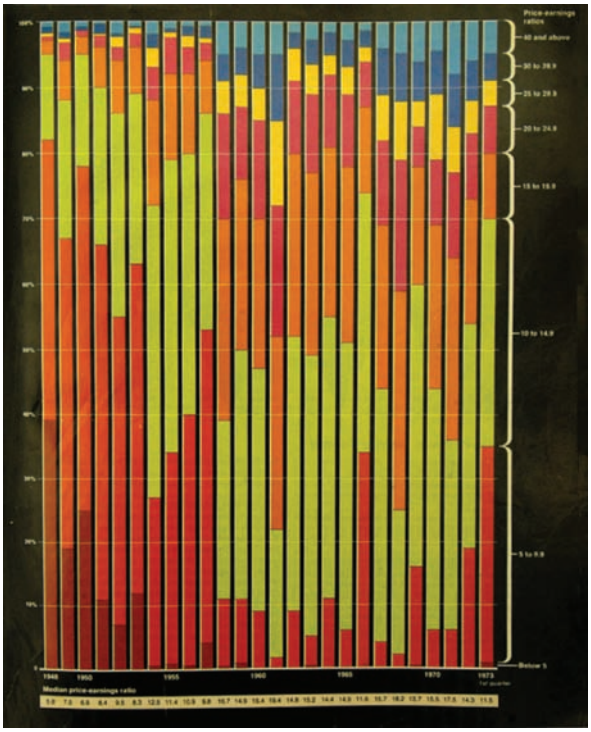
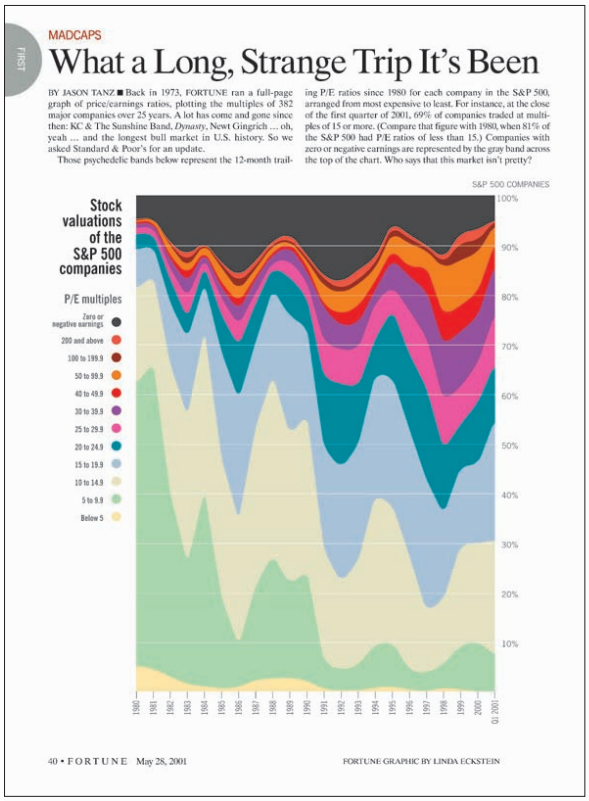
Linda Eckstein
Information designer

“It’s not stealing, it’s a tribute!”

Not that there's any real secret here, but simply the advice that in our postmodern times (I think we might be post-postmodern by now), cool and fresh ideas often come from appropriating the past.



1973



MADCAPS

FIRST

What a Long, Strange Trip It’s Been

BY JASON TANZ ■ Back in 1973, FORTUNE ran a full-page graph of price/earnings ratios, plotting the multiples of 382 major companies over 25 years. A lot has come and gone since then: KC & The Sunshine Band, *Dynasty*, Newt Gingrich ... oh, yeah ..., and the longest bull market in U.S. history. So we asked Standard & Poor’s for an update.

Those psychedelic bands below represent the 12-month trailing P/E ratios since 1980 for each company in the S&P 500, arranged from most expensive to least. For instance, at the close of the first quarter of 2001, 69% of companies traded at multiples of 15 or more. (Compare that figure with 1980, when 81% of the S&P 500 had P/E ratios of less than 15.) Companies with zero or negative earnings are represented by the gray band across the top of the chart. Who says that this market isn’t pretty?

40 • FORTUNE May 28, 2001

FORTUNE GRAPHIC BY LINDA ECKSTEIN

2001

This chart from Fortune about price/earnings multiples is a redo of a 1973 graphic.