

December 9, 2019

Dear clients and friends,

Re: The Great Mental Models by Shane Parrish

In the spirit of the season please accept this book as a gift from Lewin Capital Management.

The author, Shane Parrish, is a friend of mine. He and I have shared dinner and discussion on several occasions after the Berkshire AGM in Omaha, and I attended one of his conferences in California a few years back. Shane is a voracious reader with a unique background in cyber-security at CSIS, that has provided him with a breadth of knowledge to make interesting connections across many disciplines. This is evident in his now famous weekly blog – fs.blog (or google Farnam Street). The stated intention of his work is to “help you master the best of what other people have already figured out.” This idea resonates with me – if we set out to acquire some wisdom, why not start by learning what all the great thinkers before us have learned?

In most fields, and particularly so in the field of investment management, sharpening your brain is an admirable and necessary goal. The billionaire value investor, Charlie Munger, has said he uses a “latticework of mental models” to help him make better decisions, but he has never quite articulated exactly which models he uses and when. In this book, ambitiously titled Volume 1, Shane answers that question by outlining and describing some of the most useful models. I think this book is worth reading and I hope you enjoy it.

Best of the season to you and your family.

Sincerely,

Dan