Buffett's firm discloses stakes in ADM, Verisign

JOSH FUNK - AP Business Writer - Associated Press

Warren Buffett's company disclosed new investments in the Archer Daniels Midland Co. and Verisign Inc. on Thursday as part of a busy quarter.

Berkshire Hathaway Inc. filed the update on its U.S. stock portfolio as of the end of 2012 with the Securities and Exchange Commission on Thursday.

Berkshire said it held nearly 6 million shares of ADM, which makes food ingredients and animal feed, and 3.7 million shares of Verisign, which manages the databases that house ".com" domain names, at the end of the year. Those were the newest additions to Berkshire's $75.3 billion U.S. portfolio.

Besides those new investments, Berkshire added to stakes in General Motors, DaVita, Liberty Media, DirecTV, IBM, Wal-Mart, National Oilwell Varco, Wabco Holdings, Precision Castparts and Wells Fargo.

Berkshire also cut its Kraft Foods holdings to 1.7 million shares at the end of 2012. Last fall, Berkshire held 30.5 million Kraft shares.

But Berkshire seemed more fond of the Kraft spin-off Mondelez because Buffett's company held 12.8 million shares of Mondelez, which includes Krafts snacks and dessert brands like Oreo cookies, Cadbury and Nabisco.

On Thursday, Berkshire announced it was teaming with another firm, 3G Capital, to buy H.J. Heinz for $23.3 billion, the richest deal ever in the food industry.

Berkshire also reduced its holdings in Johnson & Johnson and Lee Enterprises during the quarter.

Many investors try to copy Buffett's investments by buying the stocks disclosed in these reports.

But it's important to remember that the report doesn't distinguish between Buffett's stock picks and those made by the company's other investment managers, Todd Combs and Ted Weschler. Combs and Weschler have been active over the last two years since they started with Berkshire because they are both building $4 billion portfolios.

Berkshire does not typically comment on these quarterly reports, and Buffett did not immediately respond to a message late Thursday.

Buffett has said that his investments tend to be the larger ones in the portfolio. He says investments smaller than $300 million are likely to be the work of Weschler or Combs.

Besides investments, Berkshire owns more than 80 companies; including insurance, utility, railroad, furniture, jewelry, manufacturing, restaurant and apparel companies. Berkshire's insurance and utility businesses typically account for more than half of his company's net income.

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