TRIAD
INVESTMENT MANAGEMENT

Client Commentary
September 20, 2011

While I have your attention, I'd like to provide another update on the investment landscape. The usual suspects are still in play, namely European debt levels, especially Greece and Italy, along with high debt levels globally, weak global economic growth, low consumer and investor confidence, high unemployment, and political wrangling over budget deficits. All in all, there are not many visible positives but lots of visible negatives. The good news is that all the bad news is reflected in relatively low valuations for investments, which means the most likely long-term direction for market valuations is UP, not down. We continue to own well-managed companies with good market positions, run by owner-managers with the ability to navigate a difficult environment. Whenever this period of difficulty ends, we should be in very good position to benefit substantially from enduring the current uncertainties and volatility. I don't know when it ends, but 12 to 18 months continues to be my best guess, so patience is needed to get through this. Having a long-term focus continues to be a major advantage that we have compared to so many short-term market participants, who feel the need to respond to the day to day volatility.

Thank you for your patience, it's my job to navigate through the difficulties and stay focused on your long-term results.

-John Heldman, CFA