



HONEYBEE CAPITAL

July 2013

COMMENCEMENT ISSUE: RE-AFFIRMING THE “WHY”

Hello Honeybees, and happy summer!

In recent months I’ve been embarking on a big new project – writing my first book! And this has me thinking about other sorts of beginnings – the beginning of summer, the beginning of new chapters in life. You know, that blank-page feeling, which can be joyful, or terrifying, or both. As an investor, I’ve always loved the space allowed by the pause of summer (well, late summer, anyway) – not just because it marked a respite in the cycle of endless earnings releases, but because it allowed the chance to reflect, however briefly, on what was really happening in the world, what opportunities that might provide, what risks might be encountered.

Even more importantly, that feeling of commencement, of newness of season, gave the space to re-affirm not just the “what”, but the “why”. And it is that sense of purpose, of why, that carries us all through the post-commencement time, whether it be the frenzy of fall business activity after the summer, or the first steps of life post-graduation, or page two (or twenty, or two hundred) of that book.

With that “why” question in mind, this issue celebrates two sorts of commencements, drawing from our favorite commencement speeches and proposing a beginning-of-summer reading list.

As for that book, it (finally) has a newly minted title, The Nature of Investing! Our next Honeybee issue will begin to expand on some of the ideas in the book, focusing on lessons from nature and on the great potential of Biomimicry Investing. Bio-what? Don’t know what that is? Never fear, you will be more fully informed in just a few short weeks.

QUOTES OF THE MONTH:

I make so many beginnings there will never be an end.

- Jo March in *Little Women*, by Louisa May Alcott

What we call the beginning is often the end. And to make an end is to make a beginning. The end is where we start from.

- T.S. Eliot

Begin, be bold, and venture to be wise.

- Horace

I will never forget my humble beginnings as a Laker Girl.

- Paula Abdul

One last note before we begin – a note of caution. Sometimes we make too much of beginnings – and even more dangerous, we make too much of endings.

Two summers ago, I walked across Spain on the 500-mile Camino de Santiago – which is just about a million steps long. Needless to say, I was counting down towards the finale before I even took the first step. My journal each day has a running tally in the corner – km walked/km left to go – and it was hugely comforting to see that first number rising and the second number falling, even on days when the tiny increments seemed especially hard-won.

When I finally arrived at the big square in front of the cathedral, I dropped my pack, fell to my knees, and kissed the ground. Yesiree, a big old heartfelt smackeroo on the dirty cobblestones, with centuries of who-knows-what layered upon them. And then I danced a little happy pilgrim jig, which felt very foreign, since my feet had served no purpose but walking for weeks. (Don't ask me why there was no jig dancing along the trail – that is an essay for another day.)

I was joyfully celebrating the FINISH! But right in front of me, buried in the ornate decoration of the cathedral was an important message. In the spot where there should have been “alpha and omega” (from the book of Revelation, “I am the Alpha and the Omega, the first and the last, the beginning and the end”) – there was instead, “omega and alpha”. All those years ago, the cathedral-decorators realized what the most common folly of pilgrims would be - the foolishness of thinking that when they'd arrived, well, they'd arrived. The reversed symbols gently mock this notion, reminding us that the end of any pilgrimage is really the beginning. Of course, this same notion has been attributed to everyone from Buddha to Seneca to that guy who wrote the whiny song, “Closing Time” (sorry about the lyrics that will not leave your head now for days and days... “ev'ry new beginning comes from some other beginning's ennnndddd”).

Or, who knows? Maybe they just had a junior apprentice carving that day and they threw rotten tomatoes at him on the plaza when they found he messed up. Regardless, it's a good message.

Here's to omega and alpha.

COMMENCEMENT SPEECHES

I know, I know, you can hardly stand to listen to these when it's mandatory, when you're part of a captive audience, sweating in an itchy black robe with cardboard on your head. Or even worse, straining to get a photo of your little cherub from 500 yards away while other doting loved ones of other little cherubs yell, "down in front!"

But there are few occasions when we are called to pause, to assess both the end of one chapter and the beginning of another – and every once in a while, a Commencement speaker does justice to those eternal, monumental cycles.

Plus, thanks to the miracles of modern technology, you can download lots of these talks in the media format of your choice – perfect for a jog on the treadmill, walk by the river, long plane ride, or traffic jam on the Cape.

DAVID FOSTER WALLACE AT KENYON COLLEGE, 2005

I owe David Foster Wallace big-time for this speech. Well, I'm not the only one – this is a legendary talk, for many mega-reasons. But on a micro scale, my personal scale, there is this: in the middle Wallace talks about the mind-numbing, fury-inducing tedium of fighting through a crowded grocery store, and this inspired in me a little game. Every time I encounter someone who is making MY day a little worse, I try to imagine, what are the circumstances under which I could feel compassion instead of white-hot anger right now? (I am way too much of a novice to skip to the part where you actually feel compassion without this game). Was this person just fired from their dream job? Did they just learn that a loved one is ill? Did someone just drop an extra-large can of lima beans on their big toe? This game has made irritating moments much more thought provoking, and maybe someday it will help to bring about true compassion in me, without the game-playing requirement.

This, though, is my favorite passage:

"The compelling reason for maybe choosing some sort of god or spiritual-type thing to worship -- is that pretty much anything else you worship will eat you alive. If you worship money and things, if they are where you tap real meaning in life, then you will never have enough, never feel you have enough. It's the truth. Worship your body and beauty and sexual allure and you will always feel ugly. And when time and age start showing, you will die a million deaths before they finally grieve you. Worship power, you will end up feeling weak and afraid, and you will need ever more power over others to numb you to your own fear. Worship your intellect, being seen as smart, you will end up feeling stupid, a fraud, always on the verge of being found out."

Here is the [transcript](#) of the speech, and a link for the fantastic book ([This is Water](#)) that the speech became after Wallace's untimely death:

- <http://web.ics.purdue.edu/~drkelly/DFWKenyonAddress2005.pdf>
- <http://amzn.to/1begRoc>

NIPUN MEHTA AT THE HARKER SCHOOL, 2013

I have to admit, I did not know who Nipun Mehta was before I read this speech (thank you to Amit for sending it!). And I'd never heard of the Harker School, either, though I'm assured that if I lived in Silicon Valley I would have. Anyway, it's good. Really good.

Here is the executive summary: from me-me-me to we-we-we.

"We know that we can tap into our inner goodness when crisis strikes. But can we do it on a run-of-the-mill Monday?"

Give. Receive. Dance.

Here is the [transcript](#), and here is the [video](#).

- <http://www.dailygood.org/story/439/miserable-and-magical-a-graduation-speech-for-paradoxical-times-nipun-mehta/>
- <http://www.youtube.com/watch?v=VfcvGHWg9ok>

PETER GOMES AT STANFORD, 2008

This is technically a Baccalaureate address, but it is still one of my favorites. For those of you who have fond memories of Rev. Gomes, you will love hearing his incredible, distinctive VOICE. Surely it is one of the greatest gifts of our era, that we can hear human voices long after their words have actually been spoken. Oh, my, this voice is missed.

"What will you have left when the things you don't want happen and the things you learn here you forget?"

"You will have opportunities none of you deserve, but all of you will have to exercise those vital powers, and it is in doing all of that that happiness comes."

"Success is not to be confused with achievement."

Here are the [transcript](#), [video](#), and [iTunes audio link](#):

- <http://news.stanford.edu/news/2008/june18/bacgomes-061808.html>
- <http://news.stanford.edu/news/2008/june18/videos/345.html>

- <https://itunes.apple.com/us/itunes-u/commencement/id384463719>

BARBARA BUSH AT WELLESLEY COLLEGE, 1990

Okay, I am a bit biased about this one, because I was there. And Mrs. Gorbachev joined Mrs. Bush as a speaker, which, for anyone who grew up in the Cold War era, was miraculous. This momentous visit was not met with universal acclaim on campus, however, because Mrs. Bush was best known for being, well, Mrs. Bush. After four years of deep steeping at a college where one key message is that a woman need not be defined by a man she chooses to marry, the First Lady was coming to send us out into the world. Hmmm.

Mrs. Bush's speech that day was very well delivered, and very well researched, full of Wellesley-specific references that I only recently have come to realize are *not* common knowledge the world over. It was also blessedly short, and it quoted Ferris Bueller. But when she noted, "perhaps someone in this audience will preside over the White House as the President's spouse..." you could feel the tension rising in the audience. And then she concluded, with perfect timing, "...and I wish *him* well." Talk about winning hearts and minds! Never have I heard a more perfectly delivered feminist statement.

Of course, the biggest message in this address was not a spoken one. Mrs. Bush did not lecture us about manners, or open-mindedness, or how to handle unfriendly hosts. She was not petty or haughty or put-out at having to address these ungrateful "spinster tartlets" (as we students were labeled in the ever-constructive *Boston Globe*). She rose above, with grace and wisdom and perspective and good humor and understanding - and kindness.

And that, far and away, is the greatest commencement lesson ever.

Both text and video can be found [here](#).

- <http://www.americanrhetoric.com/speeches/barbarabushwellesleycommencement.htm>

MIDSUMMER READING LIST:

“Sometimes a tree can tell you more than you read in a book.”

- C.G. Jung

GOOD MORNING, BEAUTIFUL BUSINESS, by Judy Wicks

Judy Wicks was local before local was cool. Her book is part memoir of her, part memoir of her business, The White Dog Café. I especially love her thoughts on how a business (or a person) can grow by doing different, related things, rather than just replicating the same thing over and over, bigger and bigger. Both charming and insightful – a great combination.

<http://amzn.to/12tcGy9>

LETTERS TO A YOUNG SCIENTIST, by E.O. Wilson

“You will make mistakes. Try not to make big ones.”

“Honest credit carefully given matters enormously.”

He talks about science, sure, but he also talks about curiosity, and trust, and truth. Honeybees will know that I am a big fan of E.O. Wilson, and I am also a big fan of learning from folks who have been engaged in any endeavor for a good long while. Talk with an outgoing CEO who has spent decades at one company and is in a reflective frame of mind, and I guarantee it will be one of the most satisfying meetings you’ll ever have. As a junior analyst, I established the “longer than I’ve been alive” principle when I met Stan Rubin at Merrill Lynch, who had covered General Electric longer than I’d been alive. He was the only person on Wall Street who could talk about Reg Jones (CEO before Jack Welch) from direct personal experience, and a huge source of wisdom -- as long as you didn’t consider “wisdom” to be micro-analysis of the last quarter’s tax rate. Eventually I extended this experience with Stan into a more general rule: if you’ve done something – anything - longer than I’ve been alive, I want to learn about it from you. Happily E.O. Wilson is in this category – and I am grateful to hear anything that he has to say.

<http://amzn.to/11p11Lc>

DAILY RITUALS: HOW ARTISTS WORK, by Mason Currey

This delightful volume is like a long series of super-short stories, each a page or two describing the work habits of a famous artist. To Currey's credit, he does not embellish, and does not theorize – this is a well-curated, snappily-presented series of vignettes, including a wide range of creative people, from Benjamin Franklin to Gertrude Stein, from Voltaire to Twyla Tharpe. Perfect for an afternoon of procrastinating on, say, your own book-writing project.

<http://amzn.to/12OeVzT>

THE DANCING BEES, by Karl Von Frisch

Finally this summer I am putting bees near the top of my reading list, starting with this classic tome by Karl Von Frisch. This is a pretty factually-oriented account, but the writing style has a way of pulling the reader right in: on the very first page, Von Frisch notes that one cannot keep less than one hive of bees, because “there is no smaller unit.” Right there we have one of the central tenets of social organisms – though we can easily identify individual bees, they cannot survive as individuals. Yes, you already knew that – but stop a minute and think about it. Wow! *They cannot survive as individuals.* I can't wait to take the drawings from this book and hold them up next to the buzzing residents of the Berkshire fields.

<http://amzn.to/1292ZFh>

BIO-DESIGN, by William Myers

This book is beautiful – chock full of projects that illustrate “the hybrid frontier”, where living organisms are directly integrated into design. The author seems to reflect a serious misunderstanding of biomimicry in the framing of his own focus area (it is not “beyond biomimicry”, but rather fundamentally different from it). Still, the projects featured are stunning in their aesthetics, and challenging in some of their approaches – how much can we “engineer” biology before it is un-natural? A great impact on the reader – you are left feeling equal parts inspired and freaked-out.

<http://amzn.to/14U1uwC>

GRATEFULNESS, THE HEART OF PRAYER, by David Steindl-Rast

Several readers commented on the final words in our TED summary from Brother Steindl-Rast – “Stop. Look. Go.” His invocation inspired me to take another look at this book, which is both wonderfully simple and deeply profound. Brother David himself says that he could summarize this book in just two words: “Wake Up!” ...but it is worth reading all of the other words in here too.

<http://amzn.to/1bef4jh>

BERKSHIRE HATHAWAY LETTERS TO SHAREHOLDERS, 1965-2012, by Warren Buffett (compiled by Max Olsen)

Yes, you can read the BRK annual letters online, but I love having them all in paper form, and this is a big phone-book-sized tome with a giant picture of Warren Buffet’s face on the cover, highly satisfying. Maybe it is only a certain sub-set of the population that finds it soothing to read letters to shareholders while the waves come and go on the shore. But I am a happy member of that subset, so I am here to say that summer is the greatest time to read Warren’s letters! They are wise; they are soothing; they are surprisingly timeless. They are best read when you have a few moments to pause and let the important bits sink in, not when you’re running to the next meeting. If you are a professional investor, reading these will remind you of all that is fascinating and good and noble in our profession. If you are not a professional investor, this is the best way to learn about what “those people” are really supposed to be doing all day long.

<http://amzn.to/129JtMm>

WHAT? NO NOVELS?

I admit it; I am in desperate search for new novels – what is a hammock without at least a little great fiction piled up beside it? (and maybe a gin & tonic - or at least a lemonade). Please let me know if you have suggestions for new fiction that is worth its salt (air).

In the meantime, I am continuing my multi-year “reclaiming high school” project, where I pick books that I first read before age 20, to see what they’re like now (you know, umm, after age 20). Turns out Hemmingway is much less exciting, and far sadder, than when I was 15, whereas Emerson and all of his 1800’s Bostonian pals are much more exciting, and less dour. Who knew?!?

The latest reclaimed book for me is...

THEIR EYES WERE WATHING GOD, by Zora Neale Hurston

If you read this when you were very young, you might remember the plot as I did: bad guy, bad guy, good guy, rabid dog. Well... not exactly. For one thing, the bad guys aren't so bad, they are just limited, or maybe mismatched, in all the ways that all of us humans are. And the good guy, that's not so straightforward as I recalled either. What has *not* changed since my teenaged reading is the sense of self and truth I get when reading Janie's story – that, plus the sense of sheer beauty in Hurston's writing that sometimes hits you with a big thud. "She stood there until something fell of the shelf inside her." Or, "she starched and ironed her face, forming it into just what people wanted to see". Thunk. Right in the heart.

The edition I just read (UK printing) also included a foreword by Zadie Smith, extremely thought provoking and helpful at cutting through some of the clutter of commentary that surrounds an iconic story like this one.

<http://amzn.to/12tcdMc>

***We've come to the end of this Commencement issue....
or have we?***

Be like the bird in flight,
pausing a while on boughs too slight,
feels them give way beneath her,
yet sings,
knowing that she has wings.

- Victor Marie Hugo