The Top 10 Dividend Quotes

By [Tim Parker](http://www.dividend.com/blog/author/timparker/) from Dividend.com August 29th, 2012

For retirees who will eventually lose the ability to gain income by working, dividends are a great form of income security. For a wise investor, dividend investments represent one of the closest things they can find to guaranteed capital appreciation and for others, the dividend products may serve to reduce the amount of volatility or beta in a portfolio.

Some investors may think that dividend investing lacks the thrill of, say, a biotech stock that announces a breakthrough or buyout. Yet some of the world’s best known investors, journalists and business minds have heaped praises upon the dividend. We assembled 10 quotes about the dividend that provide a glimpse in to the minds of some of the most successful investors in the world.

“Do you know the only thing that gives me pleasure? It’s to see my dividends coming in.”  
–John D. Rockefeller

John Rockefeller was the founder of the Standard Oil Company, a behemoth that was at the top of the oil industry. He retired in 1897 and later became the world’s richest man and the first billionaire in history. He spent the last 40 years of his life heavily involved in philanthropy, founding Rockefeller University and funding medical research that was instrumental in eradicating yellow fever.

“I believe non-dividend stocks aren’t much more than baseball cards. They are worth what you can convince someone to pay for it.”  
–Mark Cuban

Mark Cuban is a household name due to his involvement on the hit reality show “Shark Tank,” but Cuban is also a billionaire and owner of NBA basketball team the Dallas Mavericks. He’s also got his hands in several other ventures, including a TV network. Cuban is an outspoken critic of the NBA and has long preferred investing directly into companies instead of the stock market. However, when he does invest in stocks, he sees dividends as a requirement rather than a bonus.

“A stock dividend is something tangible — it’s not an earnings projection; it’s something solid, in hand. A stock dividend is a true return on the investment. Everything else is hope and speculation.”  
–Richard Russell

Russell gained the reputation of helping investors stay ahead of the market through his Dow Theory Letters. Not all of his predictions have panned out, but his defensive nature makes his love of dividends and distaste for market speculation consistent with such theories as a complete market meltdown he believed would happen by the end of 2010.

“The thing is, if you’re just oogling fat current dividend yields you are missing the more profitable boat. When it comes to dividend investing, the far smarter play is to zero in on companies that consistently increase their dividend payouts.”  
-–*[Wealthifi](http://www.wealthifi.com/income-three-thoughts-on-dividends/" \t "_blank)*

This quote came from a newsletter warning investors of arbitrarily picking companies with high dividend yields. They went on to say that high yields can be a sign of a company in distress just as high bond yields are necessary sometimes due to the lack of credit worthiness of the company. A company that doesn’t increase their yield over time will eventually be overtaken by inflation, something inexperienced investors may not understand.

“Our goal is to increase enterprise value. Which would you rather have us be? A company with our stock price, and $40 billion in the bank? Or a company with our stock price and no cash in the bank?”  
–Steve Jobs

The late, great Steve Jobs was not in favor of his company paying a dividend, and many think that if he were alive today, he would be very unhappy with Apple’s 2012 commencement of dividend payments. Jobs believed that a company with a lot of cash is a better investment since the cash will serve to bring it through business related as well as systemic economic downturns. He also believed that cash gave the company the ability to pursue strategic options as they presented themselves.

“High dividend payers that have been progressively increasing their dividends, that’s what retail investors will want.”  
–Dennis Gartman

Dennis Gartman is the author of the widely read *[Gartman Letter](http://cloud.thegartmanletter.com/about.aspx" \t "_blank)*. Many of Gartman’s trading activities involved foreign denominated futures, but he has often spoke of trading what you understand, and for retail investors, dividend paying stocks are seen as simple and safe. This is something he suggests for younger, less aggressive investors.

“According to economic theory, it only makes sense to pay dividends if a company can’t figure out anything better to do with its cash.”  
–Carolyn Hill

This quote by a financial blogger demonstrates one of the many views Wall Street holds about dividends. Some investors believe that companies should not hold on to large amounts of unneeded cash. If they aren’t in an industry with high R&D costs and they’re not interested in participating in M&A activity, that cash should be returned to shareholders, according to some investors. Other investors and CEOs disagree.

“A lot of people love Oreos. So their manufacturer is making money. That means more dividends for shareholders.”  
–Maria Bartiromo

Maria Bartiromo is one of the best known and well respected financial journalists. As an anchor for CNBC, she became the first to report live from the floor of the New York Stock Exchange in 1995. She also works for the Wall Street Journal and USA Today.

“I don’t like stock buybacks. I think if a company has the money to buy their stock back, then they should take that and increase the dividends. Send it back to the stockholder. Let them invest their money again from the dividends.”  
–T. Boone Pickens

If there was ever a stereotypical picture of an oil man, it might be T. Boone Pickens. As a well-known Texas oil investor, Pickens later became a corporate raider in the 1980s and now [heads a campaign](http://www.pickensplan.com/) to make America more reliant on domestic energy sources like solar, wind, and natural gas. Pickens is also famous for preferring companies pay investors with dividends rather than wasting funds on buybacks.

“It is an extra dividend when you like the girl you’ve fallen in love with.”  
–Clark Gable

In this quote, Actor Clark Gable used the term to signify a reward and in large part, that’s true on Wall Street as well as other applications of the term. For the investor willing to hold a stock for a long period of time, dividends paid by quality companies truly are a reward for investors.

Dividends may be boring for the investor looking for the casino-like thrill that comes from big stock market moves, but boring could also be called stability and stability becomes profit. Not all dividend paying stocks are boring. Very few would say that Apple is a boring stock to watch. Warren Buffett’s number 1 and number 2 rules of investing are “don’t lose money,” and that is what makes the dividend attractive to so many investors.

*Be sure to visit our complete recommended list of the*[***Best Dividend Stocks***](http://www.dividend.com/dividend-stocks/best-dividend-stocks.php)*, as well as a detailed explanation of*[***our ratings system here***](http://www.dividend.com/dividend-stock-rating-system.php).

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