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About Beacon  
Financial Advisors Ltd.

Beacon is an independent fee-only advisor with a clear mission statement: To provide our clients long-term value-added financial counsel and investment performance with exceptional service.

Beacon is a Registered Investment Advisor with the US Securities and Exchange Commission.

Beacon's Advisors

**MARCEL HEBERT** has a B.S. in Finance, an M.B.A., and is a Certified Financial Planner (CFP) licensee and a Chartered Financial Analyst (CFA) charterholder.

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# CHARTING THE COURSE



Special Series of Briefs About Beacon's Client Services

## GREAT FINANCIAL ADVICE FROM GREAT INVESTORS

In the WEEKEND INVESTOR section in the 1/6/14 issue of THE WALL STREET JOURNAL, journalist Jason Zweig asked some leading investors and financial thinkers: WHAT IS THE BEST FINANCIAL ADVICE YOU EVER GOT (OR GAVE)?  
Here is a sampling of the responses from some of the very best at their craft.

**BE AN OWNER. GO OUT AND START YOUR OWN BUSINESS.**

—Charles Schwab, chairman of Charles Schwab Corp. (Advice from a friend)

**Price yourself high and see what happens.**

—Scott Adams, creator of 'Dilbert' and author of 'How to Fail at Almost Everything and Still Win Big' (Advice to himself)

**Be straightforward, upfront and honest...with people's finances and... in life generally.**

—Hal Steinbrenner, co-chairman of the New York Yankees

**Favor value stocks (i.e. undervalued, overlooked).**

—Robert Shiller, Nobel laureate in economics (2013) and Yale University professor

**An investor should think like a business owner, not a renter. The values of businesses don't change as quickly as stock prices do. Don't watch those changes hawk-like day after day.**

—Joe Mansueto, chief executive of financial research firm Morningstar (Advice to himself)

**In securities markets, don't expect a free lunch; broadly diversify and keep your costs low.**

—William Sharpe, Nobel laureate in economics (1990) and Stanford University professor (Advice he has given to others)



**WHAT IS THE BEST FINANCIAL ADVICE YOU EVER GOT (OR GAVE)?**

**Do not buy a financial product that you do not understand from a person who couldn't explain it so that you could understand. Think Madoff!**

—Sally Krawcheck, former senior executive at Bank of America and Citigroup and Sanford C. Bernstein (Advice given to others)

**When friends and acquaintances are telling you [that] you are a genius, before you accept their opinion, take a moment to remember what you always thought of their opinions in the past.**

— Carl Icahn, activist investor (Advice to himself)

**Pay off your debt first. Freedom from debt is worth more than any amount you can earn.**

—Mark Cuban, owner of the Dallas Mavericks

**The strategy to get rich is entirely different from the strategy to stay rich, which is to minimize risks, diversify those risks we take, keep cost low, tax efficiency high, and don't spend too much.**

— Larry Swedroe, director of research, Buckingham Asset Management (Advice he was taught)

**Okay, so THE WALL STREET JOURNAL didn't ask KING SOLOMON for the best advice he ever got (or gave).  
But, we know he'd say...**

**Divide your investments among many places,  
for you do not know what risks might lie ahead.**

— King Solomon in Ecclesiastes 11.2  
(New Living Translation)



In his TOTAL RETURN blog appearing in the 1/27/12 issue of THE WALL STREET JOURNAL, Jason Zweig asked some leading investors and financial thinkers: **CAN YOU SUMARIZE YOUR INVESTING BELIEFS IN NO MORE THAN TEN (10) OR SO WORDS?**  
Here is a sampling of the responses from some of the very best at their craft.

**If everybody wants it, I don't. Avoid crowds.**

—Gus Sauter, chief investment officer, the Vanguard Group

**Invest for the long term and ignore interim aggravation.**

— Charles D. Ellis, director, Greenwich Associates, and author, "Winning the Loser's Game"

**DO THE MATH. EXPECT CATASTROPHES. WHATEVER HAPPENS, STAY THE COURSE.**

— William J. Bernstein, Efficient Frontier Advisors, and author, "The Four Pillars of Investing"

**Control what you can: your savings rate, costs, and taxes.**

— Don Phillips, president, fund research, Morningstar

**Own competently managed, competitively advantaged businesses at discounted prices.**

—O. Mason Hawkins, chairman and chief executive officer, Southeastern Asset Management

**Fallible, emotional people determine price; cold, hard cash determines value.**

—Christopher C. Davis, chairman, Davis Advisors and co-manager, Davis New York Venture Fund

**Save. Invest long-term. Compounding returns builds. Compounding costs destroys.  
Courage!**

—John C. Bogle, founder, the Vanguard Group



**CAN YOU SUMMARIZE YOUR INVESTING BELIEFS IN NO MORE THAN TEN (10) OR SO WORDS?**

## **MARGIN OF SAFETY.**

—Benjamin Graham, father of value investing and author of “The Intelligent Investor,”

**Are you smarter than the average professional investor? Probably not.**

—William F. Sharpe, emeritus professor of finance, Stanford University, and Nobel Laureate in economics

**Spend less. Diversify globally. Own whatever's feared, shun whatever's beloved.**

—Robert D. Amott, chairman, Research Affiliates LLC

**Plan for the worst. Hope for the best.**

—Robert Rodriguez, managing partner, First Pacific Advisors

**Determine value. Then buy low, sell high. ;-)**

—David Herro, chief investment officer for international equities, Harris Associates, and manager of Oakmark International Fund

**Okay, so THE WALL STREET JOURNAL didn't ask BEACON for our 10 word reply.  
But, if they did we'd say...**

**Good investments are made when they don't seem good investments.**

— Beacon Financial Advisors, Ltd. in “Balanced, Global Investing Using Mutual Funds”