

“Potato Chips Over Memory Chips”
Wall Street’s Farmer/Fund Manager Says Global Farm to Table Trends and
Focus on Immune System Health Could Have Big Impact on Wall Street

*Jeff Auxier, Manager of the Auxier Focus Fund, is Watching Other Opportunities
Along the Global Food Chain and the “Oil Sheik-Out”*

Lake Oswego, Ore.—(March 2015) Overseas markets gobbling up the grass fed beef and high quality hazelnuts grown by Farmer/Fund manager, Jeff Auxier, may signal an opportunity for investors in 2015.

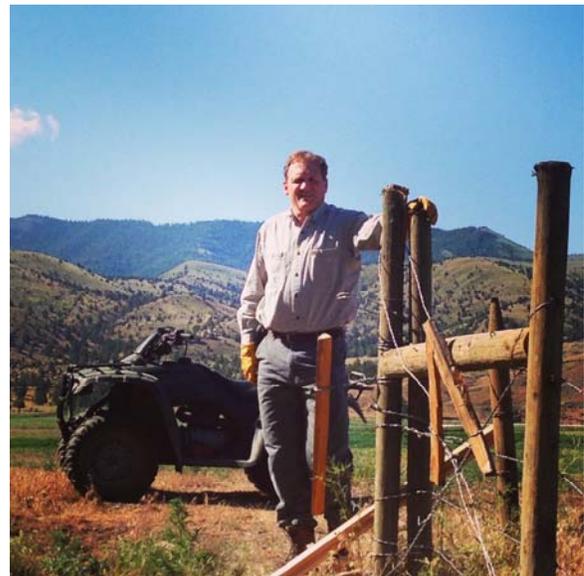
“We see it at the grassroots level on our farm. Quality ingredients are in demand as concepts like farm-to-table gain broader acceptance,” says Auxier, manager of the 15 year old [Auxier Focus Fund](#) (AUXFX). “As living conditions improve, people are willing to pay more to benefit from the connection between nutrition, the immune system, and health.”

Global Transformation of the Food Industry—“People finally realize that the farther your food travels, the more unhealthy it becomes and that good nutrition is directly tied to a healthy immune system,” says Auxier. “In China for instance, food and water safety is the number one issue. I believe this transformation may feed exciting investment opportunities.”

“Consumers are paying up for quality food, rather than eating junk. Chipotles, for instance, is doing well in part, because they use grass fed beef. Kroger, one of our biggest positions and once your typical grocery chain, is now moving toward very healthy food products.”

A World Without Poverty—Auxier agrees with Microsoft Co-Founder Bill Gates who believes most global poverty may be wiped out by 2035, as more and better data is supercharging innovation and improving management of resources. “If you can’t measure it, you can’t manage it,” says Auxier. “We are constantly seeking companies that can apply technology’s advances to dull and mundane businesses, while enhancing the value proposition in the form of superior products and services. We’re looking for businesses that make enduring products people need and want and that’s better food. As technology enlightens and emboldens individuals around the globe, businesses focused on product quality will flourish and reward their owners, perhaps exponentially. Likewise, all the bad players in the world are getting exposed.”

More Investing Along the Food Chain—Auxier has always sought what he considers “enduring” stocks that retain value in lean economic times. In 1983, while investors stampeded to buy newly issued personal computer stocks, Auxier was investing in Pepsico. He still owns the stock and its spinoff Yum Brands (Kentucky Fried Chicken, Pizza Hut, Taco Bell). And what about the PC makers? A majority of those that went public, no longer



exist and the US Bureau of Economic Analysis just reported PC prices have dropped 99.9 percent since 1980. “That’s why you could say we prefer potato chips over memory chips,” says Auxier.

Outlook 2015—“We continue to see selective opportunities among large companies that typically are downsizing and energized by small teams heavily armed with rapidly advancing technology,” says Auxier. “Consumer spending accounts for close to 70 percent of the U.S. economy, where recent trends are the most promising since 2006. Sharp drops in most energy prices and improving employment trends, provide a tailwind for domestic companies.”

Capitalizing on Today’s Oil Sheik-Out—“A volatile combination of an energy glut and debt will likely lead to tremendous corporate blow ups and resulting energy sector bargains,” says Auxier. “At current energy price levels, the typical family could pocket \$750 to \$1,000 this year from savings on gasoline, heating oil and natural gas. Adding to the energy glut, global production capacity of liquefied natural gas (LNG) appears likely to jump the most in four years in 2015. Over the past five years, oil and gas companies have taken on over \$1.2 trillion in new borrowings. (Source: Dealogic) Over the past 30 years, when oil prices have declined by 30 percent or more in a six month time frame, the S&P 500 has been higher twelve months later. We are watching closely for an anticipated catalyst, perhaps in the form of mergers to put more of a floor under stock values, before investing in a major way.”

Oil and Gas, iPhones and Biotech—EOG Resources, Inc. is a well-managed U.S. leader in shale-based oil and gas. EOG has reduced drilling days from 14.2 in 2012 to 4.3 days recently, dramatically lowering their cost of production. “They now believe they can achieve a 10 percent return when oil is as low as \$40 a barrel in the South Texas Eagle Ford,” says Auxier. “Venture capitalist Andreessen Horowitz notes that Apple’s iPhone 6 unveiled in September 2014, sports a processor with 625 times more transistors than a 1995 Pentium CPU which was common in PCs. On the iPhone 6’s launch weekend, Apple sold 25 times more CPU transistors than were in all the PCs worldwide in 1995!” According to Wall Street sage Jim Grant, “The current roster of 70 billion dollar startups globally is nearly twice as large as the number during the boom years in 1999 and 2000”. Auxier says these high prices are “unleashing a torrent of brainpower seeking the prize”. “Biotech is enjoying a similar boom,” says Auxier. “Cures for cancer may be in sight through immunotherapy. However, as we have seen with the commodity bust (beginning in 2011), and crude oil’s 50 percent tank in six months, high prices, good times and booms don’t last forever.”

About Jeff Auxier and the Auxier Focus Fund

Auxier is a contrarian schooled by his investment heroes, long before they became today’s financial rock stars. Fresh out of the University of Oregon School of Business, Auxier called Warren Buffet, Sir John Templeton and others. He’s still amazed they answered his calls and, in some cases, agreed to meet with him, sharing advice that guides Auxier’s investment philosophy to this day. Auxier went on to become Senior VP of Investments and Senior Portfolio Mgt. Director for Foster Marshall/Smith Barney. He served with Jamie Diamond (now head of JP Morgan) on the first board to set national policy managing client accounts. In 1993 Auxier received the Consulting Group Bob Dwyer Award honoring ‘integrity and knowledge’. “I wanted to create and run a fund that matched my own investment philosophy, with a focus on compounding and a goal of protecting over the long haul. It’s a mission to help people that still drives me today.” In 1999, he created Auxier Asset Management and the Auxier Focus Fund. “Our focus is always on long-term performance and the power of compounding, which Einstein called the ‘greatest invention’.” Whether he’s deciding what crops to plant on his 100 acre Oregon farm or choosing which stocks to plant for investors, the 32-year investor takes the long view. “Both farming and investing require similar skills—patiently researching, assessing risks and considering price and value. It takes a passion for daily, grind-it-out research. There are never any shortcuts.”

Before investing you should carefully consider the Fund’s investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of

which may be obtained by calling (877) 328-9437 or visiting the Fund's website. Please read the prospectus carefully before you invest.

As of 12/31/2014, the Fund's top 10 equity holdings were: Molson Coors Brewing Co (4.5%); PepsiCo Inc. (3.3%); Bank of New York Mellon Corp (3.2%); Kroger Co. (2.6%); Microsoft Corp. (2.5%); Medtronic Inc. (2.4%); UnitedHealth Group Inc. (2.2%); America Movil ADR (2.2%); Philip Morris International (2.2%); Corning Inc (2.2%).

The Fund may invest in value stocks, which are subject to risk that their intrinsic value may never be realized, and growth stocks, which may be susceptible to rapid price swings. Investments in mid-sized companies generally carry greater risk than is customarily associated with larger companies. Moreover, if the Fund's portfolio is overweighed in a sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not overweighed in that sector. An increase in interest rates typically causes a fall in the value of a debt security (Fixed-Income Securities Risk) with corresponding changes to the Fund's value. Foreign securities are subject to additional risks including international trade, currency, political, regulatory and diplomatic risks. There can be no guarantee of success with any technique, strategy, or investment. All investing involves risk, including the loss of principal.

Foreside Fund Services, LLC, distributor.