GAMCO INVESTORS, INC. ET AL Form 10-Q November 08, 2010

## SECURITIES & EXCHANGE COMMISSION WASHINGTON, D.C. 20549 FORM 10-O

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[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2010

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_ to \_\_\_\_

Commission File No. 1-106

#### GAMCO INVESTORS, INC.

(Exact name of Registrant as specified in its charter)

New York13-4007862(State of other jurisdiction of incorporation or(I.R.S. Employer Identification No.)

organization)

One Corporate Center, Rye, 10580-1422

NY

(Address of principle (Zip Code)

executive offices)

(914) 921-5100

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yesx Noo

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

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#### Yeso Noo

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer " Accelerated filer x

Non-accelerated filer o Smaller reporting

company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yeso Nox

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock, as of the latest practical date.

Class Outstanding at October 31,

2010

Class A Common Stock, .001 6,970,210

par value

Class B Common Stock, .001 20,291,904

par value

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# GAMCO INVESTORS, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF INCOME UNAUDITED

(Dollars in thousands, except per share data)

Revenues   Investment advisory and incentive fees   \$50,249   \$40,957   \$149,862   \$1   Institutional research services   4,005   4,588   11,953   12   Distribution fees and other income   8,189   6,037   23,125   12   Total revenues   62,443   51,582   184,940   14   Expenses   Compensation   26,661   21,590   78,745   66   Management fee   3,540   2,638   7,368   66   Distribution costs   7,710   6,089   21,840   17   Other operating expenses   5,023   4,405   15,528   17   Other operating expenses   42,934   34,722   123,481   99   Other income (expense)   Net gain from investments   13,916   9,659   11,351   22   Interest and dividend income   2,012   598   3,916   2, Interest and other expense   (3,295 )   (3,296 )   (9,993 )   (9,		Three Mo	nths Ended	Nine Months	Ended
Revenues   Investment advisory and incentive fees   \$50,249   \$40,957   \$149,862   \$1   Institutional research services   4,005   4,588   11,953   12   Distribution fees and other income   8,189   6,037   23,125   12   Total revenues   62,443   51,582   184,940   14   Expenses   Compensation   26,661   21,590   78,745   66   Management fee   3,540   2,638   7,368   66   Distribution costs   7,710   6,089   21,840   17   Other operating expenses   5,023   4,405   15,528   17   123,481   99   16,860   61,459   4   Other income (expense)   Net gain from investments   13,916   9,659   11,351   22   Interest and dividend income   2,012   598   3,916   2, Interest and other expense   (3,295 )   (3,296 )   (9,993 )   (9,9		September 30,		September	30,
Investment advisory and incentive fees		2010	2009	2010	2009
Institutional research services	venues				
Institutional research   Services   4,005   4,588   11,953   12	nvestment advisory and				
Services	centive fees	\$ 50,249	\$ 40,957	\$ 149,862 \$	112,145
Distribution fees and other income	nstitutional research				
other income         8,189         6,037         23,125         1:           Total revenues         62,443         51,582         184,940         14           Expenses         26,661         21,590         78,745         66           Management fee         3,540         2,638         7,368         6,           Distribution costs         7,710         6,089         21,840         17           Other operating expenses         5,023         4,405         15,528         12           Total expenses         42,934         34,722         123,481         99           Operating income         19,509         16,860         61,459         4           Other income (expense)         0         11,351         22           Net gain from investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         13           Income before income taxes         32,142         23,821         66,733         56	vices	4,005	4,588	11,953	12,187
Total revenues 62,443 51,582 184,940 14  Expenses  Compensation 26,661 21,590 78,745 62  Management fee 3,540 2,638 7,368 6, Distribution costs 7,710 6,089 21,840 17  Other operating expenses 5,023 4,405 15,528 17  Total expenses 42,934 34,722 123,481 99  Operating income 19,509 16,860 61,459 4  Other income (expense)  Net gain from investments 13,916 9,659 11,351 22  Interest and dividend income 2,012 598 3,916 2, Interest and other expense (3,295) (3,296) (9,993)	istribution fees and				
Expenses  Compensation 26,661 21,590 78,745 66  Management fee 3,540 2,638 7,368 6,  Distribution costs 7,710 6,089 21,840 17  Other operating expenses 5,023 4,405 15,528 17  Total expenses 42,934 34,722 123,481 99  Operating income 19,509 16,860 61,459 4  Other income (expense)  Net gain from investments 13,916 9,659 11,351 22  Interest and dividend income 2,012 598 3,916 2,  Interest and other expense (3,295) (3,296) (9,993) (9,993)  Total other income (expense), net 12,633 6,961 5,274 12  Income before income taxes 32,142 23,821 66,733 56  Income tax provision 11,686 8,913 24,381 26  Net income attributable to oncontrolling interests Net income attributable to GAMCO Investors, Inc.'s shareholders  Net income attributable to GAMCO Investors, Inc.'s shareholders	ner income	8,189	6,037	23,125	15,780
Compensation         26,661         21,590         78,745         66           Management fee         3,540         2,638         7,368         6,           Distribution costs         7,710         6,089         21,840         17           Other operating expenses         5,023         4,405         15,528         12           Total expenses         42,934         34,722         123,481         96           Operating income         19,509         16,860         61,459         4           Other income (expense)         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         12           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to concontrolling interests         350         257         471         50           Net income attributable to GAMCO Investors, Inc.'s shareholders<	tal revenues	62,443	51,582	184,940	140,112
Management fee         3,540         2,638         7,368         6, Distribution costs         7,710         6,089         21,840         17           Other operating expenses         5,023         4,405         15,528         12           Total expenses         42,934         34,722         123,481         99           Operating income         19,509         16,860         61,459         4           Other income (expense)         0ther income (expense)         0ther income (expense)         11,351         22           Interest and dividend income         2,012         598         3,916         2,           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         12           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income         20,456         14,908         42,352         36           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36	penses				
Distribution costs         7,710         6,089         21,840         17           Other operating expenses         5,023         4,405         15,528         12           Total expenses         42,934         34,722         123,481         99           Operating income         19,509         16,860         61,459         4           Other income (expense)         0         11,351         22           Net gain from investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         12           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to noncontrolling interests         350         257         471         56           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36	ompensation	26,661	21,590	78,745	62,056
Other operating expenses         5,023         4,405         15,528         15           Total expenses         42,934         34,722         123,481         96           Operating income         19,509         16,860         61,459         4           Other income (expense)         0         11,351         25           Net gain from investments         13,916         9,659         11,351         25           Interest and dividend income         2,012         598         3,916         2,012         2,012         598         3,916         2,012         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         2,012         3,016         3,016         2,012         3,016         3,	Ianagement fee	3,540	2,638	7,368	6,291
Total expenses 42,934 34,722 123,481 99  Operating income 19,509 16,860 61,459 4  Other income (expense)  Net gain from investments 13,916 9,659 11,351 22  Interest and dividend income 2,012 598 3,916 2,  Interest and other expense (3,295) (3,296) (9,993	istribution costs	7,710	6,089	21,840	17,094
Total expenses 42,934 34,722 123,481 99  Operating income 19,509 16,860 61,459 4  Other income (expense)  Net gain from investments 13,916 9,659 11,351 22  Interest and dividend income 2,012 598 3,916 2,  Interest and other expense (3,295) (3,296) (9,993	ther operating expenses	5,023	4,405	15,528	13,648
Other income (expense)         Net gain from           investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,012           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         13           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to noncontrolling interests         350         257         471         56           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36		42,934	34,722	123,481	99,089
Other income (expense)         Net gain from           investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,012           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         13           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to noncontrolling interests         350         257         471         56           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36	·				
Other income (expense)         Net gain from investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,012           Interest and other expense         (3,295)         (3,296)         (9,993)         (9,993)           Total other income (expense), net         12,633         6,961         5,274         12,633           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to noncontrolling interests         350         257         471         56           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36	perating income	19,509	16,860	61,459	41,023
investments         13,916         9,659         11,351         22           Interest and dividend income         2,012         598         3,916         2,012           Interest and other expense         (3,295)         (3,296)         (9,993)         (9           Total other income (expense), net         12,633         6,961         5,274         11           Income before income taxes         32,142         23,821         66,733         56           Income tax provision         11,686         8,913         24,381         20           Net income attributable to noncontrolling interests         350         257         471         56           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 20,106         \$ 14,651         \$ 41,881         \$ 36           Net income attributable to GAMCO Investors, Inc.'s shareholders         \$ 30,000         \$ 14,651         \$ 41,881         \$ 36					
Interest and dividend income 2,012 598 3,916 2, Interest and other expense (3,295) (3,296) (9,993) (9,705) (	let gain from				
Interest and dividend income         2,012         598         3,916         2,012         2,012         3,916         2,012         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,0106         3,916         2,0106         3,913         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,012         3,916         2,016         3,214 <td< td=""><td>vestments</td><td>13,916</td><td>9,659</td><td>11,351</td><td>22,981</td></td<>	vestments	13,916	9,659	11,351	22,981
Interest and other expense (3,295) (3,296) (9,993) (9,705) (9,	nterest and dividend				
expense (3,295) (3,296) (9,993) (9,705	come	2,012	598	3,916	2,677
Total other income (expense), net 12,633 6,961 5,274 13 Income before income taxes 32,142 23,821 66,733 56 Income tax provision 11,686 8,913 24,381 26 Net income 20,456 14,908 42,352 36 Net income attributable to noncontrolling interests 350 257 471 56 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36  Net income attributable to GAMCO Investors, Inc.'s shareholders	nterest and other	·			·
Total other income (expense), net 12,633 6,961 5,274 13 Income before income taxes 32,142 23,821 66,733 56 Income tax provision 11,686 8,913 24,381 26 Net income 20,456 14,908 42,352 36 Net income attributable to noncontrolling interests 350 257 471 56 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36  Net income attributable to GAMCO Investors, Inc.'s shareholders	pense	(3,295)	(3,296)	(9,993)	(9,965)
Income before income taxes 32,142 23,821 66,733 50 Income tax provision 11,686 8,913 24,381 20 Net income 20,456 14,908 42,352 30 Net income attributable to noncontrolling interests 350 257 471 50 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36 Net income attributable to GAMCO Investors, Inc.'s shareholders	•				
Income before income taxes 32,142 23,821 66,733 50 Income tax provision 11,686 8,913 24,381 20 Net income 20,456 14,908 42,352 30 Net income attributable to noncontrolling interests 350 257 471 50 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36 Net income attributable to GAMCO Investors, Inc.'s shareholders	apense), net	12,633	6,961	5,274	15,693
Income tax provision 11,686 8,913 24,381 20 Net income 20,456 14,908 42,352 30 Net income attributable to noncontrolling interests 350 257 471 50 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$30 Net income attributable to GAMCO Investors, Inc.'s shareholders	•	,	,	,	,
Income tax provision 11,686 8,913 24,381 20 Net income 20,456 14,908 42,352 30 Net income attributable to noncontrolling interests 350 257 471 50 Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$30 Net income attributable to GAMCO Investors, Inc.'s shareholders	ies	32,142	23,821	66,733	56,716
Net income 20,456 14,908 42,352 36  Net income attributable to noncontrolling interests 350 257 471 56  Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36  Net income attributable to GAMCO Investors, Inc.'s shareholders	come tax provision				20,034
Net income attributable to noncontrolling interests 350 257 471 56  Net income attributable to GAMCO Investors, Inc.'s shareholders \$20,106 \$14,651 \$41,881 \$36  Net income attributable to GAMCO Investors, Inc.'s shareholders	-	•	·	· · · · · · · · · · · · · · · · · · ·	36,682
noncontrolling interests 350 257 471 56  Net income attributable to GAMCO Investors, Inc.'s shareholders \$ 20,106 \$ 14,651 \$ 41,881 \$ 36  Net income attributable to GAMCO Investors, Inc.'s shareholders			- 1,72 0 0	,	,
Net income attributable to GAMCO Investors, Inc.'s shareholders \$ 20,106 \$ 14,651 \$ 41,881 \$ 36 Net income attributable to GAMCO Investors, Inc.'s shareholders		350	257	471	503
GAMCO Investors, Inc.'s shareholders \$ 20,106 \$ 14,651 \$ 41,881 \$ 36  Net income attributable to GAMCO Investors, Inc.'s shareholders	e		20 /	., 2	0.00
shareholders \$ 20,106 \$ 14,651 \$ 41,881 \$ 36  Net income attributable to GAMCO Investors, Inc.'s shareholders					
Net income attributable to GAMCO Investors, Inc.'s shareholders	· · · · · · · · · · · · · · · · · · ·	\$ 20 106	\$ 14.651	\$ 41.881 \$	36,179
GAMCO Investors, Inc.'s shareholders		- 20,100	Ψ 11,001	Ψ 11,001 Ψ	50,17
GAMCO Investors, Inc.'s shareholders	t income attributable to				
shareholders					
per spare.	er share:				
•		\$ 0.75	\$ 0.54	\$ 155 \$	1.32