

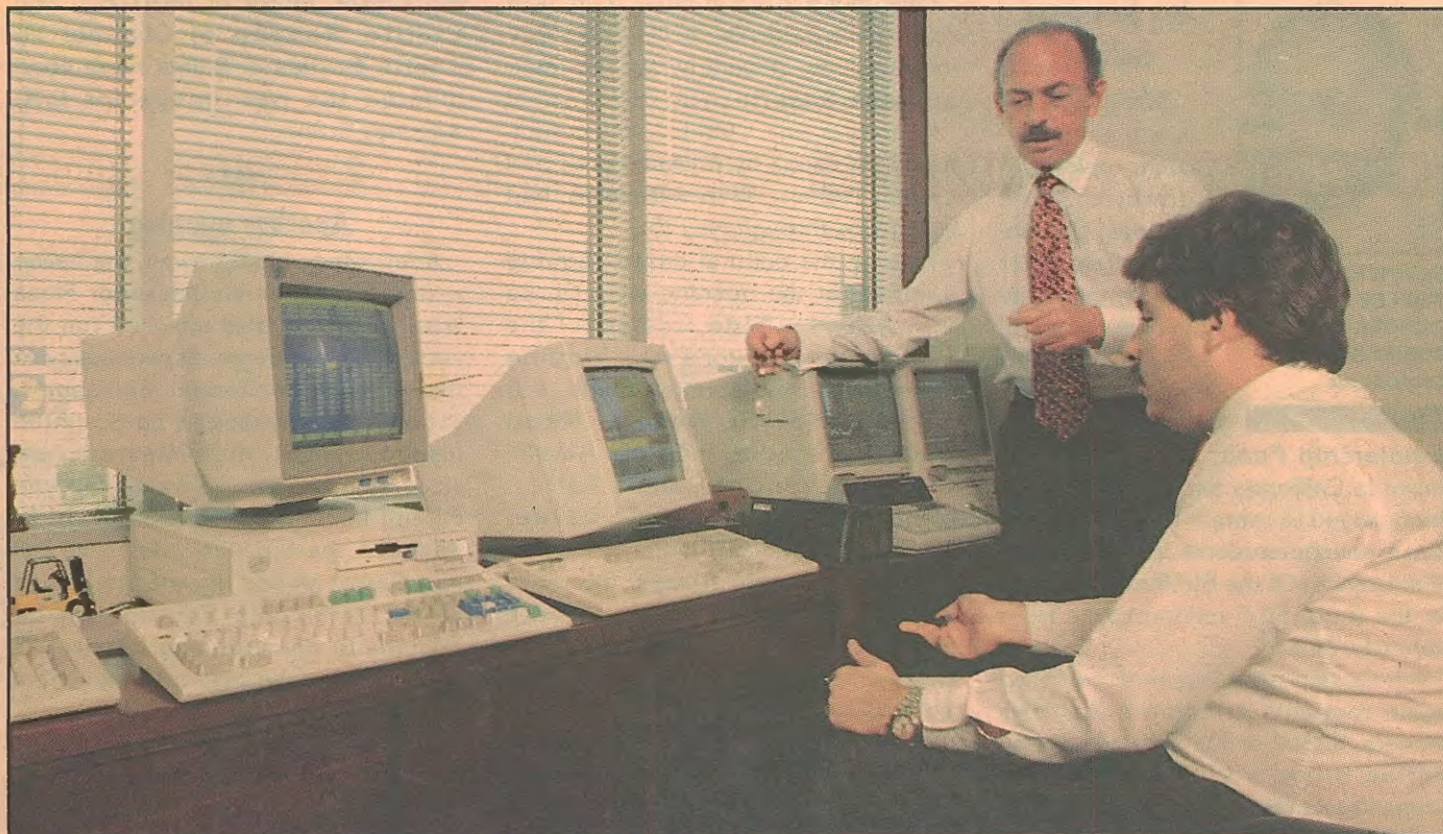
TOP 10

Business Leaders of Puerto Rico
1993

Miguel Ferrer

President of PaineWebber Inc.
of Puerto Rico

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When asked what achievements had earned him his first election to the 1993 CARIBBEAN BUSINESS list of Top 10 Business Leaders in Puerto Rico, Miguel Ferrer reflected for a moment and answered, "I honestly don't know. Nothing earthshaking happened to me, like a big career change, and I haven't done anything outstandingly different from the past. I guess it must be the accumulative effect of my 30 years of labor."

His manner was joking, but the guess was correct. Thirty years of steadily applying himself to one profession, refining expertise ("making money," Ferrer calls it), and raising his company to No. 1 in its field in Puerto Rico have not gone unnoticed by the Hato Rey career watchers. (They're the ones who vote for the Top 10).

Ferrer, president of PaineWebber Inc. of Puerto Rico, began building his professional reputation in the investment and brokerage business in 1961, right after getting a master's degree in business administration from Cornell University, when he joined Merrill Lynch Pierce Fenner & Smith. "That decision," he says, "I owe to 'Pancho' de Jesus, Guillermo Rodriguez-Benitez, Teodoro Moscoso's collaborators, and Cesar Calderon, one of our first important entrepreneurs in Puerto Rico. I was originally in banking, working at Chase soon after my B.A. from Cornell, but Rodriguez urged me to go back for an M.B.A. because he saw a good future in investment banking, and Calderon led me toward my next job after Merrill Lynch, which was with Eastman Dillon."

Ferrer started as a manager with Eastman Dillon in 1965 and reached, in 1974, the position of first vice president. A merger in 1976 turned the company into Blyth Eastman Dillon, with Ferrer

as its senior vice president. He retained that position when PaineWebber merged with Blyth Eastman Dillon in 1980. The next step in the company's evolution occurred when the firm coalesced that same year into PaineWebber Inc., with Ferrer still on a top rung as vice president. Finally, PaineWebber Inc. of Puerto Rico, an entity linked with PaineWebber's worldwide network, emerged, and Ferrer was appointed president, the only Puerto Rican to head a PaineWebber office in the world.

"I would also say," he adds, "that this is one of the most profitable offices — if not the most — in the whole system." The office has 170 people on staff — including investment execs, traders, and investment bankers — more than 20,000 clients, and a record of high profits. (Scattered among the photos and ledgers on the president's desk are mementos of this money-making gift. For peak months, cards — discreetly lettered in Roman numerals [not dollar signs] and frozen in acrylic — proclaim figures such as the \$4 million achieved in June '92.) "We grow," he adds, "at about 30% every year."

PaineWebber, Ferrer explains, does many things, but has three principal functions. They include financing corporate expansion (debt or capital expansion), institutional sales and trading with banks and 936 corporations, and servicing individual accounts. "That's a large market," Ferrer remarks about the money management function. "We have about 65 investment counselors and the majority of our clients in that division, which is 50% of the market share."

Master of opportunities

Like most Top 10 winners, Ferrer describes his leadership style as discreet. "I select talented people and give them the opportunity to do their jobs," he says. "I can usually detect if they're going to be successful. As for myself, I have the total support of the parent company. I'm often in New York meeting with Lee Fensterstock, head of capital markets, and my direct chief. "We share the same outlook."

Ferrer says that if he had to give advice to younger people starting in the field, he'd first say: "Think twice; it's overcrowded right now." Then he'd say: "Be attentive, not only to routine matters, but mostly to opportunities for

new ventures. Luck isn't waiting; you have to create it." As an example, Ferrer cites his own experience with the Innerspace project. Based in California, Innerspace manufactures sensitive medical devices for monitoring internal conditions. Ferrer learned about the company's quest for financing, and successfully organized the funding. "People here aren't usually risk-oriented," he says, "but we saw a good opportunity for clients with Innerspace. It's now 55% owned by Puerto Ricans, and has a plant here that expects to provide employment to about 120 people. And it all started with an idea."

Another idea in Ferrer's future is to push ahead the formation — now in progress — of a PaineWebber international investment banking unit organized to cover Latin American operations. "We've proved," he explains, "that all Latin American underwriting can be managed from Puerto Rico. Both for this office and PaineWebber in general, it's another big opportunity."

Besides that expansion, Ferrer sees continued penetration of PaineWebber into the local market. Without being specific, he suggests "new initiatives are in the planning stages."

Married to Lizette Gratacos and father of four, Ferrer spends leisure time reading, following a physical fitness program, and staying abreast of art. His office in the penthouse of Hato Rey's American International Plaza is filled with sculpture and paintings, especially of his preferred painter, Larry Rivers. "I'm not a musician or painter myself," he laughs, "but if creating money for people is an art, then I think I qualify as an artist." ■

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