



## WEST COAST ASSET MANAGEMENT

Established in 2000, West Coast Asset Management (WCAM) is an investment advisor registered with the Securities & Exchange Commission. With approximately \$200 million under management, WCAM provides exclusive equity, fixed income, and alternative asset management services to more than 100 investors consisting of high net worth individuals, institutions, retirement plans and charitable foundations.

Our mission is to preserve and enhance the wealth of our clients through a disciplined and entrepreneurial approach to investing. Our unique style brings a business owner's sense of focus, opportunity and involvement to the art of investing.

WCAM co-founder Paul Orfalea started Kinko's in 1970 with a single copy shop and built an industry-leading enterprise with 1,200 branches and 25,000 employees worldwide. His business and investing experience has shaped WCAM's entrepreneurial investment philosophy, upon which we base decisions on our own hands-on research. The principals of WCAM proudly invest a significant portion of their own net worth in the same investments we select for our clients.

# About Our Company

## WCAM Services

### SEPARATELY MANAGED EQUITY ACCOUNTS

WCAM manages a strategy of 10-15 stocks that we thoroughly understand. Our concentrated approach reduces the risk of losing capital and enables each investment to have a meaningful impact on our results.

### SEPARATELY MANAGED FIXED INCOME ACCOUNTS

WCAM manages customized bond portfolios tax efficiently to fit specific client needs.

### SHORT-TERM INCOME PORTFOLIOS

WCAM manages portfolios typically consisting of 80% short-term corporate bonds and 20% dividend paying preferred and common stocks. The objective of this strategy is to provide a transparent and liquid alternative to stocks and low yielding fixed income investments.

### ALTERNATIVE ASSETS

WCAM manages the West Coast Opportunity Fund, LLC, which is available to accredited investors.

### CUSTODY OF ASSETS

WCAM manages assets with discretion that are held at third-party custodians. We do not use soft dollars and are not compensated by commissions.

## Subscribe to our Exclusive Outlook

Our *Exclusive Outlook* newsletter offers information and commentary from the principals of WCAM, sharing current events, philosophy, history and personal experiences that influence our investment strategies.

We produce this as part of our continuing efforts to improve financial literacy and independence.

Please email [info@wcam.com](mailto:info@wcam.com) to subscribe.



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## WEST COAST ASSET MANAGEMENT



**PAUL ORFALEA**  
DIRECTOR

Paul Orfalea, founder of Kinkos, started with a single copy shop in 1970 and built an industry leading global business with 1,200 branches and 25,000 co-workers worldwide. Paul co-founded WCAM in 2000 with President Lance Helfert. He serves on WCAM's investment committee and board of directors,

and has been successfully investing for more than 40 years. Paul teaches at various universities, and speaks with business groups and organizations about learning differences. Through his family foundation, Paul also works with government leaders to encourage businesses to provide family-friendly policies, quality early care for children and intergenerational programs. He holds a business degree from the University of Southern California and his book "Copy This!" was published in 2005 by Workman Publishing.



**ATTICUS LOWE, CFA**  
CHIEF INVESTMENT OFFICER

Atticus Lowe manages WCAM's investment process, serves on the investment committee, and actively pursues business development opportunities. He is a CFA charterholder, and a member of the National Association of Petroleum Investment Analysts and the Los Angeles Society

of Financial Analysts. Atticus volunteers for Junior Achievement, and was honored as one of the *Pacific Coast Business Times* "40 Under 40" young business professionals. He has completed the Value Investing Executive Education Program at Columbia University's Graduate School of Business, and holds a Bachelor of Arts in Economics and Business from Westmont College.

**LANCE HELFERT**  
PRESIDENT

Lance Helfert heads WCAM's investment committee and board of directors. Before founding West Coast Asset Management, Lance oversaw a \$1 billion portfolio at Wilshire Associates, and was involved in a full range of financial strategies at M.L. Stern & Co. Lance is a frequent contributing analyst on the Fox Business

Channel and has been a featured presenter at the Value Investing Congress in New York and Los Angeles, as well as the Value Investing Seminar in Molfetta, Italy. Lance has served on the board of directors for *Junior Achievement of Southern California* and the Tri-Counties *Make-A-Wish Foundation*. He has completed the Value Investing Executive Education Program at Columbia University's Graduate School of Business, and holds a Bachelor of Science in Business Administration from Pepperdine University.



**DIANA PEREIRA, ESQ.**  
CHIEF FINANCIAL &  
COMPLIANCE OFFICER

Diana Pereira provides oversight for the financial operations and compliance with SEC rules and regulations at WCAM.

Prior to joining WCAM, Diana was CFO at a local venture engineering firm where she managed all aspects of finance, audits, operations, legal,

and federal funding proposals. Previously, she held several management positions at an investment firm which managed a fund of hedge funds with over \$100 million in client assets. Diana holds a Bachelor of Arts in Business Economics from University of California Santa Barbara, studied at the Università di Bologna in Italy and received her Juris Doctorate at the Santa Barbara College of Law. She is a member of the State Bar of California.





## WEST COAST ASSET MANAGEMENT

# Short-Term Income Portfolio

West Coast Asset Management (WCAM) offers a transparent and liquid alternative to stocks and low yielding fixed income investments by constructing individual portfolios of select corporate bonds with a small allocation to higher yielding preferred and common stocks.

### SEPARATELY MANAGED ACCOUNTS

- Individual positions offer full transparency & liquidity
- Daily monitoring and pricing
- Quarterly rebalancing

### CORPORATE BONDS

#### 80% of Portfolio

- Average maturity < 2.5 years
- No maturities > 5 years
- In-house research and decision making
- No individual position > 10% of portfolio
- No industry exposure > 20% of portfolio
- No investment in banks, insurance, airlines, auto, foreign or derivatives

### DIVIDEND PAYING PREFERRED & COMMON STOCKS

#### 20% of Portfolio

- Target undervalued, resilient businesses with attractive dividend yields
- No individual position > 5% of portfolio
- No industry exposure > 10% of portfolio

### DISTINGUISHING FEATURES

- Higher yield compared to alternatives
- Immediate liquidity available
- Protection against rising interest rates and inflation
- Understandable portfolio of investments
- Entire universe of potential investments evaluated
- Total industry exposure < 20%

## About West Coast Asset Management

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## WEST COAST ASSET MANAGEMENT

# Separately Managed Fixed Income Accounts

West Coast Asset Management (WCAM)'s separately managed fixed income accounts offer a diversified portfolio of bonds tailored to suit each client's specific needs. While we are able to offer a wide range of fixed income options (including treasury, municipal, and agency bonds), based on the current low interest rate environment, we typically recommend a portfolio of short-term corporate bonds for both taxable and non-taxable investors.

WCAM's investment team continually discover corporate bonds that we believe offer safety of principal and significantly higher yields when held to maturity as compared to government bonds and large corporate issues. Typically these ideas are sourced in small corners of the market where larger bond managers do not participate due to a number of factors including the following listed at right.

We evaluate the entire universe of available bonds and maintain a dynamic list that we believe represents the best opportunities to preserve capital and increase our clients' wealth. Bond portfolios are customized for each account and existing positions are monitored daily.

### CREDIT RATING

WCAM evaluates each corporate bond to determine creditworthiness and does not rely solely on third-party credit ratings. We believe that good credit ratings do not necessarily represent safe bonds and that mediocre credit ratings do not necessarily represent risky bonds. For example, a company with a history of incurring sizeable amounts of debt may be rewarded by credit rating agencies and a company with a history of incurring little debt may be penalized. In addition, we believe a general conflict of interest exists between corporations that issue sizeable amounts of debt and pay credit rating agencies to rate their debt.

### ISSUE SIZE

Small bond issues frequently offer higher yields due to liquidity constraints, and WCAM believes this represents opportunity for investors to realize higher income by purchasing small bond issues and holding them to maturity.

### CONVERTIBLE BONDS

Fixed income managers often avoid bond issues that are convertible into equity at the option of the holder. This often results in low demand for the bonds and high yield for investors.

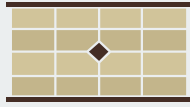
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# WEST COAST ASSET MANAGEMENT

## Separately Managed Equity Accounts

West Coast Asset Management’s (WCAM) investment philosophy is based on three entrepreneurial tenets: opportunism, focus and involvement. We focus on the best opportunities available in the stock market and do not limit our investments to companies of a specific size or category. Our investments are focused in separately managed portfolios of approximately 15 stocks that we believe represent the most strategic approach to protect and increase our clients’ wealth.

Through our depth of understanding, we believe that owning a relatively small number of stocks reduces risk and enables each investment to have a meaningful impact on results. All investment decisions are based on WCAM’s proprietary hands-on research and our principals proudly invest a significant portion of their net worth alongside clients.

### INVESTMENT STRATEGY

WCAM invests in resilient businesses that have a strong, competitive advantage, and generate dependable recurring cash flow. We favor simple businesses that have low reinvention risk and consistently return cash to shareholders through dividends and share repurchases. We are tirelessly patient and will only invest when the purchase price represents a discount to our estimate of intrinsic value. Capital preservation is a priority and we believe that buying stocks at a discount to intrinsic value will mitigate losses and result in exceptional rewards over the long term.

### FUNDAMENTAL RESEARCH PROCESS

Our investment team conducts in-depth research and due diligence, including onsite company visits and meets regularly to discuss portfolio companies and potential new investments. WCAM maintains a watch list of approximately 300 companies that we would like to own at the right price, and we regularly source new investment ideas through stock screens, investment publications and by monitoring like-minded investors. Investment decisions are made by WCAM’s three-person Investment Committee.

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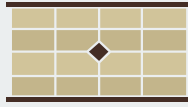
### OVERVIEW AS OF 9/30/10

Equity Assets Under Management	\$105 Million
WCAM Net Performance, <b>Since Inception (1/31/01)</b>	+51.34%
S&P 500 w/Income Performance	+0.16%
WCAM Net Performance, <b>Year to Date</b>	+6.32%
S&P 500 w/Income Performance, <b>Year to Date</b>	+3.89%

*See performance disclosures on reverse side.*

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## Performance and Disclosures

### WCAM Equity Composite As of 09/30/2010

YEAR END	TOTAL FIRM ASSETS (MILLIONS)	Composite Assets		Annual Performance Results					
		US DOLLARS (MILLIONS)	NUMBER OF ACCOUNTS	WCAM GROSS	WCAM NET	S&P 500	NASDAQ	DJIA	COMPOSITE DISPERSION
CUMULATIVE				66.90%	51.34%	0.16%	-14.57%	25.02%	N/A
ANNUALIZED				5.44%	4.38%	0.02%	-1.62%	2.34%	N/A
2010 YTD	203	29	71	7.20%	6.32%	3.89%	4.38%	5.58%	N/A
2009	278	81	84	23.78%	22.33%	26.50%	43.89%	22.60%	3.55%
2008	325	99	49	-42.96%	-43.66%	-37.03%	-40.54%	-31.83%	2.25%
2007	533	182	73	-2.40%	-3.41%	5.48%	9.81%	8.83%	1.20%
2006	433	205	65	26.30%	25.02%	15.80%	9.52%	19.00%	1.50%
2005	335	171	83	12.24%	11.06%	4.88%	1.37%	1.94%	2.40%
2004	309	129	61	27.61%	26.47%	10.83%	8.59%	5.27%	1.90%
2003	117	80	34	26.26%	25.13%	28.66%	50.01%	28.29%	0.80%
2002	50	50	22	-4.11%	-5.04%	-22.10%	-31.53%	-15.03%	0.70%
2001**	34	34	16	3.15%	2.47%	-14.94%	-29.66%	-6.47%	

\* Inception 1/31/01. Unaudited and subject to change. See complete disclosures below.

\*\* Results shown for the year 2001 represent partial period performance from February 1, 2001 through December 31, 2001.

## DISCLOSURES

WCAM Equity Composite contains fully discretionary equity accounts. Prior to October 1, 2004 the composite was named the WCAM Composite. Prior to October 1, 2006, the minimum account size for this composite was \$100,000. Effective October 1, 2006, the minimum was \$500,000. Effective January 1, 2009, the minimum returned to \$100,000.

West Coast Asset Management, Inc. is a registered investment advisor. The firm maintains a complete list and description of composites, which is available upon request. For comparison purposes, the composite is shown against the S&P 500, DJIA, and NASDAQ indices. These indices are unmanaged and represent a more diversified list of securities than that reflected in the composite. In addition, the composite may invest in securities outside of those represented on the indi-

ces shown. Additional information regarding the indices is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding policies for calculating and reporting returns is available upon request.

The management fee schedule is 1.50% on all assets.

Actual investment advisory fees incurred by clients may vary. Composite strategy includes investments in foreign based companies, for which performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile.

The WCAM Equity Composite was created January 31, 2001. West Coast Asset Management, Inc.'s compliance with the GIPS standards has been verified for the period January 31, 2001 through December 31, 2008 by Ashland Partners & Company LLP.