

THE WALL STREET JOURNAL.

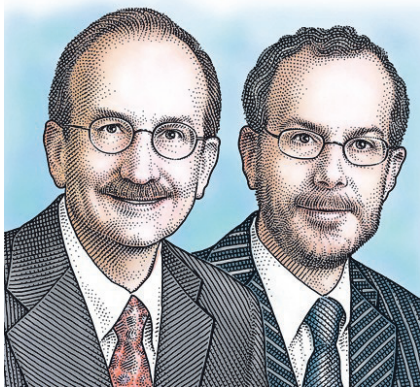
WEDNESDAY, SEPTEMBER 7, 2011

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DONOR OF THE DAY | By Melanie Grayce West

Research Center, Prize to Foster Financial Analysis

Bruce I. Jacobs and Kenneth N. Levy are hoping to inspire the next great idea in the field of quantitative finance.



*Bruce I. Jacobs
and Kenneth N. Levy*

The principals and co-founders of Florham Park, N.J.-based Jacobs Levy Equity Management are giving \$12 million to the Wharton School of the University of Pennsylvania for the establishment of a research center and a prize for innovation.

The gift will be announced at a dinner on Wednesday night.

The Jacobs Levy Equity Management Center for Quantitative Financial Research will fund projects in quantitative finance and support faculty and Ph.D. dissertation fellowships.

The Wharton-Jacobs Levy Prize for Quantitative Financial Innovation, endowed with a \$2 million gift, will be awarded biennially to an individual or team with a published article that advances the field of quantitative financial analysis and asset management. The prize will be \$80,000.

Dr. Jacobs and Mr. Levy are both graduates of the Wharton school. Dr. Jacobs, 60 years old, earned his M.A. in applied economics in 1979 and received a Ph.D. in finance in 1986.

Mr. Levy, 59, received his M.B.A. in 1976 and an M.A. in business economics in 1982.

The two met at Wharton some 30 years ago. Though they were in a doctoral program together, there wasn't a lot of networking among students. Mr. Levy approached a professor and said that he wanted to work in the real world and not academia. The professor suggested that Mr. Levy meet Dr. Jacobs. It was a fortuitous meeting.

"Our training at Wharton and our broader training at other schools gave both Ken and I a very broad set of tools and knowledge that came to be of value in creating our partnership

and what was to come," says Dr. Jacobs.

The two went on from Wharton to careers with Prudential Asset Management Co. and then began their own business in 1986. They have been working side-by-side, as friends, for 25 years. Their offices are next door to each other, joined by a shared kitchenette and they often confer with each other by the microwave.

The gift to Wharton is, in part, a way to honor the anniversary of the company, which manages \$8 billion in assets.

The gift is also a way to invest in new "maps" that hopefully will provide insight into how financial markets do and don't work, according to Dr. Jacobs. "There's plenty of wilderness out there to explore," he says.

The prize, by contrast, is a way to value great ideas and extensive research.

"It's our hope, and I believe in time, this prize will be the most sought after prize in the financial world and its recipients will form an elite group of scholars and practitioners who have really had a transformative impact on financial practice," says Mr. Levy.