URI | Capital Partners

"Seeking Understanding Through the Noise"

For the full year 2018 URI Capital Partners was down 10.3% after all fees and expenses compared to a total return including dividends of negative 4.4% for the S&P 500. That brings the fund's cumulative return to 112.8% after all fees and expenses since its opening 6.4 years ago in early August 2012 (12.5% annualized). I remain optimistic about our long term performance based on the earnings power of our businesses relative to their current valuations but cannot and will not attempt to prognosticate how we will perform in the short term. We are investing for the long term and will judge ourselves over much longer periods of time than any one year or six year period.

2018 certainly made for provoking headlines. The torrent of inflammatory news compounded by pervasive reporting about stock market movements creates tremendous noise that can impede our ability to think and see clearly. By contrast, we seek understanding that comes from deep study and reflection over long periods, aided by reading and studying history, along with the events of today. We seek understanding through the noise, hunting for value where others see despair.

In 2018, we experienced the inevitable downward stock price movements after a long stretch of increasing prices for the businesses we own. The value of the businesses we own do not change based on stock price movements so the question for the partnership sitting here today remains: where do we stand with price relative to value for our favored holdings and how should that that drive our actions?

What Have We Done?

Going into the summer, we were carrying a larger than usual amount of cash for a variety of reasons including working on a potential investment that has yet to come to fruition, but still may. This larger cash balance ended up being well used by the end of the year. During particularly tough weeks for the market in both October and December, we invested nearly all our available cash into businesses at prices that are significantly below my estimate of their worth. While this does not give me any great insight into near term performance, I am confident we have planted valuable seeds in the latter months of 2018 that should bear fruit over our long investment horizon. Prices remain incredibly attractive today for our core holdings and any new cash that comes into the partnership will be put to work with great enthusiasm.

Also of great importance, our core holdings are buying back shares at these attractive levels which should further our long term returns.

Core Holdings

Three companies hold dominate sway over our partnership (JP Morgan, Bank of America and Berkshire Hathaway) and we have added to their positions on stock price declines in the final months of 2018. We have also built smaller but growing positions in the final months of 2018 in AIG and AT&T while we continue to maintain a smattering of lesser holdings to round out the partnership.

JP Morgan and Bank of America

We remain steadfast in our belief of the value of JP Morgan and Bank of America as superior long term investments for our partnership. They have the scale, best in class deposits, and breadth and depth on consumer, commercial and institutional products and services to continue market share gains. They continue to maintain high levels of both capital and liquidity and they each have much more earnings power in front of them than behind them. They are enduring businesses investing aggressively for the future all while posting record earnings and strong returns. And, they are trading at very attractive levels, with JP Morgan trading at *9.4x current year earnings* and Bank of America trading *at 8.1x earnings*. This equates to an earnings yield of 10.6% and 12.3%, respectively, with further increases expected over time, even if not in a straight line.

To put the prior year in perspective, Bank of America is down nearly 20% in 2018 while its *earnings per share have grown roughly 40% from 2017 to 2018*. JP Morgan is down nearly 10% in 2018 while its *earnings per share have grown roughly 32%*. While tax reform contributed to these outsized year over year gains, there was also significant underlying strength and growth in both businesses. In their most recently reported quarter, *pretax income grew 18% for Bank of America and 12% for JP Morgan*. Continued increases are expected for the coming year and we continue to believe there is much more long term earnings power in both of these durable businesses.

These businesses are also much more stable than appreciated, particularly against the still lingering memories of the crisis and the pain experienced by the banking system. Roughly half of revenue for each is net interest income while the other half is fee income. Net interest income is generally thought of (accurately) as stable and recurring in nature. By contrast, fee income, particularly for large money center banks, is thought of as highly volatile. The numbers would say otherwise. Using JP Morgan as an example, from 2014 through 2017, in a variety of different fee income environments including a historically subpar FICC trading environment, fee income stayed remarkably stable around $50 billion per year. And, fee income is up 8% through the first three quarters of 2018 compared to the first three quarters of 2017. On analyst calls great focus is placed on the "FICC trading environment" as if the quarter to quarter dynamics of that one line item drive firm value. In reality, over 2/3 of their fee revenue is driven by stable revenue streams including asset management fees, lending and deposit fees, card fees, etc. The "story" of JP Morgan is often about their supposedly volatile business model with great variability from their trading business but the reality of their results paint a very different picture. A similar story could be told for Bank of America.

Credit losses in adverse economic scenarios can also hurt earnings and this was very apparent in the financial crisis of 2008/2009. The differences however between now and then are significant and leave these two banks well able to withstand the next recession, whenever that may come. This is not to say that credit provisions in the next recession will not hurt earnings; rather, actual credit losses should be lower than many expect as both JP Morgan and Bank of America have been very conservative in their lending. By contrast, there are many banks taking undue credit and duration risk, and this is likely to become more apparent in the next downturn. As Warren Buffett likes to say, "You never know who is swimming naked until the tide goes out."

In a following section (What Matters in Banking) we have shared our thoughts on the banking business more broadly. While there are countless variables in the banking business, we have touched on a few that will have outsized impact on long term value creation: deposits, scale, reach and diversity. We have discussed the sea change in capital and liquidity levels throughout the banking system which now provide an undeniably strong foundation to invest upon. We have also touched on a couple of risks to pay particular attention to in this still historically low rate environment.

While long of the belief that scale is a distinct advantage in the banking business, I believe this is increasingly true today. JP Morgan has the scale and the resources to take market share and is investing aggressively to further its market position. In the consumer space, JP Morgan is building a flywheel of sorts making it increasingly attractive to bring more deposits, assets, investments, credit cards, etc. to the bank. They can add products to an existing relationship at minimal incremental cost but at great value to the consumer and their business. Their growing array of Sapphire branded products is one example of using all their might to profitably expand consumer relationships.

To put JP Morgan's investments in perspective, the company's annual technology spend is roughly $11 billion, 40% of which is on new efforts (new products and services, AI, blockchain, robotic process automation, etc.). The magnitude of that investment is daunting for all but their very largest competitors, of which there are few, and is enabling JP Morgan to extend its lead in providing customers with the very best products, services, digital interfaces and physical locations. JP Morgan is also expanding its footprint into new geographies with a focus on those large cities where they lack a presence creating an ability to serve consumers nationally and satisfying the demand of our banks to be where we are. Finally, the best banks have integrated themselves into our lives handling the logistics of many of our finances (bill pay being one example) further extending their value proposition. Similar stories of expanding and deepening customer relationships could be told across its corporate and investment banking businesses as well. In short, the moat around JP Morgan is growing.

Like JP Morgan, Bank of America is poised to continue gaining greater market share as it invests into its already deep franchise. Low cost deposits are both a distinct long term advantage in banking and an indicator of the strength of a banking franchise. Bank of America is growing deposits faster than the market as a whole and is doing so at very low cost providing the bank with a powerful source of long term profitability and an indicator to us of the strength of their business. (The very same dynamics exist for JP Morgan and point to one of the reasons we hold them both in high esteem). Bank of America is rolling out its own loyalty and customer deepening strategies while also bringing the banking franchise to new markets, including our own Indianapolis. Both of these banks are operating on their front foot and investing from a position of strength.

Berkshire Hathaway

Berkshire Hathaway is a collection of great businesses held both as controlled operating businesses and as investments in publicly traded companies built on a foundation of world class and profitable insurance businesses. When considering Berkshire Hathaway many focus on Buffett, but it is the surprisingly underappreciated power of the Berkshire model that has made its outsized returns possible. More importantly today, it is the power of the Berkshire model that will persist into the future even when Buffett is no longer leading the company. The real genius of Buffett has been in the construction of a business model that is an unstoppable compounding machine. There are four key aspects to the model: (1) the power of float, (2) the power of flexibility, (3) the power of internal cash generation and

(4) the power of deferral. (There is more detail on each of these powerful structural advantages in our more involved report on Berkshire from December 2015 which I can send upon request.)

Berkshire carries a reputation for honest, reliably consistent and shareholder focused actions. The Company has the broadest of mandates, which allows the flexibility to invest wherever the best returns exist, irrespective of industry or asset class. This perpetual and tax efficient investment flexibility along with the consistent stream of new cash from both internal cash generation and float from the insurance businesses nearly guarantees reliable increases in intrinsic value over time. Most importantly, Berkshire remains available for investment today at attractive valuations.

The combined cash flow from controlled businesses and insurance operations and the income from investments can be thought of as a water hose that continues to pour water/new capital into Berkshire building larger and larger buckets of value by adding new controlled businesses and new investments through time. Cash cannot help but build inside Berkshire and that cash is an immediate add to value before even accounting for how the newly created cash is ultimately invested. Additionally, the underlying earnings power of the myriad of businesses already under the Berkshire umbrella will continue to increase value above and beyond cash generation. Studying the past helps put perspective on the company's ability to sustainably and durably add value. Since 1970, Berkshire's per share investments have grown at 19% compounded annually, while the per share amount of non-insurance operating earnings has compounded at a 20.6% clip. While not expecting this amount of growth in the coming years, it would be foolish to believe Berkshire's ability to grow has reached a ceiling.

Valuing the pieces of Berkshire (public investments, controlled operating businesses including railroads and utilities, and the insurance businesses) separately and adding the pieces together yields current value nearing $360,000 per A share. Given its ability to consistently add value through annual cash generation, we can expect value to exceed $435,000 per A share in a couple years, a sharp improvement from today's price level near $300,000. The business also has remarkable durability with over $100 billion in cash. This affords Berkshire the ability to weather market and economic storms while also providing the opportunity to invest aggressively right into those very storms.

Warren Buffett himself has validated Berkshire's value at current levels as he has been using its own cash to buy shares of Berkshire itself. This is a strong indicator of his sense of value as he has repeatedly stated he would only buy back shares at a wide discount to his estimate of intrinsic value.

AT&T

I referenced the underappreciated speed of our new family tortoise, Shelton, in my 2017 annual letter. (In another sign our house is turning upside down, we added our first family dog, Panda, in 2018.) As you know, we at URI Capital Partners adhere to the age old fable that the tortoise beats the hare in the long run and we have even come to appreciate from our new friend Shelton that the tortoise may move faster than we anticipated. We originally came to the AT&T tortoise through our investment in DirecTV. We sold the majority of our received AT&T shares in 2016 but see new value in AT&T shares as their free cash flow has since dramatically increased while the stock has moved below $30.

The company has struggled to find growth in recent years and is not likely to ever see the higher growth rates of our larger holdings. That being said, there is new wind in their sails following the Time Warner acquisition and new strength in wireless pricing (watch out for those increased fees…). Strength in wireless pricing and the growth dynamics of the acquired Time Warner businesses (HBO, CNN, TNT, Warner Bros, etc.) should allow the company to post modest growth in the coming years.

Against this modest growth, the company is generating a lot of free cash flow. In fact, free cash flow per share generation should approach $3.70. With AT&T trading around $28, we are paying roughly 7.5x free cash flow (a greater than 13% free cash flow yield) for a very stable and durable business (any plans to stop using your phone?). The free cash being generated is (1) paying a large dividend and (2) paying down debt, both of which accrue to the benefit of shareholders like us. With a greater than 7% dividend yield, significant free cash generation and a very attractive valuation, we should expect good returns over the medium to long term.

<u>AIG</u>

AIG trades at roughly 56% of book value. While that may be sufficient reason alone to own shares, we believe there is much more. AIG is in the midst of turning around its property and casualty business under the new leadership of Brian Duperreault. Duperreault and his team have a long history in the insurance business including long stints at AIG early in his career before revitalizing and growing other insurance businesses. While appreciative of the expense savings and share buybacks during Peter Hancock's tenure, it is a welcome change to have a leader with deep experience and expertise in the insurance business. AIG is already profitable today but near term improvements in the P&C business will drive returns higher and ultimately to a more reasonable valuation. Expense levels remain too high and offer an opportunity for AIG to further improve results without as much reliance on market forces while the new management team is more smartly assessing its underwriting risks and returns. Beyond its attractive valuation relative to book value, *AIG trades at only 7.6x expected earnings for this year*.

AIG should increase book value per share to $75 in the coming years and valuations closer to historic norms and current competitor levels would yield value over $100 per share, which is nearly triple today's severely depressed levels.

It is hard to overstate our enthusiasm for these core holdings at current valuations. While not able or willing to prognosticate what that means for share prices over the shorter term, we are enthused about our long term prospects for outsized returns.

Fee Reduction

I have decided, following a similar decision in 2016, to arrange for a lower long term management fee for URI Capital Partners in a way that builds on wanting to create a long term partnership mentality for the fund. Once the fund exceeds $20 million, I am lowering the monthly management fee by 1/4 for dollars above $20 million with the benefits of those lower fee dollars being averaged across the entire fund, for every investor. This furthers the 1/3 reduction in the management fee for dollars above $8.5 million. In this way, as the fund grows, we all will benefit and further solidify the long term building of a partnership mentality. As the fund grows in size, the management fee will continue to come down as a percentage of assets, thereby improving our long term net returns.

I have strived to build a fund that is differentiated and I believe this is another step in that direction. This has always been about my passion for helping others reach their life goals by investing well for the long term and this enables us all to incrementally benefit as the fund grows.

I am constantly reminded of the high quality nature of you, my current partners. Bringing in more partners like you will help the fund bolster its mission to garner above average returns over the long term. If you have any questions, please do not hesitate to ask. And if there are any like-minded potential investors you come across who want to take a longer term perspective to investing well, let me know and I will be happy to meet with them.

Why URI Capital Partners?

It is a common theme in many current business books to find the "Why?" of what you are doing. While more comfortable with newspapers, company reports and books about the past rather than the future, I thought it would be worthwhile to discuss the "why" of this fund to ensure we remain on the same path.

While our business is that of investing, the purpose behind the effort is to bring future goals, dreams and ambitions into the realm of attainable. Many, though not all, of our goals, dreams and ambitions require time and resources (money). And, for better or worse, time and money are inextricably linked. We first need the freedom (the time) and then we need the resources to accomplish our dreams. The dream may simply be the freedom of unencumbered, unscheduled time or it may also include new adventures from funding college, to climbing mountains (I much prefer to ride up and ski down but to each their own) or helping bring solutions to some of the world's greatest unmet needs. All these aspirations require some combination of time and resources, so our small part in these adventures is to help bring greater resources to your down the road efforts.

The above could be thought of as the "why" for investing generally but I want to take one further step for the "why" of URI Capital Partners: We aim to provide above average long term returns because, particularly over longer periods of time, a little outperformance goes a long, long way. It is possible I will end up having run a treadmill where I work strenuously only to equal the results of the broader market and other investors. While not at all damaging, it would at a minimum be tiring (for me at least).

But consider the chart below with a range of annualized returns laid out over increasing periods of time invested. The market has averaged (not in a straight line for sure) about 8% over long periods of time (given lower rates and full to fair broader market valuations a more reasonable expectation might be a range of 5% to 8%) and, this 8% as you can see, brings very attractive results for those with the patience and persistence to stay for the long haul. But this chart also shows the dramatic effects that outperformance can have for investors and that remains the second "why". We hope to do a little better over the long term and make each of your goals and ambitions a little larger.

The chart on the following page represents the end results of a $1 million initial investment over varying periods of time and return levels: we favor a long life and high returns knowing neither are guaranteed.

	Annualized Returns			
Years	4.0%	8.0%	12.0%	16.0%
10	$1,480,244	$2,158,925	$3,105,848	$4,411,435
20	$2,191,123	$4,660,957	$9,646,293	$19,460,759
30	$3,243,398	$10,062,657	$29,959,922	$85,849,877

Some have also asked why I personally choose to work so hard towards achieving long term success at URI Capital Partners. Let me give two reasons along with a current situation that underlies the "why". First, the two reasons: (1) URI Capital Partners matters to me financially and (2) I like the long run competitive game of investing well. I hope the thoughts on our core holdings and our actions amidst the volatility of 2018 describe in tangible form the putting into practice of our defining characteristics:

Seeking Understanding Through the Noise:
Our Defining Characteristics

- ***Perspective*** that moves past the noise of the day
- ***Patience*** to think and invest with a long horizon
- ***Temperament*** to withstand emotions and volatility
- ***Passion*** for deep intensive research
- ***Conviction*** to our best ideas

Finally, and most importantly, thank you all for your belief in what we are working to accomplish. I take the responsibility of stewarding your investment very seriously. To paraphrase from the Book of Luke 12:48: "To Whom Much is Given, Much Is Expected". That should hold true for all of us both personally and professionally and it certainly does for me.

Our perspective is long and enduring. And our future is bright.

Warmest Regards,
Brian Pitkin
URI Capital Management, LLC

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APPENDIX A

What Matters in Banking

While there are countless variables in the banking business, we have touched on a few that will have outsized impact on long term value creation: deposits, scale, reach and diversity. We have discussed the sea change in capital and liquidity levels throughout the banking system which now provide an undeniably strong foundation to invest upon. We have also touched on a couple of risks to pay particular attention to in this still historically low rate environment.

Deposits

Deposits are a key fuel source for value creation in banking.

Deposits show up, appropriately, on the liability side of a bank's balance sheet. In contrast to their accounting however, a low cost deposit franchise is a bank's single greatest asset, not a liability.

The cost and stability of funding is the most significant long run differentiator in the banking business. No other funding source comes close to the long run advantages of having a low cost and stable deposit franchise. It is often stated that online lenders "can" give consumers higher deposit rates because they lack the costs associated with a branch banking system. This is a total misunderstanding of what it means to have a high cost versus a low cost deposit franchise. Those that provide higher deposit rates do so because *they have to* in order to attract deposits. High deposit rates are a sign of deposit franchise weakness, not strength. And being able to attract and grow deposits while paying essentially nothing is a sign of great franchise strength.

In a world of still historically low interest rates, the value of best in class deposit franchises is not fully "seen" in reported results or bank valuations. With rates low across the spectrum and financing markets highly accommodative, investors are blinded to the intrinsic value of strong deposit franchises. But just because their value is not "seen" today does not mean the value is not there.

Scale

Scale brings significant advantages in banking. Scale brings the resources needed to fully accommodate the costs and complexities of technological and regulatory change. And regulation, over the long run, tends to favor scale and incumbency, even if that is the opposite of its original intent. By elevating the basic cost structure needed to operate and compete, regulation creates wider barriers to entry.

Who today can either start from scratch or combine existing businesses to form a new national or global banking giant? I would argue this cannot and will not happen for the foreseeable future. The largest franchises operating globally, even nationally, are protected by collective aversion to any new forms of bigness. In fact, the universe of globally capable banking franchises keeps getting smaller year by year. Formerly global giants are retracting towards home and pulling back from many of the products and services needed to fully satisfy a large multinational client. The universe of banks able to service global businesses across products and services has shrunk to a very small number creating a distinct long term advantage for those who remain.

It is also increasingly costly to be relevant to consumers and corporate clients, particularly from a technology perspective. The cost to compete for ease of use when it comes to consumer or commercial banking has risen dramatically in recent years. Consumers demand seamless technology that allows for in branch and branchless banking including full mobile banking services such as deposits and money transfers. Corporate technological demands are even greater. It is no accident that the largest banks have grown in size and market share in recent years. They have the scale and resources to meet experience expectations while improving margins through operating leverage.

Reach

As economies and businesses continue to globalize, there are increasing competitive advantages to offering a full suite of products, services and geographies served.

If a multinational company wants to move money, store money, raise capital, manage risk and execute M&A across every major market in the world in every major currency around the world and wants to do it all with one bank, there are less than a handful of financial institutions that can serve those needs. Having that full suite of capabilities has become a distinct competitive advantage. The universe of banks that can fully service those multinational clients has shrunk significantly since the crisis and continues to shrink as more and more global banks further retrench from certain products, services and geographies. The powerful competitive positioning of those who have maintained and grown their franchise is not fully apparent today given headwinds faced in the banking business but the power of these globally dominant franchises will ultimately shine through.

Now consider the small to midsized manufacturer who has a lending need. It would not be uncommon for as many as twenty lenders to be able to service that business ranging from a one branch community bank all the way to the local branch of a large money center bank with every iteration in between, including credit unions, local banks and regional banks. Many bank executives have gone on record to say that a middle market loan is not a profitable loan unless it is packaged with a range of other services a customer may need. Part of the lack of attractiveness in that market stems from the low level of interest rates but much of the challenge also lies in the enormous number of potential lenders vying for a largely commoditized loan. To earn proper returns, a full suite of products and services must be provided to the middle market. And in much the same way, a retail consumer is much more profitable and also more likely to remain a client when an institution serves their checking account, savings account, credit cards, mortgage, investment advisory and maybe even their small business banking needs.

Great reach and scale bring the resources needed to stay at the forefront of bringing to bear all the technology and services small and large customers will increasingly demand. How can a one branch bank or even a large local bank keep pace over the longer term with the scale of dollars being spent on payments technologies, new state of the art ATMs, mobile banking, mobile deposits, digital banking, increased cybersecurity, increased controls, branch refurbishing, and all the new offerings that we have not even considered today? Scale matters for cost competitiveness and for keeping pace with business, technological and regulatory change. And a full breadth of products, services and geographies brings further competitive advantages in a world where many financial institutions are retrenching.

Diversity

An underappreciated benefit to a global banking business is the diversification that comes from providing a wide range of products and services to a wide range of customers and industries across a broad dispersion of geographies. A large money center bank should not carry undue exposure to any one industry, or to any one geography. Large, deposit based franchises are better able to withstand geographic or industry specific challenges than those lenders with outsized concentration towards a city, town, state or region or any particular industry that will inevitably face their own economic cycle. Large banks also have exposure to a wide range of fee based businesses that ebb and flow at different times, and much of this fee based revenue is recurring in nature.

Capital and Liquidity

It is almost impossible to understate (1) the importance of capital and liquidity levels and (2) the dramatic change that has occurred with bank balance sheets. Capital levels are at their highest levels since the 1930s and liquidity levels are at levels never seen before.

These substantially higher levels of capital and liquidity across the banking system create a strong foundation for investment and provide a wide margin of safety against the inevitable unforeseen economic and financial disruptions.

In many cases, liquid assets comprise as much of 25% of total assets. Combining these enormous levels of liquidity with essentially no short term wholesale funding removes much of the shorter term liquidity risk that caused much of the initial disruptions of the financial crisis. We have moved from a system that required new funding nearly every single night to a system where the banking system has sufficient liquidity to last for years without any new funding.

It is hard to overstate how much more durable the large banks and the banking system have become in recent years.

Asset/Liability Sensitivity

The persistent low rate environment has caused tremendous challenges for all banks. Revenue, earnings and returns have been under constant pressure from prevailing low rates.

The important question at this point is how has each individual bank reacted to these pressures? Have they extended duration risk in order to increase earnings or have they maintained asset sensitivity so as to not take undue interest rate risk? From our perspective, the only course of action is to lessen the risk to rising rates even while that hampers current earnings and returns.

Most banks report their asset sensitivity on a quarterly basis and, while overly simplified and laden with assumptions, these disclosures present important information about the tolerance for interest rate risk. We, as long term investors, are willing to endure lesser results today in order to reduce generationally high interest rate risk while also being positioned for much stronger results as rates begin to normalize.

While much of the discussion surrounding asset sensitivity relates to earnings power, we must not lose sight of the associated risk dynamics. Given memories of the S&L crisis have faded over time, it is easy to forget that crisis was largely created by banks holding long term, fixed rate assets against funding liabilities (including deposits) that moved up in cost as rates moved higher. They were liability sensitive rather than asset sensitive. And many were wiped out. So, carrying higher levels of asset sensitivity not only allows for greater earnings power as short and long rates move higher, it also, and arguably more importantly, protects against the dire scenario where increasing funding costs eat away profits and capital when the asset side of the balance sheet is not able to reprice based on its long duration.

Credit Box

The highly challenging banking environment has caused many lenders to reach for yield by adding duration creating risk as described above. But lenders have also reached for yield and growth by expanding their credit box, or the credit parameters and risks they are willing to take in making new loans.

A tough interest rate and banking environment has created pressure to find growth and earnings. The best course of action however is to accept the environment for what it is, recognizing the lower level of earnings that implies. It is far better to not reach for greater earnings by putting the institution at significant duration and/or credit risk.

Shareholder pressure is strong so it is imperative to carry heightened sensitivity to these risks given the difficult environment by monitoring credit disclosures throughout company filings and executive presentations. It is particularly important to be mindful of those lenders that are not heavily scrutinized by strong third party groups, including regulators. In a low rate, low growth world it is those banks posting outsized growth that should raise alarm bells.

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<u>Brian E. Pitkin: Managing Member, URI Capital Management</u>

Brian E. Pitkin founded URI Capital Management to follow his long time passion for deep business analysis and long term value investing. Brian began his career in Investment Banking at Merrill Lynch in Chicago, and then joined The Edgewater Funds, a Chicago private equity firm. Brian ultimately returned to family-owned Ulrich Chemical, a Midwest chemical distributor where he helped accelerate both top and bottom line growth, including a near tripling of the company's bottom line. He then negotiated and executed the sale of Ulrich to Brenntag, a global chemical distributor, before leaving to start his own ventures, now dominated by managing the fund URI Capital Partners. His background in both investing and managing businesses has contributed to his understanding of what makes for a successful business and thus a successful long term investment, while faith and family provide a strong foundation for the entirety of his life.