



Over 40 Years of Reliable Investing™

Davis New York Venture Fund

December 1, 2009

PROSPECTUS

Class R Shares

A Portfolio of Davis New York Venture Fund, Inc.

Ticker:

Class R-NYVRX

The Securities and Exchange Commission has neither approved nor disapproved of these securities, nor has it determined whether this prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.

This prospectus contains important information. Please read it carefully before investing and keep it for future reference.

No financial adviser, dealer, salesperson or any other person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the offer contained in this Prospectus and, if given or made, such other information or representations must not be relied on as having been authorized by the Fund, the Fund's investment adviser or the Fund's distributor. This Prospectus does not constitute an offer by the Fund or by the Fund's distributor to sell or a solicitation of an offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful for the Fund to make such an offer.

TABLE OF CONTENTS

- 4** **Overview of Davis New York Venture Fund**
Investment Objective and Principal Investment Strategies
The Davis Investment Discipline
Determining If This Fund Is Right for You
Principal Risks of Investing in the Fund
Performance Information
Fees and Expenses of the Fund
Additional Information About Investments
- 10** **Davis Management**
Davis Advisors
Investment Professionals
- 11** **How to Invest in Class R Shares**
How to Purchase and Sell Class R Shares
Right to Reject or Restrict any Purchase or Exchange Order
Market Timing
Anti-Money Laundering Compliance
Buying More Shares
Selling Shares
How Your Shares Are Valued
Valuation of Portfolio Securities
Portfolio Holdings
Fees and Expenses of the Fund
Management Fee
Fees Paid to Dealers and Other Financial Intermediaries
- 16** **Other Information**
Disclosure Documents and Not a Contract
Dividends and Distributions
Basic Tax Points
Financial Highlights
Privacy Notice
- B/C** **Obtaining Additional Information**

OVERVIEW OF DAVIS NEW YORK VENTURE FUND

Investment Objective and Principal Investment Strategies

Davis New York Venture Fund's (the "Fund") investment objective is long-term growth of capital. Davis Selected Advisers, L.P., ("Davis Advisors" or the "Adviser"), the Fund's investment adviser, uses the Davis Investment Discipline to invest the majority of the Fund's assets in equity securities issued by large companies with market capitalizations of at least \$10 billion. See "The Davis Investment Discipline" below.

The Fund has the flexibility to invest in companies of any size, companies whose shares may be subject to controversy, foreign securities, and non-equity securities. See "Additional Information About Investments" in this prospectus.

The Davis Investment Discipline

Davis Advisors manages equity funds using the Davis Investment Discipline. Davis Advisors conducts extensive research to try to identify businesses that possess characteristics which we believe foster the creation of long-term value, such as proven management, a durable franchise and business model, and sustainable competitive advantages. We aim to invest in such businesses when they are trading at discounts to their intrinsic worth. We emphasize individual stock selection and believe that the ability to evaluate management is critical. We routinely visit managers at their places of business in order to gain insight into the relative value of different businesses. Such research, however rigorous, involves predictions and forecasts that are inherently uncertain.

Over the years, Davis Advisors has developed a list of characteristics that we believe help companies to create shareholder value over the long term and manage risk. While few companies possess all of these characteristics at any given time, Davis Advisors searches for companies that demonstrate a majority or an appropriate mix of these characteristics.

First Class Management

- Proven Track Record
- Significant Alignment of Interest in Business
- Smart Application of Technology to Improve Business and Lower Costs

Strong Financial Condition and Satisfactory Profitability

- Strong Balance Sheet
- Low Cost Structure
- High Returns on Capital

Strong Competitive Positioning

- Non-obsolescent Products / Services
- Dominant or Growing Market Share
- Global Presence and Brand Names

After determining which companies we wish to own, we then turn our analysis to determining the intrinsic value of those companies' common stock. We seek common stock which can be purchased at attractive valuations relative to their intrinsic value. Our goal is to invest in companies for the long term. We consider selling a company's stock if the stock's market price exceeds Davis Advisors' estimates of intrinsic value, or if the ratio of the risks and rewards of continuing to own the company's stock is no longer attractive.

Determining If This Fund Is Right For You

You should consider investing in this Fund if:

- You are seeking long-term growth of capital.
- You are more comfortable investing in established, well-known companies.
- You are investing for the long term.

You should not invest in this Fund if:

- You are worried about the possibility of sharp price swings and dramatic market declines.
- You are interested in earning current income.
- You are investing for the short term.

Principal Risks of Investing in the Fund

If you buy shares of Davis New York Venture Fund, you may lose some or all of the money that you invest. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. This section describes what we think are the most significant factors (but not the only factors) that could cause the value of your investment in the Fund to decline and which could prevent the Fund from achieving its stated objective.

- **Market risk.** The market value of shares of common stock can change rapidly and unpredictably as a result of political or economic events having little or nothing to do with the performance of the companies in which we invest.
- **Company risk.** The market values of corporate securities vary with the success or failure of the company issuing the security. Many factors can negatively affect the prices of securities issued by a particular company, such as poor earnings reports, loss of major customers, major litigation against the company or changes in government regulations affecting the company or its industry. The success of the companies in which the Fund invests largely determines the Fund's long-term performance.
- **Financial services risk.** The Fund, historically, has invested a significant portion of its assets in the financial services sector. Risks of investing in the financial services sector include: (i) *Regulatory actions:* financial services companies may suffer setbacks if regulators change the rules under which they operate; (ii) *Changes in interest rates:* unstable and/or rising interest rates, may have a disproportionate effect on companies in the financial services sector; (iii) *Non-diversified loan portfolios:* financial services companies, whose securities the Fund purchases, may themselves have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that industry; (iv) *Credit:* financial services companies may have exposure to investments or agreements which, under certain circumstances, may lead to losses, for example sub-prime loans; and (v) *Competition:* the financial services sector has become increasingly competitive.
- **Foreign country risk.** The Fund may invest a portion of its assets in companies operating, incorporated, or principally traded in foreign countries. Investing in foreign countries involves risks that may cause the Fund's performance to be more volatile than it would be if the Fund invested solely in the United States. Foreign economies may not be as strong or as diversified, foreign political systems may not be as stable, and foreign financial reporting standards may not be as rigorous as they are in the United States. In addition, foreign capital markets may not be as well developed, so securities may be less liquid, transaction costs may be higher, and investments may be subject to more or less government regulation. Securities issued by foreign companies are frequently denominated in foreign currencies. The change in value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of securities denominated in that foreign currency. The Fund generally does not hedge its currency risk. When the value of a foreign currency declines against the U.S. dollar, the value of the Fund's shares will tend to decline.

- **Fees and Expenses risk.** All mutual funds incur operating fees and expenses. Fees and expenses reduce the return which a shareholder may earn by investing in a fund. A low return environment, or a bear market, increases the risk that a shareholder may lose money.
- **Headline risk.** We seek to acquire companies with durable business models that can be purchased at attractive valuations relative to what Davis Advisors believes to be the companies' intrinsic values. We may make such investments when a company becomes the center of controversy after receiving adverse media attention. The company may be involved in litigation, the company's financial reports or corporate governance may be challenged, the company's public filings may disclose a weakness in internal controls, greater government regulation may be contemplated, or other adverse events may threaten the company's future. While we research companies subject to such contingencies, we cannot be correct every time, and the company's stock may never recover.
- **Selection risk.** The securities we select for the Fund may underperform the S&P 500® Index or other funds with similar investment objectives and strategies.

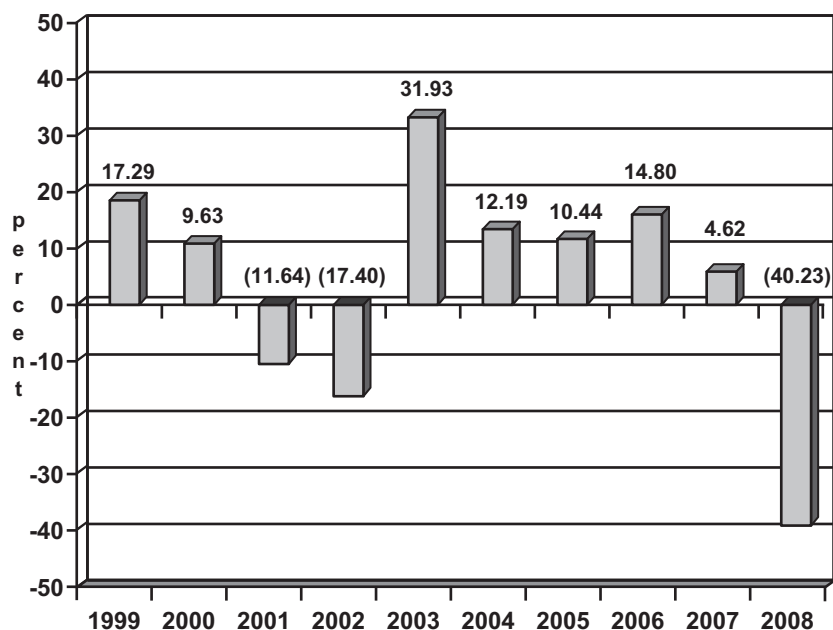
The Fund's shares are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested.

Performance Information

The bar chart and table that follow provide an indication of the risks of investing in Davis New York Venture Fund by showing changes in the Fund's year-to-year performance and by showing how the Fund's average annual returns compare to those of the S&P 500® Index, a widely recognized, unmanaged index of stock performance. The Fund is not managed to track any particular index and, consequently, the performance of the Fund may deviate significantly from the performance of the Index. The Fund's past performance is not necessarily an indication of how the Fund will perform in the future.

Information in the bar chart and table for Class R shares reflects the performance of Class A shares which has been restated (reduced) to reflect the higher Rule 12b-1 fees paid by Class R shares. The returns would have been substantially similar because both Class A shares and Class R shares are invested in the same portfolio of securities. The inception date of the Fund's Class R shares was August 20, 2003. Actual Class R shares performance is used beginning August 20, 2003.

Davis New York Venture Fund
Annual Total Returns for Class R Shares
for the years ended December 31



During the period shown above, the highest quarterly return was 18.59% for the quarter ended June 30, 2003, and the lowest quarterly return was (24.61)% for the quarter ended December 31, 2008. Total return for the ten months ended October 31, 2009 (not annualized) was 21.36%.

Davis New York Venture Fund Average Annual Total Returns
for the periods ended December 31, 2008

	Past 1 Year	Past 5 Years	Past 10 Years
Class R shares	(40.23)%	(2.32)%	0.97%
S&P 500® Index <i>reflects no deduction for fees, expenses or taxes</i>	(37.00)%	(2.19)%	(1.38)%

Class R shares were first available on August 20, 2003. The results presented above reflect the performance of Class A shares which has been restated (reduced) to reflect the higher Rule 12b-1 fees paid by Class R shares and the fact that Class R shares are sold without a sales charge. Actual Class R shares performance is used beginning August 20, 2003.

S&P 500® Index returns do not reflect deductions for fees, expenses, or taxes. You cannot invest directly in an index.

Fees and Expenses of the Fund

Fees You May Pay as a Davis Funds Shareholder

paid directly from your investment

	Class R shares
Maximum sales charge (load) imposed on purchases <i>as a percentage of offering price</i>	None
Maximum deferred sales charge (load) imposed on redemptions <i>as a percentage of the lesser of the net asset value of the shares redeemed or the total cost of such shares</i>	None
Maximum sales charge (load) imposed on reinvested dividends	None
Redemption Fee	None
Exchange Fee	None

Davis New York Venture Fund Annual Operating Expenses

deducted from the Fund's assets

	Class R shares
Management Fees	0.49%
Distribution (12b-1) Fees	0.50%
Other Expenses ⁽¹⁾	0.33%
Total Annual Operating Expenses	1.32%

Expenses may vary in future years. See "Fees and Expenses of the Fund" in this prospectus.

¹ *Includes custodian fees, transfer agent fees, audit fees, legal fees, directors' fees and expenses, reports to shareholders, and various other expenses.*

Expense Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same as shown above. Although your actual costs may be higher or lower, your costs, based on these assumptions, would be:

If you sell your shares in...	1 Year	3 Years	5 Years	10 Years
Class R shares	\$134	\$418	\$723	\$1,590

Additional Information About Investments

Davis New York Venture Fund's investment objective is long-term growth of capital. The Fund's investment objective is not a fundamental policy and may be changed by the Fund's Board of Directors without a vote of shareholders. The Fund's prospectuses would be amended before any change in investment objective, and shareholders would be promptly notified of the change.

The Fund's principal investment strategies and main risks are described in the Overview section of this prospectus. The Fund is not limited to investing in the securities and using the principal investment strategies described in the Overview. The Fund may also purchase other kinds of securities, engage in active trading (which would increase portfolio turnover and commission expenses and could increase taxable distributions), or employ other investment strategies that are not principal investment strategies, if, in Davis Advisors' professional judgment, the securities, trading, or investment strategies are appropriate. Factors that Davis Advisors considers in

pursuing these other strategies include whether the strategies: (i) would be consistent with shareholders' reasonable expectations; (ii) would assist the Fund in pursuing its investment objective; (iii) are consistent with the Fund's investment strategy; (iv) would cause the Fund to violate any of its investment restrictions; or (v) would materially change the Fund's risk profile as described in the Fund's prospectus and Statement of Additional Information, as amended from time to time. The Statement of Additional Information discusses these securities and investment strategies.

Short-Term Investments. The Fund uses short-term investments, such as treasury bills and repurchase agreements, to maintain flexibility while evaluating long-term opportunities. The Fund may also use short-term investments for temporary defensive purposes. At such times, the Fund will not be pursuing its normal investment policies. In the event that our investment professionals anticipate a decline in the market values of the companies in which the Fund invests (due to economic, political or other factors), the Fund may reduce its risk by investing in short-term securities until market conditions improve. Unlike equity securities, these investments will not appreciate in value when the market advances and will not contribute to long-term growth of capital.

For more details concerning current investments and market outlook, please see the Fund's most recent shareholder report.

Execution of Portfolio Transactions. Davis Advisors places orders with broker-dealers for Davis Funds' portfolio transactions. Davis Advisors seeks to place portfolio transactions with brokers or dealers who will execute transactions as efficiently as possible and at the most favorable net price. In placing executions and paying brokerage commissions or dealer markups, Davis Advisors considers price, commission, timing, competent block trading coverage, capital strength and stability, research resources, and other factors. Subject to best price and execution, Davis Advisors may place orders for Davis Funds' portfolio transactions with broker-dealers who have sold shares of Davis Funds. However, when Davis Advisors places orders for Davis Funds' portfolio transactions, it does not give any consideration to whether a broker-dealer has sold shares of Davis Funds. In placing orders for Davis Funds' portfolio transactions, the Adviser does not commit to any specific amount of business with any particular broker-dealer.

Over the last three years the Fund paid the following brokerage commissions:

	<i>For The Year Ended July 31,</i>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Davis New York Venture Fund			
Brokerage commissions paid:	\$12,204,003	\$13,205,834	\$6,387,930
Brokerage as a percentage of average net assets:	0.04%	0.03%	0.01%

DAVIS MANAGEMENT

Davis Advisors

Davis Advisors serves as the investment adviser for each of the Davis Funds. Davis Advisors' offices are located at 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756. Davis Advisors provides investment advice for the Davis Funds, manages their business affairs, and provides day-to-day administrative services. Davis Advisors also serves as investment adviser for other mutual funds and institutional and individual clients.

For the fiscal year ended July 31, 2009, Davis Advisors' compensation from the Fund for its services (based on average net assets) was 0.49%.

Davis Selected Advisers-NY, Inc., serves as the sub-adviser for each of the Davis Funds. Davis Selected Advisers-NY, Inc.'s offices are located at 609 Fifth Avenue, New York, New York 10017. Davis Selected Advisers-NY, Inc., provides investment management and research services for the Davis Funds and other institutional clients, and is a wholly owned subsidiary of Davis Advisors. Davis Selected Advisers-NY, Inc.'s fee is paid by Davis Advisors, not the Davis Funds.

Every year the Fund's Board of Directors considers whether to re-approve the Fund's advisory and sub-advisory agreements. The basis for the Board's decision is described in the Fund's most recent Annual Report.

Investment Professionals

- **Christopher C. Davis** has served as a Portfolio Manager of Davis New York Venture Fund since October 1995 and also manages other equity funds advised by Davis Advisors. He has served as President of the Fund since March 2000. Mr. Davis served as Assistant Portfolio Manager and Research Analyst working with Shelby M.C. Davis from September 1989 through September 1995.
- **Kenneth Charles Feinberg** has served as a Portfolio Manager of Davis New York Venture Fund since May 1998 and also manages other equity funds advised by Davis Advisors. Mr. Feinberg started with Davis Advisors as a Research Analyst in December 1994.

In addition, a limited portion of the Fund's assets may be managed by Davis Advisors' research analysts, subject to review by the Fund's Portfolio Managers.

The Statement of Additional Information provides additional information about the Portfolio Managers' compensation, other accounts managed by the Portfolio Managers, and the Portfolio Managers' investments in the Fund.

How To INVEST IN CLASS R SHARES

How to Purchase and Sell Class R Shares

Davis New York Venture Fund offers Class A, B, C, Y and R shares. Only Class R shares are offered in this prospectus. Each class is subject to different expenses and sales charges.

Class R shares are generally available only to 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans, defined benefit plans, and non-qualified deferred compensation plans. Class R shares are generally available only to retirement plans where plan level or omnibus accounts are held on the books of the Fund. Class R shares are not generally available to retail non-retirement accounts, traditional and Roth IRAs, Education Savings Accounts, SEPs, SAR-SEPs, SIMPLE IRAs, or Individual 403(b) plans.

Eligible retirement plans may open an account and purchase Class R shares by contacting any dealer authorized to sell the Fund's shares (the dealer may impose transaction charges in addition to those described in this prospectus). Class R shares may not be available through all dealers, and other classes of the Fund may be available to retirement plans.

The minimum initial investment in the Fund is \$500,000. The Distributor may waive this minimum at its discretion. For the purposes of the minimum, the Distributor may treat appropriately related investors—for example, trust funds of the same bank, separate accounts of the same insurance company, clients whose funds are managed by a single bank, insurance company, investment adviser, broker-dealer, or institutional clients of a financial intermediary that maintains an omnibus account with the Fund—as a single investor. Class R shares are currently available to retirement and benefit plans and other institutional investors who place orders through financial intermediaries that perform administrative and/or other services for these accounts and that have entered into special arrangements with the Distributor for such services.

Right to Reject or Restrict any Purchase or Exchange Order

Purchases and exchanges should be made for long-term investment purposes only. Davis Funds and the Distributor reserve the right to reject or restrict any purchase or exchange order for any reason. Davis Funds are not designed to serve as a vehicle for frequent trading in response to short-term fluctuations in the securities markets. Accordingly, purchases or exchanges that are part of activity that Davis Funds or the Distributor have determined may involve actual or potential harm to a Fund may be rejected.

Market Timing

Davis Funds discourage short-term or excessive trading, often referred to as “market timing,” and intend to seek to restrict or reject such trading or take other action if in the judgment of Davis Advisors such trading may be detrimental to the interests of a Fund and its long-term shareholders. Market timing strategies may dilute the value of fund shares held by long-term shareholders, interfere with the efficient management of the Fund's portfolio, and increase brokerage and administrative costs.

Davis Funds' Board of Directors has adopted policies and procedures with respect to the frequent purchases and redemption of fund shares. Currently, four round-trip exchanges between Davis Funds are allowed during any twelve-month period. Automatic exchanges are excluded from this provision. Certain financial intermediaries, such as 401(k) plan administrators, may apply purchase and exchange limitations which are different than the limitations discussed above. These limitations may be more or less restrictive than the limitations imposed by the Davis Funds, but are designed to detect and prevent excessive trading. Shareholders should consult their financial intermediaries to determine what purchase and exchange limitations may be applicable to their transactions in the Davis Funds through that financial intermediary. To the extent reasonably feasible, the Funds' market timing procedures apply to all shareholder accounts and neither Davis Funds nor Davis Advisors have entered into agreements to exempt any shareholder from application of either the Davis Funds' or a financial intermediary's market-timing procedures, as applicable.

Davis Funds and Davis Advisors use several methods to reduce the risk of market timing. These methods include: (i) limiting annual exchange activity per fund account; and (ii) committing staff to selectively review on a continuing basis recent trading activity in order to identify trading activity that may be contrary to the Funds' market timing policy.

If Davis Funds determine that your purchase or exchange patterns reflect a market timing strategy, Davis Funds reserve the right to take any action permitted under applicable rules and standards, including but not limited to: (i) refusing to accept your orders to purchase Fund shares; and/or (ii) restricting the availability of exchanges through telephone requests, facsimile transmissions, automated telephone services, internet services or any electronic transfer services.

Davis Funds receive purchase, exchange and redemption orders from many financial intermediaries which maintain omnibus accounts with the Funds. Omnibus account arrangements permit financial intermediaries to aggregate their clients' transaction and ownership positions. Davis Funds are limited in their ability to monitor the trading activity or enforce the Funds' market timing policy with respect to customers of financial intermediaries. Shareholders seeking to engage in excessive trading practices may employ a variety of strategies to avoid detection. The ability of Davis Funds to detect and curtail excessive trading practices may also be limited by operational systems and technological limitations.

Anti-Money Laundering Compliance

Davis Funds and the Distributor are required to comply with various anti-money laundering laws and regulations. Consequently, the Funds or the Distributor may request additional information from you to verify your identity and the source of your funds. If you do not provide the requested information, the Davis Funds may not be able to open your account. If at any time the Funds believe an investor may be involved in suspicious activity or if certain account information matches information on government lists of suspicious persons, the Fund and the Distributor may choose not to establish a new account or may be required to "freeze" a shareholder's account. They may also be required to provide a government agency or another financial institution with information about transactions that have occurred in a shareholder's account or to transfer monies received to establish a new account, transfer an existing account or transfer the proceeds of an existing account to a governmental agency. In some circumstances, the law may not permit the Funds or the Distributor to inform the shareholder that it has taken the actions described above.

Buying More Shares

Additional shares may be purchased through a plan's administrator or recordkeeper.

Selling Shares

Please contact your plan administrator or recordkeeper.

How Your Shares Are Valued

Once you open your Davis Funds account, you may buy or sell shares on any business day. The price of your shares in a Davis Fund is based upon the total value of the Fund's investments. Your account balance may change daily because the share price may change daily.

The value of one share of a Davis Fund, also known as the net asset value, or NAV, is calculated at 4 p.m. Eastern time on each day the New York Stock Exchange is open or as of the time the Exchange closes, if earlier.

The business sections of many, but not all, major newspapers publish Davis Funds' daily net asset values. If you have access to the Internet, you can also check the net asset value on our website www.davisfunds.com.

Valuation of Portfolio Securities

Your shares will be purchased or sold at the net asset value next determined after Davis Funds' transfer agent receives your request to purchase or sell shares in good order.

The Fund's portfolio securities are valued primarily on the basis of market quotations. However, Davis Funds have adopted procedures for making "fair value" determinations if market quotations are not readily available. The Fund uses fair value prices any time Davis Advisors concludes that reliable market quotations for the Fund's portfolio securities are not readily available from an approved third party pricing service or from independent brokers. Examples of when fair value pricing may be used include when the Fund holds illiquid or thinly traded securities, and securities whose values have been affected by a significant event occurring after the close of their primary markets. Davis Funds use an independent vendor to assist in fair value pricing of foreign securities when deemed appropriate. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated using last reported prices.

Some of the Fund's securities may be traded in markets that close at a different time than when the Fund's shares are priced. Events affecting portfolio values that occur after the time that such markets close and the time the Fund's shares are priced may result in the use of fair value pricing, as described above. Likewise, because foreign securities trade in markets and exchanges that operate on U.S. holidays and weekends, the values of some of the Fund's foreign investments might change significantly on those days when investors cannot buy or redeem shares.

Davis Funds have adopted procedures designed to identify and react to significant events in foreign markets that would have a material effect on a Fund's net asset value. Notwithstanding, the net asset value of a Fund's shares may change on days when shareholders will not be able to purchase or redeem Fund shares.

Securities denominated in foreign currencies and traded in foreign markets will have their values converted into U.S. dollar equivalents at the prevailing exchange rates as computed by State Street Bank and Trust. Fluctuation in the values of foreign currencies in relation to the U.S. dollar may affect the net asset value of a Fund's shares even if there has not been any change in the foreign currency prices of that Fund's investments.

Portfolio Holdings

A description of Davis Funds' policies and procedures with respect to the disclosure of the Fund's portfolio holdings is available in the Statement of Additional Information.

Davis Funds' portfolio holdings are published and mailed to shareholders twice a year in the Annual and Semi-Annual Reports which are mailed approximately 60 days after the end of the Fund's second and fourth fiscal quarters. In addition, each Fund publishes its portfolio holdings on the Davis Funds' website (www.davisfunds.com) and the SEC website (www.sec.gov) approximately 60 days after the end of each fiscal quarter. Other information concerning the Funds' portfolio holdings may also be published on the Davis Funds' website from time to time.

Fees and Expenses of the Fund

The Fund must pay operating fees and expenses.

Management Fee

The management fee covers the normal expenses of managing the Fund, including: compensation, research costs, corporate overhead expenses and related expenses. Davis Funds offer different Classes of shares in other prospectuses. The difference in the fee structure between the Classes is primarily the result of fees and expenses paid by the Fund to dealers and financial institutions for providing services to shareholders. Accordingly, the core investment advisory expenses do not vary by Class. Different fees and expenses will affect performance.

12b-1 Fees

The Davis Funds have Plans of Distribution or "12b-1 Plans" under which the Funds may use their own assets to finance distribution activities. Class R shares currently pay 0.50% of the average daily net asset value to dealers and other institutions for providing services to Davis Funds' shareholders. The Class R 12b-1 Plan allow the Funds to use up to 0.75% of the average daily net asset value to finance distribution activities. These services may include, but are not limited to, assessing a client's investment needs and recommending suitable investments on an

ongoing basis. Because distribution expenses are paid out of a Fund's assets on an ongoing basis, these fees will increase the cost of your investment over time and may cost you more than paying other types of sales charges. Thus, the higher fees for Class R shares may cost you more over time than paying the initial sales charge for Class A shares.

Other Expenses

Other expenses include miscellaneous fees from affiliated and outside service providers. These fees may include legal, audit, and custodial fees, the costs of printing and mailing of reports and statements, automatic reinvestment of distributions and other conveniences, and payments to third parties that provide recordkeeping services or administrative services for investors in the Fund.

Total Fund Operating Expenses

The total cost of operating a mutual fund is reflected in its expense ratio. A shareholder does not pay operating costs directly; instead, operating costs are deducted before the Fund's NAV is calculated and are expressed as a percentage of the Fund's average daily net assets. The effect of these fees is reflected in the performance results for that Class of shares. Investors should examine total operating expenses closely in the prospectus, especially when comparing one fund with another fund in the same investment category.

Fees Paid to Dealers and Other Financial Intermediaries

Broker-dealers and other financial intermediaries ("Qualifying dealers") may charge Davis Distributors, LLC (the "Distributor") or the Adviser substantial fees for selling Davis Funds' shares and providing continuing support to shareholders. Qualifying dealers may charge: (i) sales commissions from sales charges paid by purchasing shareholders; (ii) distribution and service fees from the Funds' 12b-1 distribution plans; (iii) record-keeping fees from the Funds for providing record-keeping services to investors who hold Davis Funds shares through dealer-controlled omnibus accounts; and (iv) other fees, described below, paid by Davis Advisors or the Distributor from their own resources.

Qualifying dealers may, as a condition to distributing shares of the Davis Funds, request that the Distributor, or the Adviser, pay or reimburse the Qualifying dealer for: (i) marketing support payments including business planning assistance, educating personnel about the Davis Funds, and shareholder financial planning needs, placement on the dealer's list of offered funds, and access to sales meetings, sales representatives and management representatives of the dealer; and (ii) financial assistance charged to allow the Distributor to participate in and/or present at conferences or seminars, sales or training programs for invited registered representatives and other employees, client and investor events and other dealer-sponsored events. These additional fees are sometimes referred to as "revenue sharing" payments. A number of factors are considered in determining fees paid to Qualifying dealers, including the dealer's sales and assets, and the quality of the dealer's relationship with the Distributor. Fees are generally based on the value of shares of the Fund held by the dealer or financial institution for its customers or based on sales of Fund shares by the dealer or financial institution, or a combination thereof. Davis Advisors may use its profits from the advisory fee it receives from the Fund to pay some or all of these fees. Some dealers may also choose to pay additional compensation to their registered representatives who sell the Funds. Such payments may be associated with the status of a Fund on a financial intermediary's preferred list of funds or otherwise associated with the financial intermediary's marketing and other support activities. The foregoing arrangements may create an incentive for the brokers, dealers or other financial institutions, as well as their registered representatives, to sell the Davis Funds rather than other funds.

In 2009, the Distributor, or the Adviser, was charged additional fees by the Qualifying dealers listed below. The Distributor paid these fees from its own resources. These Qualifying dealers may provide the Davis Funds enhanced sales and marketing support and financial advisers employed by the Qualifying dealers may recommend the Davis Funds rather than other funds. Qualifying dealers may be added or deleted at any time.

ADP Broker Dealer, Inc.; Ameriprise Financial Services, Inc.; Charles Schwab & Co., Inc.; Citigroup Global Markets, Inc.; Comerica Bank; Diversified Investment Advisors, Inc.; Fidelity Brokerage Services, LLC.;

Genworth Life Insurance Company of New York; Genworth Life and Annuity Insurance Company; Hartford Life Insurance Company; Hartford Securities Distribution Company, Inc; HSBC Bank USA; ING Life Insurance and Annuity Co.; ING Financial Advisers, LLC; John Hancock Life Insurance Company (U.S.A.); John Hancock Life Insurance Company of New York; Marshall & Ilsley Trust Company; Massachusetts Mutual Life Insurance Co.; Mercer HR Services LLC; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Merrill Lynch Life Insurance Co.; Morgan Stanley & Co., Inc.; Morgan Stanley Smith Barney LLC; National Financial Services, LLC.; Nationwide Financial Services, Inc.; New York Life Distribution; Prudential Investment Management Services, LLC.; Raymond James & Associates, Inc.; Standard Insurance Company; The Guardian Insurance & Annuity Company, Inc.; The Princeton Retirement Group, Inc.; The Vanguard Group, Inc.; UBS Financial Services, Inc.; Wachovia Bank N.A.; Wachovia Bank N.A., Executive Benefits Group; Wachovia Securities, Inc.; Wells Fargo, N.A.

In addition, the Distributor may, from time to time, pay additional cash compensation or other promotional incentives to authorized dealers or agents who sell shares of the Davis Funds. In some instances, such cash compensation or other incentives may be offered only to certain dealers or agents who employ registered representatives who have sold or may sell significant amounts of shares of the Davis Funds during specified periods of time.

Although Davis Funds may use brokers who sell shares of the Funds to execute portfolio transactions, the Funds do not consider the sale of fund shares as a factor when selecting brokers to execute portfolio transactions.

Investors should consult their financial intermediaries regarding the details of payments they may receive in connection with the sale of Fund shares.

Due Diligence Meetings. The Distributor routinely sponsors due diligence meetings for registered representatives during which they receive updates on various Davis Funds and are afforded the opportunity to speak with the Adviser's investment professionals. Invitation to these meetings is not conditioned on selling a specific number of shares. Those who have shown an interest in Davis Funds, however, are more likely to be considered. To the extent permitted by their firm's policies and procedures, registered representatives' expenses in attending these meetings may be covered by the Distributor.

Seminars and Educational Meetings. The Distributor may defray certain expenses of Qualifying dealers incurred in connection with seminars and other educational efforts subject to the Distributor's policies and procedures governing payments for such seminars. The Distributor may share expenses with Qualifying dealers for costs incurred in conducting training and educational meetings about various aspects of the Funds for the employees of Qualifying dealers. In addition, the Distributor may share expenses with Qualifying dealers for costs incurred in hosting client seminars at which the Fund is discussed.

Recordkeeping Fees. Certain Qualifying dealers have chosen to maintain "omnibus accounts" with Davis Funds. In an omnibus account, the Fund maintains a single account in the name of the dealer and the dealer maintains all of its clients' individual shareholder accounts. Likewise, for many retirement plans, a third party administrator may open an omnibus account with the Davis Funds and the administrator will then maintain all of the participant accounts. Davis Advisors, on behalf of the Funds, enters into agreements whereby the Funds are charged by the dealer or administrator for such recordkeeping services.

Recordkeeping services typically include: (i) establishing and maintaining shareholder accounts and records; (ii) recording shareholder account balances and changes thereto; (iii) arranging for the wiring of funds; (iv) providing statements to shareholders; (v) furnishing proxy materials, periodic Davis Funds reports, prospectuses and other communications to shareholders as required; (vi) transmitting shareholder transaction information; and (vii) providing information in order to assist Davis Funds in their compliance with state securities laws. Each Davis Fund typically would be paying these shareholder servicing fees directly if a Qualifying dealer did not hold all customer accounts in a single omnibus account with each Davis Fund.

Other Compensation. The Distributor may, from its own resources and not the Funds', pay additional fees to the extent not prohibited by state or federal laws, the Securities and Exchange Commission (SEC), or any self-regulatory agency, such as the Financial Industry Regulatory Authority (FINRA).

OTHER INFORMATION

Disclosure Documents and Not a Contract

The Fund's prospectuses, Statement of Additional Information, Annual and Semi-Annual Reports, and other documents are disclosure documents and not contracts. These documents will be updated and amended from time to time to reflect changing laws, rules, and operations. An investor's rights as a shareholder in the Fund are governed by the most current documents as they are updated and amended from time to time.

Dividends and Distributions

The Fund intends to distribute dividends and capital gains, if any, in December. When a dividend or capital gain is distributed, the net asset value per share is reduced by the amount of the payment.

All dividend and capital gain distributions for Class R shares will be automatically invested in additional Class R shares of the Fund.

Basic Tax Points

- Dividends and distributions paid by the Fund to retirement plan accounts are not currently taxable.
- Distributions taken from a retirement plan account are generally taxable as ordinary income.

We recommend that you consult with a tax advisor about dividends and capital gains that may be received from the Davis Funds.

Financial Highlights

These tables are designed to show you the financial performance of Davis New York Venture Fund for the past five years, assuming that all dividends and capital gains have been reinvested. Some of the information reflects financial results for a single Fund share. The total returns represent the rate at which an investor would have earned (or lost) money on an investment in the Fund.

This information has been audited by KPMG LLP. KPMG LLP's report, along with the Fund's financial statements, is included in the Annual Report, which is available upon request.

DAVIS NEW YORK VENTURE FUND
FINANCIAL HIGHLIGHTS
CLASS R

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

	Year Ended July 31,				
	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Period	<u>\$34.28</u>	<u>\$39.73</u>	<u>\$35.10</u>	<u>\$32.13</u>	<u>\$27.83</u>
Income (Loss) from Investment Operations:					
Net Investment Income ¹	0.18	0.25	0.26	0.17	0.23
Net Realized and Unrealized Gains (Losses)	<u>(7.24)</u>	<u>(5.40)</u>	<u>4.54</u>	<u>2.99</u>	<u>4.23</u>
Total from Investment Operations	(7.06)	(5.15)	4.80	3.16	4.46
Dividends and Distributions:					
Dividends from Net Investment Income	<u>(0.22)</u>	<u>(0.30)</u>	<u>(0.17)</u>	<u>(0.19)</u>	<u>(0.16)</u>
Total Dividends and Distributions	(0.22)	(0.30)	(0.17)	(0.19)	(0.16)
Net Asset Value, End of Period	<u>\$27.00</u>	<u>\$34.28</u>	<u>\$39.73</u>	<u>\$35.10</u>	<u>\$32.13</u>
Total Return²	(20.42)%	(13.06)%	13.70%	9.86%	16.04%
Ratios/Supplemental Data:					
Net Assets, End of Period (in millions)	\$767	\$919	\$741	\$375	\$96
Ratio of Expenses to Average Net Assets:					
Gross	1.32%	1.19%	1.17%	1.15%	1.15%
Net ³	1.32%	1.19%	1.17%	1.15%	1.15%
Ratio of Net Investment Income to Average Net Assets	0.74%	0.67%	0.63%	0.51%	0.72%
Portfolio Turnover Rate ⁴	15%	16%	5%	6%	3%

¹ Per share calculations were based on average shares outstanding for the period.

² Assumes hypothetical initial investment on the business day before the first day of the fiscal period, with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Sales charges are not reflected in the total returns.

³ The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of the reduction of expenses paid indirectly and of certain reimbursements from the Adviser.

⁴ The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

Privacy Notice

While you generally will be dealing with a broker-dealer or other financial adviser, we may collect information about you from your account application and other forms that you may deliver to us. We use this information to process your requests and transactions; for example, to provide you with additional information about our funds, to open an account for you, or to process a transaction. In order to service your account and execute your transactions, we may provide your personal information to firms that assist us in servicing your account, such as our transfer agent. We may also provide your name and address to one of our agents for the purpose of mailing to you your account statement and other information about our products and services. We require these outside firms and agents to protect the confidentiality of your information and to use the information only for the purpose for which the disclosure is made. We do not provide customer names and addresses to outside firms, organizations or individuals except in furtherance of our business relationship with you or as otherwise allowed by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your personal information.

[THIS PAGE INTENTIONALLY LEFT BLANK]

OBTAINING ADDITIONAL INFORMATION

Additional information about the Fund's investments is available in the Fund's **Annual and Semi-Annual Reports** to shareholders. In the Fund's Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year. The **Statement of Additional Information** provides more detailed information about Davis Funds and their management and operations. The Statement of Additional Information and the Fund's Annual and Semi-Annual Reports are available, without charge, upon request.

The Davis Funds' Statement of Additional Information and Annual Report have been filed with the Securities and Exchange Commission, are incorporated by reference, and are legally a part of this prospectus.

HOW TO GET MORE INFORMATION

(Including Annual Report, Semi-Annual Report and Statement of Additional Information)

- **By Telephone.** Call Davis Funds toll-free at 1-800-279-0279, Monday through Friday, 9 a.m. to 6 p.m. Eastern time. You may also call this number for account inquiries.
- **By Mail.** Write to Davis Funds c/o State Street Bank and Trust Company, P.O. Box 8406, Boston, MA 02266-8406.
- **On the Internet.** www.davisfunds.com.
- **From the SEC.** Additional copies of the registration statement can be obtained, for a duplicating fee, by writing the Public Reference Section of the SEC, Washington, DC 20549-0102, or by sending an electronic request to publicinfo@sec.gov. Reports and other information about the Funds are also available by visiting the SEC website (www.sec.gov). For more information on the operations of the Public Reference Room, call 1-202-942-8090.

