



Merrill Lynch

Subsidiary bank of
America

Company Information

- **Founded-** 1914 (as Charles E. Merrill & Co.)
- **Founder's-** Charles E. Merrill Edmund C. Lynch 
- **Headquarters-** New York City, USA
- **Area served** -Worldwide
- **Key people-** John Thain (Former Chairman & CEO)
- **Industry-** Finance and Insurance
- **Products**
 - Financial Services

Company Information

2007



- **Revenue** -▼ US\$ 62.675 Billion
- **Operating income** -▼ US\$ -12.831 Billion
- **Net income** -▼ US\$ -7.777 Billion
- **Total assets** -▲ US\$ 1.020 Trillion
- **Total equity** -▼ US\$ 31.932 Billion
- **Employees** -60,000
- **Parent** -Bank of America
- **Website** -www.ml.com



History

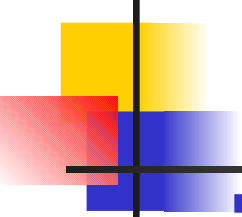
- The company was formed by **Charles E. Morrill (6 jan1914)** and at 7 wall street in New York and after some month (in 1915) his friend also joined his name **Edmund C. Lynch** and form the name of the company after that another member joined the company name is **Winthrop H Smith**.



Cont...

- Merrill Lynch provides capital markets services, investment banking and advisory services, wealth management, asset management, insurance, banking and related financial services worldwide. Merrill Lynch is headquartered in New York City,
- occupies the entire 34 stories of the Four World Financial Center building in Manhattan.

History and operation

- 
- In between company made several successful investment
 - In 1921 it purchase Pathe exchange that later become RKO picture
 - In 1926 com invest in Safeway and after sometime it turn into largest glossary store by early 1930s
 - The company became the first on Wall Street to publish an annual fiscal report in 1941.
 - They have the strongest brokering chain so we call it **"thundering herd"** that allowed it to place securities it underwrote directly. Until as late as 1970, it was known as the **"Catholic" firm** of Wall Street.
 - In_1971 com. Become public company
 - In 1978, it significantly buttressed its securities underwriting business by acquiring White Weld & Co a small but prestigious old-line investment bank.



Cont....

- Since it become multinational and it is operating in more then 40 comp. and have well known for its **Global Private Client services** and its **strong sales force.**
- IN NOV 2007 THE ceo **mr stanaly o neal** has to left the com because he was very criticized because of its risk management and sub prime mortgage crises. On that time ML has suffered the loss of 2.24 Bn. It was really an unexpected loss by the lynch, MR john thain succeeded his post he was the CEO of new yark stock exchange.



The cause of worry

- In jan 2008 qtr report and April 2008 qutr report it was heavy loss of 9.83,1.97 bn \$. Merrill responded to its losses by raising capital through the sale of preferred shares, however experts suggest that such a strategy may pose a risk to the company's credit rating which could cause an increase to the company's borrowing costs.
- On jan 2009 john thain also resign to the com.because just prior to the acquisition of BOA he had rushed to pay bonus to the employee but he allegedly did not disclose it while the negotiation with the bank,
- Thain was also named asa co-defendant in a class-action lawsuit filed by shareholders against Bank of America and Merrill Lynch



Its acquisition

- Presently this company is acquired by Bank of America
- On 14 sep 2008 BOA announce its intention to acquire the M.L.
- The condition was that the M.L share holder will acquire the .8595 share of BOA
- The approval takes place in DEC 5 2008 and it com to the effect on 1 JAN 2009