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Still Searching for Excellence: Using Past Performance to Predict Future Success

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ABSTRACT**Still Searching for Excellence: Using Past
Performance to Predict Future Success**

Lieutenant Colonel Wesley C. Miller

This paper examines the 17 most closely scrutinized firms identified as "excellent" by Peters and Waterman in their book, In Search of Excellence. This research first justifies using stock market quotations as an alternative for measuring performance. It then compares the firms' stock market performance for the past 10 years with the behavior of a number of stock market indexes. From the comparisons, annual performance measures are assigned: poor, neutral, and excellent. A series of tables are used to display comparison data. Summary data shows firms performed consistently throughout the evaluation period with only one firm, Marriott, meeting the "excellent" criteria. Results indicate past performance cannot be used to predict future "excellence."

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I. INTRODUCTION

The excellent companies seem to have developed cultures that have incorporated the values and practices of the great leaders and thus those shared values can be seen to survive for decades ...the real role of the chief executive is to manage the values of the organization.¹

Tom Peters and
Robert Waterman

A New Management Approach

Management and business circles were buzzing after Tom Peters announced the key managerial attributes necessary for an organization to perform excellently.² When released in 1982, the Peters and Waterman book, In Search of Excellence, discussing these attributes became an instant best-seller. Skeptics soon appeared as the new theory focused on corporate culture rather than organizational structure and strategy - the previous yardsticks for researchers to explain success or failure.³

The managerial community generally welcomed the culture theory and accepted the McKinsey 7-S Framework. This model integrates formal and informal interdependent variables: structure, strategy, style, systems, staff, skills, and shared values. The independent framework was innovative in that it reminded the manager that he played a role beyond the strategy and structure of the organization; the "intractable, irrational, intuitive, informal organization can be managed."⁴

Peters and Waterman (P&W) used this framework to review companies recognized as well-run and draw conclusions about their successful managerial reputations. Their results were nothing more than generalizations; yet, they reenforced the need for sound management principles and common sense management. The eight attributes are:

- A bias for action - do it, fix it, try it but don't wait for the perfect plan.
- Closeness to the customer - be driven by the customer rather than the technology, product, or strategy.
- Autonomy and entrepreneurship - foster leaders and innovators; encourage risk taking and support good tries.
- Productivity through people - treat rank and file as the root source for quality and productivity gain.
- Hands-on, value driven - be seen, have one theme and stick to it.
- Stick to the knitting - stay close to business you know.
- Simple form and lean staff - easy-to-understand structure small corporate staff.
- Simultaneous loose-tight properties - control key variables tightly; others loosely.

Questionable Methodology

Once the book was published, skepticism grew concerning the research methodology. While accepting the new managerial model and principles, critics challenged the empirical methods. Peters and Waterman's search for excellence started while providing consultation services to large companies. The authors observed that some large companies possessed the ability to influence positive outcomes by initiating or adjusting to

environmental changes. However, other companies reacted slowly and they followed the course set by leaders. P&W became curious why this happened and initiated a research project to determine why some companies remained successful while others struggled.

P&W established the project to search for *excellence* and *innovation*. As a starting point, the authors had "an informed group of observers of the business scene - businessmen, consultants, members of the business press, and business academics" create a list of 75 highly regarded companies. Critics claim a scientific method, rather than a firm's reputation, should have been used to develop candidates for excellence.⁵

In any event, P&W researchers used this list of 75 companies obtained from the observers. Thirteen European companies were then dropped from the initial list as they were not a fair cross-section of European companies. Had they remained, analysis would have been complicated because accounting principles and tax regulations vary from country to country.

For a company to be considered excellent, it first had to show financial worthiness. The researchers evaluated the financial performance of the remaining 62 companies from 1961 to 1980 using 6 measures of "long-term superiority:"

- | | |
|----------------------------|-----------------------|
| 1. Compound asset growth. | 4. Return on capital. |
| 2. Compound equity growth. | 5. Return on equity. |
| 3. Market to book ratio. | 6. Return on sales. |

Since these items were measured first, a company had to be financially excellent before it could be managerially excellent. The specific results the researchers observed using these measures were not published. Although these are financial measures, another financial indicator, stock market values were not used; this measure is discussed later.

After evaluating these financial measures, the researchers and industry experts then rated innovativeness. We know even less about this second criterion. The only details known are that reviewers studied a company's twenty-year track record and verified that the candidate company either created new products and services, or quickly responded to changing markets. Again, specific results of this evaluation are unknown.

The financial and innovativeness screenings reduced the list down to 43 candidate excellent firms. Researchers then used two types of interviews: a limited interview and a more lengthy structured interview. These interviews developed the list of attributes, mentioned above, which express the positive aspects of an excellent corporate culture. The interviews resulted in two listings of excellent companies: one of 18 excellent companies that had passed the financial performance, innovation, and structured interview hurdles; and, another of 18 excellent companies which had passed performance, innovation, and limited interview hurdles. This study will only examine the performance

of the 18 companies for which structured interviews were conducted.

II. RELOOKING EXCELLENCE

We don't pretend to account for the perfidy of the market or the whims of investors. The companies have performed well over long periods, and that is good enough for us.⁶

Tom Peters and
Robert Waterman

Why a New Study?

Ten years after Excellence, we can better tell if firms used by Peters and Waterman remain excellent. The authors theorized that their select firms would continue to perform well because the management culture was ingrained in the companies over a long period of time. Is that true? Can past performance be used to predict future performance?

This study does not select a new list of companies to determine whether past performance might predict future "excellence." Rather it uses the sample of companies selected by Peters and Waterman and updates the results. This study is based on data through 1992 and compares the firms' performance with the behavior of a number of stock market indexes. As mentioned above, these companies passed their financial performance and innovation hurdles as well as the structured interviews. This data comparison uses these companies because they received the greatest scrutiny by the P&W researchers. Moreover, 17 of the 18

companies have their stock listed on the New York Stock Exchange (NYSE). The eighteenth firm, Amdahl, is omitted from the comparison as it is not listed on the NYSE. The remaining 17 companies, by P&W grouping, used in this data comparison follow:

High Technology

Digital Equipment
Emerson Electronic
Hewlett-Packard
International Business Machines
Schlumberger Ltd.
Texas Instruments

Consumer Goods

Eastman Kodak
Johnson & Johnson
Procter & Gamble

General Industrial

Caterpillar Tractor
Dana Corporation
Minnesota Mining & Mftg

Services

Delta Airlines
Marriott
McDonald's

Project Management

Boeing
Fluor

The measure of company performance is based on relative stock market quotations, even though this approach is in direct conflict to the above quote and the underlying theory of P&W. They argue that *management processes* are fundamental to excellent performance. However, management processes should ultimately be reflected in *financial performance*; and, this financial record and anticipations of future financial outcomes should be reflected in stock market prices. Investors select stocks of particular firms based on their confidence that the firm will outperform other companies in the marketplace. Regardless of internal management practices, firms must compete in the external marketplace and retain their customers in order to earn profits. Since these profits will influence stock prices, it is appropriate to use relative changes in these stock prices as a measure of excellence.

How is Performance Measured?

Having decided to use relative stock prices as our measure of excellence, the question is: Should the standard of comparison be an industry group stock market index or a broader index such as the Standard and Poor's (S&P) 500?

Both standards are important in determining the success or potential of a company. Comparison against an industry group average reflects the company's performance relative to a limited segment of the market, namely their competition. Companies strive to outperform their competitors by increasing efficiencies and bringing products or services to the market with suitable quality and price. These elements, quality and price, may vary for products between companies; therefore, the successful company must identify the proper mix according to customer preferences. Companies with successful quality and price mixes are rewarded with increased market share and customer confidence. This translates to higher earnings and increased stock market values. Therefore, comparison within the industry is one aspect of performance necessary for evaluating excellence.

The other standard for comparison, against a broader market average, is equally important. Above we discussed how like companies compete for market share; well, the entire market competes for capital investment. Stock trading reflects the willingness of the private sector to invest in a company and

increasing stock prices demonstrate the expectation for growth. Companies growing faster than the market average have the best opportunity for new capital investment. Therefore, comparing a company's stock performance to the market average reflects a standard of comparison necessary to evaluate general market acceptance of a stock.

This study uses both standards, industry group and market average indexes. The Standard and Poor's (S&P) 500 index of stocks traded on the NYSE is used for the broad market comparison. This index is comprised of 500 commonly traded stocks and consists of 425 industrial manufacturing companies and 75 additional stocks from utility and service companies. S&P Industry Group indexes are used for the limited comparison of similar companies. For example, Delta Airlines performance is compared to the S&P Airline Service Group index, while Johnson and Johnson is compared to the Health Care Group index. In nearly all cases, the evaluated firm is a member of the group index.

For recognition as excellent in this comparison, a company must exceed both the market average and its respective industry group. Application of both standards is needed to fully evaluate a company's performance. For example, a company may exceed the performance relative to the composite market index. This causes a presumption that the company has had satisfactory or above average performance. This need not be the case, for the company

might be in an industry group which on average outperforms the market average, but that company underperforms within its own industry. Likewise, a company may outperform its industry average, yet, not do better than the overall index because the industry does not perform as well as the rest of the market. Accordingly, for this data comparison, for companies to be judged excellent, their stock prices must have increased more than the S&P 500 and the respective industry index.

How is the Evaluation Measure Derived?

As indicated, this study uses the value of a firm's common stock as the basis to evaluate excellence. The basis of comparison is the change in that firm's stock price relative to the appropriate indexes over a period of time. The New York Stock Exchange closing quotations are used in making all calculations for the last trading day of each calendar year for the stocks and appropriate S&P Indexes. In those cases where stock splits occurred during a calendar year, the number of shares is adjusted to reflect the splits. Annual values were then calculated using the year end quotations and the corresponding number of shares. This information was summarized in table form for each of the 17 P&W selected firms. (These data are presented in the Appendicies I and II.) The development of detailed data is discussed in the following paragraphs.

The data were developed for each of the firms in the same manner. This process consisted of several steps. First, the

common stock price quotation for the last trading day of each calendar year was obtained from the Wall Street Journal. The data were collected for the years 1978 through 1992, with 1978 was selected as a base year.

The history of stock dividends was then obtained using Moody's Industrial Manual. This was required as stock splits affect stock value; a stock splitting 2 for 1 generally has a value one-half of the pre-stock quotation. Accordingly, stock splits were accounted for in building the data tables. For example, if one share of stock were available for 1982 and the stock split 2 for 1 during 1983, the share quantity was increased accordingly for that year.

For each firm, calendar year end values were calculated by multiplying the stock price by the quantity of split adjusted shares. This value was then converted into an index number relative to the share value in the base year. The S&P 500 and other indexes were also converted into index number form using the same base year. Then the performance of each of the 17 firms could be compared to these standards. A company's performance could be judged excellent, neutral or poor over a relevant time span according to the following criteria:

- Excellent - Stock value increases more than 10 percent above the comparative index
- Neutral - Stock value changes are within ± 10 percent relative to the comparative index

- Poor - Stock value increases are at least 10 percent below the comparative index

III. THE RESULTS: SEARCHING TO FIND EXCELLENCE

Excellence manifests itself in a superior track record of financial performance, which in turn produces a high-priced, infavor stock. But from a new investor's point of view, that good news is already in the price of the stock.⁷

Barry B. Bannister
Trust Investment Officer

Firms Outperforming the S&P 500

One method of evaluating performance is to count the number of firms which outperformed the market index at specific points in time. Summary data, using 1987 and 1992 as benchmarks, illustrates general performance results. Selection of these years represent time frames 5 and 10 years past the 1981-82 recession period, and like periods after the book was published. This is an adequate amount of time to determine whether it is possible to predict future performance on the basis of past results.

The first table, Table 1, indicates that approximately only one-third of the firms outperformed the market over the time spans ending in the benchmark years. While these results reflect the performance over a long period of time, they fail to identify the frequency of highs and lows of performance. It is possible for a firm to experience 4 bad years and one good year in which

Table 1. Firms Above and Below S&P 500 Index
in Benchmark Years

	<u>Above</u>	<u>Below</u>
1987	5	12
1992	5	12

all sub-par performance is overshadowed. Excellent firms may experience recovery years; however, overall the number of years exceeding market performance should out-number the poor years.

Table 2. Annual Performance Summary Relative
to S&P 500 Index, 1981-1992

	Excellent	Neutral	Poor
High Technology			
Digital Equipment	3	3	6
Emerson Electronic	5	2	5
Hewlett-Packard	6	0	6
IBM	3	4	6
Schlumberger Ltd.	1	1	10
Texas Instruments	4	0	8
Consumer Goods			
Eastman Kodak	4	2	6
*Johnson & Johnson	8	0	4
Procter & Gamble	5	1	6
General Industrial			
Caterpillar Tractor	1	2	9
Dana Corporation	3	6	3
3M	4	3	5
Services			
Delta Airlines	5	0	7
*Marriott	10	1	1
*McDonald's	9	1	2
Project Management			
Boeing	5	2	5
Fluor	3	0	9
Portfolio Total	78	28	98

* Denotes Excellence Performance relative to S&P 500

The results in Table 2 show that only three firms; Johnson & Johnson, Marriott, and McDonald's; have annual stock market changes which consistently outperform the S&P 500 index. Taken as a whole, the number of poor years for these 17 companies is larger than the number of excellent years.

The alternate measure is to compare the financial implications of investments made in stock alternatives. This example compares the results of investing in a hypothetical mutual fund comprised of one share of common stock in each of the Peters and Waterman (P&W) 17 excellent firms. The fund values for the benchmark years are then compared to a S&P 500 based mutual fund. The results are presented in Table 3.

Table 3. Mutual Fund Comparison of Excellent Firms
and S&P 500 in Benchmark Years

	<u>P&W Fund</u>	<u>S&P 500 Fund</u>
Invested 31 Dec 80	\$1,148	\$1,148
Value 31 Dec 87	\$2,092	\$2,100
Value 31 Dec 92	\$2,867	\$3,691

From the end of 1980 through 1987 there was very little difference in the performance of the two funds. This is mainly due to the exceptional performance of a few stocks. For instance, McDonald's and Marriott's value each grew more than 4 times between 1981 and 1987. The computer industry stocks, Digital and Hewlett-Packard, also showed strong performance by

more than doubling their value. The fifth firm, Johnson & Johnson, had the same success.

However by the end of 1992, the P&W fund lagged behind market performance. While four of the same firms (McDonald's, Marriott, Hewlett-Packard, and Johnson & Johnson) continued to outperform the market index, Digital Equipment no longer did. However, Emerson Electric did barely exceed the index. Based on these results, it is possible to conclude that on average these 17 companies did not outperform the market and that based on this criterion, the firms could not on average be considered "excellent." However, these firms might have performed badly because their respective industries did badly. Thus it is necessary to judge the firms against their own industry indexes.

Comparison Within the Industry Group

Firms achieve success but their competitors may do better. Matching a competitor does not show innovation or excellence. For this reason, the stock of excellent firms are expected to exceed the industry group more times than fall short of the index. Table 4 presents these results. The figures represent a summary of the cumulative performance over the time span:

Table 4. Firms Above and Below Respective Industry Group Index in Benchmark Years

	<u>Above</u>	<u>Below</u>
1987	8	9
1992	5	12

By 1992, the stocks of only five of the 17 companies had been able to outperform their industry indexes. These companies are: Dana Corporation, Hewlett-Packard, Marriott, Caterpillar, and Johnson & Johnson.

In Table 5, the annual change of these stock prices relative to industry group averages is presented. Overall, the stock price increases of these firms exceeded the increases of their industry indexes by more than 10 percent on one-third of the time; or, two-thirds of the time the firms only matched or did worse than the industry average. It should be noted that the most frequent occurrence was for these 17 firms to have stock market performances which was at least 10 percent below their industry group.

Only six of the 17 firms had more years in which they outperformed the industry indexes on average than the converse. They are annotated on Table 5. Since only Hewlett-Packard and Marriott also outperformed the S&P 500, only these firms could be considered excellent using the criteria noted above.

**Table 5. Annual Performance Summary Relative
to S&P Industry Group Indexes, 1981-1992**

	Excellent	Neutral	Poor
High Technology			
Digital Equipment	4	2	6
*Emerson Electronic	5	2	4
*Hewlett-Packard	3	4	1
IBM	3	4	5
*Schlumberger Ltd.	5	6	1
Texas Instruments	3	3	6
Consumer Goods			
Eastman Kodak	2	1	4
Johnson & Johnson	2	3	7
Procter & Gamble	1	6	5
General Industrial			
Caterpillar Tractor	3	4	5
*Dana Corporation	5	4	3
3M	3	1	3
Services			
Delta Airlines	4	1	7
*Marriott	9	1	2
McDonald's	5	1	6
Project Management			
*Boeing	5	3	4
Fluor	2	5	2
Portfolio Total	64	51	71

* Denotes Excellence Performance within Industry Group

Did Time Make a Difference?

The evaluation could be skewed by the time periods which were used in this analysis. Specifically, the portfolio may have performed excellently for several years and then changed to sub-par performance because of market or economy influences. It is therefore important to determine whether the results would have differed if another set of time periods had been used in the analysis.

Is that the case? No, Table 6 reflects the ratings during the 2 year recessionary period, 1981-82, and the two 5 year periods that follow.

Table 6. Time-phased Performance Summary Relative to S&P 500
1981-1992

	Excellent	Neutral	Poor
1981-1982	17	8	9
1983-1987	30	15	40
1988-1992	31	6	49

While a higher percentage of excellent ratings was scored for the 2 year recessionary period, the results for the other two sub-periods were consistent with the overall results presented above. Thus the results indicate that past excellent performance does not predict future successes.

Evaluation Summary

The evaluation revealed the following:

- A mutual fund composed of these 17 firms did not beat the S&P 500.
- 5 of 17 firms had cumulative increases exceeding the market index at the end of the evaluation period.
- 6 of 17 firms met the evaluation criteria by exceeding the industry group index most frequently.
- 3 of 17 firms met the evaluation criteria by exceeding the market index most frequently.

- The firms appear to perform consistently throughout the evaluation period.
- Only one firm, Marriott, met the evaluation criteria for excellent.

We can, therefore, conclude that firms' past excellent performance, at least as identified by P&W, is no guarantee that the companies will continue to do well in the future.

IV. THE NEXT STEP

Is More Research Needed?

Yes, this evaluation should be expanded to include payment of cash dividends. While high stock prices reflect the potential for continued value and these encourage , this research has omitted the record of past performance, i.e., dividends. Including cash dividends would provide a better record of total benefits received by an investor. The total record of benefits would reduce the opportunity for skeptics to challenge the results as incomplete.

The original study creates an additional concern - were these firms ever excellent? This research assumes so. While the intent was not to prove that the firms were never excellent, the results beg the question to see if firms can pass the criteria of this research and have excellent results for the 1961-1980 timeframe originally used. If the results showed the firms as excellent for that timeframe, this study would have greater credibility.

The indexing technique should be reviewed. This research uses a common year throughout - 1978 is the index year. Theoretically, percentage intervals should remain constant with computations by an new index year. While the computations in this review are simplistic and logical, additional knowledge in empirical computations may strengthen the presentation of the display data. One such method may be using the first year of the original research - 1961.

An item of greater significance would be to determine the reasons why firms moved from the excellent category to a less than excellent status. The true reason or reasons are difficult to ascertain. Many articles can be read citing reasons why such changes occur. For instance, IBM has fallen from its position of greatness in the computer industry. This may have been caused by an incorrect strategy resulting from a failure to understand the impact of the micro-computer on mainframes. Or, perhaps it was due to IBM's inability to get products to the market before the competition did. Whatever the correct reason, other firms have bitten away segments of the market which IBM once dominated. In depth studies of each firm and its industry group would be required to provide an analytical basis for assessing these changes.

V. CONCLUSIONS

This study questioned whether firms which Peters and Waterman found to be managerially and financially excellent after reviewing 20 years of data continued to be excellent. Peters and Waterman hypothesized that excellence would continue as the firms had been successful in the past and these organizational values would survive for decades.

The analysis of this paper focussed on the decade following the release of the book. The empirical analysis showed that previously excellent firms had poor performance measured by relative stock movements. On average, the stock prices of these companies did not increase as much as did either the general market or like industry indexes. Of the 17 firms reviewed, only Marriott showed consistent performance in excess of its industry group and the market indexes.

Peters and Waterman discounted the relevance of the stock market performance. However, investors pay attention and seek firms with excellent financial results. While the generalizations on management sound right, there are no empirical measures provided on how to determine success. Accordingly, investors must continue to search for excellence using criteria other than the attributes provided in that book. The companies found excellent in that book using vague criteria would not have been considered "excellent" in a subsequent period using the aforementioned financial measures.

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Appendix I

Data Tables Comparing Peters and Waterman
Excellent Companies' Performance
with Standard & Poor's Performance

Data Table Comparing P&W Performance With S&P 500 Performance

	Boeing				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$71.38	\$71.38	1.00	\$96.11	1.00			
1979	1.50	\$50.63	\$75.94	1.06	\$107.94	1.12	12.3%	6.4%	-5.9%
1980	2.25	\$44.13	\$99.28	1.39	\$135.52	1.41	28.7%	32.7%	4.0%
1981	2.25	\$21.63	\$48.66	0.68	\$123.80	1.29	-12.2%	-70.9%	-58.7%
1982	2.25	\$33.88	\$76.22	1.07	\$141.20	1.47	18.1%	38.6%	20.5%
1983	2.25	\$43.75	\$98.44	1.38	\$165.30	1.72	25.1%	31.1%	6.1%
1984	2.25	\$56.63	\$127.41	1.79	\$166.50	1.73	1.2%	40.6%	39.3%
1985	3.37	\$52.50	\$176.93	2.48	\$211.30	2.20	46.6%	69.4%	22.8%
1986	3.37	\$51.13	\$172.29	2.41	\$242.17	2.52	32.1%	-6.5%	-38.6%
1987	3.37	\$37.00	\$124.69	1.75	\$247.90	2.58	6.0%	-66.7%	-72.7%
1988	3.37	\$60.63	\$204.31	2.86	\$277.10	2.88	30.4%	111.5%	81.2%
1989	5.06	\$50.63	\$256.16	3.59	\$348.80	3.63	74.6%	72.7%	-1.9%
1990	7.59	\$61.88	\$469.63	6.58	\$330.90	3.44	-18.6%	299.1%	317.7%
1991	7.59	\$46.50	\$352.94	4.94	\$415.14	4.32	87.6%	-163.5%	-251.1%
1992	7.59	\$40.13	\$304.55	4.27	\$435.71	4.53	21.4%	-67.8%	-89.2%

	Digital Equipment				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$53.63	\$53.63	1.00	\$96.11	1.00			
1979	1.00	\$68.88	\$68.88	1.28	\$107.94	1.12	12.3%	28.4%	16.1%
1980	1.00	\$95.00	\$95.00	1.77	\$135.52	1.41	28.7%	48.7%	20.0%
1981	1.00	\$86.50	\$86.50	1.61	\$123.80	1.29	-12.2%	-15.9%	-3.7%
1982	1.00	\$99.50	\$99.50	1.86	\$141.20	1.47	18.1%	24.2%	6.1%
1983	1.00	\$72.00	\$72.00	1.34	\$165.30	1.72	25.1%	-51.3%	-76.4%
1984	1.00	\$110.75	\$110.75	2.07	\$166.50	1.73	1.2%	72.3%	71.0%
1985	1.00	\$132.50	\$132.50	2.47	\$211.30	2.20	46.6%	40.6%	-6.1%
1986	2.00	\$104.75	\$209.50	3.91	\$242.17	2.52	32.1%	143.6%	111.5%
1987	2.00	\$135.00	\$270.00	5.03	\$247.90	2.58	6.0%	112.8%	106.9%
1988	2.00	\$98.38	\$196.75	3.67	\$277.10	2.88	30.4%	-136.6%	-167.0%
1989	2.00	\$68.00	\$136.00	2.54	\$348.80	3.63	74.6%	-113.3%	-187.9%
1990	2.00	\$55.50	\$111.00	2.07	\$330.90	3.44	-18.6%	-46.6%	-28.0%
1991	2.00	\$56.25	\$112.50	2.10	\$415.14	4.32	87.6%	2.8%	-84.9%
1992	2.00	\$33.75	\$67.50	1.26	\$435.71	4.53	21.4%	-83.9%	-105.3%

Data Table Comparing P&W Performance With S&P 500 Performance

Delta Airlines				S&P 500		S&P	Co	Co-S&P
Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$41.75	\$41.75	1.00	\$96.11	1.00		
1979	1.00	\$39.13	\$39.13	0.94	\$107.94	1.12	12.3%	-6.3%
1980	1.00	\$59.00	\$59.00	1.41	\$135.52	1.41	28.7%	47.6%
1981	2.00	\$24.50	\$49.00	1.17	\$123.80	1.29	-12.2%	-24.0%
1982	2.00	\$44.50	\$89.00	2.13	\$141.20	1.47	18.1%	95.8%
1983	2.00	\$39.75	\$79.50	1.90	\$165.30	1.72	25.1%	-22.8%
1984	2.00	\$43.63	\$87.25	2.09	\$166.50	1.73	1.2%	18.6%
1985	2.00	\$39.00	\$78.00	1.87	\$211.30	2.20	46.6%	-22.2%
1986	2.00	\$48.13	\$96.25	2.31	\$242.17	2.52	32.1%	43.7%
1987	2.00	\$37.13	\$74.25	1.78	\$247.90	2.58	6.0%	-52.7%
1988	2.00	\$50.13	\$100.25	2.40	\$277.10	2.88	30.4%	62.3%
1989	2.00	\$39.13	\$78.25	1.87	\$348.80	3.63	74.6%	-52.7%
1990	2.00	\$55.63	\$111.25	2.66	\$330.90	3.44	-18.6%	79.0%
1991	2.00	\$64.25	\$128.50	3.08	\$415.14	4.32	87.6%	41.3%
1992	2.00	\$52.88	\$105.75	2.53	\$435.71	4.53	21.4%	-54.5%

Dana Corporation				S&P 500		S&P	Co	Co-S&P
Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$29.50	\$29.50	1.00	\$96.11	1.00		
1979	1.00	\$25.75	\$25.75	0.87	\$107.94	1.12	12.3%	-12.7%
1980	1.00	\$21.38	\$21.38	0.72	\$135.52	1.41	28.7%	-14.8%
1981	1.00	\$29.50	\$29.50	1.00	\$123.80	1.29	-12.2%	27.5%
1982	1.00	\$34.75	\$34.75	1.18	\$141.20	1.47	18.1%	17.8%
1983	1.50	\$28.00	\$42.00	1.42	\$165.30	1.72	25.1%	24.6%
1984	1.50	\$26.63	\$39.94	1.35	\$166.50	1.73	1.2%	-7.0%
1985	1.50	\$27.25	\$40.88	1.39	\$211.30	2.20	46.6%	3.2%
1986	1.50	\$34.88	\$52.31	1.77	\$242.17	2.52	32.1%	38.8%
1987	1.50	\$34.13	\$51.19	1.74	\$247.90	2.58	6.0%	-3.8%
1988	1.50	\$38.88	\$58.31	1.98	\$277.10	2.88	30.4%	24.2%
1989	1.50	\$25.75	\$38.63	1.31	\$348.80	3.63	74.6%	-66.7%
1990	1.50	\$29.38	\$44.06	1.49	\$330.90	3.44	-18.6%	18.4%
1991	1.50	\$27.30	\$40.95	1.39	\$415.14	4.32	87.6%	-10.6%
1992	1.50	\$47.00	\$70.50	2.39	\$435.71	4.53	21.4%	100.2%

Data Table Comparing P&W Performance With S&P 500 Performance

	Caterpillar Tractor				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$58.75	\$58.75	1.00	\$96.11	1.00			
1979	1.00	\$54.00	\$54.00	0.92	\$107.94	1.12	12.3%	-8.1%	-20.4%
1980	1.00	\$58.00	\$58.00	0.99	\$135.52	1.41	28.7%	6.8%	-21.9%
1981	1.00	\$55.50	\$55.50	0.94	\$123.80	1.29	-12.2%	-4.3%	7.9%
1982	1.00	\$40.25	\$40.25	0.69	\$141.20	1.47	18.1%	-26.0%	-44.1%
1983	1.00	\$47.50	\$47.50	0.81	\$165.30	1.72	25.1%	12.3%	-12.7%
1984	1.00	\$31.00	\$31.00	0.53	\$166.50	1.73	1.2%	-28.1%	-29.3%
1985	1.00	\$42.00	\$42.00	0.71	\$211.30	2.20	46.6%	18.7%	-27.9%
1986	1.00	\$40.13	\$40.13	0.68	\$242.17	2.52	32.1%	-3.2%	-35.3%
1987	1.00	\$62.00	\$62.00	1.06	\$247.90	2.58	6.0%	37.2%	31.3%
1988	1.00	\$63.63	\$63.63	1.08	\$277.10	2.88	30.4%	2.8%	-27.6%
1989	1.00	\$54.00	\$54.00	0.92	\$348.80	3.63	74.6%	-16.4%	-91.0%
1990	1.00	\$46.63	\$46.63	0.79	\$330.90	3.44	-18.6%	-12.6%	6.1%
1991	1.00	\$42.75	\$42.75	0.73	\$415.14	4.32	87.6%	-6.6%	-94.2%
1992	1.00	\$47.00	\$47.00	0.80	\$435.71	4.53	21.4%	7.2%	-14.2%

	Emerson Electric				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$35.63	\$35.63	1.00	\$96.11	1.00			
1979	1.00	\$35.13	\$35.13	0.99	\$107.94	1.12	12.3%	-1.4%	-13.7%
1980	1.00	\$36.50	\$36.50	1.02	\$135.52	1.41	28.7%	3.9%	-24.8%
1981	1.00	\$45.38	\$45.38	1.27	\$123.80	1.29	-12.2%	24.9%	37.1%
1982	1.00	\$60.50	\$60.50	1.70	\$141.20	1.47	18.1%	42.5%	24.4%
1983	1.00	\$66.50	\$66.50	1.87	\$165.30	1.72	25.1%	16.8%	-8.2%
1984	1.00	\$69.50	\$69.50	1.95	\$166.50	1.73	1.2%	8.4%	7.2%
1985	1.00	\$81.25	\$81.25	2.28	\$211.30	2.20	46.6%	33.0%	-13.6%
1986	1.00	\$83.75	\$83.75	2.35	\$242.17	2.52	32.1%	7.0%	-25.1%
1987	3.00	\$17.00	\$51.00	1.43	\$247.90	2.58	6.0%	-91.9%	-97.9%
1988	3.00	\$30.38	\$91.13	2.56	\$277.10	2.88	30.4%	112.6%	82.2%
1989	3.00	\$35.13	\$105.38	2.96	\$348.80	3.63	74.6%	40.0%	-34.6%
1990	3.00	\$37.50	\$112.50	3.16	\$330.90	3.44	-18.6%	20.0%	38.6%
1991	3.00	\$53.88	\$161.63	4.54	\$415.14	4.32	87.6%	137.9%	50.2%
1992	3.00	\$55.00	\$165.00	4.63	\$435.71	4.53	21.4%	9.5%	-11.9%

Data Table Comparing P&W Performance With S&P 500 Performance

	Hewlett Packard				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$89.88	\$89.88	1.00	\$96.11	1.00			
1979	2.00	\$59.13	\$118.25	1.32	\$107.94	1.12	12.3%	31.6%	19.3%
1980	2.00	\$89.50	\$179.00	1.99	\$135.52	1.41	28.7%	67.6%	38.9%
1981	4.00	\$39.63	\$158.50	1.76	\$123.80	1.29	-12.2%	-22.8%	-10.6%
1982	4.00	\$73.00	\$292.00	3.25	\$141.20	1.47	18.1%	148.5%	130.4%
1983	8.00	\$42.38	\$339.00	3.77	\$165.30	1.72	25.1%	52.3%	27.2%
1984	8.00	\$33.88	\$271.00	3.02	\$166.50	1.73	1.2%	-75.7%	-76.9%
1985	8.00	\$36.75	\$294.00	3.27	\$211.30	2.20	46.6%	25.6%	-21.0%
1986	8.00	\$41.88	\$335.00	3.73	\$242.17	2.52	32.1%	45.6%	13.5%
1987	8.00	\$58.25	\$466.00	5.18	\$247.90	2.58	6.0%	145.8%	139.8%
1988	8.00	\$53.25	\$426.00	4.74	\$277.10	2.88	30.4%	-44.5%	-74.9%
1989	8.00	\$59.13	\$473.00	5.26	\$348.80	3.63	74.6%	52.3%	-22.3%
1990	8.00	\$32.00	\$256.00	2.85	\$330.90	3.44	-18.6%	-241.4%	-222.8%
1991	8.00	\$56.38	\$451.00	5.02	\$415.14	4.32	87.6%	217.0%	129.3%
1992	8.00	\$69.88	\$559.00	6.22	\$435.71	4.53	21.4%	120.2%	98.8%

	Fluor				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$33.25	\$33.25	1.00	\$96.11	1.00			
1979	1.50	\$52.63	\$78.94	2.37	\$107.94	1.12	12.3%	137.4%	125.1%
1980	3.00	\$60.00	\$180.00	5.41	\$135.52	1.41	28.7%	303.9%	275.3%
1981	3.00	\$30.00	\$90.00	2.71	\$123.80	1.29	-12.2%	-270.7%	-258.5%
1982	3.00	\$19.50	\$58.50	1.76	\$141.20	1.47	18.1%	-94.7%	-112.8%
1983	3.00	\$17.25	\$51.75	1.56	\$165.30	1.72	25.1%	-20.3%	-45.4%
1984	3.00	\$14.75	\$44.25	1.33	\$166.50	1.73	1.2%	-22.6%	-23.8%
1985	3.00	\$15.50	\$46.50	1.40	\$211.30	2.20	46.6%	6.8%	-39.8%
1986	3.00	\$11.50	\$34.50	1.04	\$242.17	2.52	32.1%	-36.1%	-68.2%
1987	3.00	\$13.75	\$41.25	1.24	\$247.90	2.58	6.0%	20.3%	14.3%
1988	3.00	\$23.38	\$70.13	2.11	\$277.10	2.88	30.4%	86.8%	56.5%
1989	3.00	\$52.63	\$157.88	4.75	\$348.80	3.63	74.6%	263.9%	189.3%
1990	3.00	\$37.00	\$111.00	3.34	\$330.90	3.44	-18.6%	-141.0%	-122.4%
1991	3.00	\$43.13	\$129.38	3.89	\$415.14	4.32	87.6%	55.3%	-32.4%
1992	3.00	\$41.88	\$125.63	3.78	\$435.71	4.53	21.4%	-11.3%	-32.7%

Data Table Comparing P&W Performance With S&P 500 Performance

International Business Machines					S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$298.50	\$298.50	1.00	\$96.11	1.00			
1979	4.00	\$64.38	\$257.50	0.86	\$107.94	1.12	12.3%	-13.7%	-26.0%
1980	4.00	\$67.88	\$271.50	0.91	\$135.52	1.41	28.7%	4.7%	-24.0%
1981	4.00	\$56.88	\$227.50	0.76	\$123.80	1.29	-12.2%	-14.7%	-2.5%
1982	4.00	\$76.25	\$305.00	1.02	\$141.20	1.47	18.1%	26.0%	7.9%
1983	4.00	\$122.00	\$488.00	1.63	\$165.30	1.72	25.1%	61.3%	36.2%
1984	4.00	\$123.13	\$492.50	1.65	\$166.50	1.73	1.2%	1.5%	0.3%
1985	4.00	\$155.50	\$622.00	2.08	\$211.30	2.20	46.6%	43.4%	-3.2%
1986	4.00	\$120.00	\$480.00	1.61	\$242.17	2.52	32.1%	-47.6%	-79.7%
1987	4.00	\$115.50	\$462.00	1.55	\$247.90	2.58	6.0%	-6.0%	-12.0%
1988	4.00	\$121.00	\$484.00	1.62	\$277.10	2.88	30.4%	7.4%	-23.0%
1989	4.00	\$64.38	\$257.50	0.86	\$348.80	3.63	74.6%	-75.9%	-150.5%
1990	4.00	\$113.30	\$453.20	1.52	\$330.90	3.44	-18.6%	65.6%	84.2%
1991	4.00	\$90.38	\$361.50	1.21	\$415.14	4.32	87.6%	-30.7%	-118.4%
1992	4.00	\$50.38	\$201.50	0.68	\$435.71	4.53	21.4%	-53.6%	-75.0%

	Johnson and Johnson				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$73.75	\$73.75	1.00	\$96.11	1.00			
1979	1.00	\$79.25	\$79.25	1.07	\$107.94	1.12	12.3%	7.5%	-4.9%
1980	1.00	\$99.75	\$99.75	1.35	\$135.52	1.41	28.7%	27.8%	-0.9%
1981	3.00	\$37.13	\$111.38	1.51	\$123.80	1.29	-12.2%	15.8%	28.0%
1982	3.00	\$49.63	\$148.88	2.02	\$141.20	1.47	18.1%	50.8%	32.7%
1983	3.00	\$40.88	\$122.63	1.66	\$165.30	1.72	25.1%	-35.6%	-60.7%
1984	3.00	\$36.13	\$108.38	1.47	\$166.50	1.73	1.2%	-19.3%	-20.6%
1985	3.00	\$52.63	\$157.88	2.14	\$211.30	2.20	46.6%	67.1%	20.5%
1986	3.00	\$65.63	\$196.88	2.67	\$242.17	2.52	32.1%	52.9%	20.8%
1987	3.00	\$74.88	\$224.63	3.05	\$247.90	2.58	6.0%	37.6%	31.7%
1988	3.00	\$85.13	\$255.38	3.46	\$277.10	2.88	30.4%	41.7%	11.3%
1989	6.00	\$79.25	\$475.50	6.45	\$348.80	3.63	74.6%	298.5%	223.9%
1990	6.00	\$71.00	\$426.00	5.78	\$330.90	3.44	-18.6%	-67.1%	-48.5%
1991	6.00	\$115.00	\$690.00	9.36	\$415.14	4.32	87.6%	358.0%	270.3%
1992	12.00	\$50.25	\$603.00	8.18	\$435.71	4.53	21.4%	-118.0%	-139.4%

Data Table Comparing P&W Performance With S&P 500 Performance

	3M				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$63.13	\$63.13	1.00	\$96.11	1.00			
1979	1.00	\$50.25	\$50.25	0.80	\$107.94	1.12	12.3%	-20.4%	-32.7%
1980	1.00	\$59.00	\$59.00	0.93	\$135.52	1.41	28.7%	13.9%	-14.8%
1981	1.00	\$54.00	\$54.00	0.86	\$123.80	1.29	-12.2%	-7.9%	4.3%
1982	1.00	\$75.00	\$75.00	1.19	\$141.20	1.47	18.1%	33.3%	15.2%
1983	1.00	\$82.50	\$82.50	1.31	\$165.30	1.72	25.1%	11.9%	-13.2%
1984	1.00	\$78.63	\$78.63	1.25	\$166.50	1.73	1.2%	-6.1%	-7.4%
1985	1.00	\$89.75	\$89.75	1.42	\$211.30	2.20	46.6%	17.6%	-29.0%
1986	1.00	\$116.63	\$116.63	1.85	\$242.17	2.52	32.1%	42.6%	10.5%
1987	2.00	\$64.38	\$128.75	2.04	\$247.90	2.58	6.0%	19.2%	13.2%
1988	2.00	\$62.00	\$124.00	1.96	\$277.10	2.88	30.4%	-7.5%	-37.9%
1989	2.00	\$50.25	\$100.50	1.59	\$348.80	3.63	74.6%	-37.2%	-111.8%
1990	2.00	\$86.25	\$172.50	2.73	\$330.90	3.44	-18.6%	114.1%	132.7%
1991	2.00	\$94.00	\$188.00	2.98	\$415.14	4.32	87.6%	24.6%	-63.1%
1992	2.00	\$100.63	\$201.25	3.19	\$435.71	4.53	21.4%	21.0%	-0.4%

	McDonald's				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$46.25	\$46.25	1.00	\$96.11	1.00			
1979	1.00	\$43.38	\$43.38	0.94	\$107.94	1.12	12.3%	-6.2%	-18.5%
1980	1.00	\$48.75	\$48.75	1.05	\$135.52	1.41	28.7%	11.6%	-17.1%
1981	1.00	\$75.00	\$75.00	1.62	\$123.80	1.29	-12.2%	56.8%	69.0%
1982	1.50	\$60.38	\$90.56	1.96	\$141.20	1.47	18.1%	33.6%	15.5%
1983	1.50	\$70.50	\$105.75	2.29	\$165.30	1.72	25.1%	32.8%	7.8%
1984	2.25	\$51.63	\$116.16	2.51	\$166.50	1.73	1.2%	22.5%	21.3%
1985	2.25	\$80.88	\$181.97	3.93	\$211.30	2.20	46.6%	142.3%	95.7%
1986	3.37	\$60.88	\$205.15	4.44	\$242.17	2.52	32.1%	50.1%	18.0%
1987	5.06	\$44.00	\$222.64	4.81	\$247.90	2.58	6.0%	37.8%	31.9%
1988	5.06	\$48.13	\$243.51	5.27	\$277.10	2.88	30.4%	45.1%	14.7%
1989	10.12	\$43.38	\$438.96	9.49	\$348.80	3.63	74.6%	422.6%	348.0%
1990	10.12	\$38.50	\$389.62	8.42	\$330.90	3.44	-18.6%	-106.7%	-88.0%
1991	10.12	\$38.00	\$384.56	8.31	\$415.14	4.32	87.6%	-10.9%	-98.6%
1992	10.12	\$48.75	\$493.35	10.67	\$435.71	4.53	21.4%	235.2%	213.8%

Data Table Comparing P&W Performance With S&P 500 Performance

	Proctor & Gamble				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$88.88	\$88.88	1.00	\$96.11	1.00			
1979	1.00	\$74.25	\$74.25	0.84	\$107.94	1.12	12.3%	-16.5%	-28.8%
1980	1.00	\$68.88	\$68.88	0.77	\$135.52	1.41	28.7%	-6.0%	-34.7%
1981	1.00	\$80.38	\$80.38	0.90	\$123.80	1.29	-12.2%	12.9%	25.1%
1982	1.00	\$118.25	\$118.25	1.33	\$141.20	1.47	18.1%	42.6%	24.5%
1983	2.00	\$56.88	\$113.75	1.28	\$165.30	1.72	25.1%	-5.1%	-30.1%
1984	2.00	\$57.00	\$114.00	1.28	\$166.50	1.73	1.2%	0.3%	-1.0%
1985	2.00	\$69.75	\$139.50	1.57	\$211.30	2.20	46.6%	28.7%	-17.9%
1986	2.00	\$76.38	\$152.75	1.72	\$242.17	2.52	32.1%	14.9%	-17.2%
1987	2.00	\$85.38	\$170.75	1.92	\$247.90	2.58	6.0%	20.3%	14.3%
1988	2.00	\$87.00	\$174.00	1.96	\$277.10	2.88	30.4%	3.7%	-26.7%
1989	4.00	\$74.25	\$297.00	3.34	\$348.80	3.63	74.6%	138.4%	63.8%
1990	4.00	\$85.88	\$343.50	3.86	\$330.90	3.44	-18.6%	52.3%	70.9%
1991	4.00	\$93.75	\$375.00	4.22	\$415.14	4.32	87.6%	35.4%	-52.2%
1992	4.00	\$53.63	\$214.50	2.41	\$435.71	4.53	21.4%	-180.6%	-202.0%

	Marriott				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$12.13	\$12.13	1.00	\$96.11	1.00			
1979	1.00	\$17.63	\$17.63	1.45	\$107.94	1.12	12.3%	45.4%	33.1%
1980	1.00	\$32.75	\$32.75	2.70	\$135.52	1.41	28.7%	124.7%	96.0%
1981	1.00	\$35.88	\$35.88	2.96	\$123.80	1.29	-12.2%	25.8%	38.0%
1982	1.00	\$58.50	\$58.50	4.82	\$141.20	1.47	18.1%	186.6%	168.5%
1983	1.00	\$71.25	\$71.25	5.88	\$165.30	1.72	25.1%	105.2%	80.1%
1984	1.00	\$77.75	\$77.75	6.41	\$166.50	1.73	1.2%	53.6%	52.4%
1985	1.00	\$109.00	\$109.00	8.99	\$211.30	2.20	46.6%	257.7%	211.1%
1986	5.00	\$29.00	\$145.00	11.96	\$242.17	2.52	32.1%	296.9%	264.8%
1987	5.00	\$30.00	\$150.00	12.37	\$247.90	2.58	6.0%	41.2%	35.3%
1988	5.00	\$31.63	\$158.13	13.04	\$277.10	2.88	30.4%	67.0%	36.6%
1989	5.00	\$33.38	\$166.88	13.76	\$348.80	3.63	74.6%	72.2%	-2.4%
1990	5.00	\$10.50	\$52.50	4.33	\$330.90	3.44	-18.6%	-943.3%	-924.7%
1991	5.00	\$16.63	\$83.13	6.86	\$415.14	4.32	87.6%	252.6%	164.9%
1992	5.00	\$20.75	\$103.75	8.56	\$435.71	4.53	21.4%	170.1%	148.7%

Date Table Comparing P&W Performance With S&P 500 Performance

	Schlumberger				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$94.75	\$94.75	1.00	\$96.11	1.00			
1979	1.00	\$93.75	\$93.75	0.99	\$107.94	1.12	12.3%	-1.1%	-13.4%
1980	1.00	\$117.00	\$117.00	1.23	\$135.52	1.41	28.7%	24.5%	-4.2%
1981	1.00	\$55.88	\$55.88	0.59	\$123.80	1.29	-12.2%	-64.5%	-52.3%
1982	1.00	\$46.63	\$46.63	0.49	\$141.20	1.47	18.1%	-9.8%	-27.9%
1983	1.00	\$50.00	\$50.00	0.53	\$165.30	1.72	25.1%	3.6%	-21.5%
1984	1.00	\$38.13	\$38.13	0.40	\$166.50	1.73	1.2%	-12.5%	-13.8%
1985	1.00	\$26.50	\$26.50	0.28	\$211.30	2.20	46.6%	-12.3%	-58.9%
1986	1.00	\$31.75	\$31.75	0.34	\$242.17	2.52	32.1%	5.5%	-26.6%
1987	1.00	\$28.75	\$28.75	0.30	\$247.90	2.58	6.0%	-3.2%	-9.1%
1988	1.00	\$32.63	\$32.63	0.34	\$277.10	2.88	30.4%	4.1%	-26.3%
1989	1.00	\$49.12	\$49.12	0.52	\$348.80	3.63	74.6%	17.4%	-57.2%
1990	1.00	\$57.88	\$57.88	0.61	\$330.90	3.44	-18.6%	9.2%	27.9%
1991	1.00	\$62.38	\$62.38	0.66	\$415.14	4.32	87.6%	4.7%	-82.9%
1992	1.00	\$57.25	\$57.25	0.60	\$435.71	4.53	21.4%	-5.4%	-26.8%

	Eastman Kodak				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$58.63	\$58.63	1.00	\$96.11	1.00			
1979	1.00	\$48.13	\$48.13	0.82	\$107.94	1.12	12.3%	-17.9%	-30.2%
1980	1.00	\$69.75	\$69.75	1.19	\$135.52	1.41	28.7%	36.9%	8.2%
1981	1.00	\$71.13	\$71.13	1.21	\$123.80	1.29	-12.2%	2.3%	14.5%
1982	1.00	\$86.00	\$86.00	1.47	\$141.20	1.47	18.1%	25.4%	7.3%
1983	1.00	\$76.13	\$76.13	1.30	\$165.30	1.72	25.1%	-16.8%	-41.9%
1984	1.00	\$71.88	\$71.88	1.23	\$166.50	1.73	1.2%	-7.2%	-8.5%
1985	1.50	\$50.63	\$75.94	1.30	\$211.30	2.20	46.6%	6.9%	-39.7%
1986	1.50	\$68.63	\$102.94	1.76	\$242.17	2.52	32.1%	46.1%	13.9%
1987	1.50	\$49.00	\$73.50	1.25	\$247.90	2.58	6.0%	-50.2%	-56.2%
1988	2.25	\$45.13	\$101.53	1.73	\$277.10	2.88	30.4%	47.8%	17.4%
1989	2.25	\$41.13	\$92.53	1.58	\$348.80	3.63	74.6%	-15.4%	-90.0%
1990	2.25	\$41.16	\$92.62	1.58	\$330.90	3.44	-18.6%	0.1%	18.8%
1991	2.25	\$48.25	\$108.56	1.85	\$415.14	4.32	87.6%	27.2%	-60.4%
1992	2.25	\$40.50	\$91.13	1.55	\$435.71	4.53	21.4%	-29.7%	-51.1%

Data Table Comparing P&W Performance With S&P 500 Performance

	Texas Instruments				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$80.00	\$80.00	1.00	\$96.11	1.00			
1979	1.00	\$88.00	\$88.00	1.10	\$107.94	1.12	12.3%	10.0%	-2.3%
1980	1.00	\$120.75	\$120.75	1.51	\$135.52	1.41	28.7%	40.9%	12.2%
1981	1.00	\$80.50	\$80.50	1.01	\$123.80	1.29	-12.2%	-50.3%	-38.1%
1982	1.00	\$134.63	\$134.63	1.68	\$141.20	1.47	18.1%	67.7%	49.6%
1983	1.00	\$138.63	\$138.63	1.73	\$165.30	1.72	25.1%	5.0%	-20.1%
1984	1.00	\$119.50	\$119.50	1.49	\$166.50	1.73	1.2%	-23.9%	-25.2%
1985	1.00	\$105.50	\$105.50	1.32	\$211.30	2.20	46.6%	-17.5%	-64.1%
1986	1.00	\$118.13	\$118.13	1.48	\$242.17	2.52	32.1%	15.8%	-16.3%
1987	3.00	\$55.75	\$167.25	2.09	\$247.90	2.58	6.0%	61.4%	55.4%
1988	3.00	\$41.00	\$123.00	1.54	\$277.10	2.88	30.4%	-55.3%	-85.7%
1989	3.00	\$35.88	\$107.64	1.35	\$348.80	3.63	74.6%	-19.2%	-93.8%
1990	3.00	\$38.00	\$114.00	1.43	\$330.90	3.44	-18.6%	7.9%	26.6%
1991	3.00	\$30.75	\$92.25	1.15	\$415.14	4.32	87.6%	-27.2%	-114.8%
1992	3.00	\$46.63	\$139.88	1.75	\$435.71	4.53	21.4%	59.5%	38.1%

	PW Investment Portfolio				S&P 500		S&P	Co	Co-S&P
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	17.00	\$1,229.75	\$1,229.75	1.00	\$96.11	1.00			
1979	22.00	\$944.25	\$1,248.13	1.01	\$107.94	1.12	12.3%	1.5%	-10.8%
1980	24.25	\$1,148.00	\$1,616.28	1.31	\$135.52	1.41	28.7%	29.9%	1.2%
1981	29.25	\$879.38	\$1,354.66	1.10	\$123.80	1.29	-12.2%	-21.3%	-9.1%
1982	29.75	\$1,111.13	\$1,814.16	1.48	\$141.20	1.47	18.1%	37.4%	19.3%
1983	35.25	\$1,065.88	\$2,045.31	1.66	\$165.30	1.72	25.1%	18.8%	-6.3%
1984	36.00	\$1,040.50	\$1,998.00	1.62	\$166.50	1.73	1.2%	-3.8%	-5.1%
1985	37.62	\$1,166.88	\$2,400.08	1.95	\$211.30	2.20	46.6%	32.7%	-13.9%
1986	43.74	\$1,103.13	\$2,572.94	2.09	\$242.17	2.52	32.1%	14.1%	-18.1%
1987	50.43	\$941.88	\$2,768.64	2.25	\$247.90	2.58	6.0%	15.9%	10.0%
1988	51.18	\$972.25	\$2,906.66	2.36	\$277.10	2.88	30.4%	11.2%	-19.2%
1989	62.93	\$855.38	\$3,284.91	2.67	\$348.80	3.63	74.6%	30.8%	-43.8%
1990	65.46	\$897.96	\$3,363.88	2.74	\$330.90	3.44	-18.6%	6.4%	25.0%
1991	65.46	\$979.55	\$3,765.01	3.06	\$415.14	4.32	87.6%	32.6%	-55.0%
1992	71.46	\$856.25	\$3,550.52	2.89	\$435.71	4.53	21.4%	-17.4%	-38.8%

Appendix II

Data Tables Comparing Peters and Waterman
Excellent Companies' Performance
with Respective Industry Group's Performance

Data Table Comparing P&W Performance With Industry Group Performance

	Boeing				Aerospace/Defense		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$71.38	\$71.38	1.00	\$110.80	1.00			
1979	1.50	\$50.63	\$75.94	1.06	\$140.70	1.27	27.0%	6.4%	-20.6%
1980	2.25	\$44.13	\$99.28	1.39	\$210.70	1.90	63.2%	32.7%	-30.5%
1981	2.25	\$21.63	\$48.66	0.68	\$135.60	1.22	-67.8%	-70.9%	-3.1%
1982	2.25	\$33.88	\$76.22	1.07	\$180.80	1.63	40.8%	38.6%	-2.2%
1983	2.25	\$43.75	\$98.44	1.38	\$235.90	2.13	49.7%	31.1%	-18.6%
1984	2.25	\$56.63	\$127.41	1.79	\$255.30	2.30	17.5%	40.6%	23.1%
1985	3.37	\$52.50	\$176.93	2.48	\$303.80	2.74	43.8%	69.4%	25.6%
1986	3.37	\$51.13	\$172.29	2.41	\$321.80	2.90	16.2%	-6.5%	-22.7%
1987	3.37	\$37.00	\$124.69	1.75	\$255.70	2.31	-59.7%	-66.7%	-7.0%
1988	3.37	\$60.63	\$204.31	2.86	\$310.70	2.80	49.6%	111.5%	61.9%
1989	5.06	\$50.63	\$256.16	3.59	\$351.30	3.17	36.6%	72.7%	36.0%
1990	7.59	\$61.88	\$469.63	6.58	\$362.80	3.27	10.4%	299.1%	288.7%
1991	7.59	\$46.50	\$352.94	4.94	\$421.20	3.80	52.7%	-163.5%	-216.2%
1992	7.59	\$40.13	\$304.55	4.27	\$427.90	3.86	6.0%	-67.8%	-73.8%

	Digital Equipment				Computer Systems		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$53.63	\$53.63	1.00	\$121.00	1.00			
1979	1.00	\$68.88	\$68.88	1.28	\$114.00	0.94	-5.8%	28.4%	34.2%
1980	1.00	\$95.00	\$95.00	1.77	\$121.20	1.00	6.0%	48.7%	42.8%
1981	1.00	\$86.50	\$86.50	1.61	\$97.33	0.80	-19.7%	-15.9%	3.9%
1982	1.00	\$99.50	\$99.50	1.86	\$145.50	1.20	39.8%	24.2%	-15.6%
1983	1.00	\$72.00	\$72.00	1.34	\$173.30	1.43	23.0%	-51.3%	-74.3%
1984	1.00	\$110.75	\$110.75	2.07	\$178.00	1.47	3.9%	72.3%	68.4%
1985	1.00	\$132.50	\$132.50	2.47	\$218.50	1.81	33.5%	40.6%	7.1%
1986	2.00	\$104.75	\$209.50	3.91	\$196.00	1.62	-18.6%	143.6%	162.2%
1987	2.00	\$135.00	\$270.00	5.03	\$210.80	1.74	12.2%	112.8%	100.6%
1988	2.00	\$98.38	\$196.75	3.67	\$200.70	1.66	-8.3%	-136.6%	-128.2%
1989	2.00	\$68.00	\$136.00	2.54	\$162.10	1.34	-31.9%	-113.3%	-81.4%
1990	2.00	\$55.50	\$111.00	2.07	\$176.80	1.46	12.1%	-46.6%	-58.8%
1991	2.00	\$56.25	\$112.50	2.10	\$151.20	1.25	-21.2%	2.8%	24.0%
1992	2.00	\$33.75	\$67.50	1.26	\$105.70	0.87	-37.6%	-83.9%	-46.3%

Data Table Comparing P&W Performance With Industry Group Performance

Delta Airlines					Airlines		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$41.75	\$41.75	1.00	\$97.65	1.00			
1979	1.00	\$39.13	\$39.13	0.94	\$85.28	0.87	-12.7%	-6.3%	6.4%
1980	1.00	\$59.00	\$59.00	1.41	\$85.70	0.88	0.4%	47.6%	47.2%
1981	2.00	\$24.50	\$49.00	1.17	\$79.46	0.81	-6.4%	-24.0%	-17.6%
1982	2.00	\$44.50	\$89.00	2.13	\$148.70	1.52	70.9%	95.8%	24.9%
1983	2.00	\$39.75	\$79.50	1.90	\$166.00	1.70	17.7%	-22.8%	-40.5%
1984	2.00	\$43.63	\$87.25	2.09	\$165.00	1.69	-1.0%	18.6%	19.6%
1985	2.00	\$39.00	\$78.00	1.87	\$183.90	1.88	19.4%	-22.2%	-41.5%
1986	2.00	\$48.13	\$96.25	2.31	\$207.50	2.12	24.2%	43.7%	19.5%
1987	2.00	\$37.13	\$74.25	1.78	\$181.20	1.86	-26.9%	-52.7%	-25.8%
1988	2.00	\$50.13	\$100.25	2.40	\$241.40	2.47	61.6%	62.3%	0.6%
1989	2.00	\$39.13	\$78.25	1.87	\$327.20	3.35	87.9%	-52.7%	-140.6%
1990	2.00	\$55.63	\$111.25	2.66	\$235.10	2.41	-94.3%	79.0%	173.4%
1991	2.00	\$64.25	\$128.50	3.08	\$298.20	3.05	64.6%	41.3%	-23.3%
1992	2.00	\$52.88	\$105.75	2.53	\$269.90	2.76	-29.0%	-54.5%	-25.5%

Dana Corporation					Trucks & Parts		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$29.50	\$29.50	1.00	\$42.24	1.00			
1979	1.00	\$25.75	\$25.75	0.87	\$41.51	0.98	-1.7%	-12.7%	-11.0%
1980	1.00	\$21.38	\$21.38	0.72	\$38.81	0.92	-6.4%	-14.8%	-8.4%
1981	1.00	\$29.50	\$29.50	1.00	\$40.51	0.96	4.0%	27.5%	23.5%
1982	1.00	\$34.75	\$34.75	1.18	\$50.98	1.21	24.8%	17.8%	-7.0%
1983	1.50	\$28.00	\$42.00	1.42	\$77.91	1.84	63.8%	24.6%	-39.2%
1984	1.50	\$26.63	\$39.94	1.35	\$64.11	1.52	-32.7%	-7.0%	25.7%
1985	1.50	\$27.25	\$40.88	1.39	\$65.13	1.54	2.4%	3.2%	0.8%
1986	1.50	\$34.88	\$52.31	1.77	\$59.88	1.42	-12.4%	38.8%	51.2%
1987	1.50	\$34.13	\$51.19	1.74	\$55.65	1.32	-10.0%	-3.8%	6.2%
1988	1.50	\$38.88	\$58.31	1.98	\$67.14	1.59	27.2%	24.2%	-3.0%
1989	1.50	\$25.75	\$38.63	1.31	\$62.27	1.47	-11.5%	-66.7%	-55.2%
1990	1.50	\$29.38	\$44.06	1.49	\$49.94	1.18	-29.2%	18.4%	47.6%
1991	1.50	\$27.30	\$40.95	1.39	\$63.01	1.49	30.9%	-10.6%	-41.5%
1992	1.50	\$47.00	\$70.50	2.39	\$81.76	1.94	44.4%	100.2%	55.8%

Data Table Comparing P&W Performance With Industry Group Performance

	Caterpillar Tractor				Machinery (Div)		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$58.75	\$58.75	1.00	\$100.90	1.00			
1979	1.00	\$54.00	\$54.00	0.92	\$134.60	1.33	33.4%	-8.1%	-41.5%
1980	1.00	\$58.00	\$58.00	0.99	\$206.70	2.05	71.5%	6.8%	-64.6%
1981	1.00	\$55.50	\$55.50	0.94	\$177.90	1.76	-28.5%	-4.3%	24.3%
1982	1.00	\$40.25	\$40.25	0.69	\$135.70	1.34	-41.8%	-26.0%	15.9%
1983	1.00	\$47.50	\$47.50	0.81	\$158.50	1.57	22.6%	12.3%	-10.3%
1984	1.00	\$31.00	\$31.00	0.53	\$139.80	1.39	-18.5%	-28.1%	-9.6%
1985	1.00	\$42.00	\$42.00	0.71	\$164.80	1.63	24.8%	18.7%	-6.1%
1986	1.00	\$40.13	\$40.13	0.68	\$158.40	1.57	-6.3%	-3.2%	3.2%
1987	1.00	\$62.00	\$62.00	1.06	\$213.90	2.12	55.0%	37.2%	-17.8%
1988	1.00	\$63.63	\$63.63	1.08	\$231.00	2.29	16.9%	2.8%	-14.2%
1989	1.00	\$54.00	\$54.00	0.92	\$261.20	2.59	29.9%	-16.4%	-46.3%
1990	1.00	\$46.63	\$46.63	0.79	\$227.10	2.25	-33.8%	-12.6%	21.2%
1991	1.00	\$42.75	\$42.75	0.73	\$262.90	2.61	35.5%	-6.6%	-42.1%
1992	1.00	\$47.00	\$47.00	0.80	\$264.50	2.62	1.6%	7.2%	5.6%

	Emerson Electric				Electrical Equip		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$35.63	\$35.63	1.00	\$271.60	1.00			
1979	1.00	\$35.13	\$35.13	0.99	\$309.70	1.14	14.0%	-1.4%	-15.4%
1980	1.00	\$36.50	\$36.50	1.02	\$363.70	1.34	19.9%	3.9%	-16.0%
1981	1.00	\$45.38	\$45.38	1.27	\$394.10	1.45	11.2%	24.9%	13.7%
1982	1.00	\$60.50	\$60.50	1.70	\$500.50	1.84	39.2%	42.5%	3.3%
1983	1.00	\$66.50	\$66.50	1.87	\$521.60	1.92	7.8%	16.8%	9.1%
1984	1.00	\$69.50	\$69.50	1.95	\$513.90	1.89	-2.8%	8.4%	11.3%
1985	1.00	\$81.25	\$81.25	2.28	\$639.30	2.35	46.2%	33.0%	-13.2%
1986	1.00	\$83.75	\$83.75	2.35	\$673.10	2.48	12.4%	7.0%	-5.4%
1987	3.00	\$17.00	\$51.00	1.43	\$714.60	2.63	15.3%	-91.9%	-107.2%
1988	3.00	\$30.38	\$91.13	2.56	\$691.50	2.55	-8.5%	112.6%	121.1%
1989	3.00	\$35.13	\$105.38	2.96	\$932.10	3.43	88.6%	40.0%	-48.6%
1990	3.00	\$37.50	\$112.50	3.16	\$841.00	3.10	-33.5%	20.0%	53.5%
1991	3.00	\$53.88	\$161.63	4.54	\$1,082.00	3.98	88.7%	137.9%	49.2%
1992	3.00	\$55.00	\$165.00	4.63	\$1,164.60	4.29	30.4%	9.5%	-20.9%

Data Table Comparing P&W Performance With Industry Group Performance

	Hewlett Packard				Electronic (Inst)		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1984	8.00	\$33.88	\$271.00	1.00	\$62.83	1.00			
1985	8.00	\$36.75	\$294.00	1.08	\$69.76	1.11	11.0%	8.5%	-2.5%
1986	8.00	\$41.88	\$335.00	1.24	\$72.88	1.16	5.0%	15.1%	10.2%
1987	8.00	\$58.25	\$466.00	1.72	\$92.99	1.48	32.0%	48.3%	16.3%
1988	8.00	\$53.25	\$426.00	1.57	\$87.81	1.40	-8.2%	-14.8%	-6.5%
1989	8.00	\$59.13	\$473.00	1.75	\$76.65	1.22	-17.8%	17.3%	35.1%
1990	8.00	\$32.00	\$256.00	0.94	\$55.41	0.88	-33.8%	-80.1%	-46.3%
1991	8.00	\$56.38	\$451.00	1.66	\$95.12	1.51	63.2%	72.0%	8.8%
1992	8.00	\$69.88	\$559.00	2.06	\$115.30	1.84	32.1%	39.9%	7.7%

	Fluor				Engineering & Con		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1983	3.00	\$17.25	\$51.75	1.00	\$91.76	1.00			
1984	3.00	\$14.75	\$44.25	0.86	\$79.79	0.87	-13.0%	-14.5%	-1.4%
1985	3.00	\$15.50	\$46.50	0.90	\$81.34	0.89	1.7%	4.3%	2.7%
1986	3.00	\$11.50	\$34.50	0.67	\$72.04	0.79	-10.1%	-23.2%	-13.1%
1987	3.00	\$13.75	\$41.25	0.80	\$76.78	0.84	5.2%	13.0%	7.9%
1988	3.00	\$23.38	\$70.13	1.36	\$96.06	1.05	21.0%	55.8%	34.8%
1989	3.00	\$52.63	\$157.88	3.05	\$146.30	1.59	54.8%	169.6%	114.8%
1990	3.00	\$37.00	\$111.00	2.14	\$150.00	1.63	4.0%	-90.6%	-94.6%
1991	3.00	\$43.13	\$129.38	2.50	\$179.00	1.95	31.6%	35.5%	3.9%
1992	3.00	\$41.88	\$125.63	2.43	\$172.50	1.88	-7.1%	-7.2%	-0.2%

Data Table Comparing P&W Performance With Industry Group Performance

International Business Machines					Computer Systems		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$298.50	\$298.50	1.00	\$121.00	1.00			
1979	4.00	\$64.38	\$257.50	0.86	\$114.00	0.94	-5.8%	-13.7%	-8.0%
1980	4.00	\$67.88	\$271.50	0.91	\$121.20	1.00	6.0%	4.7%	-1.3%
1981	4.00	\$56.88	\$227.50	0.76	\$97.33	0.80	-19.7%	-14.7%	5.0%
1982	4.00	\$76.25	\$305.00	1.02	\$145.50	1.20	39.8%	26.0%	-13.8%
1983	4.00	\$122.00	\$488.00	1.63	\$173.30	1.43	23.0%	61.3%	38.3%
1984	4.00	\$123.13	\$492.50	1.65	\$178.00	1.47	3.9%	1.5%	-2.4%
1985	4.00	\$155.50	\$622.00	2.08	\$218.50	1.81	33.5%	43.4%	9.9%
1986	4.00	\$120.00	\$480.00	1.61	\$196.00	1.62	-18.6%	-47.6%	-29.0%
1987	4.00	\$115.50	\$462.00	1.55	\$210.80	1.74	12.2%	-6.0%	-18.3%
1988	4.00	\$121.00	\$484.00	1.62	\$200.70	1.66	-8.3%	7.4%	15.7%
1989	4.00	\$64.38	\$257.50	0.86	\$162.10	1.34	-31.9%	-75.9%	-44.0%
1990	4.00	\$113.30	\$453.20	1.52	\$176.80	1.46	12.1%	65.6%	53.4%
1991	4.00	\$90.38	\$361.50	1.21	\$151.20	1.25	-21.2%	-30.7%	-9.6%
1992	4.00	\$50.38	\$201.50	0.68	\$105.70	0.87	-37.6%	-53.6%	-16.0%

Johnson and Johnson					Health Care (Div)		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$73.75	\$73.75	1.00	\$34.77	1.00			
1979	1.00	\$79.25	\$79.25	1.07	\$39.11	1.12	12.5%	7.5%	-5.0%
1980	1.00	\$99.75	\$99.75	1.35	\$51.32	1.48	35.1%	27.8%	-7.3%
1981	3.00	\$37.13	\$111.38	1.51	\$53.68	1.54	6.8%	15.8%	9.0%
1982	3.00	\$49.63	\$148.88	2.02	\$73.86	2.12	58.0%	50.8%	-7.2%
1983	3.00	\$40.88	\$122.63	1.66	\$96.11	2.76	64.0%	-35.6%	-99.6%
1984	3.00	\$36.13	\$108.38	1.47	\$98.80	2.84	7.7%	-19.3%	-27.1%
1985	3.00	\$52.63	\$157.88	2.14	\$133.30	3.83	99.2%	67.1%	-32.1%
1986	3.00	\$65.63	\$196.88	2.67	\$170.60	4.91	107.3%	52.9%	-54.4%
1987	3.00	\$74.88	\$224.63	3.05	\$180.20	5.18	27.6%	37.6%	10.0%
1988	3.00	\$85.13	\$255.38	3.46	\$87.40	2.51	-266.9%	41.7%	308.6%
1989	6.00	\$79.25	\$475.50	6.45	\$262.10	7.54	502.4%	298.5%	-204.0%
1990	6.00	\$71.00	\$426.00	5.78	\$312.50	8.99	145.0%	-67.1%	-212.1%
1991	6.00	\$115.00	\$690.00	9.36	\$451.20	12.98	398.9%	358.0%	-40.9%
1992	12.00	\$50.25	\$603.00	8.18	\$381.30	10.97	-201.0%	-118.0%	83.1%

Data Table Comparing P&W Performance With Industry Group Performance

	3M				Miscellaneous		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1985	1.00	\$89.75	\$89.75	1.00	\$66.62	1.00			
1986	1.00	\$116.63	\$116.63	1.30	\$76.73	1.15	15.2%	29.9%	14.8%
1987	2.00	\$64.38	\$128.75	1.43	\$74.61	1.12	-3.2%	13.5%	16.7%
1988	2.00	\$62.00	\$124.00	1.38	\$80.82	1.21	9.3%	-5.3%	-14.6%
1989	2.00	\$50.25	\$100.50	1.12	\$106.70	1.60	38.8%	-26.2%	-65.0%
1990	2.00	\$86.25	\$172.50	1.92	\$101.70	1.53	-7.5%	80.2%	87.7%
1991	2.00	\$94.00	\$188.00	2.09	\$124.00	1.86	33.5%	17.3%	-16.2%
1992	2.00	\$100.63	\$201.25	2.24	\$134.60	2.02	15.9%	14.8%	-1.1%

	McDonald's				Restaurants		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$46.25	\$46.25	1.00	\$23.74	1.00			
1979	1.00	\$43.38	\$43.38	0.94	\$26.44	1.11	11.4%	-6.2%	-17.6%
1980	1.00	\$48.75	\$48.75	1.05	\$33.23	1.40	28.6%	11.6%	-17.0%
1981	1.00	\$75.00	\$75.00	1.62	\$42.12	1.77	37.4%	56.8%	19.3%
1982	1.50	\$60.38	\$90.56	1.96	\$61.74	2.60	82.6%	33.6%	-49.0%
1983	1.50	\$70.50	\$105.75	2.29	\$75.26	3.17	57.0%	32.8%	-24.1%
1984	2.25	\$51.63	\$116.16	2.51	\$83.49	3.52	34.7%	22.5%	-12.2%
1985	2.25	\$80.88	\$181.97	3.93	\$122.60	5.16	164.7%	142.3%	-22.4%
1986	3.37	\$60.88	\$205.15	4.44	\$127.60	5.37	21.1%	50.1%	29.1%
1987	5.06	\$44.00	\$222.64	4.81	\$123.30	5.19	-18.1%	37.8%	55.9%
1988	5.06	\$48.13	\$243.51	5.27	\$136.30	5.74	54.8%	45.1%	-9.6%
1989	10.12	\$43.38	\$438.96	9.49	\$189.10	7.97	222.4%	422.6%	200.2%
1990	10.12	\$38.50	\$389.62	8.42	\$108.90	4.59	-337.8%	-106.7%	231.2%
1991	10.12	\$38.00	\$384.56	8.31	\$223.40	9.41	482.3%	-10.9%	-493.2%
1992	10.12	\$48.75	\$493.35	10.67	\$284.50	11.98	257.4%	235.2%	-22.1%

Data Table Comparing P&W Performance With Industry Group Performance

Proctor & Gamble					Household Products		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$88.88	\$88.88	1.00	\$166.60	1.00			
1979	1.00	\$74.25	\$74.25	0.84	\$145.50	0.87	-12.7%	-16.5%	-3.8%
1980	1.00	\$68.88	\$68.88	0.77	\$137.70	0.83	-4.7%	-6.0%	-1.4%
1981	1.00	\$80.38	\$80.38	0.90	\$157.40	0.94	11.8%	12.9%	1.1%
1982	1.00	\$118.25	\$118.25	1.33	\$222.20	1.33	38.9%	42.6%	3.7%
1983	2.00	\$56.88	\$113.75	1.28	\$223.80	1.34	1.0%	-5.1%	-6.0%
1984	2.00	\$57.00	\$114.00	1.28	\$232.80	1.40	5.4%	0.3%	-5.1%
1985	2.00	\$69.75	\$139.50	1.57	\$311.70	1.87	47.4%	28.7%	-18.7%
1986	2.00	\$76.38	\$152.75	1.72	\$384.30	2.31	43.6%	14.9%	-28.7%
1987	2.00	\$85.38	\$170.75	1.92	\$431.10	2.59	28.1%	20.3%	-7.8%
1988	2.00	\$87.00	\$174.00	1.96	\$445.70	2.68	8.8%	3.7%	-5.1%
1989	4.00	\$74.25	\$297.00	3.34	\$667.40	4.01	133.1%	138.4%	5.3%
1990	4.00	\$85.88	\$343.50	3.86	\$791.50	4.75	74.5%	52.3%	-22.2%
1991	4.00	\$93.75	\$375.00	4.22	\$898.20	5.39	64.0%	35.4%	-28.6%
1992	4.00	\$53.63	\$214.50	2.41	\$991.10	5.95	55.8%	-180.6%	-236.4%

Marriott					Hotel/Motel		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$12.13	\$12.13	1.00	\$45.73	1.00			
1979	1.00	\$17.63	\$17.63	1.45	\$55.54	1.21	21.5%	45.4%	23.9%
1980	1.00	\$32.75	\$32.75	2.70	\$74.30	1.62	41.0%	124.7%	83.7%
1981	1.00	\$35.88	\$35.88	2.96	\$70.10	1.53	-9.2%	25.8%	35.0%
1982	1.00	\$58.50	\$58.50	4.82	\$85.03	1.86	32.6%	186.6%	153.9%
1983	1.00	\$71.25	\$71.25	5.88	\$112.90	2.47	60.9%	105.2%	44.2%
1984	1.00	\$77.75	\$77.75	6.41	\$109.40	2.39	-7.7%	53.6%	61.3%
1985	1.00	\$109.00	\$109.00	8.99	\$145.50	3.18	78.9%	257.7%	178.8%
1986	5.00	\$29.00	\$145.00	11.96	\$175.50	3.84	65.6%	296.9%	231.3%
1987	5.00	\$30.00	\$150.00	12.37	\$179.60	3.93	9.0%	41.2%	32.3%
1988	5.00	\$31.63	\$158.13	13.04	\$210.00	4.59	66.5%	67.0%	0.5%
1989	5.00	\$33.38	\$166.88	13.76	\$278.50	6.09	149.8%	72.2%	-77.6%
1990	5.00	\$10.50	\$52.50	4.33	\$103.40	2.26	-382.9%	-943.3%	-560.4%
1991	5.00	\$16.63	\$83.13	6.86	\$134.00	2.93	66.9%	252.6%	185.7%
1992	5.00	\$20.75	\$103.75	8.56	\$184.10	4.03	109.6%	170.1%	60.5%

Data Table Comparing P&W Performance With Industry Group Performance

	Schlumberger				Oil Well Equip		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$94.75	\$94.75	1.00	\$1,029.10	1.00			
1979	1.00	\$93.75	\$93.75	0.99	\$1,474.90	1.43	43.3%	-1.1%	-44.4%
1980	1.00	\$117.00	\$117.00	1.23	\$2,793.80	2.71	128.2%	24.5%	-103.6%
1981	1.00	\$55.88	\$55.88	0.59	\$1,968.70	1.91	-80.2%	-64.5%	15.7%
1982	1.00	\$46.63	\$46.63	0.49	\$1,406.20	1.37	-54.7%	-9.8%	44.9%
1983	1.00	\$50.00	\$50.00	0.53	\$1,494.90	1.45	8.6%	3.6%	-5.1%
1984	1.00	\$38.13	\$38.13	0.40	\$1,141.90	1.11	-34.3%	-12.5%	21.8%
1985	1.00	\$26.50	\$26.50	0.28	\$1,108.80	1.08	-3.2%	-12.3%	-9.1%
1986	1.00	\$31.75	\$31.75	0.34	\$998.70	0.97	-10.7%	5.5%	16.2%
1987	1.00	\$28.75	\$28.75	0.30	\$993.80	0.97	-0.5%	-3.2%	-2.7%
1988	1.00	\$32.63	\$32.63	0.34	\$1,090.10	1.06	9.4%	4.1%	-5.3%
1989	1.00	\$49.12	\$49.12	0.52	\$1,693.10	1.65	58.6%	17.4%	-41.2%
1990	1.00	\$57.88	\$57.88	0.61	\$1,862.90	1.81	16.5%	9.2%	-7.3%
1991	1.00	\$62.38	\$62.38	0.66	\$1,715.90	1.67	-14.3%	4.7%	19.0%
1992	1.00	\$57.25	\$57.25	0.60	\$1,658.30	1.61	-5.6%	-5.4%	0.2%

	Eastman Kodak				Miscellaneous		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1985	1.50	\$50.63	\$75.94	1.00	\$66.62	1.00			
1986	1.50	\$68.63	\$102.94	1.36	\$76.73	1.15	15.2%	35.6%	20.4%
1987	1.50	\$49.00	\$73.50	0.97	\$74.61	1.12	-3.2%	-38.8%	-35.6%
1988	2.25	\$45.13	\$101.53	1.34	\$80.82	1.21	9.3%	36.9%	27.6%
1989	2.25	\$41.13	\$92.53	1.22	\$106.70	1.60	38.8%	-11.9%	-50.7%
1990	2.25	\$41.16	\$92.62	1.22	\$101.70	1.53	-7.5%	0.1%	7.6%
1991	2.25	\$48.25	\$108.56	1.43	\$124.00	1.86	33.5%	21.0%	-12.5%
1992	2.25	\$40.50	\$91.13	1.20	\$134.60	2.02	15.9%	-23.0%	-38.9%

Data Table Comparing P&W Performance With Industry Group Performance

	Texas Instruments				Electronic (Semi)		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	1.00	\$80.00	\$80.00	1.00	\$18.55	1.00			
1979	1.00	\$88.00	\$88.00	1.10	\$25.62	1.38	38.1%	10.0%	-28.1%
1980	1.00	\$120.75	\$120.75	1.51	\$34.74	1.87	49.2%	40.9%	-8.2%
1981	1.00	\$80.50	\$80.50	1.01	\$25.03	1.35	-52.3%	-50.3%	2.0%
1982	1.00	\$134.63	\$134.63	1.68	\$37.98	2.05	69.8%	67.7%	-2.2%
1983	1.00	\$138.63	\$138.63	1.73	\$59.50	3.21	116.0%	5.0%	-111.0%
1984	1.00	\$119.50	\$119.50	1.49	\$46.06	2.48	-72.5%	-23.9%	48.5%
1985	1.00	\$105.50	\$105.50	1.32	\$48.19	2.60	11.5%	-17.5%	-29.0%
1986	1.00	\$118.13	\$118.13	1.48	\$42.46	2.29	-30.9%	15.8%	46.7%
1987	3.00	\$55.75	\$167.25	2.09	\$59.15	3.19	90.0%	61.4%	-28.6%
1988	3.00	\$41.00	\$123.00	1.54	\$47.03	2.54	-65.3%	-55.3%	10.0%
1989	3.00	\$35.88	\$107.64	1.35	\$58.58	3.16	62.3%	-19.2%	-81.5%
1990	3.00	\$38.00	\$114.00	1.43	\$58.07	3.13	-2.7%	7.9%	10.7%
1991	3.00	\$30.75	\$92.25	1.15	\$72.06	3.88	75.4%	-27.2%	-102.6%
1992	3.00	\$46.63	\$139.88	1.75	\$118.50	6.39	250.4%	59.5%	-190.8%

	PW Investment Portfolio				S&P 500		Ind	Co	Co-Ind
	Shares	Price	Value	Index	Value	Index	% Chg	% Chg	% Chg
1978	13	\$984.88	\$984.88	1.00	\$96.11	1.00			
1979	17	\$734.13	\$952.56	0.97	\$107.94	1.12	12.3%	-3.3%	-15.6%
1980	17	\$869.75	\$1,128.53	1.15	\$135.52	1.41	28.7%	17.9%	-10.8%
1981	20	\$684.63	\$981.04	1.00	\$123.80	1.29	-12.2%	-15.0%	-2.8%
1982	21	\$857.63	\$1,302.66	1.32	\$141.20	1.47	18.1%	32.7%	14.6%
1983	25	\$864.88	\$1,547.69	1.57	\$165.30	1.72	25.1%	24.9%	-0.2%
1984	34	\$890.00	\$1,847.50	1.88	\$166.50	1.73	1.2%	30.4%	29.2%
1985	38	\$1,166.88	\$2,400.08	2.44	\$207.10	2.15	42.2%	56.1%	13.9%
1986	44	\$1,103.13	\$2,572.94	2.61	\$242.17	2.52	36.5%	17.6%	-18.9%
1987	50	\$941.88	\$2,768.64	2.81	\$247.90	2.58	6.0%	19.9%	13.9%
1988	51	\$972.25	\$2,906.66	2.95	\$277.10	2.88	30.4%	14.0%	-16.4%
1989	63	\$855.38	\$3,284.91	3.34	\$348.80	3.63	74.6%	38.4%	-36.2%
1990	65	\$897.96	\$3,363.88	3.42	\$328.72	3.42	-20.9%	8.0%	28.9%
1991	65	\$979.55	\$3,765.01	3.82	\$415.14	4.32	89.9%	40.7%	-49.2%
1992	71	\$856.25	\$3,550.52	3.61	\$435.71	4.53	21.4%	-21.8%	-43.2%