

President's Letter

March 31, 2020

We, your 1919 Investment Counsel team, are into our third week of working remotely. Almost every member of the firm is currently working from home. The fact that we have been able to accomplish this relatively seamlessly is a reminder of the value of the investments we have made in technology as well as the work we have done on disaster recovery and scenario analysis over the years. We regularly undertake exercises simulating a variety of business conditions both good and bad. Of course, we did not anticipate the current crisis, but having planned for similar degrees of disruption has stood us in good stead, enabling us to not only manage client portfolios without interruption, but to do so for a yet unforeseeable period of time. I am exceptionally proud of the 1919 team's response to the still unfolding challenges that we all face.

We are in a period of uncertainty and fear. That said, experience tells us that the worst reaction to uncertainty or fear would be to panic or to ignore what is happening. Your entire 1919 team is fully engaged and is working hard to simultaneously protect the value of your assets and also to position your portfolio to best participate in the recovery when it comes.

Of course the overriding questions are - when will the pandemic end and when will the rebound start? The honest answer is that we do not know. No one does. As we acknowledge this lack of visibility, we are spending our time focusing on liquidity needs, preserving value and positioning for the future. We are reaching out to clients to reassure them of the value of having a flexible plan that incorporates a number of different scenarios and time frames. We are also reviewing portfolios with our clients to discuss what we own and why we own it. 1919 has always had a quality bias in terms of what we own, and in times like this, that should be reassuring.

We (and others) have written about the extraordinary sequence of events that led to today's situation. We have also written about the responses out of Washington by the Fed, Treasury and Congress. Please visit our website - www.1919ic.com and go to the Resources/Library tab to read pieces by Michael Clark (economics and policy) Julie Jackson (markets and portfolios), and Lu Han and Warwick Carter (planning topics) to learn more about our thinking on the world as it is today. In addition, our normal quarterly Investment Review and Outlook will be completed and sent within the next few days.

In most cities where 1919 has offices we are considered "essential" and have the option of remaining open. That said, we have shown that we can do our jobs remotely and are committed to the health of our employees. We will continue to work remotely in support of not only our own health but that of those with whom we come into contact. We recognize the strain put on our healthcare system by COVID-19, and believe that by working remotely we can help do our part in terms of controlling the disease's spread. Our hearts, thoughts and prayers go out to those on the front line, many of whom are our clients, whose jobs can only be performed by putting themselves in harm's way. They have our sincere thanks and deepest admiration.

If you have any thoughts, questions or concerns, please do not hesitate to reach out to us. We are here for you.

Harry O'Mealia
President & CEO

