

THE OTHER SIDE OF WALL STREET



In Business it Pays to Be an Animal,
In Life it Pays to Be Yourself

TODD HARRISON

Founder and CEO, Minyarville Media, Inc.

Praise for *The Other Side of Wall Street*

“Todd blows up the typical Wall Street stereotype and proves without a shadow of a doubt that nice guys can finish first. This book captures the essence of what it means to not only be a good trader, but to be a better person. If you read one book about Wall Street this year, this should be it.”

—**Guy Adami**, CNBC’s *Fast Money*

“Todd courageously reminds us that success in life isn’t about what happened yesterday, or what may have occurred today—both good and bad—but what we are doing to make tomorrow better, despite it all. His journey is humbling and inspirational.”

—**Peter Atwater**, President, Financial Insights LLC
and former Treasurer, Bank ONE

“Todd’s unique combination of trader bravado and reflective sentimentality makes *The Other Side of Wall Street* a must-read for anybody who wants to go beyond the headlines to see how the financial world really works.”

—**David Callaway**, Editor-in-Chief, MarketWatch

“Todd Harrison takes you on a high-speed train ride across a landscape inhabited by the financial wizards of our time. And he does it with his eyes wide open to the excesses and utility from an insider’s point of view. This is real life played out to the hilt! Enjoy the ride....”

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“Fasten your seat belt as Todd Harrison takes you on a fast-paced and wild ride through the vicissitudes of his dramatic life. Harrison’s gift for storytelling is on every page, and in the end, will bring a smile to your face.”

—**William Cohan**, author of *Money and Power*

“Todd Harrison puts readers in the front row for a very personal story about his search for the true meaning of wealth. It moves beyond Wall Street headlines and sound bites, and provides an eye-opening account that covers one of history’s most interesting market periods.”

—**Michael J. Curcio**, President, E*TRADE Securities LLC

“A personal history which parallels America’s journey, from a country of real people and ‘things’ to an empire of monetary illusions and back again.”

—**Satyajit Das**, author of *Traders, Guns & Money*

“Todd Harrison pulls back the curtain on Wall Street. Brutally honest and revealing about his life, this book gives us a fascinating and compelling insight into the pressures and politics of the world’s financial capital and how one man tried to balance success and self-worth.”

—**Martin Dunn**, former Editor-in-Chief, *New York Daily News*

“I found myself captivated and read the book in one night. Anyone with a dream should read this book as it’s a true story of perseverance, determination, and dedication to doing what one loves.”

—**Stephen Ehrlich**, Chief Executive Officer, Lightspeed Financial, Inc.

“A fascinating, entertaining, and honest account of a Wall Street insider who found his happiness as an author, entrepreneur, and philanthropist; it’s a book every aspiring trader should read.”

—**Marc Faber**, Editor, Gloom Boom & Doom Report

“A fascinating story. A behind-the-scenes look at the ups and downs of life through the eyes of a successful hedge fund trader and writer, as he learns about what really matters.”

—**Bill Fleckenstein**, President, Fleckenstein Capital
and author of *Greenspan’s Bubbles*

“Todd Harrison has written a courageously thrilling account of his life on and off Wall Street. The book bristles with integrity, honesty, and personal confession; while being steeped in multimillion dollar spending on Long Island summer parties, Ferrari and Porsche boy toys, and a splash of expensive Bordeaux. A story of trading room power and busboy determination: It reveals what is behind the public facade of Wall Street.”

—**Pimm Fox**, financial journalist and host of *Taking Stock*
on Bloomberg TV and radio

“This isn’t a book for trading tips—but an account of someone who figured out who he wanted to be in the world.”

—**David Gaffen**, author of *Never Buy Another Stock Again*

“*The Other Side of Wall Street* provides an immensely personal, insider’s view of the turbulent past decade on Wall Street. Todd Harrison chronicles his escape from the treadmill of hedge fund Hades to the wonderful world of Minyanville.”

—**Steve Galbraith**, Partner, Maverick Capital

“In this moving memoir, Todd Harrison captures what it means to come of age on Wall Street. Meet the heroic and flawed characters who shape him along the way, from his grandfather and father to his former partner, Jim Cramer. Harrison is a brilliant trader with a poet’s heart. He conveys the triumphant and tragic consequences of having an overwhelming desire to win and offers a nuanced tale of redemption and discovery.”

—**Diane Galligan**, Managing Editor, Yahoo! Finance

“To read this book is to become emotionally involved in the journey of an incredibly talented, increasingly introspective, and articulate writer; but on a larger scale, it is about the journey we all share. As I read this book, I felt that Todd and I were sharing some possible answers to the question we all have: ‘What is a good life?’ There are lessons here for all of us.”

—**Roger Goldman**, Chairman, Lighthouse International;
General Partner, Berkshire Opportunity Fund; and ex-commercial banker

“...cathartic, candid, inspirational...”

—**Herb Greenberg**, Senior Stocks Commentator, CNBC

“Todd Harrison’s trading made millions; his writing touched millions. His professional journey takes you inside three firms embedded in the zeitgeist of high finance in the late 20th and early 21st centuries, but its Todd’s personal journey that makes this unlike any Wall Street story you have ever read.”

—**Jamie Hammond**, former Business Editor, AOL and WashingtonPost.com

“Beautifully written, spoken from the heart. It’s the best conversation about money at the personal and business level that I have ever read. It’s tender, it’s deep, and it touches you at many levels.”

—**Dr. Tahira K. Hira**, Professor and Chairwoman,
NYSE Euronext Financial Literacy Advisory Committee

“Todd’s evolution from Wall Street titan to digital thought leader and philanthropist is truly inspiring. I strongly recommend that people pick up the book and read his story firsthand.”

—**Nick Johnson**, Digital Media Executive

“Like Jack Kerouac did almost 55 years ago, Todd Harrison offers a personal and iconoclastic journey that reveals an honest, lively, and visual spontaneity of style and content.”

—**Douglas A. Kass**, President, Seabreeze Partners Management, Inc.

“*The Other Side of Wall Street* is certainly a hard book to put down! Todd Harrison does not tell us how we should live our own lives; he delivers an important message about what is important in life. Highly recommended!”

—**Peter E. Koveos**, Professor of Finance, Kiebach Chair in International Business,
Syracuse University

“Todd Harrison had a front-row seat on Wall Street’s stunning two-decade roller coaster ride and played the game with best of them. It’s a great read about a good guy who mixed street-smarts with bravado and rebirth in a spectacular fashion. and in the end, came out a mensch.”

—**Larry Kramer**, Founder, Chairman, and CEO, CBS MarketWatch.com

“Todd has done a great job of giving a window into the fast-paced world of finance. It’s great to be along for the ride, and doubly so because of the lessons learned along the way.”

—**Larry Leibowitz**, Chief Operating Officer, NYSE Euronext

“Todd offers a rare vulnerability from a Wall Street insider with skill and humor. It is a tale that I am delighted to recommend to my friends, and one that will grab you and make you keep turning pages, just as it did to me.”

—**John Mauldin**, four-time *New York Times* bestselling author
and President, Millennium Wave Investments

“What you do in this business when no one is looking is a story that needs to be told. Todd does so with transparency and accountability, and our profession should pay him a thank-you for that.”

—**Keith McCullough**, CEO, Hedgeye Risk Management
and author of *Diary of a Hedge Fund Manager*

“With the cynicism many have about Wall Street, Todd Harrison reminds us that the machine is made up of people. From the pain and reckoning of witnessing 9/11 firsthand to inner conflict between ambition and compassion, Harrison’s lens of the Street is overwhelming at times, enlightening, and a compelling read.”

—**Don McPherson**, former NFL quarterback, College Hall of Fame quarterback,
and social education entrepreneur

“Harrison’s extraordinary personal memoir is an emotional roller coaster of colossal wins and losses in the most tumultuous decade in investing history. Read these never-before-told stories from the hidden side of Wall Street—and welcome the author back to a better world.”

—**Wenda Harris Millard**, President and COO, MediaLink LLC

“Todd Harrison’s writing is at its enthralling best. He helps the reader find his or her own North Star and guideposts for a happy and meaningful life.”

—**C. Warren Moses**, former CEO, The Children’s Aid Society

“A brutally honest and gripping tale of life inside Wall Street’s hottest and most dangerous institutions: giant investment banks and hedge funds. Harrison’s journey to the center of the cyclone, and his discovery of the emptiness inside it, makes for a great read. It’s a story of seduction and redemption, and has a plethora of great investment advice as a kicker.”

—**Scott Patterson**, author of *The Quants*

“Ruby Peck—Todd’s grandpa, my uncle—was an outsized character with a Cagney drawl, a tough-guy persona, and a mantra that penetrated to Todd’s core: “All you have is your name and your word.” At a time when financial types are viewed with equal doses of awe and scorn, *The Other Side of Wall Street* offers loving testimony to the need to find your soul in order to truly gain the world.”

—**Abe Peck**, Director of Business to Business Communication,
Medill School of Journalism, Northwestern University

“In an age where financial chieftains gloat about doing ‘God’s work,’ *The Other Side of Wall Street* should be required reading. A Walden for Wall Street, Todd shares a refreshingly honest and touching personal account of what it’s like to claw to the top rung on the ladder of success, only to realize that you’ve actually distanced yourself from everything that counts.”

—**Stephanie Pomboy**, President, MacroMavens LLC

“During the 1990s and 2000s booms and busts, few people showed greater insight as to how to navigate the currents than Todd Harrison. I have been waiting for years for him to tell the story of what he saw on the front lines of Wall Street, and he has finally spilled the beans! The straight dope from the last honest man on Wall Street....”

—**Barry Ritholtz**, author of *Bailout Nation*

“You never really learn anything in life by being lectured or told; you only learn through experience. Todd’s powerful storytelling resonates in such a compelling way that we experience Wall Street from the comfort of our living rooms and gain insight as if we had experienced it firsthand.”

—**Bobby Sager**, Chairman of the Board, Polaroid
and philanthropist

“Todd Harrison gives us the rare book about Wall Street and life that is both street-smart and forthright, one that acknowledges the seductiveness of money and sees clearly through it to what truly matters. With his characteristic passion, wit, honesty, and humanity, Harrison tells a story of professional success, personal trial, and the eventual redemption that comes with following one’s principles and heeding one’s heart.”

—**Michael Santoli**, *Barron’s* columnist

“Todd Harrison takes the reader along with him on his professional and personal journey, and shares the important lessons—both inspirational and instructive—that he learned along the way during both the go-go 1990s and the more sobering times that followed.”

—**Gary Shilling**, President, A. Gary Shilling & Co., Inc.

“In a manner of speaking, Todd’s life has been the market’s real metaphor—unforeseen twists and turns, lots of volatility, and a long-term uptrend.”

—**Steve Shobin**, Institutional Investor All-American Research Team
(1997–2000)

“An extraordinary personal adventure into the ‘sanctum sanctorum’ of Wall Street, this book is a rare chance to be an eyewitness to what really goes on in the leading brokerages and hedge funds.”

—**Mason Slaine**, Chairman, President, and CEO,
Interactive Data Corporation

“Todd Harrison has seen it all, done it all, and earned perspective and insight available to only a few. If you want to know what it’s really like at Wall Street’s pinnacle—and in its deepest depths—this book will tell you.”

—**Melvin T. Stith, PhD.**, Dean, Whitman School of Management,
Syracuse University

“Todd’s adventure transcends political and professional boundaries; it’s a tale of purpose and integrity in an age when those traits have become true commodities.”

—**David Stockman**, Director of the Office of Management and Budget
(1981–1985)

“A great book for understanding what makes the market tick. A better book for understanding what makes people tick.”

—**Aaron Task**, host of *The Daily Ticker*, Yahoo! Finance

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The Other Side of Wall Street

*In Business It Pays to Be an Animal,
In Life It Pays to Be Yourself*

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For Ruby, Jamie, Gavin, Morgan...and Ruby.

“Gratitude unlocks the fullness of life.
It turns what we have into enough, and more.
It turns denial into acceptance, chaos into order,
confusion into clarity, problems into gifts,
failures into success, the unexpected into perfect timing
and mistakes into important events.
Gratitude makes sense of our past, brings peace for today,
and creates a vision for tomorrow.”

—Melody Beattie

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Foreword

Todd walked into my office a few months back and said, “I’m thinking of having these people write the foreword for my book.” He rattled off a bunch of names—all of whom were good people worthy of writing the foreword. However, that wasn’t my reaction. I looked at him with a blank stare and said, “Are you fucking kidding me?” I wasn’t on the list. I’ve only known Todd for 25 years and have been his business partner for the last 6. Todd laughed uncomfortably and left the room. Now, I’m a relatively humble man, but I was pissed. A few minutes later, he came back and said, “Wow, you’re right, it should be you. Would you please write the foreword?” I replied with a firm “NO.”

Well, allow me to be...*forward*.

I write this with a tremendous sense of pride and honor. Todd labored over this book for some time, trying to strike a balance between too much information and the right amount to make it truly interesting for the reader. I listened and read and read and listened some more as he crafted this into something that I believe is of great interest to any reader. As I sit on a flight across country on behalf of Minyanville Media only a month before this goes to print, I have finally read the book cover-to-cover. While I had read bits and pieces before, I never read it in one sitting. I have to say that I couldn’t put it down.

It’s an invariable roller coaster that chronicles “the journey” that Todd and I have talked about throughout the years. And what a long, strange trip it’s been.

When Todd labored over potential titles for the book, I participated in the process and finally recommending “In Business It Pays to Be an Animal, In Life It Pays to Be....” I couldn’t finish the sentence, but with the help of Justin Rohrlich we arrived at “In Life It Pays to Be Yourself.” And there it was—the perfect title, a statement that hit on both sides of trying to attain riches while trying to figure life out.

Todd's an interesting cat. I've known him since 1987. It's hard to say that year out loud; it's close to a quarter century, and we've had quite a journey. Our friendship started back in college and continued through my time in Hollywood and his time on Wall Street, and each year we made it a point to get together on either coast. Todd has a way about him. He is a force of nature with a gravitational pull. He has a unique ability to pull people into his sphere and make them part of the *journey*. It's only with hindsight and this book that I realize how integral I have been to this.

Back in 2001 when Todd told me he was starting this Web site, he asked if I would speak with the person he had hired to create the platform. I spent countless hours at night and on weekends talking on the phone, suggesting ideas and potential partners to produce a Web site for what would become Minyanville. He certainly spared no expense hiring the best of the best to bring his vision to life, and it's when that vision took on a life of its own that it became a truly viable business. It was in 2004 when I had that epiphany. I always wanted to "have skin in the game"—to be an entrepreneur. Minyanville provided me with that opportunity.

I had spent the seven previous years building a \$20 million organization for J. Walter Thompson called digital@jwt. It was time to shift from being the intrepeneur to an entrepreneur, and when Todd presented the opportunity in August 2004, I was in.

It was scary. I had many discussions with my wife before taking the leap—we had two young sons—but the idea was just too good. My wife said, "Let's do it." So I called Todd and said, "Let's brand the Bull and Bear of Wall Street fame and effect positive change through financial understanding." It sounded easy enough but wow, were we wrong. It wasn't—and still isn't—easy.

I'm guessing when Walt Disney walked into his first presentation and said (hopefully not in the voice of Mickey Mouse), "I'm going to take two mice and make them the ambassadors for happiness," people said he was nuts. And trust me, we have walked out of meetings where the person we presented to has said, "You're nuts! Good luck."

Then there are those we've presented to who have looked at what we're doing and had the same eureka moment I had when Todd first wrote from the perspective of Hoofy the bull and Boo the bear.

Brilliant! People like Larry Kramer, founder of MarketWatch, or Wenda Millard, president of Medialink, or Charlie Managno who ran global marketing for Merrill Lynch for 16 years. They saw it. They got it. They get it. And it's only a matter of time until others "get it." Todd has always been early.

It's hard to write about a best friend because even though you've read the text on the pages, you've also lived the movie alongside him through the ups and downs, wins and losses, and happiness and heartache. It often becomes a blur or montage of memories, and it takes a bit of work to fit the pieces of the puzzle back together.

Through it all, Todd has proven time and time again that the glass is always half full. He's someone who can turn obstacles into opportunities with a resolve that's unmatched. He looks at the bright side of life, and that's what makes him a special individual.

This book is worth reading because it provides a rare glimpse of someone who has been inside the Wall Street machine and has been chewed up and spit out only to jump back in time-and-time again to disprove the naysayers and doubters. It will inspire people to truly think about what's important to them as they try to navigate a chaotic world, live life to the best of their ability, make money, be true to family, but more importantly, to be true to themselves and find some semblance of balance.

The Other Side of Wall Street ends with Chapter 18 aptly titled "The Journey," but there are now another dozen chapters since the book was written, a new addition to Todd's family since it went to print, and countless changes positive and negative in Minyanville Media's evolution. There will be dozens more to follow.

Todd Harrison and Minyanville Media have been years in the making, but truth be told, the journey has only just begun.

Kevin Wassong
May 2011

Preface

I never thought I was *that guy*. Despite having spent much of my career pursuing money, I always believed that I was a good man who lived life with an honorable ethos. My grandfather had taught me that all you have is your name and your word, and that honesty, trust, and respect were the foundational elements of any successful endeavor. While I remained true to those lessons, I ultimately fell prey to the false idolatry of money in my quest for the bigger, better thing.

This is a story of personal experience, although none of what you're about to read comes from a place of perceived accomplishment. I'm not particularly proud of some of the details in the pages that follow, but they helped shape the person I am today.

I confused net worth with self-worth.

I didn't know the difference between having fun and being happy.

I looked for validation in the bottom of a bank account and when I arrived at where I thought I wanted to be, I wanted—and *needed*—more.

It would have been easy to identify those mistakes with the benefit of hindsight, particularly after the financial crisis brought an age of austerity to bear, but my clarity arrived more than a decade ago when a confluence of events altered my perception and triggered an awareness—or what some might call an introspective redemption.

As much as I thought I understood my choices in life and the ramifications thereof, it was difficult to appreciate how they affected others. I was reminded of that in the summer of 2010 while spending a few days with my brother Adam during his annual “guys” weekend at the beach. I intended to spend the majority of my time working on this book; it's funny how inspiration arrives when you're not looking for it.

Peter Emanuel, who was at the time on staff as a scientist at the White House and had been a fraternity brother of Adam's during their days at the University of Maryland, sat next to me on an outdoor

bench following dinner and a game of pool. Peter and I had known each other for more than 20 years, but we never really *knew* each other.

As we chatted on that random night, he turned to me and said, “You know, I never liked you very much. You made me feel insignificant for a very long time; it was degrading.” He recalled a story in 1997 when he and Adam visited me in New York City for Halloween, and we went to some swanky upscale club.

“You walked in wearing an expensive shirt; the bouncers immediately greeted you and ushered us past the line and upstairs, past another bouncer into a private room. You ordered a round of \$10 martinis, and beautiful girls surrounded you. I was a scientist trying to cure cancer; \$10 was my entire dinner budget. What’s worse, you seemed to revel in it; you appeared to enjoy the status and aura, ambivalent to those outside your inner circle. You never knew this, but that night inspired me. It motivated me to work harder. I never again wanted to feel that small.”

Peter and I also discussed how September 11th was a major catalyst for us both. For me, it led to a personal, professional, and spiritual transformation—a journey to effect positive change. For him, it was a steppingstone in what continues to be a meaningful pathway in life. We bonded that night, connecting in a way we never had before—perhaps in a way that I wasn’t open to years prior.

I never knew Peter felt that way, nor had I ever seen myself in that light, but I imagine he wasn’t the only one. While I thought I was savoring life and living in the moment, I came across as an arrogant ingrate who never appreciated, or was satisfied with, what I had.

I never thought I was that guy.

1

The Age of Innocence

It's a rare occurrence when you can exhale, relax, and enjoy your good fortune. That was the case at the end of 2000 after our company posted a monster year. Cramer Berkowitz, of which I was president, had already earned a reputation as a shrewd and honest hedge fund, and I had money in the bank as tangible validation of my hard-fought year. I wrote the trading diary for TheStreet.com and had settled into a seamless rhythm of running the trading operation at a \$400 million fund while sharing my stream of consciousness in real-time for the world to see.

Yet there were pressures in other areas of my life. My grandfather, Ruby, grew increasingly ill, and he was spending much of his time in intensive care. It was an anxious time for my family as we readied ourselves to say goodbye to our patriarch; it was a dose of reality in an otherwise excellent stretch. Ruby had been a major influence throughout my life. He was more than my guiding light; he was my hero.

My dad left our family when I was two years old, and my grandfather assumed his role. As wonderful as my mother was, devoting herself to raising her children, a young boy needs a man in his life to set the tone and set him straight. As I grew older, I learned that everything happens for a reason. Divorce can be difficult for a child, but it facilitated a bond that might not otherwise exist. Ruby's presence was empowering, and we became best friends. He taught me how to be a man.

When I graduated college in 1991 and started at Morgan Stanley, I couldn't afford an apartment in New York City. The confidence that defined my Syracuse University experience had suddenly morphed into an exposed vulnerability as I attempted to learn a craft. I needed a beacon for my moral compass, and, luckily, I didn't have to look far.

I lived in the den of my grandparents' home on the upper east side of Manhattan as I found my way. I was overwhelmed with trying to understand the complexities of the financial markets, but I could always count on one thing: Every time I turned around and whenever I needed assurance, Ruby was there with a knowing glance and a steady hand.

Years later, my grandmother, Dorothy, told me that my grandfather sat in my room while I was at work and stared at my shoes. "He loved you so much," she said with a smile, "he just wanted to be closer to you."

I was too naive to understand the golden door that opened when I started on Wall Street—or the cost it would exact through the years—but what I lacked in experience was supplanted by my grandfather's guidance, and I promised myself that I would never let down the single most important person in my life.

His phrases struck a chord and lit the way, even if I didn't fully appreciate the magnitude of their meaning.

Earning stripes on the Morgan Stanley equity derivative desk, as I did after college, wasn't easy. I knew very little about the business, but thanks to my grandpa, I was well-versed in how to conduct myself as a human being. I had spent countless hours sitting by his side as he espoused wisdom that transcended generations or chosen fields:

“All you have is your name and your word.”

“What goes around comes around.”

“Time is the most precious of commodities.”

“Think positive.”

His phrases struck a chord and lit the way, even if I didn't fully appreciate the magnitude of their meaning. Each step of my career ushered in a new set of challenges that made my previous plateau pale in comparison, but every time I stumbled, which happened often, Ruby was there to pick me up and point me in the right direction.

When he became ill in 2001 and was admitted to the Delray Medical Center, I traveled to Florida most weekends so I could hold his hand as he struggled. After numerous readers of my column e-mailed to joke about how I was slacking off in the Hamptons, I shared the tale of Ruby. I wrote about why he mattered, where he was, and how very much I loved him.

An amazing thing began to happen. I received e-mails and letters from around the world from people who shared similar stories about grandparents, children, mothers, fathers, and fallen friends. There were ten at first and then a hundred. In time, there were *thousands*. We read those tributes to Ruby while he lay in intensive care, one after another, month after month.

If so many people took the time to write someone they never met to lift the spirits of a man they had only read about, I pledged that I would continue to share my insights in an attempt to help them navigate the twists and turns of the financial universe. That effort was the genesis of a loyal community that remains to this day, and it was then I realized the power of the Internet, the catharsis of writing, and the importance of giving back.

As I prepared myself for a devastating loss, I settled into my role as a “trader who writes,” and the irony wasn't lost on me. I was the president of Cramer Berkowitz, and I wrote the trading diary on

TheStreet.com, both of which were positions previously held by Jim Cramer. A little more than a year earlier, when he and I had finalized the terms of our partnership, I had no idea why someone would fragment his or her professional focus by writing during the trading day. Yet there I was, producing more than a dozen short-form articles on a daily basis and balancing those seemingly disparate skill-sets.

The relationship between Jim and me was buffered on both sides by business and money. He had invested a large portion of his money in the fund and left it there after he retired, which served as a tacit stamp of approval, while I managed the risk with Jeff Berkowitz and Matt Jacobs and generated page views for TheStreet.com. We had a vested interest in keeping each other happy, and despite a persistent yet unspoken tension, we did just that.

In March 2001, three months after Jim retired from the firm, United Cerebral Palsy honored me for outstanding achievement. I was unsure why I was chosen to receive the award but assumed that they thought my presence would drive attendance. With the help of my friend Steve Nitkin, I secured Run-DMC to perform and then reached out to brokers on the Street to whom we paid commission. Not surprisingly, we sold out the event and raised a lot of money for a worthy cause.

During the ceremony, Cramer stepped on stage and lauded me as the best trader on Wall Street and the best writer at TheStreet.com. I didn't agree with his assessment, but that was Jim—over the top and all or nothing. I smiled in a knowing and familiar way; while our professional relationship was strained, I genuinely cared for the man and understood why he acted the way he did.

As it turned out, that speech was the apex of our personal relationship.

Saying Goodbye and Opening Up

It was a random Wednesday in the spring of 2001 when I suddenly stopped trading and booked a flight. I *knew* something was wrong and rather than wait for my scheduled sojourn that Friday, I canceled my appointments and headed south. I arrived at the hospital, raced to my grandfather's room, held his hand, and whispered in his ear. Five minutes later, a rush of energy passed through my body, limb by limb and goose bump by goose bump, as his body shut down and his grip softened. It was his time, and he passed on his terms, surrounded by his family as he had wished.

A few weeks prior, during one of my visits, he briefly regained consciousness and whispered in my ear, "Take care of the family." Other than a tender moment with Dorothy, his loving wife of 59 years, when he told her she looked beautiful, those were the last words he would ever speak. He was a boxer in his youth, and I assume he fought until he knew we were ready to let go. I should have been prepared for the pain, but that reality was harsh. Letting go is one thing, but navigating the world without a north star would be entirely more profound.

People deal with loss in different ways. For me, it meant honoring his memory and staying true to the man that he taught me to be. They say the greatest tribute you can pay someone is living your life in a manner consistent with what he or she would have wanted. Soon after his passing, I launched the Ruby Peck Foundation for Children's Education to channel his energy to future generations.

Denial, anger, sadness, bargaining, and acceptance, as defined by Kübler-Ross, are widely considered to be the five stages of grieving. I had emotionally prepared as best I could, and when he finally passed, I edged into a state of sadness and readied to face the world alone. A video tribute that featured my grandfather was played the night of the UCP benefit, and he said, "I don't know if I taught him a lot, but I sure hoped he learned a lot." He did and, by extension, so did I.

My grieving process threaded into my column on TheStreet.com. My editors allowed for some latitude, but it was clear that they wanted nuts and guts financial stuff and would put up with only so much human interest. An underlying tension began to emerge as their editorial staff carved up my columns before they posted. I never claimed to be a good writer, but I spoke from the heart and told the truth. Sometimes, a word here or a shift there can change the entire complexion of the content. I bit my lip as they explained proper grammatical execution to me, and my eyes darted around my eight screens attempting to synthesize hundreds of millions of dollars of risk.

My inbox filled daily with hundreds of e-mails, many of which were about the markets, but a surprising number of which had nothing to do with the tape. It amazed me how diverse my audience was, but, upon reflection, it made complete sense. They weren't traders who happened to be human beings; they were human beings who happened to be traders.

The Critters Cometh

I used metaphorical representations to represent the stock market—Hoofy the Bull and Boo the Bear—and told both sides of the trading story. There was always a bull case and a bear case, I thought at the time, and the residual grist was what the financial media reported the following morning. It made sense to write through that lens and examine the friction between opinions, which was where I believed true education was found. In time, my readers asked what Hoofy was doing or what Boo was thinking, and they began to assume personalities and perspectives. They resonated—people *liked* them. It occurred to me that nobody had ever branded the Wall Street bull and bear.

Hoofy the Bull and Boo the Bear.... There was always a bull case and a bear case....

TheStreet.com paid me a salary—\$100,000 a year—but it paled in comparison to the money I made running a large fund. For me, writing wasn't about the compensation as much as it was the catharsis, and we never signed a contract because I didn't believe TheStreet.com should own the words "Hoofy" or "Boo." That legal language was industry standard at the time, but it wasn't my primary industry, nor was it my standard.

They didn't press the issue; to them, I was a cash cow that produced content, a man in the trenches who generated page views. I wrote incessantly as I navigated the other side of the technology bubble and chronicled my trades for the world to see. If the stock market was a casino, it felt like I had the dice in my hands for an incredibly long time. TheStreet.com was happy, our investors were happy as we notched double-digit gains, and I was happy, albeit a bit hollow. Profitability was a wonderful distraction from the pain of losing my grandfather, but it didn't fill the void.

Life was good, or so I thought, as I had the toys that society bestows on those with wealth. Forget all the time that elapsed while I sat in front of my screens in an attempt to make money. There would be more dinners with friends, plenty of time to find a bride, and countless hours to relax.

Summer Loving

The loss of my grandfather notwithstanding, life had never been better, at least as measured through a monetary lens. While others struggled with the fire sale on Wall Street, our fund made big money, and I lived the lifestyle to prove it. My buddy Lionel and I ventured to the Hamptons to look for a summer rental in my brand new BMW M5, which I had bought a few weeks prior without so much as looking at the sticker price.

A broker from Sotheby's had called to tell us of a house in Sag Harbor that had to be seen, and the moment we drove into the compound, we knew it was perfect. "We'll call it Ruby Ridge," I said before we got out of the car to explore the grounds.

It was sensational. The Philippe Starck-designed house was stocked with Lichtensteins and featured a meditation tower, a media room, and a wraparound terrace that overlooked Sag Harbor. There were immaculate rolling grounds with an eight-car garage, an adjacent two-bedroom casita, and an outdoor dining pavilion with a working fireplace and kitchen that surrounded a black granite pool. A croquet field sat between the compound and a 200-foot private beach, all within walking distance of town.

"Seven bedrooms," one of us said, "there's a lot of space here." The broker told us the house was listed at \$150,000 for the summer, and it was ours before we got back into my car. We pulled in five or six friends, turned the garage into a nightclub called Shagababy, and smiled amongst ourselves when we eventually overheard others talking about the new, private club somewhere in Sag Harbor.

There were hundreds of people at Ruby Ridge on any given weekend, and we partied like rock stars through the night. It was a summer of debauchery straight out of a movie, a twisted tale of

revelry that could have been called “The Top of the Market.” As a trader with my finger on the pulse of trends and turns, I should have seen disaster coming from a mile away.

I left for Hawaii on Labor Day weekend to fulfill a promise I had made to my father, that if he stayed clean, I would return the next year to enjoy quality time with him. He looked good when I saw him; he was off drugs, and his condition was properly medicated. He had volunteered at an animal refuge and proudly walked me through the grounds while I was there.

As we talked about life and the ways of the world, he was eager to hear about my journey, what I was doing on Wall Street, and more importantly, if I was happy. “Sure,” I said as we sat by the pool at the Four Seasons Hotel. “I’m the President of a \$400 million dollar hedge fund, I made millions of dollars last year, and I’ve got everything I could ever want absent my own family, which is only a matter of time.”

I suppose we were anxious to impress each other, albeit for different reasons. I yearned for parental acceptance after years of feeling like a substandard son while he, in his own words, wanted to make me proud of how he climbed out of his own abyss. In the end, our motivations didn’t really matter; I had a father again, and the week passed quickly.

The night before I returned to New York, we sat at an outdoor restaurant that overlooked the ocean as a gentle Maui breeze made for a perfect backdrop. I’ll never forget the last thing he said to me before the check came, as I shared my future aspirations. “Relax, son, and enjoy life; you never know when a plane will fall out of the sky and ruin your day.”

The following Tuesday was September 11th, but before I get to that, perhaps I should start at the beginning....

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