

Inducted January 2012

## **George Keith Funston President of the NY Stock Exchange 1910-1992**

**Mr. Funston was born Oct. 12, 1910, in Waterloo, Iowa, but spent most of his youth in Sioux Falls, S.D. He was valedictorian of the Class of 1932 at Trinity College. Two years later he received an M.B.A. degree from the Harvard Graduate School of Business Administration. He then spent a year at the school as a researcher.**

Mr. Funston, who did not use his first name, preferring to be called Keith, was a tall man with a powerful voice and a flair for public relations. When he left the presidency of Trinity College, Hartford, to become president of the New York Stock Exchange in 1951, just over six million Americans were investors in corporate stocks. During his 16 years at the Big Board, that figure tripled and trading volumes soared.

Mr. Funston had little knowledge of the exchange's operations when he arrived, but he came armed with many contacts throughout the corporate world and in Washington after serving on the War Production Board in World War II. With a keen sense of the climate of the times, he preached that investments in American companies were a means of battling Communism during the cold war and set up a program that allowed small investors to buy stock by putting up as little as \$40 a quarter. He called it people's capitalism. Exchange Chairman's Tribute.

**In 1961 Mr. Funston warned the public against excessive speculation and then played a leading role in restoring confidence after a crash in the price of stock the next year. He also won praise for backing measures to discipline specialists who failed to follow trading rules in the panic after President John F. Kennedy's assassination and for helping to raise \$12 million in 1963 to cover the debts of Ira Haupt & Company, an exchange company caught up in speculation on vegetable oil futures. The actions helped stave off calls for much stricter regulation by the Securities and Exchange Commission.**

**William H. Donaldson, chairman of the exchange, said yesterday, "Keith Funston came to Wall Street as an outsider, but quickly established himself as one of the New York Stock Exchange's most effective leaders."**

