Irving Kahn Resource Page

Irving Kahn is one of the disciples of Benjamin Graham similar to Warren Buffett. He had the noteworthy opportunity of working as Graham’s teaching assistant at Columbia University Business School.

Kahn has also contributed to Graham’s bible on value investing, *Security Analysis*, by providing some statistical help. Kahn’s main source of insight into the world of investment was Graham; he was inspired so much that he named his second son Thomas Graham after the great investor himself.

Kahn was born Dec. 19, 1905, making him the oldest American value investor and money manager currently working at the age of 105.

He was among the first few applicants to take the Chartered Financial Analyst (CFA) exam. He founded the Kahn Brothers Group Inc., formerly Kahn Brothers & Company Inc., in 1978 along with his two sons, Alan and Thomas; he is still at present the Chairman of the private investment advisory and broker-dealer firm and currently has $800 million in assets under management.

The mission of the hedge-fund is to provide its clients with superior returns on their investment by limiting their exposure to risk and avoid loss of capital. His son Thomas Graham, the president of Kahn Brothers Group Inc., articulates “My father continues to research ideas and talk to companies. One of the nice things about this business is that there’s no mandatory retirement age, and you allegedly get wiser as you get older.”

He kick started his career in 1928 and since then has been actively contributing to the world of business. He is one of the founding members of New York Society of Security Analysts and Financial Analysts’ Journal. In addition to being a great investor, he was the president of New York City Job and Career Center and has been the director of many firms which include Teleregister Corp., Hugo Stinnes Co., Grand Union Stores, Kings County Lighting, West Chemical, and Willcox & Gibbs.
INVESTMENT PHILOSOPHY

Kahn was highly influenced by the investment philosophy of Graham and much of his knowledge regarding the financial world has been acquired during his years of serving as Graham’s teaching assistant. Kahn learned from the best of the best and has effectively utilized his inspiration and expertise in becoming one of the most renowned value investors of all times.

The investment philosophy of Irving Kahn can be captured in two words: ‘Unlocking Value’. His career was built on the practice of finding valuable underpriced stocks by analyzing different over-looked company’s balance sheet and annual reports. According to him, investing is a complex mixture of art and science and thus, requires both qualitative and quantitative analysis in order to accurately determine the worth or value of some particular investment.

Kahn’s philosophy is epitomized by the investment practice of his firm Kahn Brothers Group. They make use of a pure bottom-up approach when in search for potential stocks for investment. The company would rather hold cash than invest in overpriced speculative stocks just for the sake of being fully invested. The firm focuses on investing in equity securities which are undervalued. The firm takes into consideration the asset valuations, operating performance and long-term fundamental business prospects. Kahn invests in cheap good companies with long-term growth prospects; he invests with a mind set of holding on to the investment for the time period of more than 3 years.

As a value investor, Kahn does not give importance to portfolio diversification, and rather sticks to having a concentrated mix of undervalued high growth potential stocks. According to him, a portfolio is like an orchard of fruit trees, and it is unrealistic to expect the trees to reap fruits every year from each species of tree.

The maturity of every investment is unpredictable and varied; according to Kahn, it takes 3 to 5 years or even more for the fruit of an investment to ripen. Patience is the key element to success and profitability and thus, it is not wise to abandon or change the investment philosophy just because the returns are not as expected. Moreover, when investing in a company, Irving prefers the company to have little or no debt and the management to have a share in the company stocks as that would ensure proportionality between management and external stockholders interest which is maximization of stockholder’s wealth.

CURRENT PORTFOLIO

Click here for Irving Kahn’s current portfolio, and here for his latest trades.

BOOKS

Irving Kahn has written the foreword to Storage & Stability, an almost unknown book authored by Benjamin Graham, and Value Investing Made Easy by
Janet C. Lowe.

**QUOTES**

“We live in an era with too much confidence in advertising. Everyone tells you that you can attend a seminar for $250 and make lots of money. Value investing means being much more discriminating.”

“I’m at the stage in life where I get a lot of pleasure out of finding a cheap stock,“

“Investors have no reason to feel bearish. True value investors are glad the markets are down.”

**NEWS**

2011:

105-Year Old Value Investor Irving Kahn Buys NYT, C, NTE, Sells DCOM, NVS, CVX

2010:

Scientists Seek To Unlock Key to Longer Lives

Irving Kahn Buys BP P.L.C., Citigroup Inc., SLM Corp, Pfizer Inc., Sells Usec Inc.

2009:

Who is Irving Kahn and Why Should We Listen To Him?

Volcker: Financial Fix ‘Like a Dimple’ So Far

Value investing and longevity - the distinct link

2008:

There are old-school investors, and then there's Irving Kahn

Experienced eyes look back at 2008

2006:

The 100-Year-Old on Wall Street

2005:

Still Going Strong
1998:

**IF YOU CAN HANDLE IT: HOW TO BUY ON A DIP**

1996:

**365 Days in an Investing Maze:** Few Strategies Really Worked in 1990, With Markets Buffeted by Recession and War Worries

**VIDEOS**

Mr. Irving Kahn, CFA, Kahn Brothers & Company Inc.

Irving Kahn Interview-NPR

Irving Kahn on Longevity

Einstein On: The Longevity Genes Project, 5 of 5 by EinsteinMed