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# STAYING CONNECTED

How MacDougall Family Traditions  
Built a Business over 160 Years

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*Staying Connected is not only the story of a family and the history of a business but a portrait of the city of Montreal from the 1840s to the present day. At its heart is one of the country's most prominent independent investment firms, MacDougall, MacDougall & MacTier Inc., and the family behind its success.*

With origins dating back more than 160 years, MacDougall, MacDougall & MacTier Inc. has continued to grow and evolve through changing times to become one of the most prominent independent investment firms in the country. *Staying Connected* is the story of this employee-owned firm - also known as “3Macs” - from its founding by one of the first stock brokers in Montreal, Donald Lorn MacDougall, to the present day.

James Ferrabee and Michael Harrison reveal that, even as decades passed and economic trends soared or crashed, MacDougall, MacDougall & MacTier has continued to rely on the tradition and continued presence of the MacDougall family and the firm's core values: integrity, independence, and trust. Rich in detail about the history of the company, its founding family, and Canadian business, *Staying Connected* also offers a lively portrait of the city of Montreal from the mid-nineteenth century to the early twenty-first. Accessible and amusing, this is an inside account of a continuing success story.

James Ferrabee is a journalist and writer whose work regularly appears in the *Montreal Gazette*.

Michael Harrison is a former president and CEO of MacDougall, MacDougall & MacTier Inc.

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# A HISTORY TO CELEBRATE

Foreword by Bartlett H. MacDougall

When an organization reaches a milestone it seems only natural to celebrate the occasion. So it was in September 2008 that MacDougall, MacDougall & MacTier, affectionately known as “3 Macs,” gathered in Montreal with their current employees and many of their alumni, with their wives and dates, for an evening of celebration of our 150 years. It was at this occasion that I announced that a history of the firm was being written to document the role that the MacDougall family and their associates had played in the financial industry in Canada over these many years. The idea had originated with Athol Gordon, a family friend, who made his second career with 3 Macs. Little did I think that there was a story in it, but James Ferrabee and Michael Harrison proved me wrong, and also wrong in another way. It was discovered that we were out by nine years on the anniversary date, a mistake for which I take full responsibility. It seems that our origins go back to 1849, which means that we can now celebrate 160 years in 2009!!

The family tree, included as an appendix, shows that there was always more than one MacDougall family member from each generation who worked in the firm. However, family participation wasn't limited to the MacDougalls. In 2008 we had numerous family members of Watsons, Gallops, Blacks, Westons, Perrys and Berrys, Sears, MacCallums, Rebers, and of course Prices. One way or another, it was the ability to attract high-quality partners or associates that made it possible to grow from a firm of several partners into a corporation with nearly two hundred employees with over half being shareholders.

How is it, one might ask, that this firm has managed to survive in such a mercurial business, when so many others have been acquired, merged to become larger entities, or just closed their doors? There is a theory that “small and focused” or “large and diversified” are sustainable business models, whereas anything in between is vulnerable. From its earliest days the MacDougall firm has been small and focused, and it remains that way to this day. The focus may have changed slightly over the years, but a common thread can be found. The firm has always had an affinity to serve the private client, and this has been the mainstay of the business since its inception.

Just as one generation has followed another into the firm, so too have several generations of private clients been attracted to its services. There is little doubt that this loyalty has been made possible by a high degree of trust, which is of critical importance in an industry that finds itself conflicted in so many ways.

Will the loyalty of current and future clients, employees, and owners allow 3 Macs the privilege of continuing the legacy that the MacDougall family began so many years ago? We think so, as long as there is value in the firm's motto: “integrity, independence, service, and performance.”

### Excerpt from *Staying Connected* by James Ferrabee and Michael Harrison

The history of MacDougall, MacDougall & MacTier has been influenced by many people with many talents and there are many names not mentioned in this attempt to capture the main themes and highlights. To try to list all of them would be folly, because someone is bound to be forgotten or misplaced in time (to say nothing of the possibility of misspelled names). The company is blessed by having a staff that shares the values of the founders and the sequential handing on of those values is the cornerstone on which 3 Macs is built: integrity, independence, service, and performance.

The company has prospered by following that simple, but meaningful, philosophy. During good and bad times, the client has always come first and the steps taken to ensure that this principle is honoured are not obvious on the surface. Investment dealers have many options and the markets will present opportunities to place significant bets to the benefit of the house. Positioning inventories to take advantage of suspected moves in either stocks or bonds is a normal practice for dealers, and the subsequent unwinding of these positions usually creates conflicts, as does the underwriting of securities. Further, the offloading of some issues may cause the sales manager to create incentives for the sales force to sell a mispriced issue. The list of conflicts is short but the consequences can be dire for the retail client if they are not aware of the dealer's agenda.

From its earliest days to the present, 3 Macs (and its antecedents) created an environment of trust and honesty that still prevails throughout the staff and reflects out to the client. The future is probably brighter than ever, and the reasons are obvious. The transferring of wealth that will occur over the next generations will be significant and the client base will be looking for independent advice separate from its banking relationship. The competition for these clients will be formidable and the victors will be those firms that can provide excellent portfolio advice, tax strategies, and estate planning. These attributes fall under the catchphrase "wealth management." The client will be attracted to a company committed to a relationship founded on trust and knowledge, not on a buzzword. The platform that is now 3 Macs is ideally suited to this challenge. The road ahead requires little alteration to its present direction.