



Reflecting on the Current Environment – Pratt Collard Buck Advisory Group

The disruption to our collective way of life by the spread of the COVID-19 pandemic has undermined financial markets and governments, interrupting the lives of individuals and families in communities and businesses across the globe. As we endure this challenging period together, we are reflective of those who have lost family members and loved ones, and wish all those sick a quick and full recovery. We recognize and remain indebted to the health care providers working selflessly to care for the lives of those impacted.

Our organization, like many others has been forced to make adjustments to our “normal” course of operations. Fortunately, being well capitalized, having no debt, and continuously investing in technology has positioned us to accommodate remote operations for several years, making this migration relatively seamless. Additionally, our physical office space permits us to have a rotation of key personnel working from their offices at varying times. This has enabled us to fully operate uninterrupted and continue to provide the necessary protection and consideration for the health and well-being of our important colleagues and their families.

In past communications, we have highlighted that successful long-term investing requires the patience, fortitude, and determination to adhere to a thoughtful investment philosophy built on the pillars of quality, bottom-up fundamental research, and appropriate diversification. It is our commitment to this approach that allows us to navigate these volatile financial markets with the confidence that we are well suited to face these challenging times.

On the ground, our daily efforts have been focused on stress-testing our current portfolio holdings, revisiting the original investment theses, examining company balance sheets and payout ratios, and adjusting our performance expectations given the new environment. We emphasize a global viewpoint as this pandemic has had a true global impact, requiring the coordination of policies and efforts by governments and central bankers to stabilize markets and restore growth. These efforts coincide with our energies of continuously researching admired companies, who in some cases have been too expensive for prior investment, but now are falling into our price range given this stressed valuation environment. Rest assured, we will be deliberate and thoughtful about our rebalancing efforts.

The hallmark of Pratt Collard Buck Advisory Group is the commitment to working with our clients as partners in their financial journey as we emphasize a long-term perspective. Even under “normal market conditions” a commitment to the long-term can be challenging, but it is especially difficult when all aspects of daily life are drastically altered. Despite being a relatively new firm, we have old investment souls within our ranks and share collective market experience extending beyond 100 years (Larry 50yrs, Michael 38yrs, Matthew 22yrs, Colin 13yrs). Over that time there have been several significant market declines, with each having their own underlying causes, but in every instance the economy and market has recovered leading to new opportunities and prosperity. We believe that this time will prove to be no different. May you and your families remain healthy and safe in the short-run and for the long-term.

Colin D. Pratt, CFP®
Vice President-
Financial Planning

Michael J. Pratt, CFA®
President

Matthew C. Collard
Managing Partner

W. Lawrence Buck, CFP®
Chairman