Lehman Brothers, one of America's leading investment banking firms, today celebrates its 100th anniversary. The centennial is being marked by a 63-page book published by the firm, tracing its development since its founding in Montgomery, Alabama, in 1850. The book emphasizes the part the firm has played in gathering capital for the rapidly growing businesses of the United States and in broadening the ownership of their securities.

The firm, under its century-old name of "Lehman Brothers", was founded by three brothers, Henry, Emanuel and Mayer Lehman, who migrated from the village of Rimpar in Bavaria during the middle of the 19th century. At the outset, grocery and dry goods were their stock in trade, but shortly the firm became a commodity house, predominately in cotton.

With New York becoming the center of the cotton crop financing, the firm in 1858 established a New York office at 119 Liberty Street and Emanuel Lehman came to Manhattan to live.

While the blockade of the Confederacy's ports brought the cotton business to a virtual halt, the Governor of Alabama charged Mayer Lehman with the task of persuading the Union authorities to grant permission for some 1500 bales to pass through the lines to be sold in the North for the benefit of Alabama prisoners in the Union prisons, a scheme that proved futile.
After the Civil War Lehman Brothers business was resumed at 176 Fulton Street, and moved thence to 106 Water Street, and in 1867 to 133-135 Pearl Street, and again to 40 Exchange Place, the booming center of the cotton trade.

Lehman Brothers was one of the 100 firms which founded the New York Cotton Exchange in 1870, and Mayer Lehman was on the first Board of Directors, a position he occupied until 1884. Three years later, a member of the firm acquired a seat on the New York Stock Exchange, on which the firm has since been continuously represented.

Continuing to adapt itself to the changing economy of the Nation, the firm interested itself in the financing of merchandising and manufacturing businesses. Among these were, in 1897, the Electric Vehicle Co., in 1899, the Rubber Tire Wheel Company, which eventually was absorbed by the Goodyear Tire and Rubber Co., and the Havana Tobacco Co., which later became a part of the American Tobacco Co.

During the two decades beginning with 1906, almost 100 security issues were underwritten by Lehman Brothers and offered to the public. Most of these issues were joint ventures with Goldman, Sachs & Co., with whom Lehman Brothers enjoyed a mutually productive working partnership for many years.

With the wider range of the firm's interest, it took into the partnership young men of special business experience. The first partner who was not a member of the Lehman family was John M. Hancock, admitted in 1924. He was later to become Co-author of the Baruch-Hancock Atomic Energy Report. Monroe C. Gutman, an expert in the securities field, became a partner in 1927. Among his outstanding contributions has been his stewardship of the highly successful Lehman Corporation, whose policies have largely reflected his investment acumen. Paul Mazur, one of the leading experts in the merchandising and retail fields, became a partner in 1927.
During this period, Philip Lehman, a son of one of the original founders, was the head of the firm, and his son, Robert, was rising through the ranks to become the present head of the partnership upon the death of his father in 1947. Herbert H. Lehman, son of Meyer, meanwhile had followed the family tradition by working for a decade in the cotton goods business before joining the firm in 1908. Two decades later he retired to devote all his time and energies to public affairs, later serving four terms as Governor of New York State, and at present being a United States senator.

Two of the firm's younger men gave their lives for their country in World War II, Thomas Hitchcock, Jr., perhaps the world's leading polo player, and Peter C. Lehman, a member of the fourth generation of the family. The first member of his generation to become a partner of the firm was Philip Isles, nephew of Robert Lehman. Two other members of the fourth generation also are now associated with the firm, Orin Lehman and John Lehman.

Since 1906, when Lehman Brothers first underwrote a public issue of stock for Sears, Roebuck & Co., many large businesses which theretofore had been family-owned, found that their capital needs necessitated recourse to the public securities' markets. In the intensive competition for the business, Lehman Brothers forged ahead and from time to time succeeded in making their services available to many companies of national importance whose names are familiar in every American household. Among those for whom it managed or co-managed issues were F. W. Woolworth & Co., Hay Department Stores, Cluett, Peabody & Co., Inc., S. H. Kress & Co., Endicott Johnson Corp., Jewel Tea Co., Inc., Gimbel Brothers, Inc., R. H. Macy & Co., Inc., Studebaker Corporation, The B. F. Goodrich Co., Campbell Soup Co., Philip Morris & Co., P. Lorillard Co., Radio Corporation of America, General Foods Corporation, and National Dairy Products Corporation. Many others are included in the list of occasional, or steady clients, including leading enterprises in the fields of merchandising, oil, aviation, mining and manufacturing.
Lehman Brothers also has been a leader in helping expanding businesses to obtain capital through the more recently developed channel of private placements, whereby enterprises are enabled to place securities directly with large institutional investors.

The firm, which now has seventeen partners, begins its second century with an expression of the same faith in the future of America that marked the partnership at its inception and determined its development in the service of American industry and investors from generation to generation.