A firm foundation
Video transcript

John Hollyer
The bottom line of what separates Vanguard from our competitors is two things: We’re owned by our clients—that’s all we care about every day—and, secondly, that client ownership has enabled us to grow and have tremendous scale, and we can use that scale to apply a huge variety of very powerful resources to the benefit of our clients.

Sara Devereux
We are the largest active bond manager for ’40 Act funds, and those economies of scale allow us to negotiate lower operating costs and trading costs. And, in addition, that scale enables us to invest heavily in our abilities, such as specialized teams, analytics, and technology, combining scale and corporate structure that really lays the foundation for everything else.

Christopher Alwine
Vanguard certainly has a very strong brand in indexing, but we also have many active funds. We have a deep and talented team. Close to 100 investment professionals are focused on our active taxable bond fund lineup.

Sara Devereux
Our scale, reputation, and culture enables us to attract and retain top talent. We have the best of both worlds. We have Vanguard veterans who’ve been with the firm for 10, 20, even 30 years providing continuity and experience, and we’ve also gone to the outside and recruited top talent. And that provides diversity of perspective and also new strategies.

Christopher Alwine
Now, we don’t have a star culture, meaning a portfolio manager that’s driving all decisions. Our process involves specialized teams who are responsible for different sectors in the bond markets, and these teams provide diversity of thought, which gets incorporated into our investment decision-making. Many firms will have an A and a B team, but Vanguard’s collaborative process allows all funds to benefit from our top talent.

For more information about Vanguard funds, call 800-523-1036 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

There may be other material differences between products that must be considered prior to investing.

All investing is subject to risk, including possible loss of principal. Diversification does not ensure a profit or protect against loss. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income. Past performance is not a guarantee of future results.

Bond funds are subject to interest rate risk, which is the chance bond prices overall will decline because of rising interest rates, and credit risk, which is the chance a bond issuer will fail to pay interest and principal in a timely manner or that negative perceptions of the issuer’s ability to make such payments will cause the price of that bond to decline.

Vanguard is client-owned. As a client owner, you own the funds that own Vanguard.