



Berkshire

DIVIDEND STRATEGY

Gerard Mihalick, CFA
gmihalick@berkshiream.com

46 Public Square
Wilkes-Barre, PA 18701
570.825.2600

[Firm History](#)

BERKSHIRE FIRM HISTORY

Berkshire Asset Management, LLC (“Berkshire”) is located in Wilkes-Barre, PA. Berkshire Asset Management, Inc., (“Berkshire, Inc.”) was formed in 1986 as a registered investment advisor focused on US equity management for high net worth individuals and institutions.

Throughout the 1990’s, the firm grew in assets and reputation. By implementing a well-crafted investment philosophy, and providing quality service, the firm attracted attention as a boutique investment firm. In 1999, Berkshire, Inc. was sold to Legg Mason.

Seeking to once again have full control and autonomy over its strategic direction, senior leadership group repurchased the firm in 2007, forming Berkshire. Berkshire is once again 100% employee owned and operated. The current investment team has worked cohesively since the mid-1990s, and the firm has experienced extremely low professional turnover throughout its entire history.

In 2009, Berkshire wished to capitalize on what it perceived as a multi decade opportunity created by the financial crisis, particularly in high quality dividend paying stocks. Berkshire leveraged its existing reservoir of company research and large cap expertise and launched the Berkshire Dividend Growth Strategy. The strategy currently enjoys local and national reach through a select number of third-party distribution channels.

The firm now has approximately \$2.48 Billion under supervision* as of 6/30/2020.

Many other firms allocate considerable firm resources to marketing and raising as many assets as possible. In contrast, Berkshire believes focusing on investment results, offering a limited number of strategies and communicating clearly with clients is the most rewarding way to grow our business. It is extremely important to us that our investors have a clear understanding of the key tenants of our philosophy and an appreciation of our firm’s culture.

PROCESS DIFFERENTIATORS:

We believe many large cap dividend strategies have fallen victim to some unproductive approaches such as: overemphasizing style, too much emphasis on backward looking data, and chasing what’s popular in the name of client retention. Many strategies end up fighting yesterday’s war, become “set and forget” portfolios or mindlessly trading pieces of paper. These practices can erode the returns of a very attractive asset class.

In contrast, our process takes on the same mindset of an entrepreneur when investing in a company. We do a comprehensive forward looking evaluation of the long run cash flow generation and dividend paying ability of the company using a variety of tools. We focus on the current level of dividend, growth of dividend and the relative safety of the dividend.

The goal is to isolate how a company generates its profitability and make an assessment of its sustainability. We typically maintain our ownership as long as the fundamentals look appealing and the company’s price remains below our assessment of intrinsic value.

Berkshire Asset Management, LLC (Berkshire)

is a fee-based, SEC registered advisory firm serving the portfolio management needs of high net worth and institutional clients. Our guiding principle is a belief that success can be achieved by combining rigorous, well crafted investment processes with an exceptional level of client service and attention to detail. Asset Management with a Difference... Diligence, Integrity and Focus. Berkshire Asset Management, Inc. was formed in 1986 as a SEC registered investment adviser. In 1999 the company was sold to Legg Mason. In 2007, senior leadership repurchased the firm, forming Berkshire Asset Management, LLC, the company built to serve you today.

DIVIDEND HIGHLIGHTS

- 35 of 38 companies in the Berkshire Dividend Growth Strategy announced dividend increases over the past year.
- Dividend growth can often provide transparent insight into a company’s fundamentals and vitality.
- Dividend growth can provide an attractive stream of increasing cash flow to satisfy many financial objectives.

We pride ourselves on our analytical approach to valuing companies. But perhaps the greater investing insight comes from our recognition that market participants are humans, fraught with all sorts of biases often at odds with getting investors the best return. Through patience, common sense and discipline, our strategy seeks to gain its edge by capitalizing on the near-sightedness of others.

For more information on Berkshire Dividend Growth Strategy, please contact us at your convenience.

Contact Berkshire:

Gerard Mihalick, CFA, Portfolio Manager
gmihalick@berkshiream.com
(570) 825-2600

Jason Reilly, CFP®, VP Advisor Distribution
jason@berkshiream.com
(570) 825-2600

*Disclosure: Berkshire Asset Management, LLC (Berkshire) is a fee-based, SEC registered advisory firm serving the portfolio management needs of high net worth and institutional clients. Berkshire Asset Management, Inc. was formed in 1986 as a SEC registered investment adviser. In 1999 the company was sold to Legg Mason. In 2007, senior leadership repurchased the firm, forming Berkshire Asset Management, LLC, the company built to serve you today.** Assets under supervision include all assets directed and supervised by Berkshire Asset Management through all arrangements. Berkshire participates as an adviser providing investment management services to clients of wrap fee programs. This Includes but not limited to assets directed through various custodial arrangements, wrap fee, uma structure and model portfolios at third party organizations. Of the \$2,485,935,736 in assets under supervision \$1,483,898,327 are contributed to Firm assets under management and \$1,002,037,408.66 is contributed to advisory only assets for which we provide portfolio models (as of 6.30.2020).*