

The Gabelli Blue Chip Value Fund

Shareholder Commentary March 31, 2010



Barbara G. Marcin, CFA

To Our Shareholders,

The bull market in stocks entered its second year with strong gains in the first quarter, with the Dow Jones Industrial Average and the S&P 500 Index gaining 4.1% and 4.9% respectively. The U.S. stock market is now up 70% from the March 2009 low; although it remains 25% below the all time highs posted in October 2007. Corporate earnings were surprisingly strong for the fourth quarter in a row, as cost cutting helped to drive earnings and cash generation.

The market sold off early in the quarter as investors became concerned about the Federal Reserve discount rate tightening, Greek sovereign debt default, and the consequences of the President either succeeding or failing at an ambitious domestic policy agenda. However, policy makers in the U.S. and abroad made clear their willingness to continue to provide liquidity and stimulus in order to ensure continued recovery and err on the side of strength. As a result, comfort with risk came back to the markets, which moved higher. These continuing gains, however, have not done much to persuade individual investors, who continued to shun the stock market in the first quarter, pouring their money instead into bond funds.

Comparative Results

Average Annual Returns through March 31, 2010 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Since Inception (8/26/99)</u>
Gabelli Blue Chip Value Fund Class AAA	3.92%	45.33%	(3.82)%	2.46%	3.51%
S&P 500 Index	5.39	49.73	(4.16)	1.92	0.35
Lipper Large Cap Value Average	5.79	49.90	(6.32)	0.93	2.31

The gross expense ratio (before reimbursements by the Adviser) in the current prospectus is 2.13%. The net expense ratio is 2.01%. Class AAA Shares do not have a sales charge.

(a) **Past performance does not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. Total returns and average annual returns reflect changes in share price and reinvestment of dividends and are net of expenses. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Performance results have been enhanced by expense reimbursements from the Adviser. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** Other share classes are available and have different performance characteristics. See page 6 for performance of other classes of shares. Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. The S&P 500 Index and the Lipper Large Cap Value Average are unmanaged indicators of investment performance. You cannot invest directly in an index.

Performance

The net asset value (“NAV”) of The Gabelli Blue Chip Value Fund Class AAA shares rose 3.9% during the first quarter of 2010, underperforming the Lipper Large Cap Value Index and S&P 500 gain of 5.8% and 5.4%, respectively.

The stock sectors that performed the best in the quarter were those that are most tied to a recovering economy and the resulting lowering of risk, which were the industrial, financial and consumer discretionary stocks. These three sectors have also posted the best gains over the past twelve months, with each sector gaining over 70%. The three stock sectors that lost ground or gained the least during the quarter were less reliant upon economic strength for their earnings, reacting to specific business factors of their own. These were the telecommunications, utilities, and energy stocks and they are also the three sectors that have had the lowest performance for the past twelve months, posting gains of less than 30% each.

Stocks in the Fund that performed well, rising over 10% in the first quarter included some of our larger positions in companies with global brand franchises such as Boeing (2.3% of net assets as of March 31, 2010), Citigroup (2.1%), Mead Johnson Nutrition (1.8%), Honeywell (2.4%), Kraft (2.4%), Home Depot (1.1%), and DuPont (2.1%). Our stocks with the least gains, Devon Energy (1.3%), Florida Power & Light, Suncor Energy (1.0%), and AT&T (1.9%), were in the three lowest performing sectors noted above, telecommunications, utilities, and energy.

We added to our positions in Mead Johnson Nutrition and Tyco International (1.1%), and we initiated positions in Air Products and Chemicals (2.1%) and Lear Automotive (1.1%).

Market Review

The economy continued to recover in the first quarter, benefiting from the resumption of business activity, production from the replacement of inventories, and an increase in factory production. Manufacturing rose strongly in March, indicating solid growth and the highest level since 2004.

Concerns over residential housing supply and increasing mortgages, federal debt levels, the stubbornly high unemployment rate, commercial real estate losses, and states’ struggles to cover massive budget deficits were deferred until some later time. The markets focused on the current recovery and the outlook for continued improvements from stimulus spending. Only half of the funds allocated for stimulus spending had been spent by the first quarter, so this government led recovery should continue for several months.

Let’s Talk Stock

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. The share prices of the following holdings are stated in U.S. dollars or U.S. dollar equivalent terms as of March 31, 2010.

Air Products and Chemicals Inc. (2.1% of net assets as of March 31, 2010) (APD - \$73.95 - NYSE), an industrial gas supply business, has numerous strengths, including a significant market share, an extensive global production and distribution network, and a diverse customer base. The company has a high proportion of long-term contracts that contribute to stable demand and pricing. Secular trends in the industrial gas business include rising energy demand, with growing demand for hydrogen for oil refining and oxygen for coal gasification; increasing environmental regulation, providing opportunities that should benefit gas; and growth in emerging economies. Air Products and Chemicals made an offer to acquire Airgas in the first quarter of 2010 and concerns about the outcome of this offer caused a pullback in the company’s price, which we believe to be good for longer term value.

E.I. du Pont de Nemours & Company (2.1%) (DD - \$37.24 - NYSE) is positioned to benefit from the improved global economy as well as the recovery in automotive manufacturing in 2010. The company is experiencing broad based gains in volumes across its products and geographies, and its agricultural products are continuing to gain market share. The company has a high dividend yield, which we believe is well supported by its cash flow and growth outlook.

Johnson & Johnson (2.6%) (JNJ - \$65.20 - NYSE) develops, manufactures, and markets pharmaceuticals, medical devices, and consumer healthcare products. Two of its three largest and most profitable drugs have gone off patent within the last two years. Nevertheless, despite a near term outlook for flat top line and earnings growth, the company's diverse revenue stream, pipeline of new drugs, and strong management track record give us confidence that the company can grow top line 5-7% and earnings 8-10% over the next several years. JNJ has weathered its patent expirations and the weak economy well, taking advantage of acquisition opportunities to return to growth in 2010.

Lear Corporation (1.1%) (LEA - \$79.35 - NYSE) is a global supplier of complete automotive parts and interiors, including seat systems, electrical distribution systems, and electronic products. The company has expanded in Europe, South America, Africa, and Asia and operates in approximately 35 countries. Lear's non U.S. sales are about two-thirds of total sales and have been growing at a 10% CAGR for several years. Its largest customers are General Motors, Ford, and BMW. The company has a well capitalized balance sheet, a growing backlog with expansion in emerging markets, and a depressed valuation after the 2009 automobile industry failures and Lear's own restructuring. We believe that the company's growing sales and strong free cash flow will allow it to offer a good dividend within a couple of years and attract a higher multiple valuation.

Mead Johnson Nutrition Co. (1.8%) (MJN - \$52.03 - NYSE) is the global leader in pediatric nutrition, including Enfamil instant formula. This is an industry of \$23 billion in 2009, expected to grow to \$32 billion over the next five years. China is Mead's second largest market after the United States and now represent 15% of total sales, up 34% from 2009. The company expects to expand to and distribute in another 110 cities by 2012, providing a long platform for growth. The company also recently announced a joint venture with Almarai Company to manufacture and distribute pediatric nutrition products in the Gulf Corporation Council, a market of approximately \$450 million that is expected to grow at a 10% CAGR over the next five years. Mead Johnson is seeding growth in India and Russia and we believe that this company has solid growth ahead of it.

The Boeing Co. (2.3%) (BA - \$72.61 - NYSE) is at the beginning of a multi-year increase in aircraft deliveries resulting in revenue growth that we believe should lead to an increase in the company's earnings and valuation, barring missteps that sometimes occur. The company's backlog is such that we do not believe it needs an upturn in new orders, but rather to deliver on its plan and orders. Global traffic has picked up worldwide over the past year, especially for freight, and the accompanying increase in aircraft demand should support Boeing's valuation, as long as we do not "double dip" into a recession with a pronounced downturn.

Looking Ahead

At the start of the second quarter, the recovery in the economy that has been encouraged by vast government spending and lending programs looks as though it will continue. On the first day of the second quarter, the jobs creation report, the most watched statistic, gave support to both the optimistic and pessimistic views, indicating that we have a fairly stable, if not exactly improving, economy. While there was little private job creation, fully one third of the 162,000 jobs growth came from the government's hiring of census workers, with another 600,000 expected to be added in the next few months. The jobless rate held steady at 9.7% and the average length of unemployment rose to 31 weeks, the highest point since record keeping began in 1948.

The issue remains whether the government led spending would lead to business hiring and spending, and this has yet to materialize. In the first quarter, with tremendous partisan politics and without broad based support, the administration passed a comprehensive health care bill. The effects of this bill are unclear and this accompanies unprecedented levels of uncertainty due to the government's plans for future regulation of industry and taxes. Businesses remain reluctant to spend and hire as they do not know the cost of their decisions due to future government policies. On a positive note, corporate balance sheets are solid and hold record cash balances.

Longer term, the very low interest rates of the past year that have started to bottom out could begin to climb over the next year. Rates have remained low and stable over the past year while prospects for economic recovery have increased and risky assets have rallied. Interest rates, which are too low at this point and logically should be rising, have disconnected from other asset classes. The reasons for this disconnect are investors pouring money into bond funds and government programs keeping rates low. The Federal Reserve ended its year long \$1.25 trillion mortgage backed securities purchase program on March 31st, removing this tremendous purchasing power. This program had supported prices and held down interest rates in both mortgage backed securities and in the treasury market. At the moment, there is hope that the resulting rise in interest and mortgage rates that accompanies the removal of this huge demand will be mild and orderly.

The Federal Reserve has said that the tightening cycle is not near, stating that it will wait a "long period" before it raises short term interest rates and drains the huge surplus it pumped into the financial system over the past year. Inflation is not a concern right now; with high unemployment and a substantial excess production capacity and labor supply, wages and income are expected to rise very slowly, if at all, making it difficult for retailers and manufacturers to raise prices.

The Administration is focused on the November elections and the current anti incumbent environment that threatens its congressional majority. Incumbents are tagged with the state of the economy and the high rate of unemployment and therefore the administration will work to err on the side of low rates, stimulus, and job creation. Down the road, this will be a recipe for inflation and/or higher interest rates, but this could take a while.

Conclusion

We continue to look for companies selling at good long-term value that can generate cash flow and earnings. At present we favor companies with global brands and franchise distribution. We particularly like those that have a history of paying out earnings in dividends, such as some of our larger holdings in the Fund, including PepsiCo (2.5%), IBM (2.4%), Kraft (2.4%), Honeywell (2.4%), Boeing (2.3%), Johnson & Johnson (2.3%), Intel (2.2%), DuPont (2.1%), and Air Products and Chemicals (2.1%).

Sincerely,



Barbara G. Marcini, CFA
Portfolio Manager

May 11, 2010

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold within seven days of a purchase. See the prospectus for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at info@gabelli.com.

The Fund's daily net asset value is available each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554) or through financial websites on the Internet. The Fund's Nasdaq symbol is GABBX for Class AAA Shares. Please call us during the business day for further information.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our open end mutual funds can now elect to receive their Annual, Semiannual, and Quarterly Fund Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Top Ten Holdings (Percent of Net Assets)

March 31, 2010

ProShares UltraShort 20+ Year and Lehman 7-10 Year Treasuries	3.6%	DIRECTV	2.3%
PepsiCo Inc.	2.5%	The Boeing Co.	2.3%
International Business Machines Corp.	2.4%	Johnson & Johnson	2.3%
Kraft Foods Inc.	2.4%	CME Group Inc.	2.2%
Honeywell International Inc.	2.4%	EMC Corp.	2.2%

Multi-Class Shares

Class AAA Shares are no-load shares offered directly by selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available solely to certain institutions which initially invest directly with the Fund. The minimum initial investment amount for Class I Shares is \$500,000. The Board of Trustees determined that expanding the types of Fund shares available through various distribution options will enhance the ability of the Fund to attract additional investors.

The Gabelli Blue Chip Value Fund Average Annual Returns through March 31, 2010 (a)

	<u>Quarter</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	Since Inception (8/26/99)(b)
Gabelli Blue Chip Value Fund					
Class AAA GABBX	3.92%	45.33%	(3.82)%	2.46%	3.51%
S&P 500 Index	5.39	49.73	(4.16)	1.92	0.35
Lipper Large Cap Value Average	5.79	49.90	(6.32)	0.93	2.31
Class A GBCAX	4.00	45.37	(3.77)	2.51	3.55
Class B GBCBX	(1.98)(c)	37.01(c)	(5.65)(c)	1.30(c)	2.97(c)
Class C GBCCX	3.70	44.26	(4.49)	1.72	3.08
Class I GBCIX	(1.30)(d)	39.26(d)	(5.46)(d)	1.35	3.08
	3.79	44.31	(4.49)	1.73	3.08
	2.79(e)	43.31(e)	(4.49)	1.73	3.08
	4.08	45.63	(3.54)	2.74	3.67

In the current prospectus the gross expense ratios for Class AAA, A, B, C, and I Shares are 2.13%, 2.13%, 2.88%, 2.88%, and 1.88%, respectively. The net expense ratios in the current prospectus for these share classes are 2.01%, 2.01%, 2.76%, 2.76%, and 1.76%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A, B, and C Shares is 5.75%, 5.00%, and 1.00%, respectively.

(a) ***Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Current returns may be higher or lower than that shown. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Returns would have been lower if expenses were not limited by the Adviser during 2009. Visit www.gabelli.com for performance information as of the most recent month end. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.***

(b) *Performance is calculated from inception of Class AAA Shares on August 26, 1999.*

(c) *Includes the effect of the maximum 5.75% sales charge at the beginning of the period.*

(d) *Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the quarter, one year, three year, and five year periods of 5%, 3%, and 2%, respectively, of the Fund's NAV at the time of purchase or sale, whichever is lower.*

(e) *Performance results include the deferred sales charge for the Class C Shares upon redemption at the end of the quarter and one year periods of 1% of the Fund's NAV at the time of purchase or sale, whichever is lower.*

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

GABELLI FAMILY OF FUNDS

VALUE

Gabelli Asset Fund

Seeks to invest primarily in a diversified portfolio of common stocks selling at significant discounts to their private market value. The Fund's primary objective is growth of capital. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Blue Chip Value Fund

Seeks long term growth of capital through investment primarily in the common stocks of established companies which are temporarily out of favor. The fund's objective is to identify a catalyst or sequence of events that will return the company to a higher value. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

GAMCO Westwood Equity Fund

Seeks to invest primarily in the common stock of well seasoned companies that have recently reported positive earnings surprises and are trading below Westwood's proprietary growth rate estimates. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Susan M. Byrne

FOCUSED VALUE

Gabelli Value Fund

Seeks to invest in securities of companies believed to be undervalued. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

SMALL CAP VALUE

Gabelli Small Cap Fund

Seeks to invest primarily in common stock of smaller companies (market capitalizations at the time of investment of \$2 billion or less) believed to have rapid revenue and earnings growth potential. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood SmallCap Equity Fund

Seeks to invest primarily in smaller capitalization equity securities – market caps of \$2.5 billion or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Portfolio Manager: Nicholas F. Galluccio

Gabelli Woodland Small Cap Value Fund

Seeks to invest primarily in the common stocks of smaller companies (market capitalizations generally less than \$3.0 billion) believed to be undervalued with shareholder oriented management teams that are employing strategies to grow the company's value. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Elizabeth M. Lilly, CFA

GROWTH

GAMCO Growth Fund

Seeks to invest primarily in large cap stocks believed to have favorable, yet undervalued, prospects for earnings growth. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Howard F. Ward, CFA

GAMCO International Growth Fund

Seeks to invest in the equity securities of foreign issuers with long-term capital appreciation potential. The Fund offers investors global diversification. (Multiclass)

Portfolio Manager: Caesar Bryan

AGGRESSIVE GROWTH

GAMCO Global Growth Fund

Seeks capital appreciation through a disciplined investment program focusing on the globalization and interactivity of the world's marketplace. The Fund invests in companies at the forefront of accelerated growth. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

MICRO-CAP

GAMCO Westwood Mighty MitesSM Fund

Seeks to invest in micro-cap companies that have market capitalizations of \$300 million or less. The Fund's primary objective is long-term capital appreciation. (Multiclass)

Team Managed

EQUITY INCOME

Gabelli Equity Income Fund

Seeks to invest primarily in equity securities with above average market yields. The Fund pays monthly dividends and seeks a high level of total return with an emphasis on income. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

GAMCO Westwood Balanced Fund

Seeks to invest in a balanced and diversified portfolio of stocks and bonds. The Fund's primary objective is both capital appreciation and current income. (Multiclass)

Co-Portfolio Managers: Susan M. Byrne
Mark Freeman, CFA

GAMCO Westwood Income Fund

Seeks to provide a high level of current income as well as long-term capital appreciation by investing in income producing equity and fixed income securities. (Multiclass)

Portfolio Manager: Barbara Marcin, CFA

SPECIALTY EQUITY

GAMCO Global Convertible Securities Fund

Seeks to invest principally in bonds and preferred stocks which are convertible into common stock of foreign and domestic companies. The Fund's primary objective is total return through a combination of current income and capital appreciation. (Multiclass)

Team Managed

GAMCO Global Opportunity Fund

Seeks to invest in common stock of companies which have rapid growth in revenues and earnings and potential for above average capital appreciation or are undervalued. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

Gabelli SRI Green Fund

Seeks to invest in common and preferred stocks meeting guidelines for social responsibility (avoiding defense contractors and manufacturers of alcohol, abortifacients, gaming, and tobacco products) and sustainability (companies engaged in climate change, energy security and independence, natural resource shortages, organic living, and urbanization). The Fund's primary objective is capital appreciation. (Multiclass)

Co-Portfolio Managers: Christopher C. Desmarais
John M. Segrich, CFA

SECTOR

GAMCO Global Telecommunications Fund

Seeks to invest in telecommunications companies throughout the world – targeting undervalued companies with strong earnings and cash flow dynamics. The Fund's primary objective is capital appreciation. (Multiclass)

Team Managed

GAMCO Gold Fund

Seeks to invest in a global portfolio of equity securities of gold mining and related companies. The Fund's objective is long-term capital appreciation. Investment in gold stocks is considered speculative and is affected by a variety of worldwide economic, financial, and political factors. (Multiclass)

Portfolio Manager: Caesar Bryan

Gabelli Utilities Fund

Seeks to provide a high level of total return through a combination of capital appreciation and current income. (Multiclass)

Team Managed

MERGER AND ARBITRAGE

Gabelli ABC Fund

Seeks to invest in securities with attractive opportunities for appreciation or investment income. The Fund's primary objective is total return in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Mario J. Gabelli, CFA

Gabelli Enterprise Mergers and Acquisitions Fund

Seeks to invest in securities believed to be likely acquisition targets within 12–18 months or in arbitrage transactions of publicly announced mergers or other corporate reorganizations. The Fund's primary objective is capital appreciation. (Multiclass)

Portfolio Manager: Mario J. Gabelli, CFA

CONTRARIAN

GAMCO Mathers Fund

Seeks long-term capital appreciation in various market conditions without excessive risk of capital loss. (No-load)

Portfolio Manager: Henry Van der Eb, CFA

Comstock Capital Value Fund

Seeks capital appreciation and current income. The Fund may use either long or short positions to achieve its objective. (Multiclass)

Portfolio Manager: Martin Weiner, CFA

FIXED INCOME

GAMCO Westwood Intermediate Bond Fund

Seeks to invest in a diversified portfolio of bonds with various maturities. The Fund's primary objective is total return. (Multiclass)

Portfolio Manager: Mark Freeman, CFA

CASH MANAGEMENT-MONEY MARKET

Gabelli U.S. Treasury Money Market Fund

Seeks to invest exclusively in short-term U.S. Treasury securities. The Fund's primary objective is to provide high current income consistent with the preservation of principal and liquidity. (No-load)

Co-Portfolio Managers: Judith A. Raneri
Ronald S. Eaker

An investment in the above Money Market Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The Funds may invest in foreign securities which involve risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks.

To receive a prospectus, call **800-GABELLI** (422-3554). Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.

The Gabelli Blue Chip Value Fund

One Corporate Center
Rye, New York 10580-1422

800-GABELLI

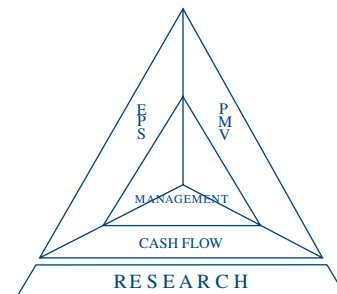
800-422-3554

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website: www.gabelli.com

e-mail: info@gabelli.com

Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.



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The Gabelli Blue Chip Value Fund

This report is submitted for the general information of the shareholders of The Gabelli Blue Chip Value Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

GAB402Q110SC

SHAREHOLDER COMMENTARY
MARCH 31, 2010

The Gabelli Blue Chip Value Fund

First Quarter Report March 31, 2010



Barbara Marcin, CFA

To Our Shareholders,

For the quarter ended March 31, 2010, the net asset value (“NAV”) per share of The Gabelli Blue Chip Value Fund’s (the “Fund”) Class AAA Shares increased 3.92% versus increases of 5.39% and 5.79% for the Standard & Poor’s (“S&P”) 500 Index and the Lipper Large Cap Value Fund Average, respectively.

Enclosed is the investment portfolio as of March 31, 2010.

Comparative Results

Average Annual Returns through March 31, 2010 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	Since Inception (8/26/99)
Gabelli Blue Chip Value Fund Class AAA . . .	3.92%	45.33%	(3.82)%	2.46%	3.51%
S&P 500 Index	5.39	49.73	(4.16)	1.92	0.35
Lipper Large Cap Value Average	5.79	49.90	(6.32)	0.93	2.31
Class A	4.00	45.37	(3.77)	2.51	3.55
	(1.98)(b)	37.01(b)	(5.65)(b)	1.30(b)	2.97(b)
Class B	3.70	44.26	(4.49)	1.72	3.08
	(1.30)(c)	39.26(c)	(5.46)(c)	1.35(c)	3.08
Class C	3.79	44.31	(4.49)	1.73	3.08
	2.79(d)	43.31(d)	(4.49)	1.73	3.08
Class I	4.08	45.63	(3.54)	2.74	3.67

In the current prospectus the gross expense ratios for Class AAA, A, B, C, and I Shares are 2.01%, 2.01%, 2.76%, 2.76%, and 1.76%, respectively. The net expense ratios in the current prospectus for these share classes are 2.00%, 2.00%, 2.75%, 2.75%, and 1.75%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A, B, and C Shares is 5.75%, 5.00%, and 1.00%, respectively.

- (a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** The S&P 500 Index is an unmanaged indicator of stock market performance, while the Lipper Large Cap Value Fund Average reflects the average performance of mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index. The Class AAA Shares NAVs per share are used to calculate performance for the periods prior to the issuance of Class A Shares, Class B Shares, and Class C Shares on December 31, 2003, and the Class I Shares on June 30, 2004. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional expenses associated with these classes of shares. The actual performance for the Class I Shares would have been higher due to the lower expenses related to this class of shares.
- (b) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.
- (c) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the quarter, one year, three year, and five year periods of 5%, 5%, 3%, and 2%, respectively, of the Fund’s NAV per share at the time of purchase or sale, whichever is lower. Class B Shares are not available for new purchases.
- (d) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the quarter and one year periods of 1% of the Fund’s NAV per share at the time of purchase or sale, whichever is lower.

The Gabelli Blue Chip Value Fund

Schedule of Investments — March 31, 2010 (Unaudited)

Shares		Market Value	Shares		Market Value
COMMON STOCKS — 91.1%			Food and Beverage — 5.0%		
Aerospace — 3.6%			Health Care — 15.9%		
5,000	General Dynamics Corp.	\$ 386,000	23,200	Kraft Foods Inc., Cl. A	\$ 701,568
9,000	The Boeing Co.	653,490	11,000	PepsiCo Inc.	727,760
		<u>1,039,490</u>			<u>1,429,328</u>
Agriculture — 1.7%			Machinery — 0.7%		
12,000	Archer-Daniels-Midland Co.	346,800	3,500	Deere & Co.	208,110
2,000	Monsanto Co.	142,840	Metals and Mining — 1.8%		
		<u>489,640</u>	2,000	Agnico-Eagle Mines Ltd.	111,340
Automotive: Parts and Accessories — 2.8%			2,000	Freeport-McMoRan Copper & Gold Inc.	167,080
5,000	BorgWarner Inc.†	190,900	5,000	Newmont Mining Corp.	254,650
25,000	Dana Holding Corp.†	297,000			<u>533,070</u>
4,000	Lear Corp.†	317,400	Retail — 2.9%		
		<u>805,300</u>	10,000	The Home Depot Inc.	323,500
Banking — 5.1%			9,000	Wal-Mart Stores Inc.	500,400
20,876	Bank of America Corp.	372,637			<u>823,900</u>
150,000	Citigroup Inc.†	607,500	Satellite — 2.3%		
11,000	JPMorgan Chase & Co.	492,250	20,000	DIRECTV, Cl. A†	676,200
		<u>1,472,387</u>	Specialty Chemicals — 4.1%		
Computer Hardware — 5.0%			8,000	Air Products and Chemicals Inc.	591,600
1,200	Apple Inc.†	281,916	16,000	E. I. du Pont de Nemours and Co.	595,840
17,000	Cisco Systems Inc.†	442,510			<u>1,187,440</u>
5,500	International Business Machines Corp.	705,375	Telecommunications — 4.2%		
		<u>1,429,801</u>	21,000	AT&T Inc.	542,640
Computer Software and Services — 2.2%			14,200	Verizon Communications Inc.	440,484
35,000	EMC Corp.†	631,400	10,000	Vodafone Group plc, ADR	233,100
Diversified Industrial — 3.4%					<u>1,216,224</u>
15,000	Honeywell International Inc.	679,050	Water — 1.6%		
8,000	Tyco International Ltd.	306,000	20,800	American Water Works Co. Inc.	452,608
		<u>985,050</u>	TOTAL COMMON STOCKS		
Electronics — 4.6%					<u>26,216,987</u>
26,000	Applied Materials Inc.	350,480	U.S. GOVERNMENT OBLIGATIONS — 8.9%		
28,000	Intel Corp.	623,280	U.S. Treasury Bills — 6.4%		
14,000	Texas Instruments Inc.	342,580	\$1,860,000	U.S. Treasury Bills, 0.095% to 0.157%††, 05/13/10 to 06/03/10	1,859,612
		<u>1,316,340</u>	U.S. Treasury Cash Management Bills — 2.5%		
Energy — 8.3%			715,000	U.S. Treasury Cash Management Bills, 0.137% to 0.142%††, 06/10/10 to 06/17/10	714,797
3,000	Chevron Corp.	227,490	TOTAL U.S. GOVERNMENT OBLIGATIONS		
11,050	ConocoPhillips	565,428			<u>2,574,409</u>
6,000	Devon Energy Corp.	386,580	TOTAL INVESTMENTS — 100.0%		
6,500	Exxon Mobil Corp.	435,370		(Cost \$25,595,494)	<u>\$28,791,396</u>
10,000	FPL Group Inc.	483,300	Aggregate book cost		
9,000	Suncor Energy Inc.	292,860		Gross unrealized appreciation	\$ 3,738,641
		<u>2,391,028</u>		Gross unrealized depreciation	(542,739)
Energy Services — 4.5%				Net unrealized appreciation/depreciation	<u>\$ 3,195,902</u>
2,000	Diamond Offshore Drilling Inc.	177,620	Principal Amount		
16,000	Halliburton Co.	482,080			
5,000	Transocean Ltd.†	431,900			
12,000	Weatherford International Ltd.†	190,320			
		<u>1,281,920</u>			
Entertainment — 3.1%					
10,000	The Walt Disney Co.	349,100			
17,000	Time Warner Inc.	531,590			
		<u>880,690</u>			
Exchange Traded Funds — 3.6%					
12,000	ProShares UltraShort 20+ Year Treasury†	584,280			
9,000	UltraShort 7-10 Year Treasury ProShares†	464,040			
		<u>1,048,320</u>			
Financial Services — 4.7%					
6,000	American Express Co.	247,560			
2,000	CME Group Inc.	632,220			
10,000	The Bank of New York Mellon Corp.	308,800			
5,000	Wells Fargo & Co.	155,600			
		<u>1,344,180</u>			

† Non-income producing security.
†† Represents annualized yield at date of purchase.
ADR American Depositary Receipt

See accompanying notes to schedule of investments.

The Gabelli Blue Chip Value Fund

Notes to Schedule of Investments (Unaudited)

1. Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the United States of America over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC, the Adviser.

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board.

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- Level 1 – quoted prices in active markets for identical securities;
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 – significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments by inputs used to value the Fund's investments as of March 31, 2010 is as follows:

<u>Valuation Inputs</u>	<u>Investments in Securities (Market Value) Assets</u>
Level 1 – Quoted Prices*	\$26,216,987
Level 2 – Other Significant Observable Inputs*	2,574,409
Total	<u>\$28,791,396</u>

* Portfolio holdings designated in Level 1 and Level 2 are disclosed individually in the Schedule of Investments ("SOI"). Level 2 consists of U.S. Government Obligations. Please refer to the SOI for the industry classifications of these portfolio holdings.

There were no Level 3 investments held at March 31, 2010 or December 31, 2009.

2. Tax Information. At December 31, 2009, the Fund had net capital loss carryforwards for federal income tax purposes of \$3,693,444, which are available to reduce future required distributions of net capital gains to shareholders. \$1,253,292 is available through 2016; and \$2,440,152 is available through 2017.

The Gabelli Blue Chip Value Fund

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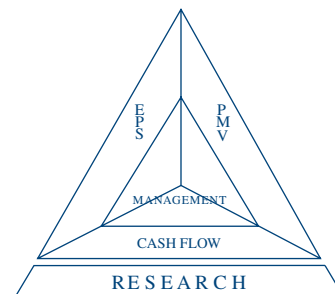
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Net Asset Value per share available daily by calling
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The Gabelli Blue Chip Value Fund

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