

The Power of Quotes

These quotes are pulled from Dimensional Fund Advisors' *35 Quotations on a Better Way to Invest*. This collection features 35 quotes from Dimensional thought leaders, along with supportive narrative. To make the language more understandable and accessible, Dimensional recently embarked on a project with Dave Goetsch, executive producer of *The Big Bang Theory*. It quickly followed that advisors, their clients, and Dimensional employees would benefit from hearing the language of Dimensional thought leaders in a way that would be free from the constraints of time and place. After experimenting with numerous formats, it was decided that recorded conversations between thought leaders would offer an effective method for highlighting the events and ideas that have shaped their investment approach. Here are some excerpts:

Quote 1

"Are you willing to sell a shoe that doesn't fit? Or are you willing to lose a sale because you don't have the right size?" - David Booth, Founder of Dimensional Fund Advisors

Quote 2

"The set of ideas around which we build the firm are bigger than the firm itself." - David Booth, Founder of Dimensional Fund Advisors

Quote 3

"I take the market efficiency hypothesis to be the simple statement that security prices fully reflect all available information." - Eugene F. Fama, 2013 Nobel-Prize laureate and Dimensional Fund Advisors thought leader

Quote 4

"Everybody has some information. The function of the markets is to aggregate that information, evaluate it, and get it incorporated into prices." - Merton Miller (1923-2000), Nobel laureate and board member at Dimensional Fund Advisors

Quote 5

"It's about the price. It's always been about the price." - David Booth, Founder of Dimensional Fund Advisors

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Quote 6

"Modern finance is based primarily on scientific reasoning guided by theory not subjectivity and speculation." - John "Mac" McQuown

Quote 7

"In science, what you want is the minimum number of factors that will explain something, not the maximum number." - Eugene F. Fama

Quote 8

"The goal is to find variables that are useful moving forward, not to explain the past." - Kenneth R. French

Quote 9

"Sometimes in life, it's not developing the best answers, but developing the right questions." - David Booth

Quote 10

"By the time a paper is published, you're probably looking at the 200th draft." - Eugene F. Fama

Quote 11

"It's just fun to do research, learn new stuff, and potentially have an impact on the way other people are thinking about the world." - Kenneth R. French

Quote 12

"What I knew then and what I know now is that this set of ideas is compelling. And sooner or later the world is going to come around to seeing the validity of this form of investing." - John "Mac" McQuown

Quote 13

"I like that Dimensional invited all these Nobel laureates on their board before they got their Nobel Prizes. It's easy to invite them afterward." - Merton Miller

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Quote 14

"When you start a fund company, you are very worried about what you don't know. Who better to look over your shoulder than the leading researchers in the world?" - David Booth

Quote 15

"I thought it was a good experiment but I was skeptical." - Myron Scholes

Quote 16

"Dimensional was founded on financial science. So the culture from the beginning matched my culture." - Robert C. Merton

Quote 17

"The people at Dimensional care much more about getting the right answer than defending their answer." - Kenneth R. French

Quote 18

"The research is out there for anybody to access. What distinguishes Dimensional is the way we implement ideas." - David Booth

Quote 19

"Ideas alone are cheap - implementation is what really counts." - Myron Scholes

Quote 20

"The nuance and expertise is where you take knowledge and information and implement it in a real test, not in the backtest." - Gerard O'Reilly

Quote 21

"We build diversified portfolios that capture the dimensions of expected return," - Eugene F. Fama

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Quote 22

"People try to get certainty in an uncertain world. We embrace uncertainty and account for it with robust portfolios," - Eduardo Repetto

Quote 23

"Our long-term results match the long-term research," - David Booth

Quote 24

"The important thing about an investment philosophy is that you have to have one you can stick with," - David Booth

Quote 25

"This investment approach is easy to communicate, is verifiable, and is eminently defensible." - Rex Sinquefeld

Quote 26

"Everything in life, individually or socially, is a tradeoff. We determine the risk levels we're willing to tolerate within the context of our goals and objectives." - Robert C. Merton

Quote 27

"Control what you can control." - Dave Butler

Quote 28

"Dimensional's investment philosophy is about more than returns -- it's about a great client experience that can really help people relax." - David Booth

Quote 29

"Investing is not about being a hero. It's about managing risk and delivering good long-term performance to have happy clients." - Eduardo Repetto

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Quote 30

"Providing great client experiences has always been, and will continue to be, why we do what we do." - Dave Butler

Quote 31

"Not all academic research is useful for clients. We want good ideas that we can structure and implement as strategies." - Gerard O'Reilly

Quote 32

"The money we manage is not our money - it's our clients' past and their future." - Eduardo Repetto

Quote 33

"Once you accept this view of markets, the benefits go way beyond just investing money." - David Booth

Quote 34

"I don't know the upper limit to these ideas. I don't think there is one." - John "Mac" McQuown

Quote 35

"We take pride in what we do. The philosophy we have enables people to stick with it, and the returns we've been able to achieve have enabled people to live better." - David Booth