

## O'Brien Greene & Co.

*As part of the quarterly appraisal letter of October 2012, O'Brien Greene sent its clients a note about some firm history, on the occasion of the passing of G. Davis Greene, the firm's founder. An edited version of that note is reproduced below.*

### So Who's Greene?

When a new client or vendor or passerby comes to O'Brien Greene to visit, he generally knows who I am, or finds out quickly enough, and then is pleased to shake hands with the other members of the firm: chief compliance officer Lisa, who is also my wife, portfolio manager Sally Hart Sulcove CFA, CFP, research analysts Matthew O'Brien, Ph.D., Ben O'Brien, Paul Devine, Ph.D., and operations manager Emme Kealy. After the introductions, handshaking and so forth, there is usually a short and somewhat puzzled pause, and then this question: "So who's Greene—who's the *Greene* as in O'Brien *Greene* & Co.?" We get the question quite a bit, though at the present time it is particularly poignant.

*So who is Greene?* There is a quick answer along with a somewhat longer story. To start with the first, Mr. G. Davis Greene Jr. is the Greene in O'Brien Greene & Co. As for the story, it begins in the personal tragedy of one Bud Dwyer, who in 1987 was the Treasurer of the State of Pennsylvania. This sad figure, whom I did not know, ended his life in January 1987 in a particularly dramatic and public manner; many Pennsylvanians still remember the press conference on the nightly news when it occurred. In its aftermath the governor of Pennsylvania asked Dave Greene to take over the Treasury Department, which had been thrown into disarray. Dave answered the call, as was his nature.

But as a condition of his appointment, the confirmation committee in the state senate required Dave to sever ties with his investment counseling firm, then known as Greene and Associates. That's where I enter the story. I was thirty-six years old at the time, a portfolio manager at Brown Brothers Harriman, where I expected to end my investment career.

I had met Dave some five or six years earlier when I was a teacher and counselor at the Wharton School at the University of Pennsylvania. The occasion was a reception for new students and Dave was there with his daughter. I remember that Dave was rather full of irreverent talk about the MBA degree—despite holding the degree himself. But I happened to agree with everything he said—despite collecting a pay check from the institution. So it was we became friends.

Later I would write an article about his particular style of investing. We would stay in touch. When I left academic life and went to work at Brown Brothers Harriman, we continued to stay in touch. Some years later, when the governor asked him to take over the Treasury Department, Dave called me up and asked me if I would like to take his firm over. I should add that it was not quite as easy as I just made it sound.

I had always been an employee of one sort or another, whether as a teacher or a portfolio manager, and had come from a long line of employees, so the whole idea of going out on my own and actually running an enterprise was, well, rather scary. I had three young children and a mortgage. I have never been very good at disguising my feelings; certainly I wasn't then. Dave sensed my state of near-panic, and was patient and kind and supportive in the early months. Even while running the Treasury Department of the State of Pennsylvania, he always had time for me, whether it was the broken postal meter or a non-performing stock. But there never was any doubt that Dave had left the business. He had no formal ties, only those of a friend. Nevertheless, I left Dave's name on the masthead of the business to show my gratitude—and also in all honesty maybe to get some business from the State of Pennsylvania. The gratitude was for real and I hope Dave knew that; as for the state business, I got audited instead. Yes, the Republican-controlled House (Dave was a life-long Democrat) audited us. Lisa got us through with flying colors. In any event, for the next twenty-five years, both Dave and his wife Ann were unsparing in their kindness and generosity to me, Lisa and the rest of those in the firm.

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One last word. Over my years in the industry I have learned that one's clients tend to be reflections of oneself. I suppose it makes sense: someone interested in swinging for the fence would not be comfortable with a prudentially-minded value investor, or vice versa. I say this because Dave's clients, who became my clients, were a remarkable group of smart people. I can tell lots of stories about their perspective and patience and grace under fire, but I will tell just one. In October 1987 the stock market crashed, losing a quarter of its value in a single day. To describe the atmosphere as catastrophic does not exaggerate the terror that most investors felt in the days following October 19. Insofar as I had just taken over from Dave, I thought I should call clients and reassure them. They reassured me. I remember one call in particular. It went this way:

"Well," said Dave's client who now was my client, "I came into the world naked and I supposed I can go out that way."

I am happy to report that that did not happen, not by a long shot. But that attitude, which I would characterize as poised and mature and long-term, was Dave's work and it was universal among his clients, and it served them well as investors if not in other ways. So it was that Dave Greene was a great teacher and a great investment manager and a great friend, and I will miss him deeply.

G. Davis Greene died of cancer on September 2, 2012, at age 81. *Requiescat in pace.* Ours is a long-term loss.

Mark O'Brien  
October 2, 2012