

Alger CEO: Why we stayed in Manhattan after 9/11

The CEO of a New York investment firm explains his decision to lease new space for its headquarters in Manhattan after dozens of employees were killed and its business almost wiped out on September 11, 2001.

*By Dan Chung, CEO of Alger
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Like they are for most New Yorkers who were in Manhattan on 9/11, the events of that terrible day are indelibly engraved in my memory. I was out of the office at a research meeting when the news came that one, and then another, jumbo jet had crashed full-speed into the World Trade Center Towers.

Alger's headquarters, which housed our entire investment team, were on the 93rd floor of 1 World Trade Center. As the day unfolded and the enormity of what happened became clear, my greatest fears would be realized: 35 of my colleagues -- including our CEO, David Alger, and all but four members of the investment team -- were dead. I was a senior analyst for the technology sector, and I was the most senior surviving member of the investment organization.

The following Monday, and for the next six months, the 200 of us who were left worked out of Alger's disaster-recovery center - a fitting metaphor -- in Morristown, N.J. Some in our industry predicted Alger, an asset management firm founded in 1964, would not survive as an independent company. However, Alger's greatest strength was, and is, its culture. What few outside of Alger understood is that our shock and grief over losing so many close friends and colleagues drove our determination to not only survive but to rebuild Alger stronger than it was before 9/11. We all believed it would be the best way to honor our lost co-workers, and it's something they would have wanted.

Soon after 9/11, several former employees returned, leaving their current employers because of the strong obligation they felt to help rebuild Alger. Existing employees redoubled their efforts and many of our clients chose to stay with us as a show of faith in Alger's investment philosophy and process.

In March 2002, Alger moved back to Manhattan, a decision really made on that fateful day six months earlier. Alger was not willing to abandon New York City, which symbolizes so much of



what makes this country great. In the end, my choice was easy and came down to three core beliefs:

History. Alger was founded in New York City in 1964. I did not want to turn our backs on the city that has been so good to us over the years. The idea that Alger would be forced out of its hometown by the acts of a handful of fanatics just didn't sit right with me. It was important that Alger remain in Manhattan to show our solidarity with, and appreciation of, all who suffered that day.

The American Dream. Millions of people dream of coming to America to build a better life. It is a story that has been replayed by generations of immigrants from all over the world. It's a uniquely American story with New York City at its epicenter. In our industry, countless young people also dream of coming to New York to build careers on Wall Street. Many of them started at Alger, right out of school, with nothing but smarts, desire and a willingness to work hard for a chance at success. I wanted to preserve that - and not just for sentimental reasons. Ours is an extraordinarily competitive business that relies on attracting the best and brightest people. We needed to be here.

Honor. Staying in Manhattan honors the memory of our friends and colleagues we lost that day, but we also had a commitment to the Alger employees who survived. Many of them live in New York City, and if we had left, they would have had to find new jobs at a time when businesses in the city were still healing and not yet ready to think about adding staff.

So we leased space at 111 Fifth Ave., near Union Square, and Alger came home. Once in our new offices, we gradually rebuilt our organization and, more importantly, began to rebuild our culture. I have enormous gratitude for the employees who stayed during our most trying times, those who returned when they could have had stability at their current employers, and those who joined later to help us rebuild the firm.

Thanks to our clients and the hard work and dedication of our employees, we did not just survive, we thrived. Alger now manages more money than we did on 9/11. We have \$17 billion in assets, compared with \$15 billion on 9/11, and more than 130 employees. Most importantly, our investment track record this decade is impressive with several strategies with industry leading performance records. To accomplish this, while rebuilding Alger, shows the true spirit of not only our firm and those we lost, but the values of Americans everywhere and, especially, those for whom "New York" is a symbol of the American Dream.

Alger recently recommitted to New York City. We leased space for our new headquarters on Park Avenue South, near Madison Square Park, and will move in later this year. Our new offices will be larger, reflecting our growth and optimism for the future. I am confident that the next 10 years will bring Alger, New York City and the U.S. to even greater heights.