

went straight to the computer and... the habit of burn... the scented-candle... that there is some... burning. It's like seeing snow... snoozing on the carpet... room and very pleasant.

ENJOY NOW

As I worked, and especially when I was pushing myself to do things that made me slightly uncomfortable, I kept reminding myself of my resolution to "Enjoy now." As a writer, I often found myself imagining some happy future: "When I sell this proposal..." or "When this book comes out..."

In his book *Happier*, Tal Ben-Shahar describes the "arrival fallacy," the belief that when you arrive at a certain destination, you'll be happy. (Other fallacies include the "floating world fallacy," the belief that immediate pleasure, cut off from future purpose, can bring happiness, and the "nihilism fallacy," the belief that it's not possible to become happier.) The arrival fallacy is a fallacy because, though you may anticipate great happiness in arrival, arriving rarely makes you as happy as you anticipate.

First of all, by the time you've arrived at your destination, you're expecting to reach it, so it has already been incorporated into your happiness. Also, arrival often brings more work and responsibility. It's rare to achieve something (other than winning an award) that brings unadulterated pleasure without added concerns. Having a baby. Getting a promotion. Buying a house. You look forward to reaching these destinations, but once you've reached them, they bring emotions other than sheer happiness. And of course, arriving at one goal usually reveals another, yet more challenging goal. Publishing the first book means it's time to start the second. There's

...sent I felt terrific. No matter what David... my... I felt magnanimous, open to criticism... person who had hurt me, didn't even care if I... a very nice response.

...and applaud you for taking the review in... me. I know that when I received... of my book, I certainly didn't read with such... experience of a... ended me... person's opinion, in the end... reviews... which is why... In any event, whether or not you felt my com... you considered the tone and treatment to be

...of you to write, and I return the good wishes to you

...strategy to deal with criticism of my work made it... of working. Also, this exchange had an added ben... being reviewed, didn't consider at first. We often... hurt, and I bet David Greenberg wasn't very pleased... in his e-mail in-box. By initiating a friendly exchange, hard feelings and let him off the hook. If we were ever... party, we could meet on friendly terms.

...while I was writing about happiness and focused... of handling criticism, I never did manage entirely to... anxiety about the future. I spent a lot of time arguing... of my happiness project.

...one whispered in my ear. "No cocaine, no abuse, no three-hundred-pound weight loss... you didn't... king!"

# BROYHILL BOOK CLUB

## Summer 2020

# about the BROYHILL BOOK CLUB

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The Broyhill Book Club was born in 2015 with the simple idea that less time in front of the screens meant more time for independent thought and deep work. I set out with a goal of reading one book per week in an attempt at shifting my lifestyle away from online diversions and optimizing return on time invested. As it turns out, substituting television for an Amazon Kindle has extraordinary implications for mindfulness and clarity of thought.

All good investors appreciate the need to read extensively, but few recognize the benefit of reading broadly. The temptation to click on every email notification or enticing “breaking news” story too often leads us down a never-ending Google rabbit hole. The art of focus is lost in the 21<sup>st</sup> century. Instead, we spend the majority of our time in front of the screens erratically chasing the latest headlines rather than adopting a more attentive and comprehensive approach to learning.

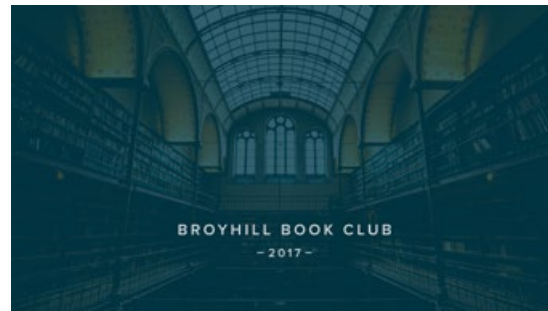


The Roman Stoic philosopher Seneca described a well-ordered mind as one able to remain in a single place and linger among a limited number of master thinkers. “So you should always read standard authors; and when you crave a change, fall back upon those whom you’ve read before...and after you have run over many thoughts, select one to be thoroughly digested that day.”

All knowledge is cumulative. Successful investors compound their wisdom through broad reading over a lifetime. The following pages outline our reading journey over the past year. As always, we enjoy the journey just as much as sharing what we’ve learned with friends. Clients of Broyhill are welcome to choose one book for their own library—it’s our way of saying “thank you” for giving us the motivation to come into the office every morning smarter than the previous day. In addition to this year’s journey in the pages that follow, you can view previous editions of the Broyhill Book Club, by clicking the images below.



2018



2017



2016



2015

# QUITTERS ~~NEVER~~ WIN

**JUST AS INVESTORS SHOULDN'T BURDEN THEMSELVES WITH BAD COMPANIES, READERS SHOULDN'T BURDEN THEMSELVES WITH BAD BOOKS.**

There are so many great books that are so easily accessible. It just doesn't make sense to waste precious time reading anything that doesn't excite you, grip you, scare you, interest you, educate you, or entertain you. Every minute spent suffering through a terrible book is a minute you could have spent speeding through a terrific one.

From a young age, we are taught to finish what we started. To grind it out. To not give up. Winners never quit. And quitters never win. I used to be dogmatic about finishing every book I read. But I also read a lot less. As it turns out, quitters read a lot more. Slugging through every book you begin is just not necessary to win.

Set a low hurdle for adding books to the queue and an equally low hurdle for getting started. But to read widely, you need to connect that low hurdle with a strongly tuned filter. If something looks interesting, add it to the list. Read the sample on Kindle or scan the introduction. Google the author and watch a few videos. If a book doesn't pull you in from the start, don't read it. If it becomes boring, don't read it. If it feels like work (unless it is work), don't read it. Pick up another one. That one is not for you.



## HERE ARE A FEW OTHER SUGGESTIONS, INSPIRED BY AUSTIN KLEON.

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**DON'T LEAVE HOME WITHOUT IT.** Bring a book (or a Kindle) with you everywhere. Rather than scrolling the socials anytime you get a spare minute, pick up that last book where you left off.

**SLEEP WITH YOUR FAVORITE AUTHORS.** I used to bring transcripts to bed with me and listen to earnings calls until I fell asleep. But that kept my mind humming all night long, processing thousands of bits of information. Now, I make a point to read something fun before bed. Sometimes I make it through only a paragraph before dozing. Other times, I'll get through a chapter. Often, I'll pick the book back up in the middle of the night and read another chapter or two if I'm having trouble sleeping. Quantity doesn't matter. The habit does. The pages will add up.

**BOOKS AREN'T MONOGAMOUS.** I don't think I've ever read one book start to finish, uninterrupted. I'm usually reading four or more books at any given time, depending on my mood and my interests. More often than not, something I'm reading will take me to one or a dozen other books, which I'll order and begin reading before going back to the original group I started with.

I WILL NOT FINISH BOOKS I DON'T LIKE.  
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I WILL NOT FINISH BOOKS I DON'T LIKE.  
I WILL NOT FINISH

## HOW TO READ MORE

- ① QUIT READING BOOKS YOU DON'T LIKE
- ② CARRY A BOOK AT ALL TIMES
- ③ KEEP YOUR PHONE IN AIRPLANE MODE
- ④ MAKE REGULAR TRIPS TO YOUR LOCAL LIBRARY AND/OR BOOKSTORE
- ⑤ SHARE BOOKS YOU LOVE WITH OTHERS (THEY'LL GIVE YOU MORE TO READ.)

AUSTINKLEON.COM

**KEEP A RUNNING INVENTORY.** The more you read, the more you will discover, and the more you will want to read. As a result, my “to read” list grows faster than my “read” list. Since we launched the Broyhill Book Club, I’ve gotten a bit obsessive about tracking my reading habits. My reading list is maintained in [Asana](#) where it’s very easy to add a new book to the list from Amazon via the web extension. I note the source of the idea and a link to purchase the book. Then, I scan the list periodically to find something of interest. I mark the task complete once the book is purchased and then add it to my book log where I catalogue everything I’ve read. This is also done automatically on Goodreads via Kindle.

**READ AT STARBUCKS...IN BARNES AND NOBLE.** I have fallen in love with bookstores. I look for independent shops every time I travel. Walking up and down the aisles, surrounded by stories, is almost meditative for me. There is “serendipity in the stacks.” The path to discovery is rarely a straight line. Walking the stacks allows us to explore otherwise invisible connections.

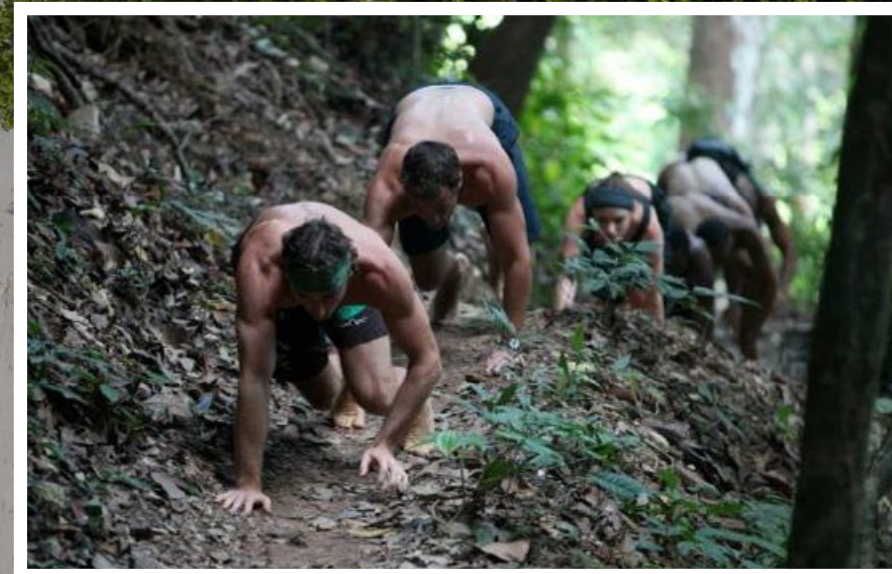
**GIFTING.** I’m an over-gifter. I’m guessing that most books I share go unread. It doesn’t matter. Every book I read reminds me of someone, and it makes me feel good to share them with friends. The joy that comes from sharing the right book with the right person is one of the reasons I enjoy reading so much.

# AUTHOR OF THE YEAR

**CHRISTOPHER MCDUGALL** is a captivating storyteller, best known for his classic, *Born to Run*, about the Tarahumara Indians, who can run hundreds of miles without rest in a couple days. I read *Born to Run* several years ago, but was reminded of how much I enjoyed McDougall's stories when a dear friend sent me a copy of *Running with Sherman* for the holidays along with this note that says it all: "A fun, warm book for what can be a cold, stressful season." If you take one book to the beach with you this summer, make it this one. Take a break from all of the fear and anger in the world today, and let *Sherman* warm your heart.

While *Born to Run* sets out to discover the secrets of distance running and will tempt you to head out for a long jog, *Sherman* will teach you about Amish Country, love and adventure, depression and healing, and the depth of our connection with animals.

After *Running with Sherman*, I picked up a copy of McDougall's *Natural Born Heroes* and gifted it more than any other book last year. For those interested in the potential of the human body, this is a must read. McDougall manages to weave together fascinating tales of resistance fighters hiking across the Greek Island of Crete during WWII, a Parkour crew leaping across modern-day rooftops in London, and the founder of *MovNat* as he climbs trees and carries boulders in Brazil. I did not want to put this one down. Neither will you.



Check out *The Workout the World Forgot*, and consider pairing with *Endure* and *The Rise of Superman* to see how entering a flow state can amplify performance and challenge your sense of the impossible.

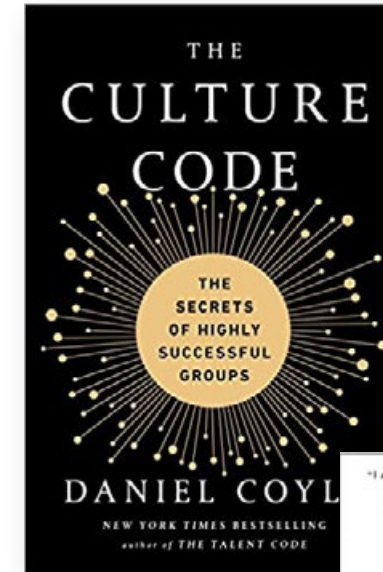
# DANIEL COYLE



I've often been told that I am a very cerebral thinker. What this means, I think, is that I spend a lot of time living inside of my own head, and often need a nudge to look up and join the real world. [The Culture Code](#) provided that nudge, and since reading it, I've spent a lot of time thinking about culture, especially how to make Broyhill a cooperative and rewarding work environment that is built on a foundation of curiosity and learning. Daniel Coyle shares stories and best practices from some of the world's top-performing cultures, including Bell Labs, The San Antonio Spurs, Navy SEALs AARs (After Action Reviews), and Pixar's BrainTrusts.

I picked up a copy of Coyle's first book, [The Talent Code](#), immediately after finishing *The Culture Code*. I recommend pairing it with [Talent is Overrated](#) to dive more deeply into the concepts of deliberate practice and molding myelin.

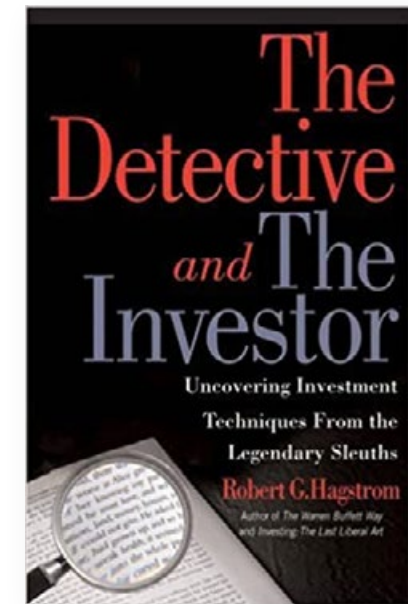
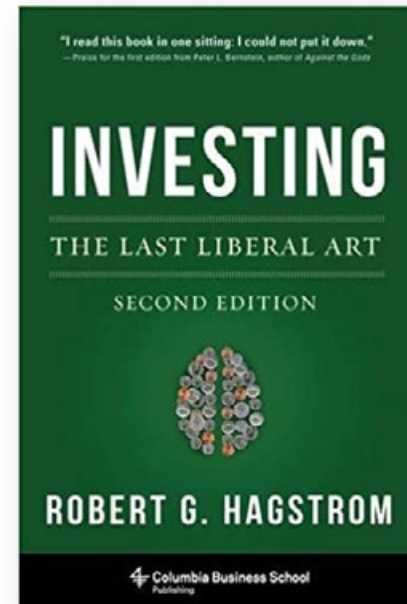
To explore specific companies' cultures, I highly recommend [The Idea Factory](#) (Bell Labs), [Delivering Happiness](#) (Zappos), [Creativity, Inc.](#) (Pixar), [Trillion-Dollar Coach](#) (Google), and [The Ride of a Lifetime](#) (Disney).





# ROBERT HAGSTROM

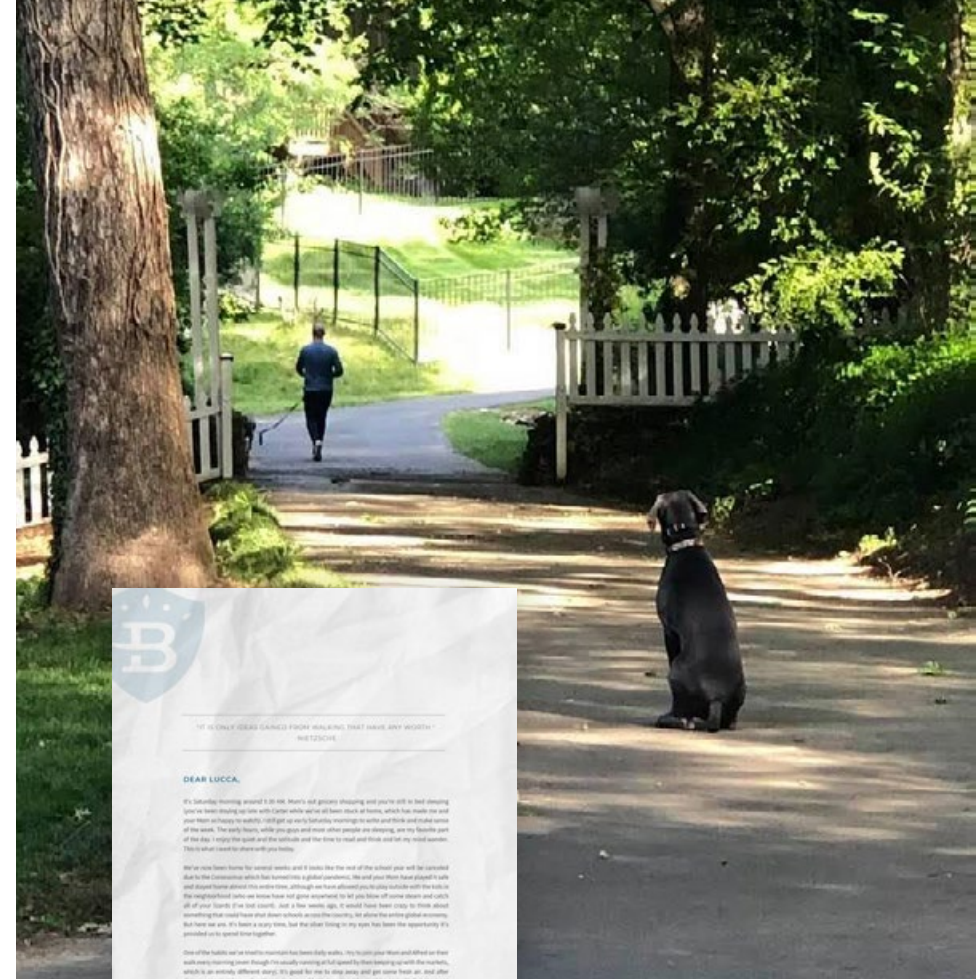
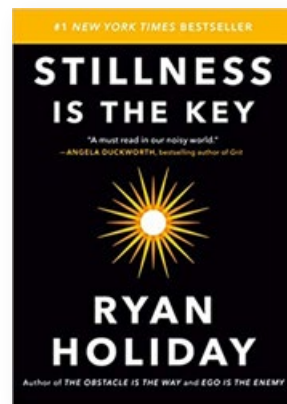
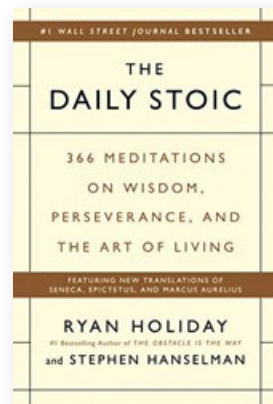
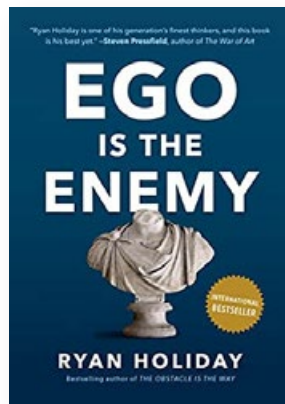
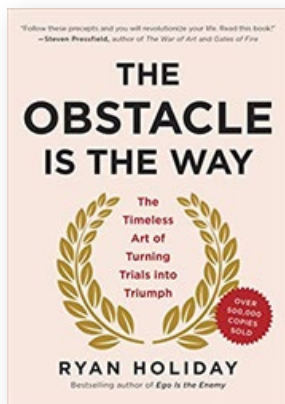
Hagstrom's [Investing: The Last Liberal Art](#) is perhaps the most underrated book on investing out there. I read it again last year after stumbling across his even lesser known [The Detective and the Investor](#). Any Sherlock Holmes fans dabbling in markets will enjoy this, but there is more to learn from the liberal arts.



# RYAN HOLIDAY

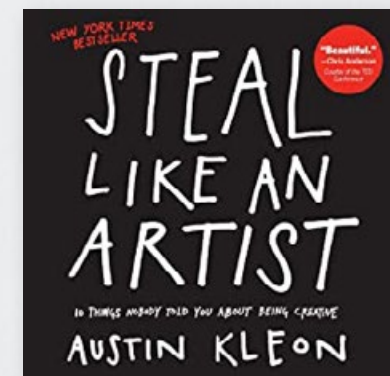
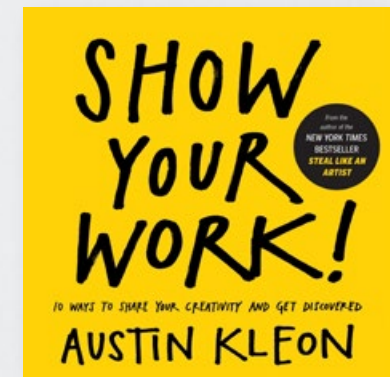
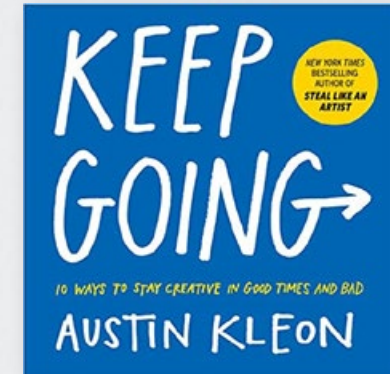


I have read all of Ryan Holiday’s recent books—[The Obstacle Is the Way](#), [Ego Is the Enemy](#), [The Daily Stoic](#)—more than once. His latest, [Stillness Is the Key](#), will almost certainly follow suit. Each of his books offers thoughtful guidance based on the lessons of history. And each of them reads like a compilation of short stories. No need to read from cover to cover. Jump around and move back and forth, depending on your mood. As much as I love to be captivated by page-turners like McDougall’s, I usually enjoy books I can read in pieces even more. *Stillness is the Key* is definitely one I’ll be coming back to. It inspired this letter to my son, Lucca: “[Take a Walk.](#)”



# AUSTIN KLEON

If you don't already get Austin Kleon's newsletter, you should. His weekly email is a beautiful collection of nuggets, covering the joys (and messes) of fatherhood, creativity, art, music, and life. Kleon describes himself as a writer who draws. I guess that makes me an artist who invests? Every one of his short books—[Keep Going](#), [Show Your Work](#), and [Steal Like an Artist](#)—deserves a spot on your desk. I find myself revisiting them often for inspiration.



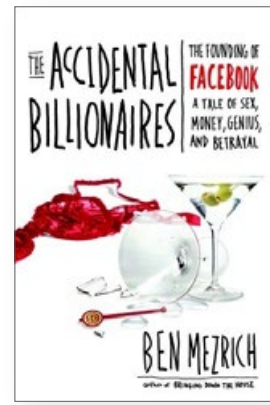
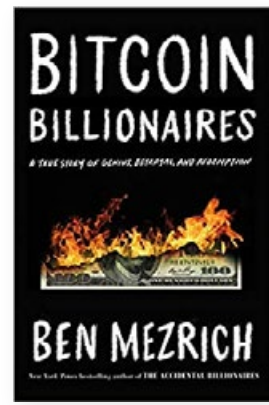
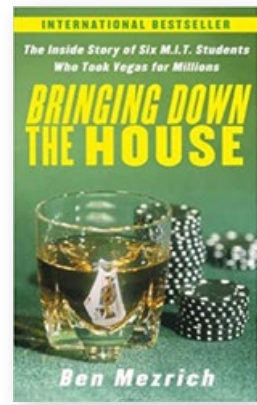


# BEN MEZRICH

When it comes to reading, I was a very late bloomer. My current reading habits really didn't develop until I joined Broyhill. Ben Mezrich's [Bringing Down the House](#), which tells the story of MIT's Blackjack Team, may have been the first book I ever read for pleasure. It captivated me from the start and left me wanting more.

Mezrich has an incredible ability to turn real-world stories into better-than-fiction, thrilling novels. No wonder his books keep getting turned into movies—like *21*, which was inspired by *Bringing Down the House*.

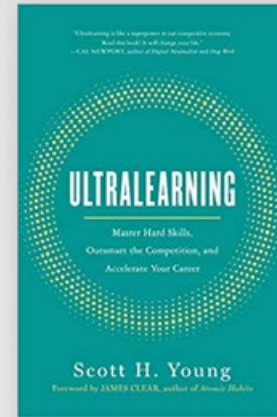
His most recent book, [Bitcoin Billionaires](#), reminded me just how much I enjoy Mezrich's writing. And for anyone curious about Bitcoin, but less than excited about reading academic texts on the subject, this one's for you. It picks up where [The Accidental Billionaires](#) (made into *The Social Network*) left off—with the Winklevoss twin's redemption and a hike down Silk Road.



# GEEKING OUT

For the last several years, I've used a [daily planner](#) to set goals each month, block time each week, and keep the most important thing in focus each day. While some months are more consistent than others, my favorite part of this process is always "[The 30-Day Challenge](#)." Over time, these mini-sprints have ranged from mental challenges like memorizing a deck of cards or learning to code; to physical challenges like holding a handstand or doing 100 pushups per day; to wellness challenges like daily meditation or intermittent fasting.

To some, this exercise might sound like planned monthly torture, but for those who are up for these kinds of challenges, I cannot recommend Scott Young's [Ultralearning](#) enough. Scott crafted and refined the techniques outlined in this book to help him complete MIT's computer science curriculum in twelve months, learn four languages in under one year, and understand the basics of quantum mechanics in a month. In other words, *Ultralearning* will step up your 30-day challenges to an entirely different level.



If monthly challenges aren't your thing, perhaps you'd enjoy an entire book on note taking? While I realize how bizarre this offer sounds, I stand by it. [How to Take Smart Notes](#) is one of the most important books written for today's knowledge workers. In contrast to how most of us are accustomed to taking notes, Ahrens' approach is inspired by Niklas Luhmann, the 20th-century

German sociologist who popularized the use of a "slip box" or *Zettelkasten*, which he credited for his prolific output of more than 70 books and 400 articles, all originating from nearly 100,000 index cards. But a "slip box" is not a dusty repository where ideas accumulate like baseball cards stored in the attic. Instead, a slip box enables you to take "smart notes" that encourage creative and critical thinking and deepen your understanding. Underlining and highlighting key passages are not enough. Smart notes reveal related concepts, forcing us to pause and consider novel connections. They require us to ask "dumb questions" and synthesize what we've read in our own words, to keep from fooling ourselves into thinking we know something we don't.

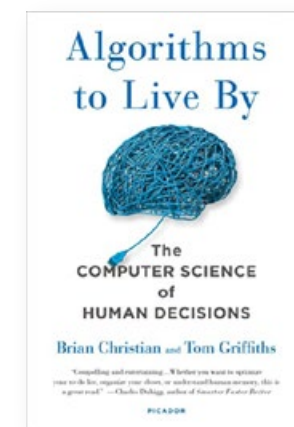
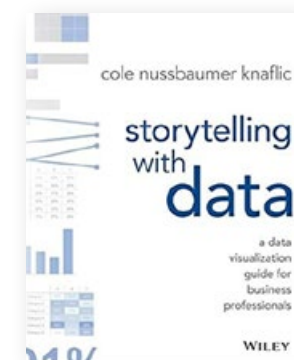


# GEEKING OUT

If the concept of taking notes on index cards sounds prehistoric to you, I would strongly suggest you check out [Roam Research](#), “a note-taking tool for networked thought.” No other digital note-taking tool comes close. After just a few months of use, I became such a true believer that I paid for a five-year subscription up front. Most note-taking applications force us to figure out where to place every piece of new information we come across, thus limiting our thinking via the confines of a hierarchical structure. In contrast, Roam frees you from the demand to categorize first, and instead allows you to write with zero friction so that connections can emerge over time, rather than being pre-determined. Think of it like the equivalent of Excel for text.

All investment professionals should pick up a copy of Cole Nussbaumer Knaflic’s [Storytelling with Data](#). Now. Keep a hard copy on your desk, and the next time you are tempted to paste that elaborate Excel model that has you beaming with pride into a PowerPoint presentation, STOP. And read this first. Or at least scan a few of our favorite examples and guidelines shared [here](#).

We’d also suggest applying the key concepts outlined in Brian Christian and Tom Griffiths’ [Algorithms to Live By](#) to your investment process. At Broyhill, we have found frameworks for optimal stopping, sorting, scheduling, randomness, and relaxation particularly helpful. Such a discussion is outside the confines of our Book Club, but we look forward to sharing more of this down the road.

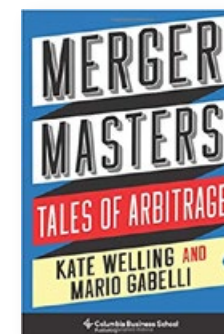
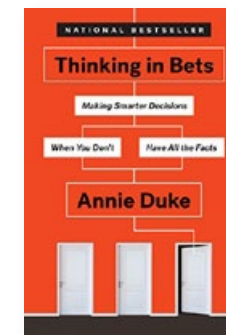
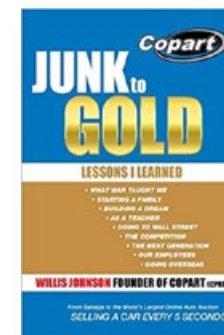
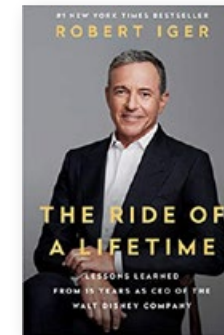


# THE INTELLIGENT INVESTOR



This year's Book Club includes several books on portfolio companies. The standout among them was Bob Iger's story about his time at Disney, [The Ride of a Lifetime](#), which I put on par with Phil Knight's [Shoe Dog](#). Other corporate biographies we read covered the GSEs ([Shaky Ground](#)), Anheuser Busch Inbev ([Bitter Brew](#)), and Copart ([Junk to Gold](#)).

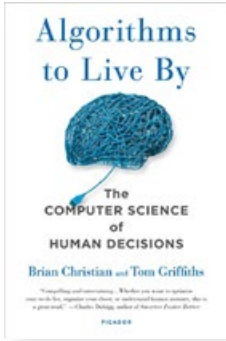
My two favorite general investing reads were [Thinking in Bets](#) and [The Man Who Solved the Market](#). I also recommend [Merger Masters](#) for anybody interested in event-driven investing; [Turning the Flywheel](#) for fans of Jim Collins who wonder about the origin of this over-used Amazon analogy; and [The Messy Marketplace](#) for private business owners contemplating an exit strategy.





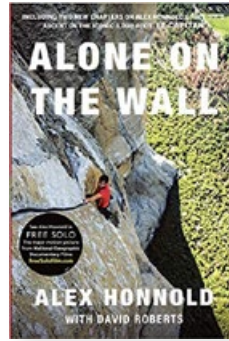
# THE UNANNOTATED LIST





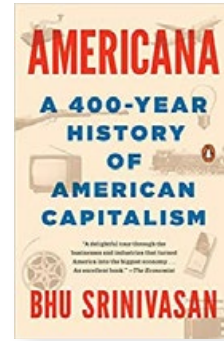
**ALGORITHMS TO LIVE BY**

by Brian Christian,  
Tom Griffiths



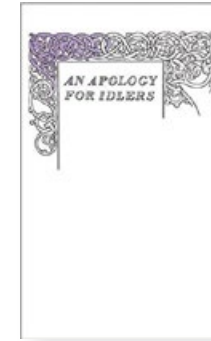
**ALONE ON THE WALL**

by Alex Honnold



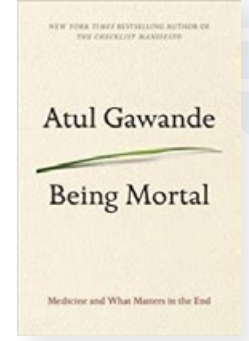
**AMERICANA**

by Bhu Srinivasan



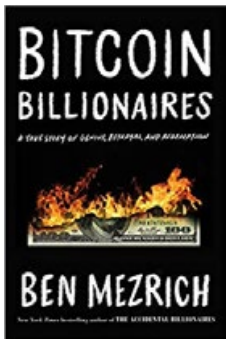
**AN APOLOGY FOR IDLERS**

by Robert Louis Stevenson



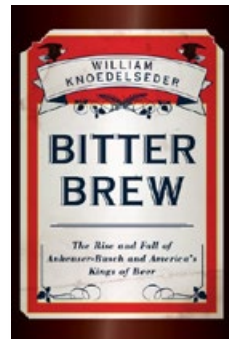
**BEING MORTAL**

by Atul Gawande



**BITCOIN BILLIONAIRES**

by Ben Mezrich



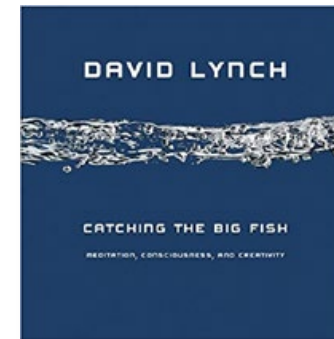
**BITTER BREW**

by William Knoedelseder



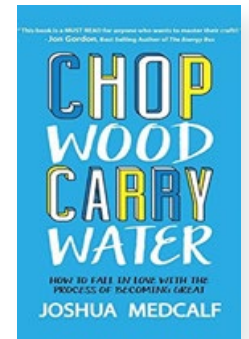
**CALYPSO**

by David Sedaris



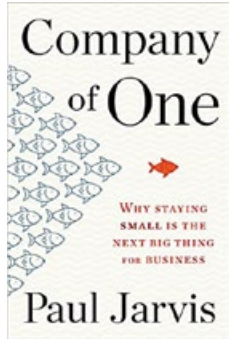
**CATCHING THE BIG FISH**

by David Lynch



**CHOP WOOD CARRY WATER**

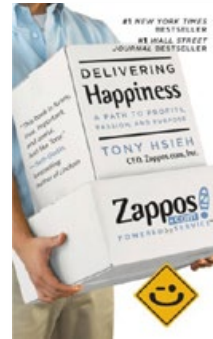
by Joshua Medcalf



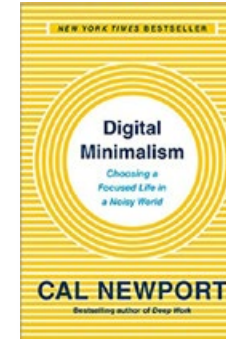
**COMPANY OF ONE**  
by Paul Jarvis



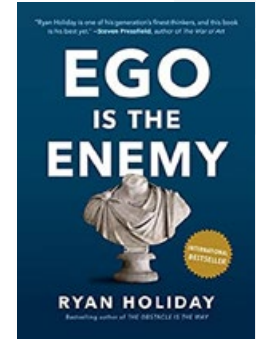
**CREATIVITY, INC**  
by Ed Catmull



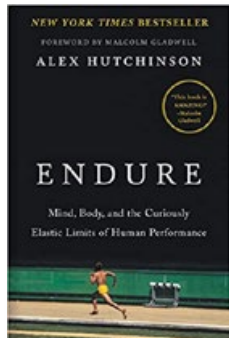
**DELIVERING HAPPINESS**  
by Tony Hsieh



**DIGITAL MINIMALISM**  
by Cal Newport



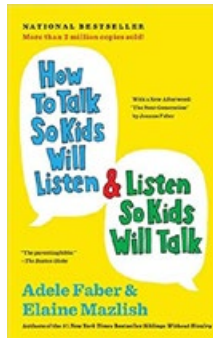
**EGO IS THE ENEMY**  
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**ENDURE**  
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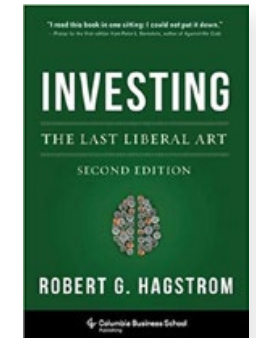
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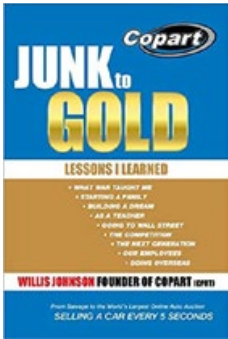
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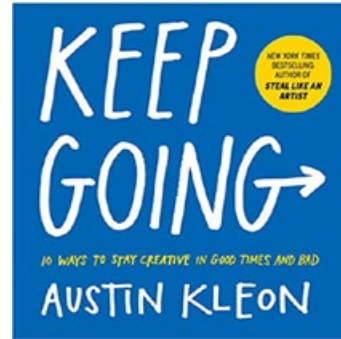
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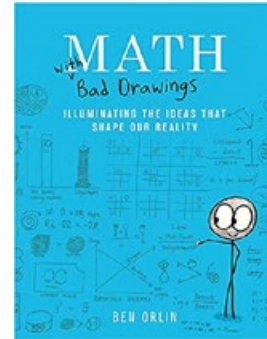
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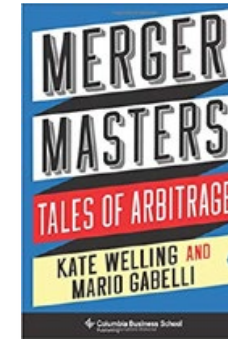
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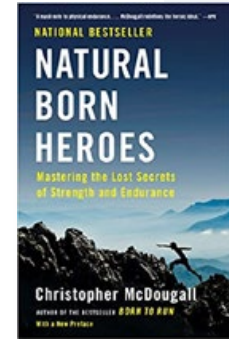
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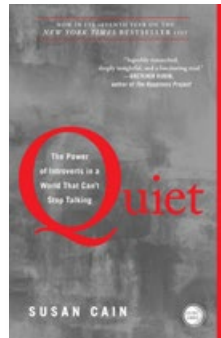
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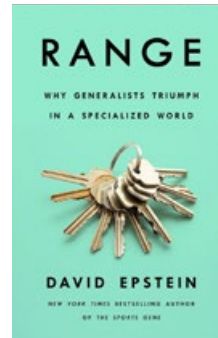
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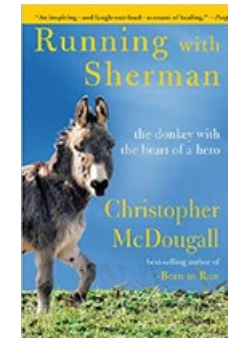
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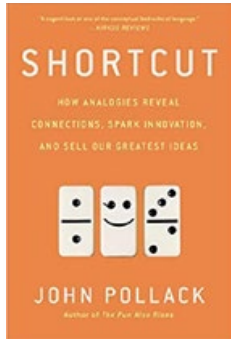
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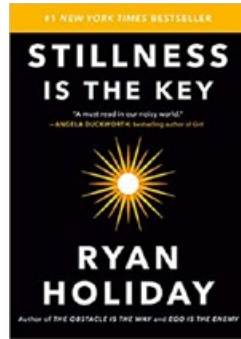
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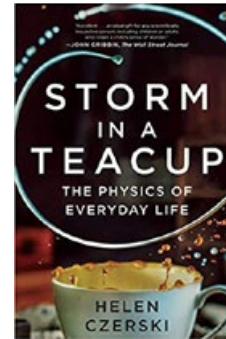
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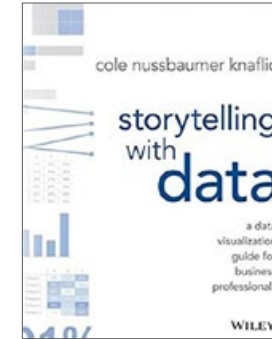
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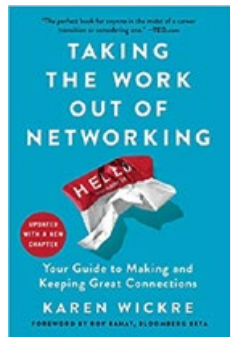
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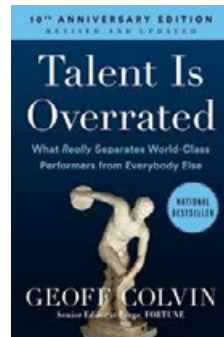
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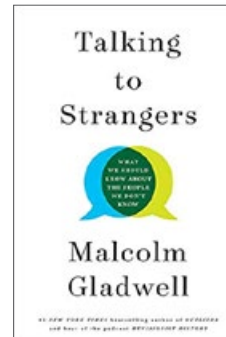
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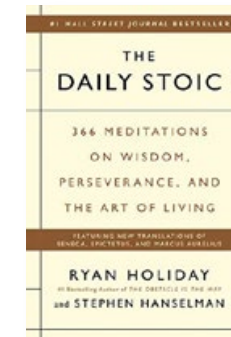
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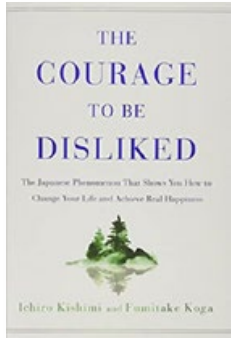
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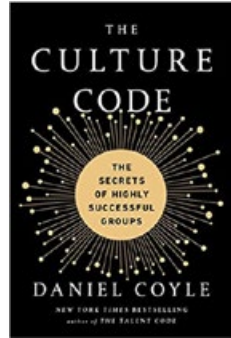
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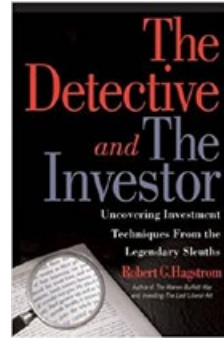
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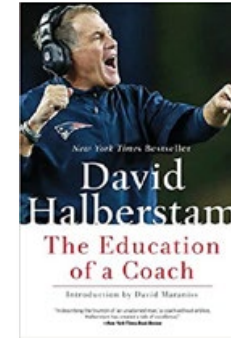
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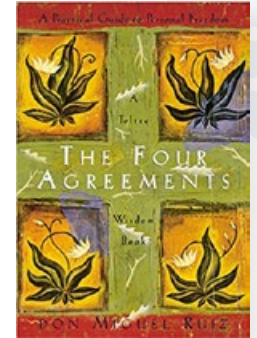
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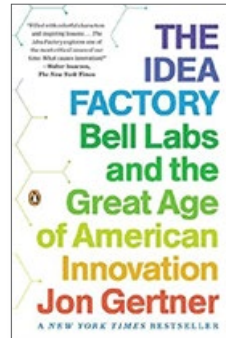
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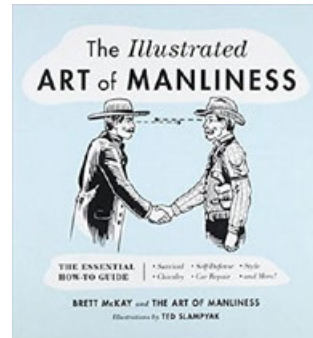
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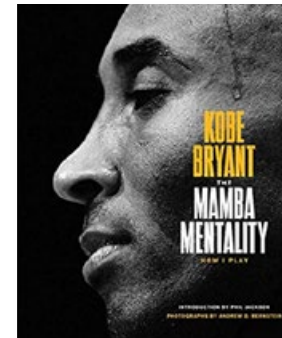
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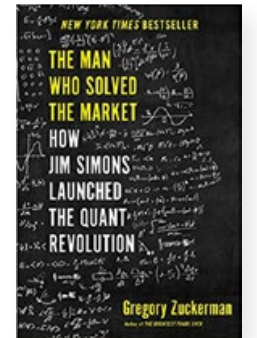
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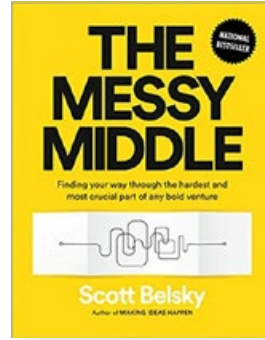
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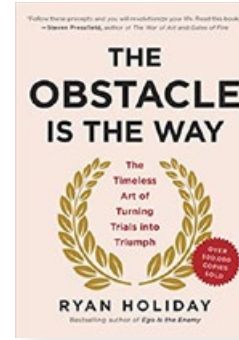
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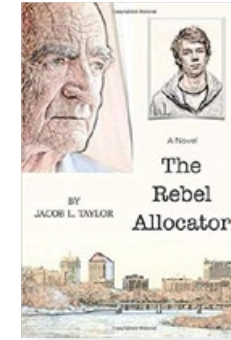
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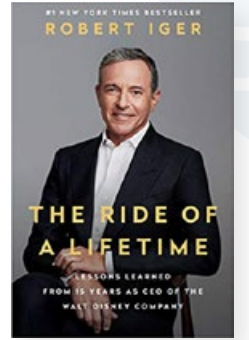
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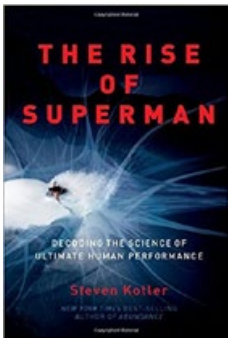
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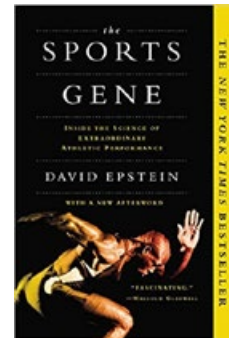
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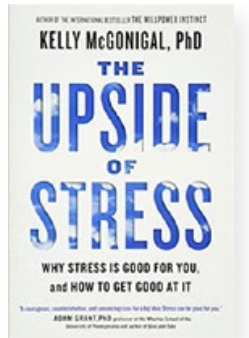
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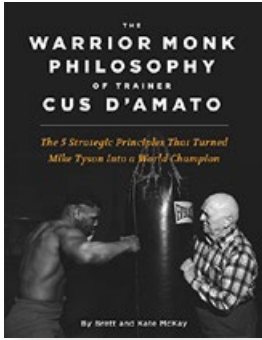
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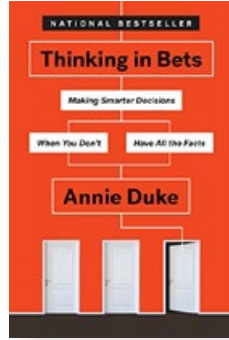
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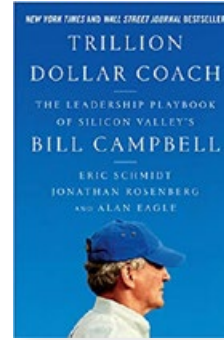
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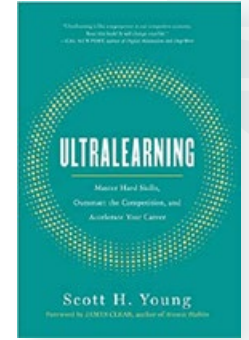
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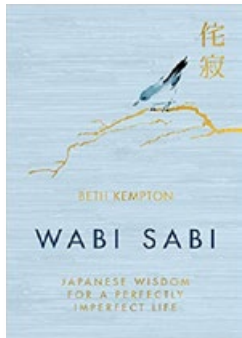
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