
Media/Entertainment

Wolves in Turtles' Clothing

By [Marek Fuchs](#)

Special to TheStreet.com

10/27/2007 11:01 AM EDT

URL: <http://www.thestreet.com/newsanalysis/mediaentertainment/10386788.html>

Investment and management books have an alarming tendency to spend a lot of time advising you to take your life and trading cues from one particular wild animal or another. This month's preference just might be the turtle, and I instantly developed the sneaking suspicion that the turtle is possibly in vogue in reaction to the popularity of Jim Cramer, co-founder of this site and, shall we say, not someone who has achieved renown in the field of business commentary from following a tortoise's take on life.

Sure enough, *The Complete TurtleTrader: The Legend, The Lessons, The Results,* (Collins) by Michael W. Covel, does not make it to the back inside cover before it is drawing distinctions between the timeless success of the so-called turtle traders and the "era full of slapdash investing advice and promises of hot stock tips for 'the next big thing,' as popularized by pundits like Jim Cramer of 'Mad Money.'"

The Business Press Maven has, as longtime readers know, been up front with his own quibbles with Cramer, but I'm always suspicious of anyone who defines themselves, as in this case, by what they are not.

And the inside front cover, ironically enough, starts with a real go-go come-on -- nothing any self-respecting turtle would ever write, assuming, of course, that a turtle could write:

"What happens when ordinary people are taught a system to make extraordinary money?"

The second line of the preface draws a parallel with Donald Trump. Again, not one universally recognized as a turtle type. First off, once you start giving momentum play advice, you lose me on the turtle reference. No turtle I know is a momentum player.

When it comes to business books, though, inconsistencies sometimes have to be accepted as a naturally existing part of the genre, in order to get at the underlying premise, which is the only item that matters to investors anyhow.

The premise is that, with his system, Covel ran a contest of sorts, looking for people in totally unrelated fields to train and then set loose on a trading desk. And they did well. Don't be too impressed, though. Wall Street has always been a nonprofessional profession, which is to say a field in which savvy people who have been successful and earned their nicks and world weariness in other fields have come to and been successful.

In fact, talk to a lot of traders and the last guy they'll want working on a trading desk with them is someone with formal training -- a business school automaton. When *The Business Press Maven* was a stockbroker, there was an office joke that if someone scored too high on their Series 7, they were in for a bad career, because it meant they were too financially book-smart to succeed on their feet. Even Hare Cramer, the anti-turtle, started as a journalist and went to law school.

So I disagree with the basic premise that a system that turns novices into successes is much of a departure from all the other systems that have always turned everyone without financial experience into successes.

Still, what of the system? Well, as in the case of many of these systems, I have nothing specifically against it, but I also have nothing specifically for it. The Turtle System is, in the end, a mix of common sense maxims about trading ("If the Turtles lost money in a market, they had to move on. Accepting and managing losses are part of their game") to advice to be more concerned about when to sell than when to buy to technical

indicators, like buying into strength during break-outs.

Is there some value to reading all this obviousness formalized together in one place? I suppose, in that it can't hurt, and maybe collecting all these maxims in one place, even if you've seen the same maxims elsewhere, will set some sense in people's minds. Still, I'll slap a dreaded Business Press Maven "Hindrance" label on this book. There might be value to amateur investors, as every trader needs a plan, but I can't in good conscience suggest paying \$25.95 for a book of maxims. Finally, if you do read it, please don't make too much of pianists and computer geniuses making money because of this system. In the history of Wall Street, those who have focused on quirky successes in other fields have done well under many programs.

In addition to this trading advice book, there is a tortoise and hare on the cover of one of the latest business self-help books -- but the hare is winning. The book *The Age of Speed: Learning to Thrive in a More-Faster-Now-World*, (Bard Press) is written by Olympic-speed-skater-turned-corporate-consultant Vince Poscente, who speaks about the need for speed.

This book, like most of these management pamphlets that happen to come with a hard cover, is not to be taken too seriously. I only mention this one -- and give it a (again, hesitant) "Help" label because of how it uses the capacity for speed as a lens through which to look at companies. In other words, speed as a baseline condition to our economic and social life is a given. Dealing with it is the ante you have to put up to get into the game.

So how does a company you are investing in measure up in this regard? Poscente is most interesting in analyzing **Dell** (DELL) , which he calls a "Bottle Rocket," which pursues speed at all costs, but is lacking in ability to harness it, which ultimately puts it in danger. Though Dell didn't start out as a Bottle Rocket, its inability to evolve from the "Dell Way" over the past few years turned it into a prime example.

In the end, thinking of companies in terms of their ability to surmount and even capitalize on the speed of modern society is something that anyone -- tortoise or hare -- would be well served to do.

At the time of publication, Fuchs had no positions in any of the stocks mentioned in this column.

A journalist with a background on Wall Street, Marek Fuchs has written the County Lines column for The New York Times for the past five years. He also contributes regular breaking news and feature stories to many of the paper's other sections, including Metro, National and Sports. Fuchs was the editor-in-chief of Fertilemind.net, a financial Web site twice named "Best of the Web" by Forbes Magazine. He was also a stockbroker with Shearson Lehman Brothers in Manhattan and a money manager. He is currently writing a chapter for a book coming out in early 2007 on a really embarrassing subject. He lives in a loud house with three children. Fuchs appreciates your feedback; [click here](#) to send him an email
