



FIGHTING BACK

JIMMY DUNNE III allowed a journalist to chronicle his battle to rebuild Sandler O'Neill, which lost 66 people on 9/11. The resulting article on the investment banking firm paid tribute to the living and the dead.

Among those who perished in Sandler O'Neill's World Trade Center offices were Jimmy Dunne's two fellow senior partners, and a heroic trader who had saved the lives of several others.

A FEW DAYS AFTER THE HORROR OF SEPTEMBER 11, 2001, Jimmy Dunne III received a visit from a Fortune Magazine reporter named Katrina Brooker. She knew that Mr. Dunne was the sole surviving senior partner of Sandler O'Neill, an investment banking firm that had lost its headquarters and 66 of its 171 employees in the World Trade Center attack. Her question: Would Mr. Dunne allow her to shadow him and his fellow survivors as they sought to rebuild the firm from scratch?

Mr. Dunne had no experience handling the media. In the past, his two fellow senior partners – Herman Sandler and Chris Quackenbush – had taken those calls. In fact, Mr. Sandler had prohibited Mr. Dunne from talking with the media, regarding him as too direct. Mr. Dunne's role at the 13-year-old investment banking firm had been to run its trading desk and deliver bad news to employees failing to make the cut. "I was the tough guy, if you will," recalls Mr. Dunne.

But now Messrs. Sandler and Quackenbush were dead, and Mr. Dunne had little time to mull Ms. Brooker's request. The sense of urgency at Sandler O'Neill was so intense that Mr. Dunne was taking mere moments to make decisions that normally would take days, if not weeks.

Mr. Dunne told Ms. Brooker yes, despite knowing nothing about her or her previous work. In his mind, such an article could pay homage to his deceased colleagues, including his mentor, Mr. Sandler, and his best friend, Mr. Quackenbush. Mr. Dunne also thought the article could shine a light on the generosity he and Sandler O'Neill had received from other firms on Wall Street.

Mr. Dunne bought Ms. Brooker's argument that a distressed nation would take heart from the story of a decimated firm's battle to survive and thrive beyond the horrific murder of more than a third of its workforce. Understanding that such a story would require deep research, he invited Ms. Brooker to embed herself in the cramped quarters of the struggling firm, and she did so with fervor, showing up at the offices day after day just as if she were a Sandler O'Neill employee.

Fortune published the article in January of 2002, and 17 years later it raises a question. At

a time when companies are seeking to control their own narrative, is it possible that any company could produce so compelling and credible a portrait as that sketched by a talented and trustworthy journalist – especially amid a crisis not of the company's making?

The story that Mr. Dunne read in that issue of Fortune was sympathetic, sensitive, inspiring, powerful and accurate. It shows Mr. Dunne and his colleagues alternating between the tough work of reviving a firm whose back-office functions and Rolodexes had been destroyed – and the tougher work of delivering eulogy after eulogy at memorial services for the dead. It shows business meetings where heartbreak is palpable, for instance when mention is made of Mr. Dunne's murdered friend, Mr. Quackenbush. "His voice begins to shake, and he looks over at me with an intensity that I've never seen in my life," wrote Ms. Brooker. "Here is his grief: raw, open, blunt. He makes no effort to hide it; on the contrary, it's impossible to sit in a room with Jimmy Dunne and not feel overwhelmed. I have to look away."

Ms. Brooker captured, in a single quote, Mr. Dunne's rationale for providing extraordinary financial support and guidance to the families of the dead. "Fifteen years from now, my son will meet the son or daughter of one of our people who died that day, and I will be judged on what that kid tells my son about what Sandler O'Neill did for his family," Mr. Dunne said in the article.

Of course, Ms. Brooker was hardly neutral on the subject of Al Qaeda's heinous attack on New York. "I am a born and raised New Yorker – and I saw the towers go down that day. So this was an incredibly emotional story for me, and still is," says Ms. Brooker, now a writer for Vanity Fair and other publications.

Besides emotion, she invested extraordinary time and effort in the story, even by the standards of long-form journalism. "I started reporting in September and I handed in my final draft in December.

"I had so many notes, my editor and I made storyboards to organize them. I had a huge outline of the story mapped out before I sat down to write. There were many drafts, many late nights, many re-writes."

Seventeen years later, her admiration for Mr. Dunne persists. “Following Jimmy around was an indelible experience,” she says. “I have interviewed Jeff Bezos, Bill Ackman, Warren Buffett, Tim Berners-Lee (inventor of the World Wide Web) – all fascinating, but there is no one like Jimmy Dunne.”

Still, Mr. Dunne recalls what Ms. Brooker told him when they met for drinks following publication of the article. “She said, ‘Jimmy, what you did for me in terms of saying, ‘Yes,’ and being so open, do not ever do that again with another journalist.’”

Today, Sandler O’Neill is thriving, with a workforce of 318, almost double its size before the attacks. In an interview with the Brunswick Review, Mr. Dunne recalls how and why he participated in what ranks as a classic among the literature of 9/11. He also talks about a Sandler O’Neill victim who turned out to be a 9/11 hero. On a lighter note, the avid golfer reveals the makeup of his fantasy foursome.

How did the Fortune story come about?

One day Katrina and her editor came in, and they said they felt it was important to do a story showing what we were faced with day to day, and they wanted it to be an authentic story from the inside. Katrina wanted free and total access. And I remember thinking, “I got nothing to hide.” I also thought they seemed genuine about what they wanted to do, and I thought it was worth doing.

Over a period of weeks, actually months, she became well known around here. She was like an employee. If you didn’t know any better, you would have thought she was working here. She made her own decisions on who to speak with for the article. I didn’t direct that. She would meet and talk to people, and people were very open. She’s very smart, she’s engaging, she has a nice way about her, she’s interested in other people and she listens.

You never worried about what she might write?

Late one afternoon, I got a call from one of my partners asking, “How well do you know this Katrina Brooker?” At that point she’d been on the story at least a month. I said, “Not at all.”

By then, she’d been around several of our partners. “She knows a lot more about you than you think she does,” this partner said. He asked, “Have we checked her out at all?”

The answer was no. So I asked one of the young people here to find some of the things she had written, and when I looked at those stories I found that she was pretty tough on several of the people she had written about.

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In starting over, Sandler O’Neill received help from other Wall Street firms, including competitors. Its survival enabled it to support the families of the dead.

That was the first time I gave any thought to what she was doing. But when I thought about it, I still had the view that the article won’t be perfect, I’m not perfect, but the arc of the effort will be correct. Her questions made it clear she was a formidable person. But I didn’t worry about that. I didn’t have time to worry about that. I’d made the decision to trust her in the same way I made a lot of decisions at that moment – by the seat of my pants.

You have to understand that our temporary space was so small and so crowded that there was no alternative to total transparency. We were constantly making decisions on things little and big in a room full of people, including Katrina. In such close quarters we operated in a way that might seem rude today. Under those conditions it was the nature of the beast. If Katrina asked a question about something I didn’t want to talk about, for instance, I wouldn’t even answer. I’d just wave her off. We were in emergency mode, our focus was intense, and Katrina understood that.

Did you see the article before publication?

I did not see any part of the article before it was published. When it did come out, I read it and thought it was very good. I cringed at a few things that I’d said. But I didn’t regret saying them. I remember thinking that it was pretty authentic. She got it right, she got the moment right. She was sensitive to things, and she included a lot of different people.

About three weeks after it came out she called and asked me if I’d meet her for a drink. I said, “Absolutely.” I liked her. Everyone here liked her. To us she was like an employee. I still see her occasionally. Her husband and son went to the school that my two boys went to.

And for the first time ever, I played golf with her this summer.

Looking back at your experience with Fortune, is there anything that you would do or say differently?

I wouldn’t have told her about a colorful remark I once yelled at a trader back before 9/11. But really I have no regrets about the article. It came together during a period after the attack when I unabashedly gave everything I had every day, constantly making decisions along the way.

When your effort and focus is never less than 100 percent for two or three years, you might wish at times that you’d made a different decision about this or that. But if you’re getting an A for effort and attitude you can’t ask for much else.



Are you more guarded with the media today than you were with Katrina?

I don't think I'm guarded at this moment with you. It's just that back then, the circumstances were abnormal, they were raw, and everyone was emotional. You'd be carrying on a conversation with someone in the office and suddenly they'd break down.

Why didn't Herman Sandler want you dealing with the media?

Herman used to say that I could make any decision on commitment taking by myself whereas another partner would need four partners to sign off. But if I were to speak to the press, I would lose a tenth of my percentage points per syllable. With good reason. I'm very direct, which may not always be understood.

When they were killed, then I had to deal with the media. And I had to change in other ways. Herman was very tough, but he had a convivial and warm exterior, whereas I could be pretty cold when it came to business. When they were both killed, I had to have a gentler hand, and I tried to do that.

When did you first hear the story of Welles Crowther, the young hero, a trader for Sandler O'Neill, who helped at least 12 people escape the South Tower before perishing when he returned to save more?

It took a while for the information to emerge that a lot of people had been saved by the same guy, a guy in a red bandana, and then for his parents to con-

Within moments of learning that terrorists had destroyed his firm's offices, killing his friends and colleagues, Mr. Dunne, the firm's designated tough guy, vowed to fight back.



A mystery hero who saved a dozen people, before dying in the effort to save more, turned out to be Sandler O'Neill's Welles Crowther.

firm with those survivors that the guy who saved them was Welles. I may have read the story in the paper when it first came out, like everyone else. I was proud, I was proud of him, I was proud of his family.

I feel like we had good people. I remember being at the funeral of one of our people when somebody said to me, "How did we get so lucky to work with all these incredible people?" And I said, "Luck had nothing to do with it. It was a painstaking process of trying to make the right decisions on people and if someone was not of our grit or our will and our humanity, we'd decide that they wouldn't stay."

We had a methodology to get really good people. And Welles was a Class A, Example No. 1 of that.

Were you surprised when, after 9/11, other Wall Street firms - including your competitors - started throwing you pieces of deals to help you get moving?

I was stunned by it. When somebody called and told me they were putting us in a deal, I couldn't really understand at first. But I made two points to everyone at our firm. I said, "This is great, we're appreciative, and when the tables turn, and they will turn, we're going to respond the same way. Also, we'll know we're getting better when this stops."

What is next for the firm in terms of building the franchise?

We're expanding our client base, we're doing a lot more with private equity funds, with fintech funds, with insurance companies and debt issuance.

Each day we're trying to come out with something different. I feel good about it. But I've always been sort of paranoid and nervous about it, and I still am today.

At the moment of the 9/11 attack, you were on a golf course hoping to qualify for a tournament.

What's your golfing goal these days?

I'm going to be 62 tomorrow. This next year I'm going to get myself in the best possible condition, play in a lot more tournaments, and act like I'm 13 years old again trying to make the high school golf team. Wherever that takes me, I'll be okay.

In golf, what is your fantasy foursome, and where would you play?

My father, Chris Quackenbush and Bobby Jones. And I'd like to play at Augusta National. ♦

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