

# Emerson Wirt Axe, Economist And Head of Mutual Funds, Dies

*Financial Adviser, an Expert  
on Chess and Wines, Used  
a Castle as His Office*

Emerson Wirt Axe, an economist who managed the money of thousands of clients from a turreted castle above the Hudson River, died Thursday at the Harkness Pavilion of the Columbia-Presbyterian Medical Center. He was 69 years old.

Mr. Axe, as president of the investment counsel and management firm of E. W. Axe & Co., managed four mutual investment funds and client accounts with total assets of more than \$400 million.

He was president of Axe-Houghton Funds A and B and of the Axe-Houghton Stock Fund and was chairman of the board of the Axe Science Corporation. He was also chairman of the board of Smith & Wesson, Inc., arms manufacturer.

## Set Limits on Accounts

Mr. Axe once told an interviewer that in advising individual investors on a regular fee basis "no accounts of less than a hundred thousand dollars" were accepted.

"It doesn't pay to take an account of less than that," he said. "In fact, I doubt whether it pays to take an account of a hundred thousand."

Mr. Axe's interests were not confined to financial affairs, however. He was an acknowledged authority on wines, an interest he cultivated while visiting in France during his college days.

He once suggested that it was best to buy French wines "soon after they come to this country, when they're three or four years old and before goodness knows what happens to them in warehouses, and then keep them for 10 or 12 years."

In his wine cellar in the castle, where the temperature was carefully controlled, he had more than 5,000 bottles, many still in wooden cases.

In addition to being an expert marksman and authority on fencing and jiu-jitsu, he was a chess expert.

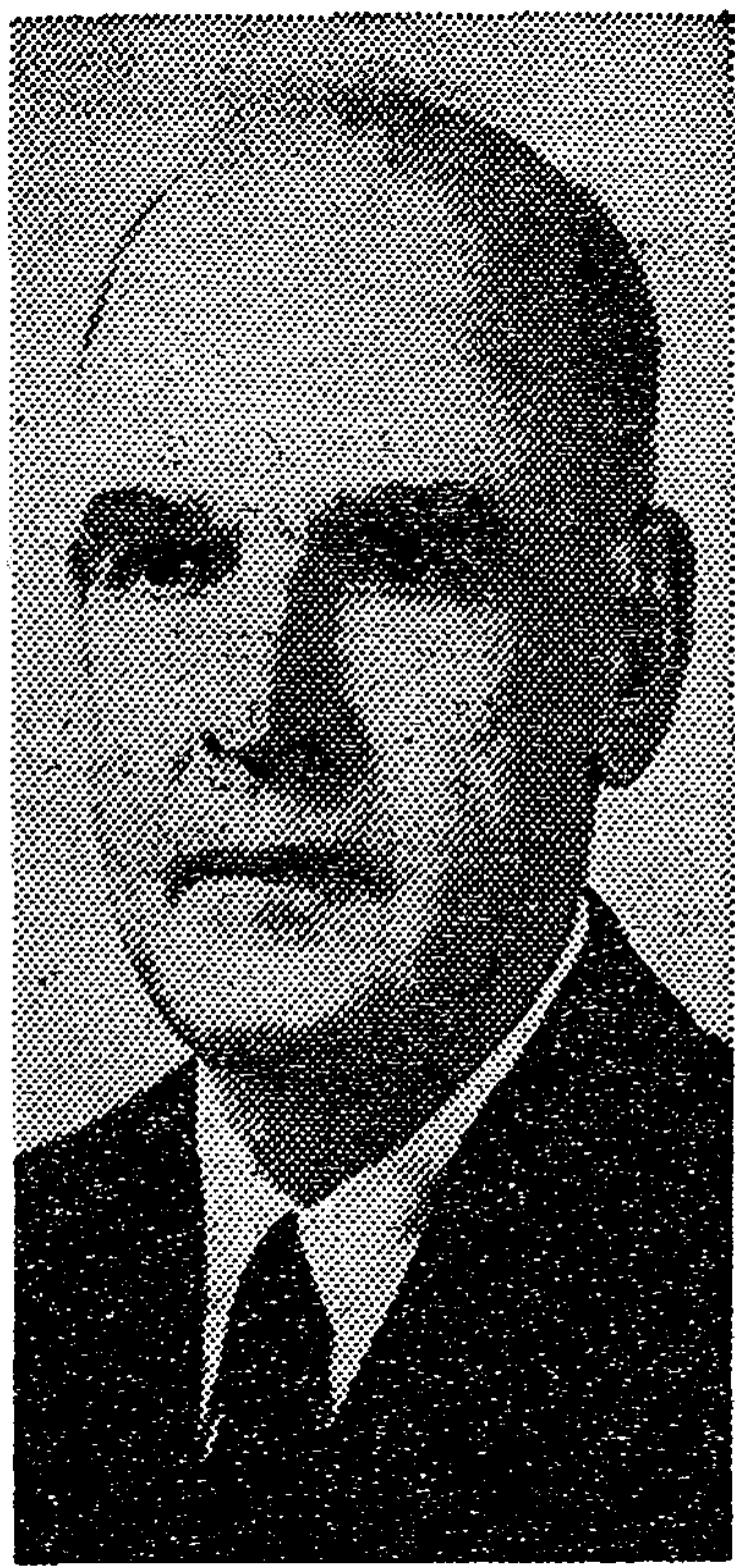
He was said to have been the champion of Indiana when he was 15, and in 1940, at the Harvard Club in New York, he played six simultaneous matches, while blindfolded, to stimulate enthusiasm for the game.

He wound up with a score of three victories, three draws and no defeats. He had a total of eleven opponents with five consultants at five of the boards.

## Wife Also Active

Mr. Axe's wife, the former Ruth Houghton, is a financial expert in her own right. She is a vice president of E. W. Axe & Co., president of the Axe Science Corporation and president of Axe Securities Corporation, sponsor of the four mutual funds. The Axes met while studying at the New School for Social Research in New York and, 1932, were married and together founded the investment firm.

In 1941 they moved their general and research headquarters from New York into the 45 rooms of a gray stone castle built in 1900 by Gen. Howard Carroll, a contractor, newspaperman and playwright. The castle is on a 60-acre estate overlooking the Tappan Zee Bridge and Marymount College. The Axes maintained living quarters in the Tudor-style atmosphere, and they and about



Bramson-Studio  
Emerson Wirt Axe

50 employes transacted business there and studied new fields for investment.

The management firm also maintains offices at 730 Fifth Avenue, New York, and in Detroit, Pittsburgh, San Francisco, Beverly Hills and La Jolla, Calif. The Axes' also have a home on West Neck Avenue at Lloyd Harbor, Huntington, L. I.

Mr. Axe, a specialist in money and banking, international gold movements and balance-of-payments problems, was credited with early predictions of the 1929 stock market collapse and at the end of the bear market in 1933.

On Sept. 12, 1929, six weeks before the crash, he wrote in the periodical Weekly Survey of the General Financial Situation that "it is clearly no time to be long of stocks." In July of 1932, he forecast in a study that "the forces which produced the security market and business declines in 1929-32 have spent themselves."

Mr. Axe was born in Plymouth, Ind. His mother was a descendant of William Wirt, Attorney General of the United States under President James Monroe.

## Educated at Harvard

After two years at the University of Chicago, he transferred to Harvard, from which he was graduated magna cum laude in 1920. He was captain of the chess team there for four years.

He interrupted his college career to serve with the American Expeditionary Forces in France. He was an economic statistician with the American Telephone and Telegraph Company from 1920 to 1925, and set up that company's first general business index.

In association with his future wife and with Donald W. Ellsworth, now a vice president of E. W. Axe & Co., he wrote many articles on economic and financial problems. Later, the then Miss Houghton became assistant editor of The Annalist, a financial weekly of The New York Times that is no longer in existence. Mr. Ellsworth became an assistant editor and later editor of that publication. Mr. Axe became its chief contributor.

He was a member of the American Economic Association, American Academy of Political Science, Sleepy Hollow Country Club and the Harvard and Metropolitan Clubs.

His widow is his only survivor.