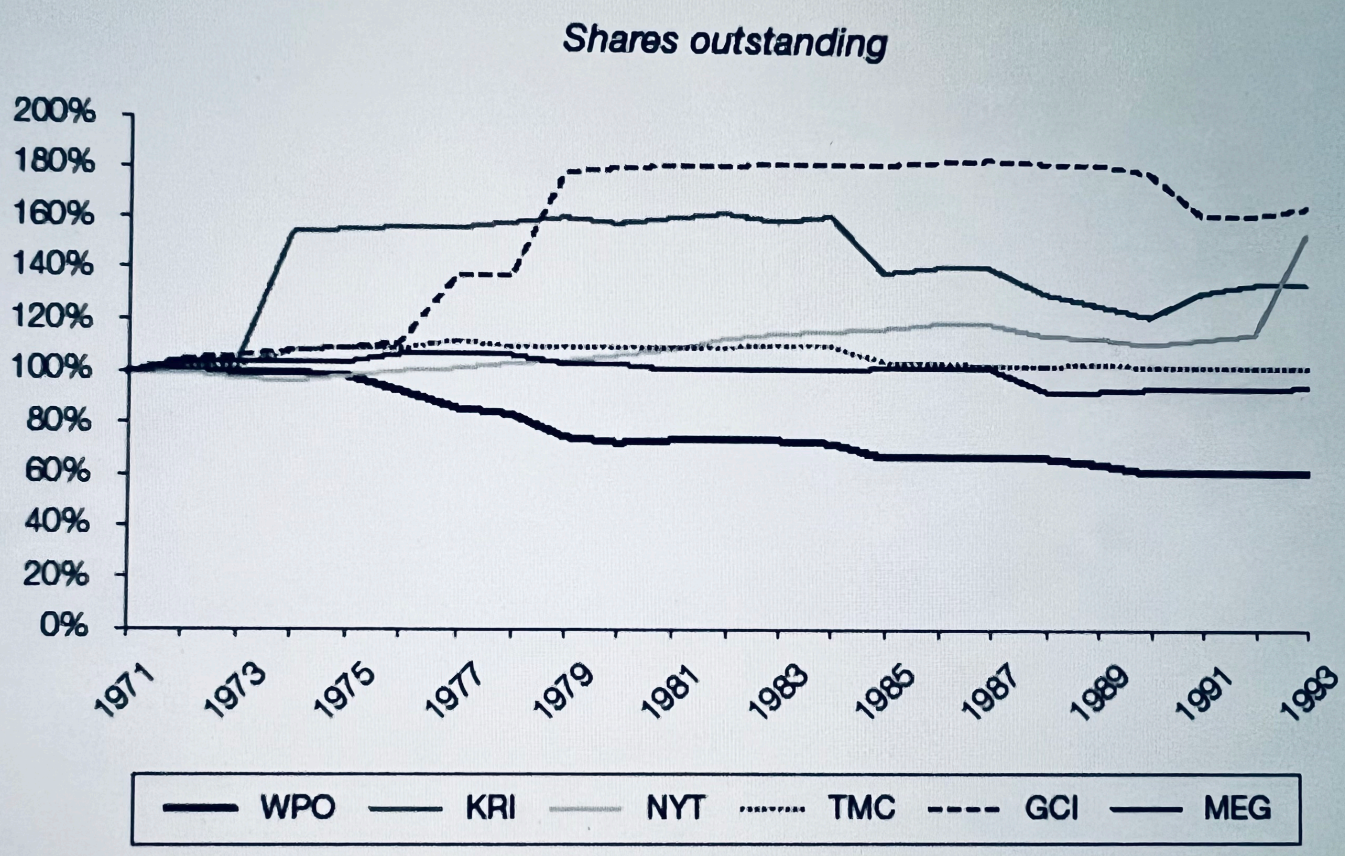
Management says, "All buybacks are not created equal—she purchased in big chunks and at the right time."[5] As figure 5-2 shows, she was alone among newspaper executives in aggressively repurchasing shares and had to overcome strong initial resistance from her board. As George Gillespie says, "In those days, buying back stock was *very* unusual."[6] (Buffett, who originally owned 13 percent of the company, never sold a share and today owns over 22 percent.)

FIGURE 5-2

WPO was the only member of its peer group to repurchase a significant percentage of its outstanding shares (38.5 percent)



"In those days, buying back stock was *very* unusual."—George Gillespie

Source: Compustat and Center for Research in Security Prices (CRSP).

Ironically, in the early 1980s, the management consulting firm McKinsey advised the company to halt its buyback program. Graham followed McKinsey's advice for a little over two years, before, with Buffett's help, coming to her senses