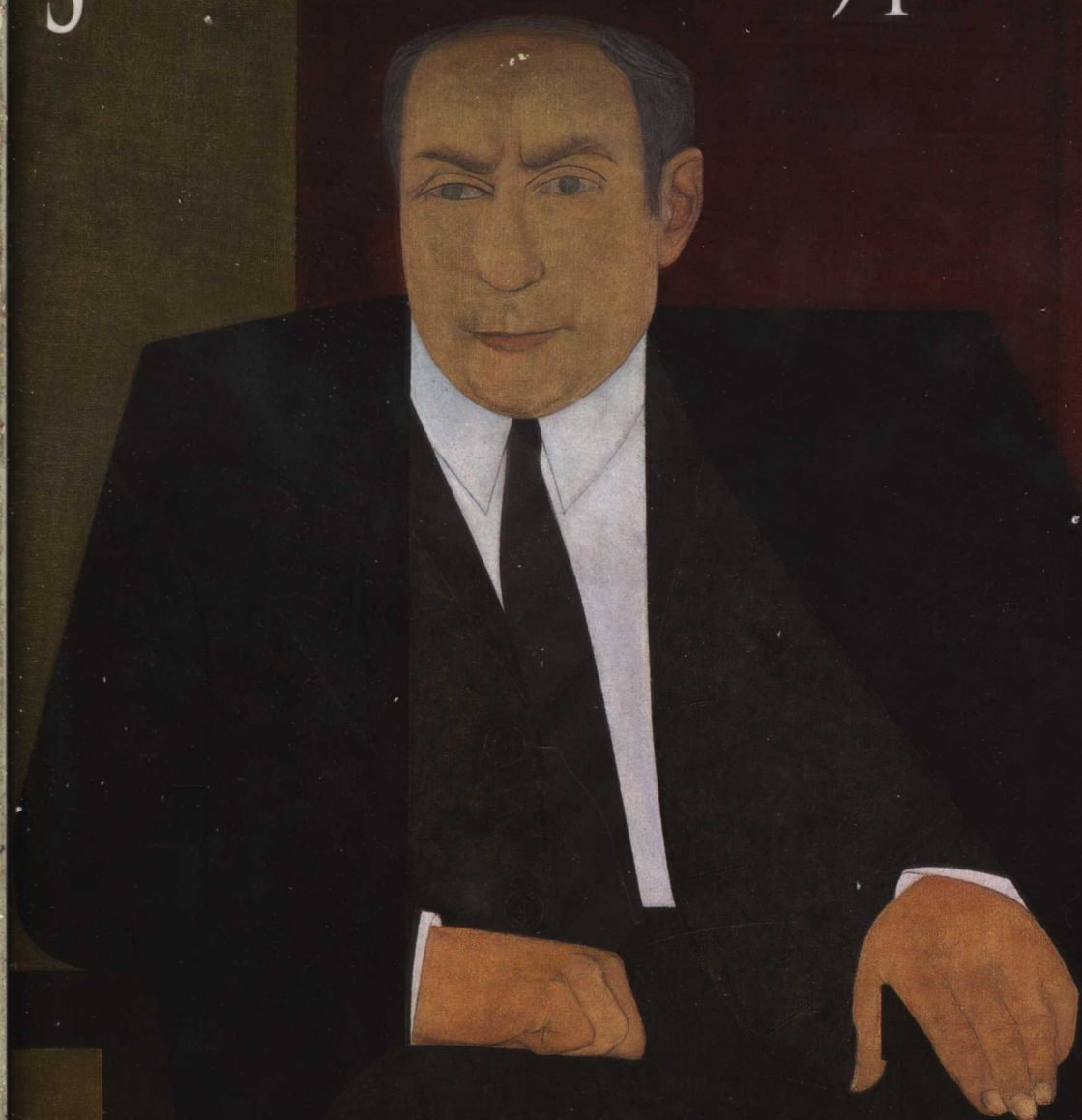


SO FAR, SO GOOD—THE FIRST 94 YEARS



ROY R. NEUBERGER

AN AUTOBIOGRAPHY

WITH ALFRED AND ROMA CONNABLE

# SO FAR, SO GOOD

The First 94 Years

ROY R. NEUBERGER

with Alfred & Roma Connable

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JOHN WILEY & SONS, INC.

New York • Chichester • Weinheim • Brisbane • Singapore • Toronto

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***Library of Congress Cataloging in Publication Data:***

Neuberger, Roy R.

So far, so good : the first 94 years / Roy R.

Neuberger.

p. cm.

Includes index.

ISBN 0-471-17186-7 (cloth : alk. paper)

1. Neuberger, Roy R. 2. Capitalists and financiers—Biography.

3. Investments. I. Title.

HG172.N48A3 1997

332.6'092—dc21

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97-14193

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

**This book is dedicated with love to my large and unique family—one wife, three children, eight grandchildren, seven great-grandchildren and counting. So far, so good.**

## Foreword

Several decades ago, I was working on my first television project—a prime-time network special about Wall Street. We shot the tense, ticking seconds of the bidding on a bond issue. We followed an early, hot, Fidelity manager, Gerry Tsai, as he set up his own fund. And then we found something unexpected—an exuberant Wall Street executive who clearly loved his work, but whose passion was something else: art. “I discovered art in the twenties,” Roy Neuberger told us, “and I knew I wanted to collect it. I thought it was unfair that talented artists should starve, that Van Gogh could not sell a painting. I wanted to buy the work of living artists. But where was I to get the money? I asked myself, ‘Where is there money?’ The answer was Wall Street.”

The director of that show couldn’t get enough of Roy Neuberger. He said the camera loved him. It was Roy’s interview that gave us the title: “Wall Street: Where the Money Is.” Roll those black-and-white images today, and you are charmed by this fellow who will talk to you about finance but really wants to show you his paintings. Roy certainly did find where the money is. He enjoyed getting it, spending it, and giving it away as art. His legacy can be seen in the sensibility at the Neuberger Museum and in his other collections.

Roy is still working, at 94. When he was born in 1903, as he says, Teddy Roosevelt was president, the Wright brothers had yet to fly, and horses brought his father home from work. That gives you some perspective. Roy was in Paris in the twenties, with its lively art scene. He came to Wall Street in time to sample the headiness of that bull market frenzy and to be a first-hand witness to the 1929 crash. He survived it because, although he owned some stocks, he had sold Radio (RCA) short. Radio was the great fad stock of the day, and he made on its decline what he lost on the rest. It gave him a taste for hedging, and he still does it today, as an anchor to windward. (Warren Buffett, take note: today he is short Coca-Cola, one of your favorite stocks, as an anchor to windward.) Roy became a pioneer in the mutual fund industry. He isn't shy about coming up with ten rules for successful investing, either. He calls the market of the 1990s neither bull nor bear but the Sheep Market, after the behavior of some of its participants, and he will tell you why the "10 percent rule" will save you money.

Roy converted the rewards of his Wall Street talents into canvas. He met some of the outstanding artists of his day and built a noteworthy art collection. When Nelson Rockefeller was governor of New York, he was a formidable figure. He would greet you with a big grin, seize you by the hand and elbow, and tell you why you ought to do what he wanted. What he wanted from Roy, he said, at lunch at his estate, was his art collection. "Give us that collection," Rockefeller said, "and I will build you a museum." (In this case, "I" meant the State of New York, more precisely the State University of New York at Purchase. Rockefeller fre-

quently confused the pronoun "I" and the State.) Parting with a collection that has been built by climbing stairs to the studios of artists cannot have been an easy decision, and Roy didn't accept Rockefeller's offer on the spot. But he did donate the collection, and Rockefeller—or New York State—did build the museum; so now the public can share the experience.

Roy never graduated from college, much less from business school. How, then, did he succeed? "I am convinced," he says, "that my success came from a curiosity about life. Trading securities requires a lot of intuition, something you can only develop as a student of life. In Paris, and ever since, I have been studying constantly. I study people, I study life, I look and listen and read. I never found learning about anything a waste of time."

Recently, Roy was a guest of honor at the annual dinner of an association of gerontologists—people who study how and why we age. Here was a man who was 93 years old, still working, and still enjoying himself. One of the scientists had already asked Roy if, in the interests of the study, he would mind being poked and prodded a bit and if he would donate a blood sample. Roy was called to the microphone to say a few words about successful aging. At my table, the association's past president took out a pen and a pocket notebook as Roy started.

Roy said exercise was important. In his youth he had played a lot of competitive tennis, and even today, he worked out with a personal trainer three times a week and made a point of walking in the park. The scientists all nodded wisely. "I am still interested in the stock market," he continued. "When you are 93, I

## *Foreword*

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have to tell you, tennis fades, and so does sex, but there's still the market." That really warmed up the audience.

But most important, Roy said: "I still have my curiosity. I want to know why things happen. So I still greet each day with enthusiasm because I want to see what will happen next, and I know I will learn something new."

And that brought the crowd to its feet.

ADAM SMITH



## Preface

Some people waste their lives in the constant pursuit of great wealth. As a commodity, let's face it, money doesn't rate as high as good health—and it certainly isn't up there with great art.

Money in and of itself has never really interested me. The driving passions of my career and my life have been the art of trading and the support of art. Money, of course, has been the by-product of trading that enabled me to purchase great art and support culture.

When I arrived on Wall Street in 1929, one of my first jobs was managing a small portfolio of my own money. Soon after that, I embarked on a career of managing other people's portfolios as well. In only a few years, I had exceeded my wildest dreams. Today my brokerage house, Neuberger&Berman, manages about \$50 billion.

Wall Street has been wonderful to me. I arrived there just before the Stock Market Panic of 1929—and did well. What I learned in 1929 helped me immensely when the stock market collapsed again in 1987. And it has prepared me for the erratic markets of the 1990s. I may well be the only person still active on Wall Street who was working there at the time of both panics—1929 and 1987—and didn't blink either time.

My timing has always been lucky—I was an American in Paris during the great cultural explosion in the mid-1920s. And I was an avid reader. When I discovered the wonderful biography *Vincent Van Gogh* by Floret Fels, I learned that Van Gogh had sold only one painting during his lifetime. He died alone, a desolate pauper. I was appalled to learn that many great artists were treated shabbily during their lives. And so began my lifelong resolve to focus my energy in support of living artists.

I consider it my great fortune that I have been privileged to buy the artwork of superb artists early in their careers, people like Jackson Pollock, Willem de Kooning, Milton Avery, Max Weber, Hans Hofmann, and scores of other painters and sculptors. I am never happier than when I can discover a new artist whose work I admire and whose career I can help support.

Over the years, I've donated most of my paintings and sculptures to museums and other institutions all over the country. I hope the people who view them enjoy them as much as I do. A number of them are housed in the Neuberger Museum of Art in Westchester County, New York, which I created after some encouragement from my friend Nelson Rockefeller. The Neuberger Museum now has more than 6,000 works of art, 850 from my collection.

I was a young man when I developed an ardent interest in paintings. What first led me to Wall Street was a desire to make money so I could buy great art and support artists. What I didn't know when I started is that working on Wall Street can be a fascinating art in itself—and one for which I was almost immediately suited.

Now I am 94 years old. I remember how I hated my 50th birthday. Half a century old! I was much older then than I am now. I still go to work at Neuberger&Berman every day. For me, work is play. I am intrigued by trading on Wall Street, and I find it enormously exciting and exhilarating.

Although I don't have a college diploma or an MBA, I'm constantly learning. I love meeting people, and I learn something from everyone I meet.

Add to all my good fortune the blessings of a wonderful family, and you will quickly gather why these 94 years have been so fulfilling. Of course, they have not been without pain or adversity. But for me life has been, and continues to be, a great adventure.

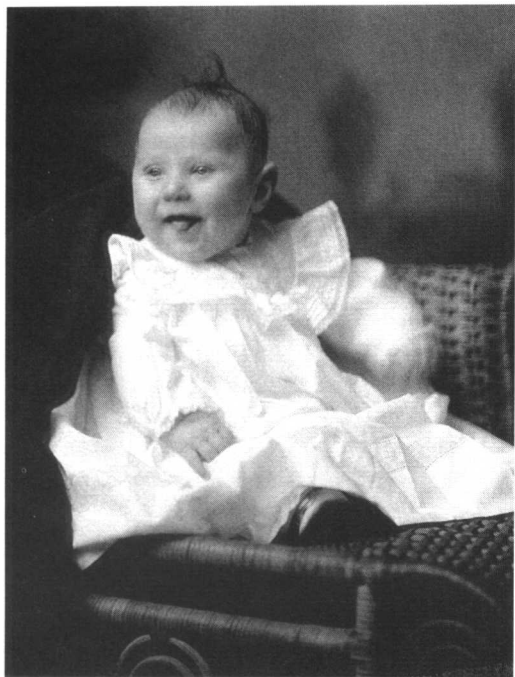
I still enjoy making money. In this book, I tell you how I did it. My hope is that you, too, will make as much money as you need and spend it for an important purpose that pleases you and helps others. That, I discovered, is the real joy of life.

ROY R. NEUBERGER

*New York, New York  
August 1997*



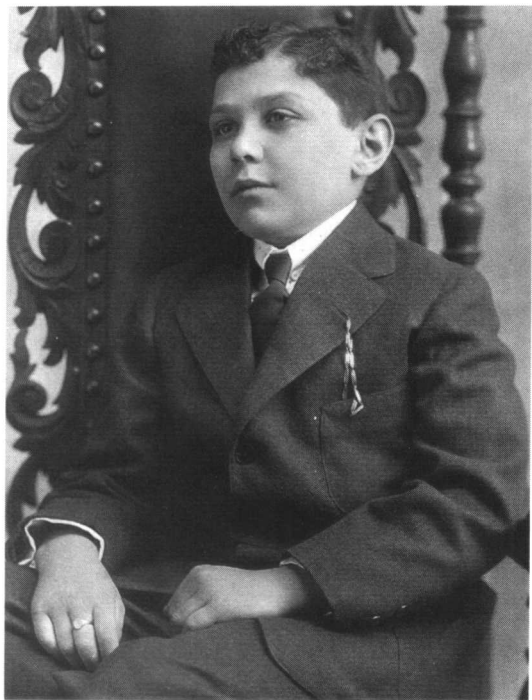
Roy R. Neuberger, a formal portrait shot in the early 1950s. (Photo by Berenice Abbott.)



Born in Bridgeport, Connecticut, Roy as a three-month-old infant. (Photo by Haley, Bridgeport, Connecticut.)



Roy's mother's family, the Rothschilds, in 1903. Bertha Rothschild Neuberger, then pregnant with Roy, is at the far right.



Roy at age 10, June 1914.



Roy's beloved older sister Ruth  
and brother-in-law Aaron  
Potter in Atlantic City, 1920s.



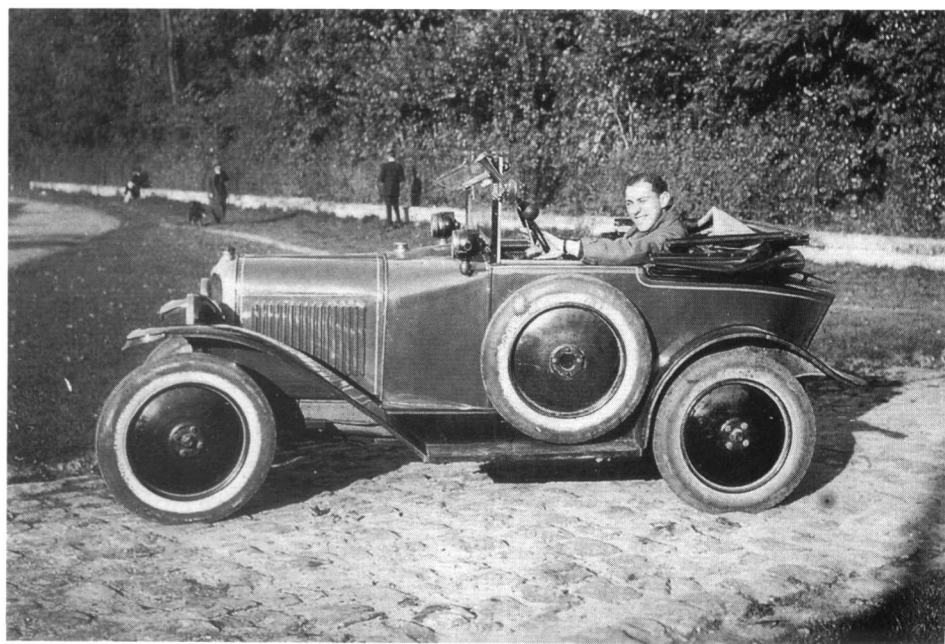
Roy's apartment building in Paris at 119 Boulevard St. Germain, where he lived from 1926 to 1928. (Photo by Alison Harris, Paris, France, 1993.)



Inside the same left bank Paris apartment, 1928.



Traveling through Switzerland in the mid-1920s.

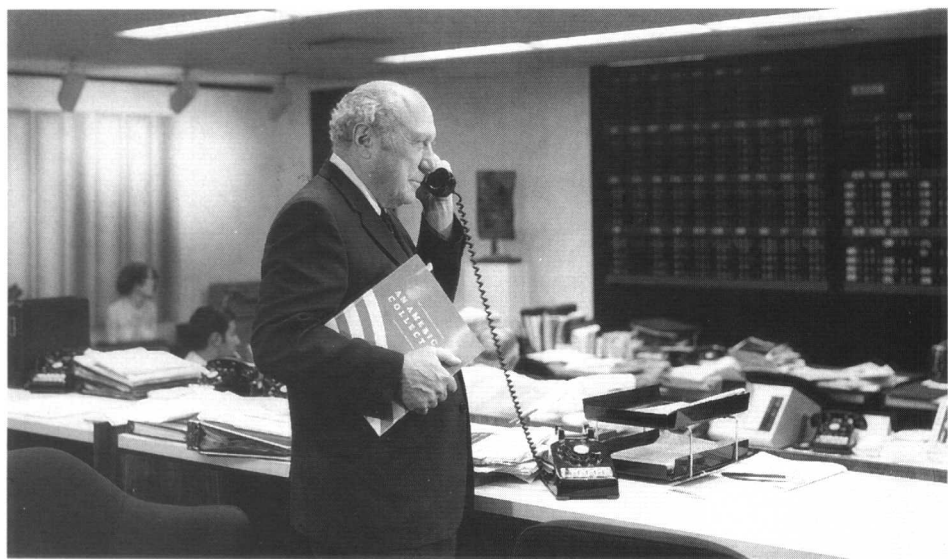


In his Citroën; Paris, 1925.





Roy Neuberger's two great passions — art and finance. Here, looking through paintings, 1950s.



And, in the boardroom of Neuberger&Berman's former office at 522 Fifth Avenue. (Photo by Geoffrey Clements Photography.)