

Investment Insight: Commitment to Service Key to Firm's Staying Power



*Superior client service
is the cornerstone
of our business.*

The investment firm Hilliard Lyons is older than the U.S. Federal Reserve. It's older than the U.S. Securities and Exchange Commission. It even predates Churchill Downs and its signature race, The Kentucky Derby. The company traces its roots to the booming Ohio River trade of 1854.

In that day, the United States was a wobbly young country with 31 states. Franklin Pierce was president and the California gold rush was under way. Federal lawmakers were taking the United States west through a political doctrine called Manifest Destiny. Emerging railroads were remaking the face of commerce and culture. In the Northeast, industrial growth in textiles and steel led the way. Investors of the day bought cotton, rice, hemp and other agricultural commodities.

One such financier was railroad booster Henry J. Lyons. With associates Thomas Quigley and Henry Clay Morton, he founded the Quigley, Lyons & Co. investment firm in 1857. A few years later, the partnership dissolved, and Lyons continued the business on his own and prospered. In 1878, he bought a seat on the New York Stock Exchange. After his death, his son took over and renamed the firm W.L. Lyons & Company.

In the meantime, another institution that began in post-war Louisville was also building a reputation for service. It was founded by John James Byron Hilliard, a North Carolina planter and graduate of Harvard Law School. While on business in New Orleans he met the pretty belle Maria Henning Hobbs, whose family was from Louisville, Kentucky. In 1869, he followed her to Kentucky to kindle a romance and pursue business opportunities. The two married soon after. In 1872, Hilliard formed a private bank with friends and relatives of Maria's wealthy father, J.W. Henning, Sr. The enterprise was guaranteed by Henning and brother-in-law, Joshua Fry Speed, well known to be the best friend of U.S. President Abraham Lincoln. Other partners were George Keats Speed and banker and civic leader A.D. Hunt. The institution accepted deposits and dealt in real estate mortgages, railroad bonds, investment loans and gold. After the deaths of Speed and Hunt, J.J.B. Hilliard renamed the company after himself in 1885. In 1897, it became J.J.B. Hilliard & Son when son Byron joined the business. Later, other sons, nephews and grandsons added their talents.

DAWN OF A NEW AGE

Thomas Edison moved the industry along with a major invention in 1869. In that year, he introduced the Universal Stock Ticker machine, which made possible the continuous nationwide transmission of stock quotes. Before that,

*Investment Insight
for Every Generation
Since 1854sm*


HILLIARD LYONS

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The complexities of building, preserving and passing along wealth have never been greater. Affluent investors are increasingly seeking guidance and comprehensive solutions that consider their unique circumstances and long-term goals. It's my pleasure to work with such individuals to offer insight, advice and solutions in helping them reach their goals.

quotes were transmitted via telegraph. Later, the telephone and then the computer aided this process.

Innovations such as these became commonplace because of the backing of financiers such as Hunt, Hilliard and Lyons. Through bonds on the open market, these believers in the future raised funds to pave streets, expand rail travel and underwrite new technologies. They and their peers made modern America possible. In the century and a half since, their descendants have served countless individual and institutional investors and underwritten bonds to finance highways, schools, libraries and electric plants across the Midwest and Southeast.

This embrace of the future would be a Hilliard Lyons' hallmark. In fact, the firm was the first outside New York to automate the processing of trades. In 1936, it installed two keypunch machines and other devices that were prototypes of today's technology. In the 1960s, an IBM mainframe initiated a new level of speed and efficiency. A new era began in 1965 when J.J.B. Hilliard & Son and W.L. Lyons & Co. merged firms and reputations.

In 1972, Hilliard Lyons exchanged its traditional partnership form of business for a corporation model. And in 1998, Hilliard Lyons was acquired by PNC Financial Services Group.

In 2008, ownership of Hilliard Lyons was transitioned from PNC Financial Services Group to joint ownership by Hilliard Lyons' own employees and Houchens Industries of Bowling Green, Kentucky, a diversified investing company.

Today, Hilliard Lyons has 1,200 employees and nearly 75 branch offices in the following states: Georgia, Illinois, Indiana, Kentucky, Michigan, Mississippi, North Carolina, Ohio, South Carolina, Tennessee and West Virginia.

Hilliard Lyons' time-tested investment philosophy, blue-chip reputation and leadership direction have put the firm on solid footing for a new century of service, proving that integrity is timeless.

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