

WARREN E. BUFFETT

1400 KIEWIT PLAZA

OMAHA, NEBRASKA 68131

TELEPHONE (402) 346-1400

April 15, 1994

To the Lantana Group:

Eighteen years ago, I sent you the attached memo that recounted the results Walter Schloss had achieved since starting his partnership in 1955.

The other day I received Walter's 1993 tabulation which is also attached. Accompanying these performance figures is a financial statement that should inspire Ben Graham Productions to film Citizen Schloss. Please note that Walter's total office expense is about \$11,000 as compared to net income of \$19 million. Fixed assets are carried at \$2,605 (000's not omitted), but Walter would like me to mention that the cost was \$6,569 new.

I think Walter's operational style should be a lesson for us all (one Charlie has already mastered). In effect, Walter is running his office for a year on what it costs Berkshire to start the engines on The Indefensible.

Meanwhile, Walter continues to outperform managers who work in temples filled with paintings, staff and computers. And he accomplishes this feat by rummaging among the cigar butts on the floor of capitalism: It's quite a 38-year record, a tribute to Ben as a teacher, Walter as a student, and to the advantage of a free puff.

Best regards,

  
Warren E. Buffett

WEB/db

Enclosures

*Walter - Please put me  
in the partnership - retroactively  
to 1955 - W. Buffett*