The GAMCO Growth Fund

Shareholder Commentary
September 30, 2011

Howard F. Ward, CFA

To Our Shareholders,

For the quarter ended September 30, 2011, the net asset value ("NAV") per Class AAA Share of The GAMCO Growth Fund (the "Fund") declined 16.2% compared with decreases of 13.9% and 13.1% for the Standard & Poor's ("S&P") 500 Index and the Russell 1000 Growth Index, respectively. See page 2 for additional performance information.

Stocks lost ground in the third quarter, as the European debt crisis escalated and the economy hesitated. Additionally, the debt ceiling drama in Washington was a painful reminder of just how dysfunctional our government has become. The process was so unpleasant, it was cited by the S&P as a contributing factor in its decision to downgrade the country's credit rating. The blame falls on both sides of the aisle. Investors took notice. From July 21st to August 8th, investors gave a resounding vote of no confidence to the stewards of our country, as the S&P 500 Stock Index fell 17%. The stock market sank so fast it seemed to drain every last ounce of optimism from Wall Street pundits. Almost overnight, the market itself seemed to become the biggest risk to economic growth.

Miracle of miracles, the economy actually survived the debt ceiling rumble, with its dueling press conferences and threats of a government shutdown. Economic fundamentals are far from perfect, but the midsummer plunge in stock prices was as much emotional and mechanical (ETFs and High Frequency Traders) as it was fundamental. That is not to say we will not slip back into a recession at some point in the months ahead. The fundamental evidence to date, however, suggests we are muddling along. After a late summer packed with fear and panic, muddling along is sounding pretty solid, if not downright bullish. We know it is hard to stay invested or buy after a sharp stock market decline because the decline itself turns sentiment so sour. Do not give up on stocks. Not now. Not with interest rates at record lows.

Average Annual Returns through September 30, 2011 (a)

	Quarter	1 Year	5 Year	10 Year	Since Inception (4/10/87)
Class AAA (GABGX)	(16.19)%	(3.91)%	(1.52)%	1.02%	8.56%
S&P 500 Index	(13.87)	1.14	(1.18)	2.82	8.12(e)
Russell 1000 Growth Index	(13.14)	3.78	1.62	3.01	7.50(e)
Class A (GGCAX)	(16.18)	(3.90)	(1.52)	1.02	8.56
With sales charge (b)	(21.00)	(9.43)	(2.68)	0.43	8.30
Class B (GGCBX)	(16.36)	(4.64)	(2.26)	0.43	8.30
With contingent deferred sales charge (c)	(20.55)	(9.40)	(2.66)	0.43	8.30
Class C (GGCCX)	(16.37)	(4.64)	(2.27)	0.43	8.30
With contingent deferred sales charge (d)	(17.21)	(5.59)	(2.27)	0.43	8.30
Class I (GGCIX)	(16.15)	(3.67)	(1.36)	1.10	8.60

In the current prospectus dated April 29, 2011, the expense ratios for Class AAA, A, B, C, and I Shares are 1.47%, 1.47%, 2.22%, 2.22%, and 1.22%, 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 prices, 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. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. Current performance may be lower or higher than the performance data presented. Performance returns for periods of less than one year are not annualized. 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 information about these and other matters and should be read carefully before investing.*** *The Class AAA Share NAVs 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 Class I Shares on January 11, 2008. 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 of the Class I Shares would have been higher due to lower expenses related to this class of shares. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity market. Index returns include the reinvestment of dividends but, unlike Fund returns, do not reflect fees or expenses. You cannot invest directly in an index.*

(b) *Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.*

(c) *Assuming payment of the maximum contingent deferred sales charge ("CDSC"). The maximum CDSC for Class B Shares is 5% and is gradually reduced to 0% after six years.*

(d) *Assuming payment of the 1% maximum CDSC imposed on redemptions made within one year of purchase.*

(e) *S&P 500 Index and Russell 1000 Growth Index since inception performance are as of March 31, 1987.*

The Economic Outlook

While the pace of economic growth has fluctuated, it has not turned negative. Payrolls are growing and more people have jobs than a year ago. Today's deflation hysteria is similar to the inflation hysteria in 1981, when interest rates peaked, despite the fact that inflation had topped out two years earlier. In 2008, the Consumer Price Index (CPI) did get down to 0.1%, but over the last twelve months the reading is 3.9% (ended September 30, 2011). The inflation fear of 1981 set the stage for a thirty year bull market in bonds. It is probably over. Today's deflation fear, complete with negative real interest rates across the Treasury curve, sets the stage for a bear market in bonds of unknown duration. We take Ben Bernanke seriously when he says central bankers can always create inflation by printing money. He is betting his career on it. Ignore him at your peril.

Weighing on growth during this recovery has been the need and desire to deleverage. Consumers have not spent with their usual gusto because they have been engaged in the art of balance sheet repair. The resulting subpar demand, however, has kept the economy from realizing its full potential. While the private sector overall has made good progress along these lines, the public sector has not. Within the public sector, state and local governments, which must have balanced budgets, are acting responsibly. Unfortunately, this means they are now shedding workers. The Federal government, however, does not seem to understand the problems that arise when you borrow $1.40 for every $1.00 you put in the bank, although it is getting an education. Fiscal drag from the public sector will be an economic headwind for a lengthy period of time.

Fortunately, the improving consumer balance sheet is getting some assistance from lower oil prices. The West Texas Intermediate (WTI) Crude Oil price has fallen 27% since late April. The Brent Crude Oil price has fallen 11%. The middle part of the country tends to follow the WTI price, while the east and west coast tend to track the Brent price. This decline is significant, if not overly dramatic. It will help consumers and businesses, as will the fall in both industrial and agricultural commodity prices. Prices will firm as the economy ultimately pushes forward, but for now lower prices are a form of stimulus.

Right now, Gross Domestic Product (GDP) growth is expected to be north of 2% for the third quarter. That is a reasonable expectation for the fourth quarter as well. While not robust, consumer spending has held up in recent months. This makes sense since employment has continued to improve, however slowly, and housing in most markets has stabilized. Profits for the S&P 500 appear headed for gains of about 7% in the second half of this year, and a similar advance next year, maybe a touch better. Both years would be records. Circumstances can change quickly, but we don't see recession and we don't see deflation, as some are forecasting. Those forecasts appear to be based more on sentiment and the elusive housing recovery, than on the many other factors working to advance economic growth.

Given the slower growth environment of recent months, we do expect some moderation in the CPI near term, after reaching 3.8% for the twelve months ended in August. It would be surprising for inflation to fall below a 2% annualized rate and stay there, if the economy is moving forward and monetary policy remains exceptionally loose, which we expect. Real interest rates are negative, at least for now, and that generally requires a tightening in monetary policy to correct and that isn't happening any time soon. Higher prices are likely to accompany faster economic growth, when that happens. Yes, an out of control European financial crisis could turn our expectations upside down. We just do not think that is the most likely outcome.

The Stock Market

The third quarter was filled with anxious moments for investors. The stock market succumbed to the burden of slowing growth, heightened European debt worries and disappointment in the Washington debt ceiling negotiations (and related credit downgrade).

With memories of the fall of 2008 still fresh, many investors ran for the hills, from early July to early August, when the S&P 500 fell 17%, with most of the decline coming in the last week of July, and first week in August. The August 8 close of 1119 on the S&P 500 was the low for the quarter. Investors abandoned domestic equity funds at a panic pace, similar to the March 2009 market bottom. Some economists took to the airwaves to say we had never had a recovery, as if the record level of GDP reached earlier this year was fiction. Don't facts matter?

The European debt crisis is the market's primary worry. European leaders have stepped up their efforts to address the market's concerns. As we write in mid October, a new sense of urgency has kicked negotiations into high gear. While many specifics remain to be worked out, we now expect a plan to recapitalize the European banks and restructure Greek debt with a 50% write down. We expect an easing in European Central Bank (ECB) monetary policy as well, in an effort to boost growth. The ECB may have to buy more bonds too, of Italy, Spain, and, of course, Greece. Some form of Eurobond is likely at some point, and fiscal integration would be part of the longer term solution. Right now, the worst case outcome of a full blown financial crisis looks unlikely. It is premature to celebrate, but at this point in time we see some light at the end of the tunnel.

The quarterly decline for the S&P 500 was 13.9%. In mid October, the S&P 500 is trading at 1224. This puts it 22% below the 2007 high and 84% above the 2009 low. It is priced at 12.6 times the First Call consensus mean estimate of 2011 earnings, which is $96.57 and 11.8 times the similar estimate of 2012 earnings. These are the lowest price to earnings multiples since 1991. In 1991, the ten year Treasury yielded over 8%. Today it sells at a yield of about 2%. Presently, the stock market's dividend yield of 2.1% is just above the ten year Treasury yield. Save for the recent Great Recession, the last time this happened was 1958. The market's earnings yield (inverse of P/E ratio) is around 8%, a full 6% above the ten year Treasury yield. This is also a historically wide spread in favor of stocks.

Money market fund assets finished the quarter at $2.6 trillion, roughly similar to last quarter. But with the decline in stock prices, this amount now equals about 20% of the value of all U.S. stocks. According to Ned Davis Research, this amount represents a "high level" of market liquidity, a bullish sign. At the market peaks in 1987, 2000, and 2007, the percentages were much lower, at 9%, 10%, and 13%, respectively.

Portfolio Observations

We pulled back a bit further from our global growth thesis during the third quarter, as the European debt crisis pressured Europe's economies and consumer confidence plunged here in the U.S. The objective was to reduce the portfolio's level of volatility by drawing down some of the more economically sensitive sectors, with the result being a portfolio with a more appropriate balance for our muted economic environment. This was a continuation of a process that began in the second quarter and involved reductions in Energy, Producer Durables, and Materials, as well as Technology shares. With the end of Quantitative Easing II (QE2), at the end of June, we also sold the balance of our gold mining shares in early July. Our mining investments were profitable, but were disappointing relative to the sharp rise in the price of gold.

Specifically, we sold Chevron, Murphy Oil, ConocoPhillips, and Petrobras in the Energy sector, Siemens, Schneider Electric, ABB, and Rockwell in the Producer Durables sector, and Rio Tinto, Agnico-Eagle Mines, and Newmont Mining in the Materials sector. In Technology, we sold Intel, Adobe, and Cisco Systems. In Financials, we eliminated the trust banks, Northern Trust, and State Street Corp. We also trimmed a number of positions.

New holdings included Allergan (1.1% of net assets as of September 30, 2011) and Intuitive Surgical (0.4%) in Healthcare, Estée Lauder (1.1%), and Priceline (0.7%) in Consumer Discretionary, Union Pacific (0.9%) and C.H. Robinson Worldwide (0.6%) in Producer Durables, and Halliburton (0.8%) and Schlumberger (1.6%) in Energy. A number of holdings were increased, especially in the Consumer Discretionary sector.

During the third quarter, our investment in Energy was cut from 18% to 12%. Our investment in Producer Durables declined from 18% to 14%. We trimmed Materials from 8% to 5%. Financials went from 4% to 3%. Healthcare was increased to 11% from 7%. Consumer Discretionary grew from 10% to 19%. Consumer Staples increased from 11% to 12%, and Technology was unchanged at 24%.

About 7% of the portfolio is invested in foreign companies, down from 12% last quarter. The number of companies held in the portfolio decreased to 73 from 81.

Performance Commentary

All of the major industry sectors had negative returns in the third quarter. Within the fund's portfolio, Technology stocks held up the best, with Apple (7.0%), IBM (4.0%), and Google (3.2%) all advancing for the quarter. Consumer Staples and Healthcare stocks also held up better than most. The fifteen stocks with the greatest positive impact on performance were Apple, Google, IBM, MasterCard (0.8%), Whole Foods Market (1.2%), Costco (1.0%), Coca-Cola (3.3%), Colgate-Palmolive (1.2%), Visa (0.6%), TJX (0.9%), Proctor & Gamble (1.0%), Amazon (0.3%), Allergan, and C.H. Robinson Worldwide.

Detracting the most from performance for the quarter were our investments in Energy, Producer Durables and Materials, in that order. The fifteen stocks making the most negative contributions to performance were Hess (1.3%), Occidental Petroleum (1.9%), EOG Resources (1.8%), EMC Corp. (2.5%), Eaton (1.2%), Suncor Energy (1.0%), QUALCOMM (4.1%), Johnson Controls (1.1%), Mosaic (1.3%), Paccar (1.0%), Joy Global (1.0%), Honeywell (1.5%), Devon Energy (0.9%), Emerson Electric (1.4%), and Caterpillar (1.1%). It is clear that our energy and producer durable weightings hurt performance during the quarter.

Looking Ahead

The European debt crisis continues to dominate headlines and drive the market. Investors have been living with the euro scare for about eighteen months. It has been a roller coaster. In 2010, the S&P 500 fell 15% during the April–July period, from 1212 to 1027. However, the market rose 33% by April of 2011, to 1363. As the politicians managed to kick the can down the road, renewed doubts then pushed stocks down 19%, with the S&P hitting 1099 in early October. In the first three weeks of October, we have recovered about 12% on hope. The governments of Europe have instilled some hope that a plan to recapitalize their banks and restructure Greek debt is imminent. A successful outcome is not assured. Failure and the contagion it would spawn are not fully priced into stocks at this moment. This is a risk.

Earnings and the earnings outlook continue to be a source of support for stock prices. Despite all of the challenges and doomsday talk, earnings expectations for this year have once again moved higher. The First Call mean estimate for S&P 500 operating earnings is now $96.57. In the previous three quarters, sequentially in reverse, the numbers were $95.92, $95.17, and $92.73. This compares with $86.74 in 2010 and $88.17 in the record year of 2006. While acknowledging that earnings estimates are a moving target, the current mean forecast for 2012 is for a gain of 7%, to $103.42. The direction continues to be positive, even though the rate of change is slowing. For reference, a typical recession would knock about 20% off of S&P earnings. That would leave us with about $77 in earnings. An average price to earnings multiple of 15, applied to $77, equates to an S&P 500 level of 1155, or about 6% lower than today's price and a level the market recently visited.

The Fed continues to serve punch. Reacting to the slowing in economic and payroll growth, the Fed has announced and is executing “Operation Twist.” This involves buying longer dated bonds and mortgages and selling shorter term securities. The goal is to reduce longer term interest rates without adding to the Fed’s somewhat bloated balance sheet. The Fed seems more positive on this approach than the market, which has had little reaction thus far. After all, interest rates are already at record lows. Our economy seems to have more of a demand problem than a credit or liquidity problem. That is because we are still deleveraging. We are trying to pay off debt, not borrow more. At the margin “Twist” may prove useful, but it is no game changer.

What investors could really use, along with everyone else, is confidence. With anemic economic growth, there is a worry that we could easily slip back into recession. This cannot be ruled out, especially if Europe leads the way down the recession path. Right now, however, the U.S. economy seems to be gathering a little more momentum than it had this summer. Recent economic data has largely exceeded expectations and the third quarter earnings reports that have surfaced so far are generally good. While some companies have disappointed, most have not and many have raised their forward guidance. We do need Europe to hold together to sustain these gains. It is surprising President Obama has not moved to the center as we near the election and has instead lurched to the left. This hurts confidence. It is disappointing that Republicans and Democrats continue to fight like cats and dogs. This hurts confidence too. In other words, Washington appears dysfunctional to the majority of Americans. We can only hope we have reached a point that confidence has been so damaged that it can only improve from here.

In Conclusion

We all know the simple formula for making money in stocks. You buy low and sell high. While the formula is simple, the implementation is anything but, because when stocks are down, sentiment is terrible. When sentiment is terrible, history shows investors run from stocks. The willingness of investors to buy ten year Treasuries at 2% nominal yields and –2% real yields, speaks to investors’ fear and lack of confidence in the future. Stocks have valuation support both absolutely and relative to fixed income alternatives. The onset of a recession could push stocks lower. A more likely outcome is that we muddle along and inflation and interest rates creep higher, punishing the prices of all those bonds that have enjoyed an historical thirty year bull market. The stock market is not without risk, but patient investors should earn a respectable return from these valuation levels.

Let’s Talk Stocks

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. For the following holdings, the percentages of total investments, and their share prices are stated as of September 30, 2011.

Apple (7.0% of net assets as of September 30, 2011) (AAPL - $381.18 - Nasdaq) designs Macs, arguably the best personal computers in the world, along with OS X, iLife, iWork, and professional software. Apple leads the digital music revolution with its iPods and iTunes online store. Apple is reinventing the mobile phone with its revolutionary iPhone and App Store, and has recently introduced its revolutionary iPad family which is defining the future of mobile media and computing devices.

The Coca-Cola Company (3.3%) (KO - $67.56 - NYSE) is the world’s largest beverage company, refreshing consumers with more than 500 sparkling and still brands. Along with Coca-Cola, recognized as the world’s most valuable brand, the company's portfolio includes fourteen other billion dollar brands, including Diet Coke, Fanta, Sprite, Coca-Cola Zero, Vitaminwater, Powerade, Minute Maid, Simply, and Georgia. Globally, the company is the number one provider of sparkling beverages, juices and juice drinks, and ready to drink teas and coffees. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy the company's beverages at a rate of 1.7 billion servings a day.

EMC (2.5%) (EMC - $20.99 - NYSE) is a global leader in enabling businesses and service providers to transform their operations and deliver IT as a service. Fundamental to this transformation is cloud computing. Through innovative products and services, EMC accelerates the journey to cloud computing, helping IT departments to store, manage, protect, and analyze their most valuable asset – information – in a more agile, trusted, and cost-efficient way. EMC employs approximately 48,500 people worldwide and is represented by approximately 400 sales offices and scores of partners in more than 80 countries around the world.

Google (3.2%) (GOOG - $514.38 - Nasdaq) is widely recognized as the world's leading Internet search engine. Google's stated mission is to organize the world's information and make it universally accessible and useful. Google generates revenue by providing advertisers with the opportunity to deliver measurable, cost effective online advertising that is relevant to the information displayed on any given webpage. This makes the advertising useful to consumers as well as to the advertiser placing it. We believe this highly innovative and fast growing company is uniquely positioned to create new market opportunities while maintaining its lead in online search.

IBM (4.0%) (IBM - $175.03 - NYSE) is a globally integrated enterprise that targets the intersection of technology and effective business. The company's major operations comprise a Global Technology Services segment; a Global Business Services segment; a Systems and Technology segment; a Software segment; and a Global Financing segment. We feel IBM is a growth company that also exhibits defensive characteristics, including a large services business that provides more stable recurring revenues and a broad geographic diversification with operations in 170 countries.

Microsoft (3.4%) (MSFT - $24.89 - Nasdaq), the world's largest software company, develops, manufacturers, and licenses a range of software products for a variety of computing devices from PC's to servers to its Xbox game console. While the company's core desktop operating system and applications software franchise (Windows/MS Office) is maturing. Microsoft is gaining share in the enterprise market and, with its Internet and Xbox efforts, in the consumer markets also. With gross margins near 80%, Microsoft is one of the most profitable companies in history.

Occidental Petroleum (1.9%) (OXY - $71.50 - NYSE) is an international oil and gas exploration and production company with operations in the United States, Middle East/North Africa, and Latin America regions. Oxy is the fourth largest U.S. oil and gas company, based on equity market capitalization. Oxy's wholly owned subsidiary, OxyChem, manufactures and markets chlor-alkali products and vinyls. Occidental is committed to safeguarding the environment, protecting the safety and health of employees and neighboring communities, and upholding high standards of social responsibility in all of the company's worldwide operations.

Precision Castparts (2.1%) (PCP - $155.46 - NYSE) is a worldwide, diversified manufacturer of complex metal components and products. It serves the aerospace, power, and general industrial markets. Precision Castparts is the market leader in manufacturing large, complex structural investment castings, airfoil castings, and forged components used in jet aircraft engines and industrial gas turbines. The company is also a leading producer of highly engineered, critical fasteners for aerospace and other general industrial markets, and supplies metal alloys and other materials to the casting and forging industries.

QUALCOMM (4.1%) (QCOM - $48.63 - Nasdaq) is a leader in developing and delivering innovative digital wireless communications products and services based on CDMA and other advanced technologies. The company has over 77,000 patents issued or applied for, over 195 CDMA licensees and approximately 17,500 employees working in 139 worldwide locations. The world leader in next generation mobile technologies, QUALCOMM ideas and inventions are driving wireless growth and helping to connect people to information, entertainment, and one another.

Starbucks (1.9%) (SBUX - $37.29 - Nasdaq) purchases and roasts high-quality whole bean coffees and sells them, along with fresh, rich brewed coffees, Italian style espresso beverages, cold blended beverages, a variety of complementary food items, a selection of premium teas, and beverage related accessories and equipment, primarily through 17,000 company operated retail stores worldwide. Starbucks also sells coffee and tea products and licenses its trademark through other channels such as licensed retail stores and, through certain of its licensees and equity investees, Starbucks produces and sells a variety of ready to drink beverages.

Sincerely,

Howard F. Ward, CFA
Portfolio Manager
The GAMCO Growth Fund

October 19, 2011

Top Ten Holdings **(Percent of Net Assets)**
September 30, 2011

Apple Inc. 7.0%	Google Inc. 3.2%
QUALCOMM Inc. 4.1%	EMC Corp./Massachusetts 2.5%
International Business Machines Corp. 4.0%	Precision Castparts Corp. 2.1%
Microsoft Corp. 3.4%	Starbucks Corp. 1.9%
The Coca-Cola Co. 3.3%	Occidental Petroleum Corp. 1.9%

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 in seven days or less 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 in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is GABGX for Class AAA Shares. Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), 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 mutual funds can 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.

Multi-Class Shares

The GAMCO Growth Fund began offering additional classes of Fund shares on December 31, 2003. Class AAA Shares are no-load shares offered directly through 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 directly through the Fund's distributor or brokers that have entered into selling agreements specifically with respect to Class I Shares. 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 would enhance the ability of the Fund to attract additional investors.

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, are available on our website at www.gabelli.com.

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)*
Team Managed

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 G. 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)*
Team Managed

SMALL CAP

Gabelli Small Cap Growth 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 Mites℠ Fund
Seeks to invest in micro-cap companies that have market capitalizations of $500 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 R. 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 G. Marcin, CFA*

SPECIALTY EQUITY

GAMCO Vertumnus Fund (formerly 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)*
Portfolio Manager: Mario J. Gabelli, CFA

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)*
Team Managed

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)*
Portfolio Manager: Mario J. Gabelli, CFA

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 Managers: Charles L. Minter
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 R. 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*** *(800-422-3554). Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.*
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The GAMCO Growth Fund
One Corporate Center
Rye, New York 10580-1422
800-GABELLI
800-422-3554
fax: 914-921-5118
website: www.gabelli.com
e-mail: info@gabelli.com
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The GAMCO Growth Fund

SHAREHOLDER COMMENTARY
SEPTEMBER 30, 2011