

# **HISTORY: THE SSA – AND WE – HONOR HARRY POULAKAKOS – OWNER OF THE WORLD-FAMOUS HARRY’S BAR (AND NOW BAYARDS RESTAURANT TOO) – OF HANOVER SQUARE... “WALL STREET’S FAVORITE WATERING HOLE” FOR OVER 36 YEARS**

## **WHAT VALUABLE LESSONS THERE ARE TO BE LEARNED HERE!**

**As the Shareholder Services Association’s program committee began to plan for the annual SSA Holiday Luncheon in NYC - which has been held at Harry’s for 10 years or so now - one of the SSA members suggested, “Why don’t we ask *Harry* to be the speaker? There’s nobody in America who has seen more of the the ups and downs of Wall Street than Harry...And there’s probably no one in America who knows more about customer service than Harry either!”**

**Motion made, and promptly carried, Harry spoke to the biggest crowd the always-popular SSA lunch has drawn in more than a decade...and received a rousing standing ovation at the end. Here are a few of the highlights from Harry’s walk and talk through Wall Street history – some drawn from his little talk, and some drawn from a pre-talk interview with your editor, who had the privilege of asking Harry the questions...**

**Q. Harry, how and when did you come to the Wall Street area...and how did you get started in business?**

**“I came to America in 1956 - straight from my father’s farm in Greece. I had taken up his business as bee-keeper...and I thought maybe I could be a bee-keeper in America too, the land of opportunity. You know, you have to be a good person to be a bee-keeper. The bees know right away...and if you’re not a good person – and someone with lots of patience, who knows the business, and who works steadily, and carefully, you won’t succeed...The bees will not produce a lot of honey. And also, the bees will sting you. The same thing is true in business.**

**“So when I saw that raising bees in Brooklyn would not be so easy, I got a job at George’s restaurant and bar at 60 Broad Street.” (As it turned out - small world - your editor and his co-workers used to go to George’s every night back then – for a few “Seven-and-Sevens” – which was the big drink of choice back then, which gave both of us a good laugh). And who was in charge of George’s back then but Gus, as we’d quite forgotten until just then... “who taught me everything I know about the restaurant business” Harry said...and who later, after a fairly long stint at Fraunces Tavern, eventually became the presiding-officer behind Harry’s bar...bringing all his loyal customers with him.**

**“But one day, back in the 1950s, Gus didn’t come in to work at George’s. ‘Where is he?’ I wanted to know. ‘Gus lost a lot of money in the stock market yesterday’ I was told...and that was my first experience with a bad stock market – over 50 years ago. But Gus recovered, and so did we all.**

**“A few years later, in the mid-1960s, I was the head-waiter at Delmonico’s...and the waiters had pulled a wildcat strike...And all of a sudden, huge crowds of people came swarming in...then more, and more. The entire bar and restaurant was packed. It was the biggest day the stock mar-**

**kets had ever had: About 3.9 million shares were traded that day, and all the brokers were celebrating...And the waiters who didn't show up that day missed the biggest and best day of the year."**

**Q. This was really the beginning of the "paperwork crisis on Wall Street", which we'd bet was a mighty good thing for you, no?**

**"You're right...Soon there was so much market activity, and so much paperwork, the markets had to close early every day...and to close altogether one day a week, so the banks and brokers could try to catch up. They'd come in for a few drinks...and maybe for lunch around 2:00...then they'd go back to work...until pretty late at night...then they'd come back again. Everybody was working overtime - and on every weekend too. And you have to laugh when you think that a big day was still only 20 million or so shares traded on all the markets combined!**

**"So in 1972 I was able to go on my own, and I opened Harry's, right here at Hanover Square." (For trivia buffs, India House, the beautiful and historic building that Harry now owns, was the home of the original Hanover Bank, formed in the 1850s...which had no connection whatsoever to the Germanic "House of Hanover" that then ruled England, after which Hanover Square was named, as some customers maybe thought it had).**

**"Back then, the IPO market - and the bond markets too - were booming. Lehman Brothers, one of the top underwriters back then, was right across the street. They would be up all night for many nights before an offering - proofreading and revising documents...then checking and counting all the stock and bond certificates...and I would just stay open for them. Some nights they'd come in for dinner around 11:00. Then they'd be back for breakfast the next day...then lunch. Those were good days.**

**Q. What about your restaurant at the Woolworth Building...and Harry's American, at the American Stock Exchange, which were really nifty places too?**

**"The restaurant in the Woolworth building was a big success for quite a while: AT&T's headquarters was right there...and Western Union...and RCA...But when they all moved away, it was time to change. Harry's American was another big success back then. The American Stock Exchange was booming - so much so that they needed my space. Part of their trading floor, where the restaurant was, is still known there as "Harry's".**

**"The 80s were very good days for us - and for the banks and brokers - until the big crash in 1987, which hit them pretty hard. But the markets came back...and they came back after the dot-com crash too...and they will come back from this bad market too...just as they have always done.**

**"This is AMERICA...the greatest country in the world...with the world's best companies...and still the world's best markets. We need to be patient...and to not get crazy...And, just as before, there will always be new kinds of things, and new kinds of jobs, and new kinds of opportunities to come along...as long as we pay attention, and don't get discouraged."**

**Q. Speaking of paying attention, tell us a little bit about your perspective on customer service.**

**"Of course, your customers always have to come first. You have to give the customers what they want. Customers like it when the boss is around...watching exactly what is going on...making sure the customers are always happy...They like it when the boss knows what he's doing. They like it when someone smiles, and greets them when they come in...and checks in to see that they are happy with everything...and if not, that you make it right, right away. They want *personal service*. Sometimes I think we have used too much automation...and taken too many people away from understanding what is really going on, and from really serving customers.**

**"Most important, customers all want good value for their money. You were reminding me before about our martinis: When I started Harry's, a martini had about twenty-five cents worth of gin in it. I told the bartenders, 'be sure you pour them 27-cents worth'. It didn't cost a lot of money, but**

customers were happy, and they *still* keep coming back. When you order lunch from us, we want to give you a *good lunch* – and a complete lunch...not to charge everything as an ‘extra’. That’s another reason why they keep coming back. Same with our wines: I am very proud that we have over 50 wines on our list that are under \$50.” (Readers, in case you don’t know, Harry has one of the biggest and best wine cellars in NYC – and he probably has the lowest wine markups in the City too).

**Q. When I think about the ‘80s I always think about how you stayed open during the big NYC area power-failure...serving drinks by candlelight - and whatever food you could put together – and running a tab for everyone because the cash registers wouldn’t work – then hand-delivering the tabs the next day. Now THAT was service.**

“I didn’t worry about the food. It was going to spoil if someone didn’t eat it...The police were trying to break up the crowds of people that were milling around. I told them, ‘let them come in and eat’. If they didn’t have money with them, I didn’t worry. A lot of people slept over in the restaurant that night too. They had no way to get home, so why not?

“This is another important thing...Most people are honest. You’ve got to trust your customers. If they say something isn’t right, just fix it.” (An aside; Harry also let his regulars run up quite a few pretty big ‘tabs’ during the bad times of the 1980’s – which also seems to have paid off for him many times over.)

“And, of course, you have to make sure that all your *employees* are honest. If someone isn’t 100% honest when they make out the bill and hand it to the customer, you don’t want them to be working for you.

“So when I look back over the 50+ years I’ve been on Wall Street, I know that just as before, it will make a good comeback. It’s a question of time...and of having trust in our markets, and in America itself – which we know is, and will always BE the greatest country, and the greatest economy in the world...And it’s also a matter of having patience...and of trying to be a good person too, and sticking with, and helping our friends and fellow workers - sort of like the bee-keeper.”



Photo courtesy of Joe Trezza, DTCC.

Harry Poulakakos (left) receives a certificate of appreciation from outgoing SSA President, Jim Alden, of The Walt Disney Companies (center) designating Harry’s as Wall Street’s “Watering Hole of Choice”. Your editor is on the right.