

JP Morgan – Fortress Loftus

Perspectives: May 1st, 2024

There are *some* truly outstanding business books worth investing in, studying, and returning to periodically. I place the emphasis on the word ‘some’, because it is so rare that one passes the keeper test. This annoys me somewhat, because business books are super expensive, they are almost always written with the benefit of perfect hindsight, at a single point in time, often by a professional biographer, and taken together they deliver a low RoS [Return on Sweat].

However, thankfully many years ago, we found something wondrous - hidden, but in plain sight. We just needed to figure out how and where to look for it. The big ‘secret’ is that there exists a guaranteed free global reservoir of business books, written in real time, by wildly successful entrepreneurial people, in their own hand, with new chapters being added every single year, and that is *never* a waste of time. It delivers a mile high RoS. And did I mention that it is free?

Without further ado, the answer is to copy paste, in chronological order, into a ‘book’, the cover letters written by entrepreneurially credible C-suite executives of listed businesses. It is available online near the front of each annual report to shareholders. It covers *every* business model, *every* industry, and *every* country. It also covers *every* important aspect of doing business, sometimes even including mistakes made and lessons learnt. No tricks, no BS, no cost, no barriers to entry - literally *anyone, anywhere*, can easily do this. It is a treasure. There is one important caveat - to be discerning in selecting who to read. A simple clue - start with any of the best global businesses that you can think of, from any industry or country.

I submit that **Jamie Dimon**, the Chair and CEO of the well known US banking business, **JP Morgan**, is an excellent case study. Why should we consider paying attention to this person? Because, since 2005 he has been the clear lead architect of creating a hugely successful global financial services

enterprise, operating in over 100 countries, doing business with over 90% of Fortune 500 businesses, daily moving nearly US\$10tn in over 120 currencies and between 160 countries. He literally sits atop a giant global network of accurate real time information sourced directly from the coalface of every industry and every country.

However, what makes him ‘special’, in our way of thinking, is that he makes an *extraordinary* effort each year to write a comprehensive cover letter that is published in every annual report to shareholders. The latest one for their 2023 financial year was published recently, and it is 60 *pages* of pure magic. I dare not attempt to summarize it, because, quite frankly, it is really that good. I recommend it to you - in its entirety. Here is a link.

<https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/investor-relations/documents/ceo-letter-to-shareholders-2023.pdf>

Our work continues...

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