

Delivering Indispensable Information

An Interview with Daniel L. Doctoroff, President, Bloomberg L.P.

EDITORS' NOTE Daniel Doctoroff became President of Bloomberg L.P. in January 2008. From 2001 through 2007, he was the longest-serving Deputy Mayor for Economic Development and Rebuilding of the City of New York, under Mayor Michael R. Bloomberg. Before joining the Bloomberg Administration, Doctoroff was Managing Partner of Oak Hill Capital Partners, where he worked for 14 years. During 1994, while at Oak Hill, Doctoroff founded NYC2012. He was recruited into the Bloomberg Administration in late 2001. Doctoroff previously worked as an investment banker at the former Lehman Brothers. He received a B.A. degree from Harvard College in 1980 and a J.D. degree from the University of Chicago Law School in 1984. Before attending law school, Doctoroff was a political pollster. He is also a member of the Committee on Capital Markets Regulation, the Council on Foreign Relations, and sits on the boards of the Committee Encouraging Corporate Philanthropy, World Resources Institute, Youth I.N.C., Human Rights First, Riverside Park Fund, and National Academy Foundation.



Daniel L. Doctoroff

COMPANY BRIEF Currently headquartered in midtown Manhattan, Bloomberg L.P. (www.bloomberg.com) is a privately held financial software, news, and data company founded by Michael Bloomberg and partners in 1982. The company provides financial software tools such as analytics and equity trading platform, data services, and news to financial companies and organizations around the world through the Bloomberg Terminal, its core money-generating product. Bloomberg L.P. has grown to include a global news service, including television, radio, the Internet, and printed publications.

Were you surprised by the speed and severity of the global economic crisis over these past 24 months, and where are we today on the road to recovery?

I was not surprised by the severity of the decline, because it's always in proportion to the rate of ascent. And the more leveraged the ascent is, the more precipitous the decline is going to be.

The other thing that hasn't surprised me is that the recovery for the economy in general, at least in the short run, has been swifter than anyone would have expected.

For New York City, the impact of the crisis has been less dramatic than most people would have feared. And that is completely consistent with history.

How has Bloomberg's workforce been impacted by the downturn?

From the end of 2008 to the end of 2010, Bloomberg's workforce, a large percentage of which is located in New York City, will have grown by 25 percent.

We are in many ways emblematic of what America aspires to be, in that

our product is global but much of the intellectual capital that powers this global product is based in New York City and in the U.S. So as we reach out around the world and our product globalizes, New York City and America benefit.

There is talk of the U.S. broadly losing some of that innovation edge. Is there merit to that and does it concern you that the U.S.'s position as an innovative leader is being lost?

Innovation is in America's DNA. Time after time, despite seemingly insurmountable issues, this country has remained the center for innovation.

To be an entrepreneur, you have to be an optimist – you have to believe against all odds that your product is going to work, where people have typically failed before.

The unique thing about America is that we are a nation of optimists because we are a national of immigrants (or children of immigrants).

The mere act of immigration is an act of optimism. Every immigrant has to have faith that where they are going is going to be better than where they came from. Everybody here, in one way or another, is connected to that immigrant spirit.

So it is bred into our very fiber as a culture and we will never lose that unless we suddenly turn off the flow of immigration.

In the short run, policies can be developed, tax and otherwise, to encourage innovation; investments need to be made in basic sciences; and the educational system has to be continually reformed.

Is the scope of the Bloomberg business and the global strength of the brand well understood today?

We are evolving rapidly, but we have a very clear strategy. It recognizes that our core product – the Bloomberg Terminal, which is

on the desktops of most salespeople, traders, and policymakers who affect markets globally – must be nourished in new and exciting ways, and that's what makes lots of other things possible, like entering industry verticals and other products. Those, in turn, make our core product more valuable.

I don't think there is a broad understanding of where we're going. We're a private company and haven't really articulated our strategy publically.

But our core users in the financial markets understand what they need to know about the brand – that we stand for indispensable information delivered to a network of people who are connected through our solutions.

How critical is the corporate responsibility focus to the culture of the company?

Absolutely central, and that goes back to Mike Bloomberg. The responsibility to the community is a central tenet of everything he does and thinks about.

We have developed world-leading sustainability and service programs. Something like 50 to 60 percent of our employees participated in company-sponsored volunteer activities last year. When you mix what the Mayor does with what he does personally, we have a larger impact than nearly any other company.

People want to work for a company that stands for more than just making money. And given the example that Mike Bloomberg has set, and, hopefully, given the way we live our life as a company, we are demonstrating that everyday, and our colleagues see that.

How critical are public/private partnerships for New York City and have you been happy with the way the business leaders have been brought into the mix?

In my six years in government, we had an overwhelmingly positive relationship with the private sector. It took many different forms, including borrowing personnel or expertise from the private sector. Many firms contributed time that enabled us to do things like develop a growth strategy for New York City or help reach an agreement on the rebuilding of Ground Zero. We didn't have some of that expertise in the city.

We also entered into many development projects in partnership with the private sector. And the private sector has funded major educational initiatives. It has been an almost unalloyed positive in terms of its impact on New York City. ●