

## THE BEST ANALYSTS OF ALL TIME

In October 1972, *Institutional Investor* published “The Best Analysts of the Year,” our inaugural annual ranking of the top U.S. equity researchers as determined by leading money managers and buy-side analysts. Members of this distinguished group, collectively known as the All-America Research Team, hailed from such firms as Burnham & Co.; Donaldson, Lufkin & Jenrette Securities Corp.; E.F. Hutton & Co.; and Salomon Brothers — to name just a few. Oppenheimer & Co. was the big winner that year, with 13 analysts tapped for the team.

In the decades since a total of 14,934 individuals have appeared on the All-America Research Team. Of that number, only a very select few — 49, or one third of 1 percent — have so

dominated their domains that they’ve succeeded in being named the top analysts in their respective sectors at least ten times.

To commemorate the 40th anniversary of this ranking, we proudly introduce the All-America Research Team Hall of Fame, which honors analysts with ten or more first-place appearances on the team; profiles of this year’s inductees appear on the pages that follow. Some of these individuals continue to produce research that is among the most highly regarded on the Street, some have moved on and found success in corporate America, others have long since retired — but each has earned a place in history for setting a standard for future generations to emulate.

— Thomas W. Johnson

### RICHARD <sup>10x</sup> BERNSTEIN

Richard Bernstein has an eye for trouble. In March 2000 he published “Attention Venture Capitalists: Leave Silicon Valley for West Texas,” a report declaring that technology stocks were overpriced and predicting that the real money over the next decade would be in energy and commodities. Within six months the tech-heavy Nasdaq composite index plunged some 40 percent.

In August 2005, Bernstein published a report highlighting the rising number of insider sales by top executives at homebuilding companies — despite the fact that those execs were telling Wall Street the industry was extremely healthy. Seven months later home prices peaked in the U.S. — and over the past three years have plummeted more than 30 percent, on average.

Whatever the market spin, Bernstein can and does see through it — a talent that money managers recognized long ago. Bernstein joined Merrill Lynch, Pierce, Fenner & Smith from E.F. Hutton & Co. in 1988 and debuted in third place in Quantitative Research on the All-America Research Team in 1991. He went on to

appear in the ranking 24 more times — including ten times at No. 1 — in Equity Derivatives, Portfolio Strategy and Quantitative Research, through 2008. He left the firm the following year (by then it had been acquired by Bank of America Corp.) to launch his own, Richard Bernstein Advisors.

“I loved working for Merrill Lynch, but after 20 years I was looking to do something a little different,” says Bernstein, 53. “The problem with working on the sell side is the amount of travel necessary — the demands on your time and energy are unbelievable. People wonder if I left Merrill because of some deep dark secret, but I was just worn out. I needed to do other things.”

RBA has 12 employees, seven of whom are on the investment side. “It’s hard for a small firm in a volatile market, but we’re here to stay,” he says. “I love having more control over my own destiny and more flexibility. Corporate has procedures, and I understand why they do — indeed, we will too one day — but for the time being I enjoy being free of those restraints.”

Bernstein earned an MBA at New York University’s Stern School of Business; these days he’s an adjunct associate professor of finance at the school. He is also manager of the

Eaton Vance Richard Bernstein Multi-Market Equity Strategy Fund. Although it has been accepting money for only 14 months, the fund has already attracted \$470 million — much of that from Merrill Lynch finan-

cial advisers and from his own firm. “Senior partners have money invested,” Bernstein says. “It’s important to have skin in the game.”

He is pleased to be working with investors on his own terms. “I have street rep for being client-centric. Merrill Lynch might not have been happy with me on occasion,” Bernstein says with a laugh, “but that is how I was then, and how I am now.” — P.B.

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