speculation vs. Investing in China
1:54:12	Investment Tax Credits and Capital Investment
1:58:48	Coal and Burlington Northern Railroad
2:04:10	Capital-Heavy vs. Capital-Light Companies
2:10:32	Value of Berkshire to the World
2:16:30	Periodic Payment Annuity Business
2:21:00	USG Investment

Time	Discussion Topic
2:23:48	Ajit Jain's Role in Berkshire Insurance
2:30:42	Succession Planning
2:33:20	Bullish/Bearish on What Sectors
2:40:59	Compensation of Buffett's Successor
2:50:30	Effect of Panama Canal Widening
2:54:10	Teamwork in Capital Allocation
2:59:46	Worth of Financial Advisors and Worth of Munger as Buffett's Advisor
3:08:05	Precision Castparts
3:16:22	Probability of Duplicating Buffett's Investment Record in China
3:17:53	Lunch Break – Yahoo! Commentary
4:24:30	Investments Alongside 3G that Cause Job Cuts
4:28:36	Share Repurchase Threshold Given Berkshire's Cash Balances
4:33:08	Respect for Life, Chickens, Practices of a Subsidiary and Nuclear War
4:36:24	Portfolios Managed by Todd Combs & Ted Weschler
4:40:56	Voting Rights and Liquidity of Berkshire Class A Shares
4:45:45	Some Audience Humor
4:46:06	Bank America Preferred vs. Common Shares
4:50:05	Kraft-Heinz and 3G Potentially derailing Berkshire's Values
4:55:51	Buying Power of Berkshire in an Acquisition
4:59:18	Jorge Paulo Lehman of 3G as a Potential Berkshire Board Member
5:01:17	Fruit of the Loom – Amazon
5:07:15	Book Value and Intrinsic Value for Berkshire

Time	Discussion Topic
5:10:50	Investing in Technology Stocks
5:14:57	Artificial Intelligence
5:20:49	Wind vs. Solar for Electric Power
5:24:43	Amazon
5:27:55	Share Repurchases at Berkshire
5:31:17	Changes in Accounting Standards
5:34:48	Relevance of Market Cap/GDP and Cyclically-Adjusted PE for Valuation
5:39:30	Events that Could Ruin Berkshire Hathaway
5:42:55	Commercial P&C Insurance
5:45:48	New Learnings
5:52:13	Health care Costs in U.S.
6:01:22	Acquisition Criteria for Berkshire Energy
6:07:28	McLane Distribution Business
6:13:23	Audience Humor
6:13:45	Munger and Buffett Lifetime Legacies
6:15:51	Current Dreams and Wishes
6:19:10	Why not EBITDA? Any Regrets?
6:23:41	Business Obligations to Employees and Communities versus Shareholders
6:31:00	Yahoo! Commentary
6:40:30	Business Session of Annual Meeting
7:22:33	End of Webcast

A full transcript of the meeting is available at: http://minesafetydisclosures.com/blog/2017/5/29/2017-berkshire-hathaway-shareholders-meeting-transcript

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