

PREFACE

The twenty-fifth anniversary of Roger F. Murray's 1993 lecture series at the Museum of Television & Radio (MT&R; now the Paley Center) in New York City triggered the idea for this book. We felt that writing a biography of Roger Murray was important because he served as the bridge between Benjamin Graham and modern-day value investing at Columbia Business School.¹

The short version of the story begins in 1956, when Professor Murray took over teaching the seminar on security analysis from Benjamin Graham. Graham had started teaching the course in 1927, and Murray taught the course for the next twenty-one years to more than 2,000 MBA students, many of whom went on to be highly successful investors. Unfortunately, there was no one to take over teaching the course when Murray retired in 1977, and it went dormant for sixteen years. Murray came out of retirement in 1993 to give four ninety-minute lectures at the bequest of Mario Gabelli. Professor Bruce Greenwald attended the lectures and convinced Murray to teach one last course at Columbia Business School (CBS) in the fall of 1993. That single course relaunched the value investing program at Columbia.

We also felt that it was important to place Murray in historical context. Graham began teaching security analysis at a time when

there were few, if any, professional security analysts (analysts were called statisticians at that time). The first edition of *Security Analysis* was published in 1934, the same year that the U.S. Congress passed the 1934 Security Exchange Act. It was the beginning of the professionalization of security analysis and value investing. Although Graham was a superb teacher, he was also an accomplished professional investor. These combined skills were important to his success in the classroom. By the time Murray began teaching at Columbia Business School in 1956, money management had become institutionalized and professional analysts had become significantly more sophisticated in their discipline. Murray was also a successful professional investor. However, Murray's experience differed from Graham's in that he worked his entire professional career at Bankers Trust, which was a large financial institution during Murray's tenure. Murray was trained as an institutional money manager, and he brought that discipline to the classroom. In fact, it was Murray's emphasis on rigor and discipline that is his most significant contribution to value investing and what had the greatest influence on his students.

We were drawn to this project because we have both been involved with the value investing program at Columbia Business School since the early 1990s. Paul Johnson taught his first course on security analysis in the fall of 1992. As this book went into production, he had just completed his thirtieth year as an adjunct professor and taught his fiftieth semester-long course. During that time, he has taught value investing and security analysis to approximately 3,000 full-time and executive MBA students. Paul Sonkin graduated from Columbia Business School with an MBA in May 1995. He took two courses from Johnson while in the program; after graduating, he was Johnson's teaching assistant in the fall of 1995. Sonkin became an adjunct professor in the fall of 1996 and taught a seminar on fundamental research techniques. He then launched the school's first applied value investing (AVI) course in the fall of 1998. Sonkin taught as an adjunct professor for seventeen years.

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Johnson was coauthor, with Professor Emeritus Bruce Greenwald, of the history of value investing at Columbia in *Columbia Business School: A Century of Ideas*, a book celebrating the school's 100-year anniversary, and Sonkin did research on the history of Roger Murray's role in the value investing program at Columbia in 2013 for the twentieth anniversary of Murray's 1993 lectures. Writing the Murray biography was a natural extension of our prior research.

Both Pauls benefited greatly from their relationship with Professor Bruce Greenwald, professionally and as professors in the classroom. The full story is told in the book that follows, but the short version is that Greenwald attended the 1993 Murray lectures at the bequest of dean of the Columbia Business School at the time, Meyer Feldberg. Greenwald was so taken with the elegance and clarity of Murray's lectures that he decided to enlist Murray to coteach a course on value investing in the fall of 1993, which subsequently served as the relaunch of the value investing program at Columbia. Sonkin took Greenwald's course in the fall of 1994. Johnson and Sonkin cotaught the course in the fall of 1997, when Greenwald was on sabbatical. Johnson taught the course again in 2004 during Greenwald's next sabbatical. Sonkin and Greenwald coauthored *Value Investing: From Buffett and Beyond*, which originally was published in 2001. It has been a rich collaboration over the years for both authors.

We teamed up to write *Pitch the Perfect Investment*, which was published in 2017, and are excited to team up again on *The Enduring Value of Roger Murray*. We hope you enjoy learning about Murray's life, his philanthropic endeavors, his passion for and significant contribution to the private pension fund industry, his influence on the evolution of security analysis, his lifelong commitment to teaching, and how his enthusiasm for value investing is alive at Columbia Business School to this day. After completing our work on this biography, we feel that Roger Murray was truly a great man and that his story should be told.

