

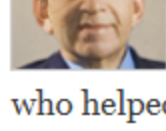
DealBook

WITH FOUNDER ANDREW ROSS SORKIN

MERGERS & ACQUISITIONS INVESTMENT BANKING PRIVATE EQUITY HEDGE FUNDS IPO OFFERINGS VENTURE CAPITAL LEGAL/REGULATORY

Bruce Wasserstein, Lazard Chief, Dies

BY ANDREW ROSS SORKIN AND MICHAEL J. DE LA MERCED OCTOBER 14, 2009 3:53 PM



Update | Oct. 15 *The New York Times's full obituary of Bruce Wasserstein is [here](#).*

Bruce Wasserstein, the Wall Street investment banker who helped pioneer the hostile takeover in the 1980s and reshaped the mergers and acquisitions business into a high art, died Wednesday.

Mr. Wasserstein, 61, was the chairman and chief executive of **Lazard**. The cause of death could not be immediately learned, though he had been hospitalized earlier this week for what was described as an irregular heartbeat. The company had described his condition then as serious, but said he was "stable and recovering."

Mr. Wasserstein, who began his career as a lawyer but quickly moved into investment banking, worked on some of the biggest deals of the past three decades, including **Kohlberg Kravis Roberts's** takeover of RJR Nabisco.

Mr. Wasserstein rarely looked like a stereotypical investment banker, preferring a rumpled look, his shirt often untucked. But he transformed deal-making from a business built on relationships, as practiced by forebears like Andre Meyer and **Elis G. Rohatyn** of Lazard, into one more akin to war, built on complex tactics and armies of bankers and lawyers.

To Mr. Wasserstein, deal-making was a chess game, one ripe for complex strategies — that often came at high cost. Never one to easily lose a deal, he often urged clients to reach deep into their pocketbooks to win, often stroking their egos with what became known as his "Dare to be Great" speech. (Critics bestowed upon him a sobriquet he detested: "Bid-'em Up Bruce.")

"He was a great tactician," Mr. Rohatyn said Wednesday. "He frightened people. That's why they called him 'Bid-'em Up Bruce.'"

Mr. Wasserstein was never afraid to speak his mind. After working on a three-way takeover battle for City Service involving Gulf Oil and the corporate raider Boone Pickens, he said: "There are ten people in the world who know how to do these kinds of deals. And Boone Pickens isn't one of them."

Bruce Wasserstein was born Dec. 25, 1947, in Brooklyn. Even in his youth, Mr. Wasserstein was known for his precocity. One of his sisters, the Pulitzer Prize-winning playwright **Wendy Wasserstein** (who died of lymphoma in 2006), once remembered her hiking adventures with her brother.

"At the end of the trail, Bruce planted a stick, proclaiming it Bruceania," she said. "It never occurred to me to claim the new world as Wendyania."

He graduated from the **University of Michigan** at the age of 19, moving to **Harvard** Law School and the Harvard Business School, where he somewhat improbably served as one of **Ralph Nader's** "Nader's Raiders." He later studied at **Cambridge University** in England as a Knox Fellow.

After graduation, he first began working at the law firm **Cravath, Swaine & Moore**. But he soon left for the more lucrative world of banking, joining the nascent mergers and acquisitions department at First Boston.

Together with **Joseph Perella**, Mr. Wasserstein built the firm into a powerhouse deal shop. Many of the deals that symbolized the frenzy that was the 1980s Wall Street — Texaco's acquisition of Getty Oil, ABC's sale to Capital Cities — bore their fingerprints. (Mr. Rohatyn said he tried to lure Mr. Wasserstein and Mr. Perella to Lazard in the 1980s.)

But in 1988, after months of public feuding with First Boston, he and Mr. Perella left to set up their own shop, Wasserstein Perella & Company, taking many of their former colleagues and clients.

"When Bruce and Joe left First Boston, they and their colleagues came across Park Avenue to our office to continue working on a number of major deals," said Martin Lipton, a partner at the law firm **Wachtell, Lipton, Rosen & Katz** and another gray eminence of deal-making. "They were so busy that they overloaded our phone system so that they, and we, were out of business for several hours."

It was there that Mr. Wasserstein advised on K.K.R.'s takeover of Nabisco, memorably recaptured in the book "Barbarians at the Gate."

Though Mr. Perella left the boutique firm in the 1990s, Mr. Wasserstein stayed on and sold it to **Dresdner Bank** in 2000 for about \$1.4 billion. Ever the inveterate deal-maker, much of those proceeds went to him.

In 2002, he was hired by Lazard's Michel David-Weill, then the firm's chairman, to run the investment bank he had long admired. Mr. Wasserstein, however, persuaded many of the firm's deal-makers to support one of the biggest deals of his career: taking Lazard public and ending more than a century of private ownership. The move set off a bitter feud between the two men, one often played out in the press.

Soon after Lazard went public, Mr. Wasserstein embarked on another major deal, aiding **Carl C. Icahn** in trying to shake up **AOL Time Warner**, his former client. However, that effort ended quietly, with the company reaching a compromise with the gadfly investor.

Most recently, he has led the team advising **Kraft** in its potential takeover of **Cadbury**.

But Mr. Wasserstein had interests beyond the boardroom. In 2004, he made a surprise bid for New York magazine, defeating some of the city's richest businessmen in the process. Years before, he purchased a passel of trade publications including The Deal, a trade publication aimed at deal-makers, and American Lawyer, one aimed at the legal field. He sold the magazine group to **Incisive Media**, a British publisher, in 2007 for \$630 million.

Adam Moss, New York's editor in chief, described Mr. Wasserstein as an unusual owner for the magazine.

"He had always been interested in journalism, an interest sharpened by being on the receiving end of it," Mr. Moss said. "But he never used it to wield influence the way other powerful men would have, never tried to plant a story, never complained about anything we published."

Mr. Wasserstein is survived by his wife, Angela Chao, and seven children. He adopted the daughter of his late sister Wendy. He has been divorced three times.

— *Andrew Ross Sorkin and Michael J. de la Merced*

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George Bowser Jr October 14, 2009 - 4:07 pm
Always sad to hear about a death. But CNBC!!! They had the headline, then immediately removed it when the DOW closed at 10,000 (+). ... Talk about valuing life.

AB October 14, 2009 - 4:13 pm
RIP

Marvillou October 14, 2009 - 4:14 pm
Sad news

Thomas October 14, 2009 - 4:16 pm
Great guy but tough.rest in peace!!

will dooley October 14, 2009 - 4:21 pm
True patriot.

am-in-shock October 14, 2009 - 4:24 pm
Bruce was one of the greatest deal makers ever. There will never be one like him. A master of his craft, he will remain the best. His loss will be felt. ... at Lazard and with practically everyone in the industry. ... his colleagues from First Boston, and Wasserstein Perella who are all now big names themselves. He taught them a lot of what they know. Goodbye Bruce.

Neil October 14, 2009 - 4:25 pm
Imagine dying at 61, with your legacy being "helping to pioneer the hostile takeover". Actually very sad.

sipa October 14, 2009 - 4:26 pm
Always sorry to hear about someone dying. But did Wasserstein truly leave the world a better place? As the pioneer of LBO deals and M&A deals that enriched CEOs and Bankers and left thousands of people unemployed or in a constant state of stress regarding their jobs, I would argue that his impact on the world was decidedly negative.
RIP anyway.

Bill in Dallas October 14, 2009 - 4:30 pm
I wonder how his health may have been connected to what he did for a living, and how he did it. ... rhetorical question really. We all have THAT kind of health.

Jerome Douglas October 14, 2009 - 4:32 pm
Good thing this article is in the DealBook section instead of one of the regular NYT pages, because then the ignorant folks (#8) will just demonize him instead of recognizing the innovation and change he brought to the market. RIP

RonNV October 14, 2009 - 4:33 pm
My heart goes out to his family. He was a real deal maker and a financial success. I hope that he left plenty of money in his will for charity.

Jackie October 14, 2009 - 4:33 pm
@ Sipa #8,
Please try telling that to his siblings, parents, wife and children. A person's impact isn't necessarily measured in terms of how he/she affected the rest of the world, but often in how he/she meant to those they considered closest. Your sentiments are insensitive and ill-timed.

Nikki October 14, 2009 - 4:34 pm
My condolences to the nation and to the world for the repercussions of trends that started in that era and continues to this day.

Jeremy October 14, 2009 - 4:36 pm
I want to see a movie of his life. With John Malkovich in the title role. Call it Wasserstein. Make it so, Hollywood!

Susan Bodiker October 14, 2009 - 4:38 pm
Another profound loss for his niece (Wendy Wasserstein's child). How very, very sad for her and for the family.

Eva October 14, 2009 - 4:38 pm
All I could think about when I saw this headline was little Lucy Jane. What horrible news.

Deejdubya October 14, 2009 - 4:44 pm
Bruce was a real legend in the deals business. With all the hue and cry over bankers making a lot of money, wouldn't it be great to compare Bruce's not insubstantial wealth with the wealth he created for his client's executives and shareholders? It might be a decent counter to the current trend.

Coco14 October 14, 2009 - 5:09 pm
Such sad news -- a bigger than life figure on Wall Street --

Robert October 14, 2009 - 5:13 pm
I searched Bruce Wasserstein philanthropy and found only articles about political contributions... How sad for someone of his wealth! I wonder how much he was allowed to take to the other side/

daver October 14, 2009 - 5:23 pm
Fine man
Under tough circumstances, he persevered
Competition was in his blood
Keeper of the flame was he
He will be remembered
In ways that transcend Wall Street
May he rest in peace

Wendell Nail October 14, 2009 - 5:30 pm
It is a sad loss for his family. I personally don't think all the takeovers and buyouts are a good thing. You get companies in businesses that they know little or nothing about and then try to make a profit with about half the labor. Good for the bottom line in the short run, maybe, but very bad in the long run.

martin October 14, 2009 - 5:40 pm
I had an entry level job at First Boston in 1981 when Wasserstein and Perella were making their reputation. Quite an exciting time. RIP

sandro October 14, 2009 - 5:45 pm
good lord!
he was relatively young. ... just 61!
also lionel pincus passed away couple days ago
RIP

mr. chips October 14, 2009 - 5:49 pm
Sad. Who will take care of Wendy Wasserstein's daughter now?

Elizabeth October 14, 2009 - 5:54 pm
I am most sad for Lucy, the daughter of sister Wendy Wasserstein, whom Bruce took in when her mother died in 2006. To lose her mother, then her guardian uncle in such a short time, must be a painful blow to this young girl. God bless her.

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