

The New York Times

Offering Free Investment Advice by Anonymous Volunteers



Thor Swift for The New York Times

Parker Conrad, left, and Michael Sha, right, founded Wikinvest in 2006. Jason Young, seated, is the site's product manager.

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Published: February 8, 2009

Would you trust a Web site created by anonymous individuals to give you better advice on [stocks](#) than professional advisers? Wikinvest hopes so.

Following the model of [Wikipedia](#), the online encyclopedia that anyone can edit, Wikinvest is building a database of user-generated investment information on popular stocks. A senior at Yale writes about the energy industry, for example, while a former stockbroker covers technology and a mother in Arizona tracks children's retail chains.

Wikinvest, which recently licensed some content to the Web sites of USA Today and Forbes, seeks to be an alternative to Web portals that are little more than "a data dump" of income statements and government filings, said Parker Conrad, a co-founder.

Users annotate stock charts with notes explaining peaks and valleys, edit company profiles and opine about whether to buy or sell. The site is creating a wire service with articles from finance blogs and building a cheat sheet to guide readers through financial filings by defining terms and comparing a company's performance to competitors'.

“Our philosophy as a site is that there are a lot of things added when humans participate,” said Michael Sha, who started the company with Mr. Conrad in 2006. The founders, both 28, first teamed up as amateur traders from their freshman dorm room at [Harvard](#).

Though people are growing increasingly comfortable with user-generated Web content, stock information is particularly risky. With no single arbiter of accuracy, the wiki model could make it easier for manipulators to spread misleading information to try to move stocks.

To try to prevent that, Wikinvest, like other wiki sites, requires contributions to be factual and to cite evidence, and it depends on users to quickly remove those that are not. It ranks contributors based on how frequently they write and how often their changes are undone by others. It covers companies only with a market value of at least \$100 million because they are more actively traded and less susceptible to price manipulation.

“The reason why I think wikis work is it's a lot easier for me to undo something you did than for you to do it,” Mr. Conrad said. And if someone lies about a company, they are subject to prosecution for securities fraud.

Joseph A. Grundfest, a former member of the Securities and Exchange Commission who teaches at Stanford, sees some benefits to the wiki model. “We need more people to take responsibility for their own investment decisions, and the easier you make it for people to get good information at low cost, the better off the world will be,” he said. However, “People have to understand that whenever you use a wiki, you get what you pay for.”

The site appeals to investors who are knowledgeable and curious about investing and do it themselves, said Michiel de Boer, director of technology strategy at Zecco, an online brokerage firm that licenses Wikinvest content.

“There is a distrust of the financial services industry that has been amplified in the past year,” he said. “Some see this as a revelation, adding transparency and clarity.”

David Turetsky, a former stockbroker who now trades from his bedroom in Baltimore, is one such investor. He often edits contributions that reek of business school jargon or seem too enthusiastic about a company.

“I try and protect myself against being blindsided, and a site like this is very useful that way, to stimulate my thinking or give me pause,” he said.