The Long and Short of It

Quarterly Newsletter from

Robinson Wilkes, L.L.C.

Second Quarter, 2001

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The return for the Robinson Wilkes Equity Composite (RWEC) in the Second Quarter of 2001 was 12.7%, which compares favorably with other indices, including the BARRA Value Index at 5.0% and the S&P 500 Index at 5.8%. After the very difficult period for value investors in 1998 and 1999, four sequential quarters of outperforming makes it gratifying to review the year-to-date, one-year, and long-term return figures. Returns for our composite portfolios over various time periods are as follows:

Returns for periods ending June 30, 2001:				----------------	**Annualized**	----------------
					Since	**Inception**
	2nd Quarter	**YTD**	**1 Year**	**3 Year**	**Inception**	**Date**
RW Equity Composite [1]	**12.7%**	**21.3%**	**37.9%**	**14.4%**	**15.2%**	**12/31/97**
BARRA Value Index	*5.0%*	*-1.8%*	*8.6%*	*6.3%*	*8.9%*	*12/31/97*
S&P 500 Index	*5.8%*	*-6.7%*	*-14.9%*	*3.9%*	*8.2%*	*12/31/97*
RW Balanced Composite [1]	**5.7%**	**10.5%**	**20.8%**	**10.5**	**10.7%**	**12/31/97**
60% BVI / 40% SSB Index [2]	*3.5%*	*0.9%*	*9.7%*	*6.9*	*8.4%*	*12/31/97*

[1] AIMR-PPS compliant composite returns of actual accounts. See footnotes on reverse side of page. Complete performance presentation available on request.
[2] 60% BARRA Value Index / 40% Salomon Smith Barney 1-5 Year Govt./Corp. Bond Index.

Here are a few other numbers that may be of interest. Robinson Wilkes (RW) submits returns to several databases used by consultants to perform manager selection and return analysis. One of these (Effron's Plan Sponsor Network) publishes a series of Top Gun Lists each quarter to show the top ten performers among the different categories of products they follow. For the First Quarter of 2001, with a return of 7.6%, the RWEC ranked 2nd among the 766 large cap domestic products submitted. This category includes value and growth products, as well as market neutral products, i.e. those that are short the market as well as long. In fact the other four in the top 5 for that difficult quarter were market neutral products. We recognize that a good quarter is only one quarter. We also know that returns tend to be most vulnerable after a period of outperforming. Yet it was fun to see our name on Effron's Top Gun list.

For the technically inclined, RW's returns from December 31, 1997 to June 30, 2001 reflect an R-Squared of .40, a Beta of .72, and an Alpha of 8.5%. R-Squared measures the proportion of the variance in a portfolio attributable to the variance in the market as defined by the S&P 500 Stock Index. The lower the R-Squared (which runs from 0.0 to 1.0), the less the return is attributable to the market. Beta measures volatility relative to the stock market, with a Beta of 1.0 reflecting volatility equal to that of the market. The lower the Beta, the less your portfolio return is impacted by volatile markets. Finally, Alpha indicates what the return of a portfolio would be when the market return is zero. That is, it identifies excess returns that are unrelated to broader movements in larger groups of stocks.

RW's investment process is designed to create and maintain a portfolio with less risk than the overall market that is capable of returns greater than the market over a full business cycle. Because of this lower risk approach, RW expects to under-perform in bull markets and out-perform in bear markets. The last three years dramatically illustrate that in generating solid long-term returns, participating in losses can be much more damaging than missing out on the occasional extraordinary gain. Thus, RW remains dedicated to identifying opportunities where we perceive there is limited potential for loss. These opportunities result primarily due to the low price paid relative to the solid fundamental values of the company at the time of purchase.

(Over)

ROBINSON WILKES, L.L.C.

PERFORMANCE FOOTNOTES

ROBINSON WILKES, L.L.C. has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS™). AIMR has not been involved with the preparation or review of this report.

ROBINSON WILKES, L.L.C. is an investment manager that invests primarily in domestic, large capitalization companies, U. S. Treasury obligations and high-grade domestic bonds. ROBINSON WILKES, L.L.C. (RW) is defined as an independent investment management firm that is not affiliated with any parent organization. The **Equity Composite** is described as all fee-paying, fully discretionary accounts with an Equity objective defined as a greater than 85% equity client objective. The benchmark for the Equity Composite is the S&P BARRA Value Index. The **Balanced Composite** is described as all fee-paying, fully discretionary accounts with a Balanced objective defined as a blended mix of equity and fixed income assets. The equity portion will resemble the Equity Composite and the fixed income portion may be taxable fixed income securities, tax-free fixed income securities, or both. The benchmark for the Balanced Composite is a combination of 60% of the S&P BARRA Value Index and 40% of the Salomon Smith Barney 1-5 Year Government/Corporate Index. The **Concentrated Equity Composite** is described as all fee-paying, fully discretionary accounts with a Concentrated Equity objective. The benchmark for the Concentrated Equity Composite is the S&P BARRA Value Index. **Additional notes**: An account is considered fully discretionary if more than 65% of the market value of the assets are held by the appropriate RW model portfolio. Fixed income holdings are always assumed to be part of the RW model portfolio. The minimum account size for composite inclusion is currently $250,000. Portfolios smaller than the minimum are excluded from the composites. If the market value of an account drops below $200,000 due to client withdrawals, the account will be removed from the composite. A complete list of the firm's composites and a description of each is available upon request. The composites were created in September 2000 with historical returns to December 31, 1997. All composite returns are total account returns. There are no "carve-outs" or cash allocations. Performance results are calculated gross of investment management fees. RW's current fee schedule is included below and in the Firm's SEC Form ADV Part II Schedule F. Performance results are expressed in U. S. dollars. The composite dispersion of individual component portfolio return around the aggregate composite return is expressed in terms of the asset-weighted standard deviation of those portfolios in the composite for the full period. Composite dispersion is not shown for those periods where less than five portfolios were in the composite for the full period as it is deemed to be not meaningful. Portfolio securities are valued using trade date. Non-fee paying portfolios are excluded from the composites but are included in the definition of total firm assets. Leverage is not used in the composite portfolios. There have been no material changes in personnel responsible for investment management since firm inception. The effective date of firm compliance with AIMR-PPS is December 31, 1997, retroactive from December 31, 2000. Past performance cannot guarantee comparable future results.

Equity Composite Performance Results
December 31, 1997 through June 30, 2001
Gross of Management Fees

Year	Total Return (Percent)	Benchmark Return (Percent)	Number of Portfolios at End of Period	Composite Dispersion (Std Dev)	Total Assets at End of Period ($ millions)	Percentage of Total Firm Assets
1998	16.1	14.7	8	<5 accounts	4.1	30
1999	6.1	12.7	9	3.0	5.0	27
2000	9.8	6.1	12	3.8	7.8	28
Q1 2001	7.6	-6.5	13	1.9	7.4	24
Q2 2001	12.7	8.5	13	1.5	8.1	24

Balanced Composite Performance Results
December 31, 1997 through June 30, 2001
Gross of Management Fees

Year	Total Return (Percent)	Benchmark Return (Percent)	Number of Portfolios at End of Period	Composite Dispersion (Std Dev)	Total Assets at End of Period ($ millions)	Percentage of Total Firm Assets
1998	11.8	12.3	8	6.2	6.3	47
1999	3.5	8.7	10	2.1	9.0	49
2000	11.7	7.7	11	1.6	10.8	38
Q1 2001	4.6	-2.6	13	1.5	19.2	61
Q2 2001	5.7	5.4	13	2.4	20.0	58

Concentrated Equity Composite Performance Results
March 31, 2001 through June 30, 2001
Gross of Management Fees

Year	Total Return (Percent)	Benchmark Return (Percent)	Number of Portfolios at End of Period	Composite Dispersion (Std Dev)	Total Assets at End of Period ($ millions)	Percentage of Total Firm Assets
Q2 2001	7.1	8.5	1	<5 accounts	0.6	2

DABNEY INVESTMENT CONSULTING ASSOCIATES, INC. has completed a Level I Verification of compliance in accordance with the AIMR Performance Presentation Standards (AIMR-PPS™) for ROBINSON WILKES, L.L.C. for the time period December 31, 1997 through June 30, 2001. In the opinion of DABNEY INVESTMENT CONSULTING ASSOCIATES, INC., the requirements of the AIMR Performance Presentation Standards have been met on a firm-wide basis.

The U. S. Securities and Exchange Commission (SEC) allows performance information to be presented gross of management fees in one-on-one presentations if accompanied by disclosures that: (a) The results do not reflect the deduction of investment management fees; (b) The client's return will be reduced by the management fees and any other expenses incurred in the management of the account; and (c) The advisor's investment advisory fees are described in Part II of the advisor's Form ADV. Also accompanying these disclosures must be "a representative example" that shows the effect an investment advisory fee, compounded over a period of years, could have on the total value of a client's portfolio.

Current ROBINSON WILKES, L.L.C. Fee Schedule:
Discretionary Equity and Balanced portfolios:
First $1,000,000 1.00% of assets;
Next $4,000,0000.75% of assets; and
Over $5,000,0000.50% of assets.
Discretionary Fixed Income portfolios are managed at a 30% discount.

Representative Example:
A maximum 1.00% management fee deducted from a portfolio quarterly (0.25%/Q) would result in the following cumulative compounded reduction in the portfolio time-weighted rate of return:
1 year 1.0037563% on a cumulative basis;
2 years 2.0175878% on a cumulative basis; and
3 years 3.0415957% on a cumulative basis.