The Long and Short of It

Quarterly Newsletter from

Robinson Wilkes, L.L.C.

Fourth Quarter, 2001

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As 2001 drew to an end, we were truly grateful for many reasons. First and foremost, we were exceedingly grateful for the positive performance of our client's portfolios. 2001 was very difficult for many people. After facing September 11 and the worst 2-year period in the stock market in 27 years, many investors now hope for a better year in 2002.

After the very difficult third quarter of 2001, the fourth quarter offered significant opportunity for gain. The return for our Equity Composite in the fourth quarter of 2001, net of fees was, 18.3%, well ahead of most equity indices; i.e. the BARRA Value Index at 8.1% and the S&P 500 Index at 10.7%. For the full year, our Equity Composite returned an impressive 23.6% versus –11.6% and –11.9% for the BARRA Value Index and the S&P 500 Index respectively. Our Equity Composite now has a four-year record that has produced annualized returns for our clients that are more than 8% over the BARRA Value Index and more than 7% over the S&P 500 Index, after fees. Returns for our composite portfolios over various time periods are as follows:

Returns for periods ending December 30, 2001: [1]	**4th Quarter**	**1 Year**	**-------Annualized------- 3 Year**	**Since Inception**	**Inception Date**
Equity Composite [2]	**18.4%**	**23.6%**	**12.4%**	**13.1%**	**12/31/97**
BARRA Value Index	*8.1%*	*-11.6%*	*1.9%*	*4.9%*	*12/31/97*
S&P 500 Index	*10.7%*	*-11.9%*	*-1.1%*	*5.6%*	*12/31/97*
Balanced Composite [2]	**10.1%**	**13.8%**	**9.0%**	**9.4%**	**12/31/97**
60% BVI / 40% SSB Index [3]	*4.9%*	*-3.1%*	*4.3%*	*6.3%*	*12/31/97*

[1] Returns shown are net of fees. Past performance cannot guarantee comparable future results. Indeed, quite the opposite may be the case.
[2] AIMR-PPS compliant composite returns of actual accounts. See footnotes on reverse side of page. Complete performance presentation available on request.
[3] 60% BARRA Value Index / 40% Salomon Smith Barney 1-5 Year Govt./Corp. Bond Index.

Of course, after a period of outperforming the market as we did in 2001, we are wary of what 2002 might bring. We are concerned that any recent strength in the economy has come through greater price discounting at the expense of earnings. Yet valuations for the equities we hold remain attractive for long term portfolio performance. As always, there remains the potential for significant loss when invested in equities. We will be diligent in our efforts to keep the portfolios properly positioned for optimal gain with relatively low risk.

We are pleased to disclose that Robinson Wilkes, L.L.C. has been selected by The Trust Company, NA to manage one of their commingled funds called the Contrarian Value Fund. The Trust Company, NA is succeeding in building a business that serves the financial and trust needs of South Texas. We are honored to have the opportunity to assist them in their efforts.

For tax reasons, we have converted from a limited liability company to a limited partnership. In the process, to clarify that there are two partners running the company, and not someone with the first name "Robinson" and last name "Wilkes," we also changed our name to Robinson & Wilkes, Ltd. Finally, since we have run out of space, it looks as though we will be moving our offices up the road several miles (8 exits north on 281) sometime this quarter. We will send notice once we finalize the date and location of the move.

 (Over)

ROBINSON & WILKES, LTD.
PERFORMANCE FOOTNOTES

ROBINSON & WILKES, LTD. has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS®), the U. S. and Canadian version of the Global Investment Performance Standards (GIPS®). AIMR has not been involved with the preparation or review of this report.

ROBINSON & WILKES, LTD. is an investment manager that invests primarily in domestic, large capitalization companies, U. S. Treasury obligations and high-grade domestic bonds. ROBINSON & WILKES, LTD. (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. Prior to 2001Q2, this composite was the All Equity Composite reflecting a name change only. The benchmark for the Equity Composite is the S&P BARRA Value Index. Prior to 2001Q2, the benchmark for this composite was the Russell Value Index. The benchmark return has been restated to reflect this substitution since inception. 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 currently a combination of 60% of the S&P BARRA Value Index and 40% of the Salomon Smith Barney 1-5 Year Government/Corporate Index. Prior to 2001Q2, the benchmark for this composite was 60% of the Russell Value Index and 40% of the Salomon Smith Barney 1-5 Year Government/Corporate Index. The benchmark return has been restated to reflect this substitution since inception. The **Concentrated Equity Composite** is described as all fee-paying, fully discretionary accounts with a Concentrated Equity objective defined as using the top ten equity ideas, (i.e., following the RW Concentrated Model, which invests one tenth of the portfolio into each of the ten most attractive holdings on the Firm's research list, sells the least attractive holding at the end of each month and invests the proceeds into the most attractive equity on the Firm's research list that is not currently owned). The benchmark for the Concentrated Equity Composite is currently the S&P BARRA Value Index. **Additional notes**: A complete list and description of the firm's composites is available upon request. Portfolio securities are valued using trade date. The minimum account size for composite inclusion is currently $250,000 with a $200,000 ongoing minimum for composite retention. Portfolios smaller than the minimum are deemed incapable of sufficiently diversifying into this investment style and are excluded from the composite as being not fully discretionary. Performance results are expressed in U. S. dollars. Neither leverage nor derivatives are used in the composite portfolios. Performance results are calculated both gross and net of investment management fees and other fees paid by the clients to the firm or to the firm's affiliates. The ROBINSON & WILKES, LTD. current fee schedule is included below and in the Firm's SEC Form ADV Part II Schedule F. Composite returns are presented pre-tax with the exception of any non-refundable withholding taxes deducted at the source. Non-fee paying portfolios are excluded from the composites but are included in the definition of total firm assets. The Equity and Balanced Composites were created in September 2000 with historical returns to December 31, 1997. The Concentrated Equity Composite was created in March 2001. The effective date of firm compliance with AIMR-PPS is December 31, 1997, retroactive from December 31, 2000. All composite returns are total account returns. There are no "carve-outs" or cash allocations. There have been no material changes in personnel responsible for investment management since firm inception. 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. Past performance cannot guarantee comparable future results.

Equity Composite Performance Results
December 31, 1997 through December 31, 2001

Year	Total Return (gross of fees) %	Total Return (net of fees) %	Benchmark Return %	Number of Portfolios at End of Period	Composite Dispersion (Asset-Weighted Std. Dev.) %	Total Composite Assets at Period End ($ millions)	Percentage of Total Firm Assets %	Total Firm Assets at Period End ($ millions)
1998	16.1	15.2	14.7	8	<5 accts	4.1	22.7	17.9
1999	6.0	5.4	12.7	9	3.0	5.0	25.0	20.0
2000	9.8	9.2	6.1	12	3.8	7.8	27.6	28.3
2001	24.7	23.6	-11.7	17	5.0	12.2	31.2	39.2

Balanced Composite Performance Results
December 31, 1997 through December 31, 2001

Year	Total Return (gross of fees) %	Total Return (net of fees) %	Benchmark Return %	Number of Portfolios at End of Period	Composite Dispersion (Asset-Weighted Std. Dev.) %	Total Composite Assets at Period End ($ millions)	Percentage of Total Firm Assets	Total Firm Assets at Period End ($ millions)
1998	11.8	10.8	12.3	8	6.2	6.3	35.3	17.9
1999	3.5	2.7	8.7	10	2.1	9.0	44.9	20.0
2000	11.7	10.7	7.7	11	1.6	10.8	38.3	28.3
2001	14.7	13.8	-3.1	14	3.6	23.2	59.2	39.2

Concentrated Equity Composite Performance Results
March 31, 2001 through December 31, 2001

Year	Total Return (gross of fees) %	Total Return (net of fees) %	Benchmark Return %	Number of Portfolios at End of Period	Composite Dispersion (Asset-Weighted Std. Dev.) %	Total Composite Assets at Period End ($ millions)	Percen-tage of Total Firm Assets	Total Firm Assets at Year End ($ millions)
Q2 2001	7.1	6.8	4.4	1	<5 accounts	0.6	1.6	
Q3 2001	-17.5	-17.7	-16.2	1	<5 accounts	0.5	1.3	
Q4 2001	19.8	19.6	8.1	1	<5 accounts	0.5	1.4	39.2

DABNEY INVESTMENT CONSULTING ASSOCIATES, INC. has completed a Level I Verification of ROBINSON & WILKES, LTD. for the time period December 31, 1997, through December 31, 2001. We completed this Level I Verification in accordance with the Level I Verification Procedures set forth in the AIMR Performance Presentation Standards (AIMR-PPS® standards). In our opinion, the firm complied with all the composite construction requirements of the AIMR-PPS standards and the firm's processes and procedures were designed to calculate and present performance results in compliance with the AIMR-PPS standards for the period December 31, 1997 through December 31, 2001. In performing the Level I Verification, we, DABNEY INVESTMENT CONSULTING ASSOCIATES, INC., have not determined whether any particular composite presentation is presented in conformity with the AIMR-PPS standards.

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, LTD. Fee Schedule:
Discretionary Equity and Balanced portfolios:
First $1,000,000 1.00% of assets;
Next $4,000,000 0.75% of assets; and
Over $5,000,000 0.50% 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;
3 years	3.0415957% on a cumulative basis; and
4 years	4.0758822% on a cumulative basis.