

nate neighbors elsewhere in Alaska as the "Bogatskie Aloutov," or the "rich Aleuts." The example of the agents of the Alaska Commercial Company, on both islands, from the beginning of its lease, and the course of the Treasury agents* during the last four or five years, have been silent but powerful promoters of the

Battle of the Seals

"This fighting between the old and adult males—for none others fight—is mostly, or rather entirely, done with the mouth. The opponents seize one another with their teeth, and then clenching their jaws nothing but the sheer strength of the one and the other tugging to escape can shake them loose, and that effort invariably leaves an ugly wound, the sharp canines tearing out deep gutters in the skin and furrows in the blubber or shredding the flippers into ribbon strips.

"They usually approach each other with comically averted heads, just as though they were ashamed of the rumpus which they are determined to precipitate. When they get near enough to reach one another they enter upon the repetition of many feints or passes before either one or the other takes the initiative by gripping. The heads are darted out and back as quick as a flash; their hoarse roaring and shrill, piping whistle never ceases, while their fat bodies writhe and swell with exertion

welfare of these people. They have maintained perfect order; they have directed neatness and cleanliness, and stimulated industry, such as those natives had never before dreamed of.

—
* Messrs. Morton, Falconer, Otis, Moulton, Scribner and Beeman.

and rage; furious lights gleam in their eyes; their hair flies in the air and their blood streams down; all combined makes a picture so fierce and so strange that from its unexpected position and its novelty is perhaps one of the most extraordinary brutal contests man can witness.

"In these battles of the seals the parties are always distinct—the one is offensive, the other defensive. If the latter proves the weaker, he withdraws from the position occupied, and is never followed by his conqueror, who complacently throws up one of his hind flippers, fans himself, as it were, to cool his fevered wrath and blood from the heat of the conflict, and sinks into comparative quiet, only uttering a peculiar chuckle of satisfaction or contempt, with a sharp eye open for the next covetous bull or 'sea catch'*".

—
* "Sea Catch" native name for the bulls on the rookeries, especially those which are able to maintain their position.

BUSINESS METHODS

"The company pays 40 cents for the labor of taking each skin. When the quota of skins is taken, at the close of two, three or four weeks of labor, the total sum for the entire catch is paid over in a lump to the chiefs. For instance, at the annual divisions, or 'catch' settlement, made by the natives on St. Paul Island among themselves, in 1872, when I was present, the proceeds of their work for that season in taking and skinning 75,000 seals, at 40 cents per skin, with extra work connected with it, making the sum of \$30,637.37, was divided among them in this way: There were 74 shares made up, representing 74 men, though in fact only 56 men worked, but they wished to give a certain proportion to their church, a certain proportion to their priests, and a certain proportion to their widows; so they water their stock, commercially speaking. The 74 shares were proportioned as follows:

37 1st class shares, at \$451.22 each
23 2nd class shares, at 406.08 each
4 3rd class shares, at 360.97 each
10 4th class shares, at 315.85 each
These shares do not represent more than 56 able-bodied men.

"In August, 1873, while on St. George Island, I was present at a similar division, under similar circumstances, which caused them to divide among themselves the proceeds of their work in taking and skinning 25,000 seals, at 40 cents a skin, \$10,000. They made the following subdivision:

17 shares each	961 skins	\$384.40
2 " "	935 " "	374.00
3 " "	821 " "	328.40
1 " "	820 " "	328.00
3 " "	770 " "	308.00
3 " "	400 " "	160.00"

From the following letters it appears that the Government of Japan endeavored to control the illicit catch of seals in its waters, but without much success as indicated by extracts from the Lampson letter Extracts from the Japan Herald Mail Summary of 7th January, 1887:

"A notification has been issued forbidding the import of sealskins into Japan except accompanied with proper certificates."

"The Government appears to be taking still further steps to put a check upon the illicit capture of seals. In addition to rendering it obligatory on the part of men devoted to the pursuit of seal catching, that they should first obtain a license from the Agricultural & Commercial Department, the last ordinance which has just been issued declares that whenever it is found that any person is engaged in bringing into any Japanese port skins unstamped by the proper officer or is attempting to dispose of the same, the Custom's or Police Officers are directed to seize them, but raw skins obtained within Russian or American territory may be brought in, provided a certificate given by a competent Russian, American, or Japanese authority, is produced at the time.

Presumably the new regulations, are applicable to Japanese subjects only although this is not stated, but so far as Japanese ports are concerned the illegal trade is most probably doomed, for there can be little reason to doubt that the new treaties will give the Government powers to deal with the subject effectually."

CHAIN STORES

Modern England began with the reign of Queen Elizabeth; with the beginnings of the British Navy, the Sir Francis Drake adventure, and the "Merchant Adventurers of England". They were followed by the Hudson Bay Company in 1670, who held a monopoly of trade in the American Northwest, and penetrated to the Pacific.

Like theirs, the Alaska Commercial Company activities extended to far-reaching distances—even beyond Dawson in Canada to Kommandorskis Islands across the International Date Line—from a hundred miles above the Arctic Circle to Cook's Inlet in Southern Alaska. In all this extended area were stations (Chain Stores), supplying natives, miners, prospectors, trading merchandise for furs.

A recent writer on the subject of Chain Stores said: "It is a fair deduction that the future development will be in centers of concentrated population." There wasn't much "concentrated population" in Alaska between 1870 and 1940, along the Yukon and its many tributaries, nor along the Aleutian Islands, but there were the "chain stores" of the Alaska Commercial Company.

(an item here and there)

Beans, Bayo.....	12c lb.
Lima	15c "
Bacon	40c "
Sides	35c "
Baking Powder.....	1.00 "
Cayenne	75c "
Chocolate	60c "
Chow Chow (C&B) bottle...	1.50 "
Coffee (Ariosas)	50c "
Nonpariel	40c "
Canned Fruits, can.....	50c

Canned Vegetables (3 cans)

Carrots	1.00	Cabbages ..	1.25
Beans.....	1.00	Corn	1.00

Dried Fruits (per lb.)

Apples.....	25c	Apricots	35c
Peaches.....	30c	Pears.....	25c
Plums.....	25c	Prunes	25c
Currants ...	20c		

Horse Radish, per bottle.....	75c
Deviled Ham (3 cans).....	1.00
Jelly and Jam (glass and tins) ..	50c
Lobster (can)	75c
Lard30c lb. Corn meal.	15c lb.
Raisins . . .25c " Rice.....	20c "
Split peas .15c " Salt	10c "
Sugar.....30c " Oatmeal ..	15c "
Chewing Tobacco.....	1.00 "
Piper Heidsick	2.00 "
Flour, per 100 lbs.....	8.00
Shovels, 2.50 Picks, 6.00 Axes, 3.00	
Pick Handles..75c Nails...20c lb.	
Rubber Boots.....	12.00
Boys' Rubber Boots.....	6.00
Men's nailed leather shoes	5.00-6.00
Men's fine leather shoes	7.00-8.00
Arctic socks, per pair.....	2.50

Cigarettes (per M)

Vanity Fair.....	8.00
Pet.....	15.00
Richmond.....	15.00

CHAIN STORES

The Alaska Commercial Company was actively engaged in business at the following chain of trading posts and stations in Alaska and Yukon Territory, and in Siberia:

LIST OF TRADING STATIONS IN ALASKA:

Afognak	Fairbanks	Kotlik	Sanak
Akutan	Fort Hamlin	Kuskokwim River	Seldovia
Andreafsky	Fort Yukon	Kusiloff	Selkirk
Anvik	Forty Mile	Makushan	Sixty Mile
Atka	Georgetown	Marshal	Sunrise
Attu	Golorin	McGrath	Susitna
Belkofsky	Hamilton	Morzhovoi	Takotna
Bergman	Holy Cross	Nelson Island	Talkeetna
Bethel	Hope	Nenana	Tanana
Bettles	Hot Springs	Nome	Togiak
Biorka	Homer	Nulato	Turnagain Arm
Chandalar	Iditarod	Nushagak	Tyoonik
Chernofsky	Iliamna	Nutchik	Umnak
Chignik	Katniak	Port Graham	Unalakleet
Circle City	Kaltag	Rampart	Unalaska
Cleary	Karluk	Red Wing	Unga
Coldfoot	Kashega	Richardson	Uyak
Dawson	Katmai	Ruby	Wiseman
Dikeman	Kenai	Russian Mission	Wosnezinski
Douglas	Knik	St. George Island	Yukon River
Dutch Harbor	Kodiak	St. Michael	
Eagle City	Kokrines	St. Paul Island	

POSTS ON SIBERIAN SIDE:

Petropavlovsk	Bhering Island	Copper Island	Robben Island
	Vladivostok		

LAND FURS AND SEA OTTERS

In addition to the seal and the sea otter, the following list shows the variety of land furs which were traded for merchandise—Ermine, Muskrat, Mink, Wolf, Wolverine, Marten, Lynx, Beaver, Land Otter, Fox (Blue, Red, Silver, Cross, White), Bear (Brown, Kodiak, Blue, Polar, Black).

All of the company's seal skins from Alaska Seal Islands were shipped to San Francisco, the skins discharged on the dock from the steamers, and counted out under supervision of Treasury officials. They were packed on the dock, with a liberal allowance of salt, in especially built barrels or casks, and then shipped by railroad to New York, thence to London.

All other furs were brought to the company's building in San Francisco, put in shipping condition, and then also forwarded to London.

The skin of the sea otter was the most valued one in the company's collection of furs; a single skin bringing in the London public auctions as high as £200. At these fur sales, held in London three or four times a year, were all of the large fur buyers of the world. But the demand for the sea otter came from the Russian and Chinese buyers, particularly the former. It is said that all of the officers of the Czar's Imperial Guard had sea otter collars and cuffs on their uniforms.

The sea otter could be hunted only when the sea was perfectly calm. When the sea was like glass, the natives would paddle out in their bidarkas and wait for the otter's head to appear above the water. Upon seeing a boat, the otter would dive, and when he reappeared the boat nearest to him would raise an oar as a signal to the others, who would then make a circle around this one boat. This was repeated again and again, compelling the otter to remain under water without any opportunity to stay above the surface long enough to breathe. When the otter was finally unable to dive any more, the nearest boat would kill him with a club or spear. This was a long process, and could have been expedited by shooting the animal with a rifle, but it was not done, as this would have damaged the skin.

While the main business of the company in its inception was its lease with the Government for fur seals, large numbers of land furs were secured along the Aleutian Islands, the Seward Peninsula, the Yukon Valley, Kuskoquim Valley and the district around Bristol Bay, Kodiak and Cook's Inlet.



DUTCH HARBOR

For the past several years the United States Government has had its ships and planes cruising and flying along the Aleutian Islands west of Unalaska, looking for suitable harbors which would be of use to the Navy. As a result of these surveys, nothing which fulfilled all their requirements was found west of Unalaska harbor.

The Alaska Commercial Company at Dutch Harbor, which is part of Unalaska harbor, had all that the Navy would require; such as ample fresh water; a harbor land-locked against winds; and sufficient land for development.

This property was acquired by the Alaska Commercial Company many years ago, realizing at that time that some day it might be used as a base for the Navy.

During these years the property, with its deep-water wharf, was used principally as a fueling station for mercantile ships and government vessels operating in this district. The company also had large merchandise warehouses and facilities for the herring fishermen to operate.

Since this property was sold by the Company in the summer of 1940, the Government has commandeered the land and wharf from the purchaser, and is now actively engaged in building barracks and other facilities for its occupation by the Navy.

WHAT WOMEN ALWAYS HAVE WANTED

Women always have wanted
fur coats

because in attaining them

- a) there is scarcity
- b) there is wild adventure
- c) there is tremendous distance
- d) there is imminent danger

Women always have wanted
fur coats

- a) since the cave days
- b) since the bow and arrow days
- c) since trappers began trapping
- d) since 2500 years ago

Women always have wanted
fur coats because

- a) fur coats are warm
- b) fur coats are fashionable
- c) fur coats are exclusive
- d) fur coats are exciting

Women always have wanted
fur coats

- a) to dress like queens
- b) to outrival other women
- c) to shine in society
- d) to attract men

Women always have wanted
sealskin fur coats

- a) because of super-elegance
- b) because of quiet dignity
- c) because of light weight
- d) because of the colors

Women always have wanted
fur coats—hence

- a) Gerassim Pribilof searched the Behring Sea in 1786 to find the islands where fur-bearing seals congregated
- b) To obtain furs for the making of fur coats for the Empress of Russia and the ladies of the court
- c) Pribilof discovered the islands which bear his name
- d) The Russian Government granted the privilege of taking seals to the Russian-American Fur Company
- e) Then Alaska was sold to the United States in 1867
- f) This Government leased the Pribilof Islands to the A. C. Co. from 1870 to 1889.
- g) In those twenty years this company took 2,000,000 seals from the Pribilof Islands and shipped the pelts to London to be dyed. From there, the world markets were supplied



HAYWARD M. HUTCHINSON
(See page 5)



SIMON GREENEWALD
(See page 7)



UNALASKA

Unalaska, the village hardly more than a mile from Dutch Harbor, was one of the stations taken over by the Alaska Commercial Company, in its original purchase from the Russian American Company in 1870, and has remained an active port and trading post since those early days.

SCHEDULE OF PRICES PAID TRAPPERS FOR FURS AT UNALASKA (1881)

<i>Name</i>	<i>No. 1</i>	<i>No. 2</i>	<i>No. 3</i>	<i>No. 4</i>	<i>Average</i>	<i>Remarks</i>
Beaver	\$2.00	\$1.00	\$0.50	\$0.10	\$1.50	The <i>very small</i> Pups are not worth over 10 cents
Marten.....	2.50	1.75	.50		2.00	Entirely Summer skins have no value
Mink	1.00	.50	.10		.65	do
Bear, Black, <i>Silky</i>	5.00	3.00	1.00		3.00	Summer skins with only little coarse hair, do not pay freight. Brown and Grizzly half price of black.
Fox, Silver.....	20.00	10.00	5.00	.50	15.00	Pups and summer skins are not worth over 50 cents
Fox, Cross.....	2.50	1.50	.50	.10	2.00	do
Fox, Red	1.50	.75	.25	.05	1.00	do
Fox, White.....	1.25	.50	.10	.05	.75	do
Land Otter	3.50	2.00	1.00	.25	2.50	Very small Pups are not worth over 25 cents
Lynx.....	1.50	.75	.25		1.25	
Muskrat05	.03	.01		.05	According to size
Dressed Moose					\$0.30 per lb.	Dirty and full of shots, half price
Ivory15 per lb.	
Swanskins05 per piece	
Whalebone40 per lb.	
Raw Reindeer.....					.15 per lb.	Good and long



WILLIAM KOHL

Captain Kohl lived in San Mateo. His homesite is now the public park. Father of Frederick Kohl late owner of the Kohl Building.



LOUIS C. GREENE

In service of the Company for more than half a century . . . Vice-President since 1920

THE PERIOD OF GOLD

"But the miner has it borne in upon him with cruel emphasis that it is not the abstract value of the gold in the pan that counts— but its value compared with the cost of getting it. † Mining, which in an easier country would prove unusually profitably, would be absolutely worthless on the Yukon because of the cost of living and working under the hard conditions of the frozen north."

DISCOVERY OF GOLD ON THE KLONDIKE

J. F. Butler, a California miner, achieved *Chee Chacoe* (which means tenderfoot luck) early in August, 1896, when he was the first to discover gold in the Klondike River, a tributary of the Yukon, at a point four miles above Dawson, in Canadian territory. From the first prospect hole he took \$10,000 in the first ten days; while George Cormack made the first great strike on Bonanza Creek, a small tributary of the Klondike, on August 12; on the 19th seven claims were filed in that region.

The Company had a small station at Dawson (1700 miles up the Yukon River from St. Michael), a hamlet of a dozen houses. But this place grew to many thousands in a short time, requiring the carrying of heavy stocks of merchandise to supply miners; large warehouses were built, and a large business followed.

As Dawson is located in Yukon Territory, it was necessary to purchase much merchandise in Canada, to avoid paying heavy duties. St. Michael, sixty miles up the Yukon, is 2850 miles from San Francisco; deep water vessels cannot go beyond this point.

Flat-bottomed, stern-wheel boats were used to carry merchandise up the shallow river. For this purpose the company had built, at Louisville, boats similar to those plying on the Mississippi. These boats pushed large barges ahead; had others tied to the sides. The fuel was wood cut from forests along the rivers.

As has been the history of all newly discovered gold areas, there was the customary and immediate rush, and the Klondike was no exception. As soon as the outside world heard of the discovery, hundreds of men—most of them not miners, started in the fall of 1897 from Pacific Coast ports to reach the new El Dorado. Many went to Dyea, in Southeastern Alaska, and after extreme hardships on the Chilkoot Trail over White Pass, went in amateur-made boats, by foot and by sled to Dawson. Only the most hardy reached their goal. Many succumbed on the trail, and others, discouraged by the difficulties, turned back.

In August, 1897, the Alaska Commercial Company chartered the steamer "Excelsior" for a voyage to St. Michael, from where it was seventeen hundred miles up-river to the Klondike. The steamer was crowded to its limit by hopeful prospectors, including professional men, office workers, and a few who knew something about mining.

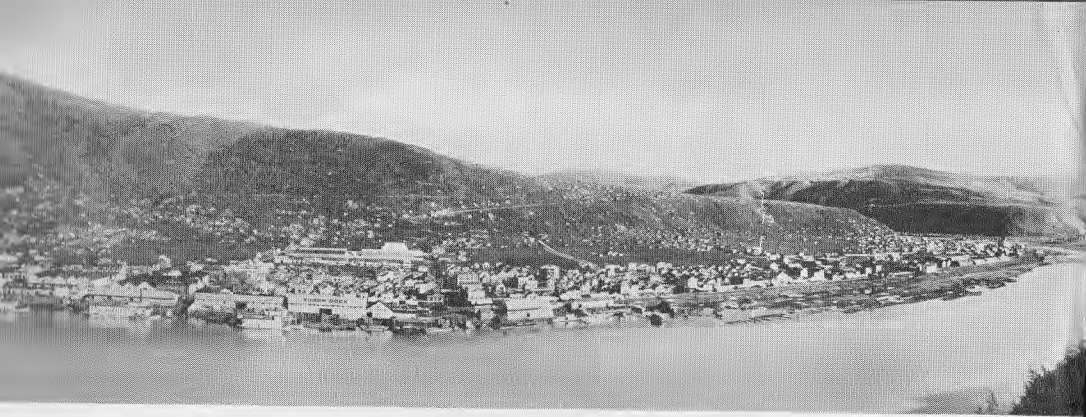
The Northwest Mounted Police were established at this time at Forty Mile, and immediately moved to the new town of Dawson, where they preserved law and order, in contrast to the usual confusion and crime in newly-established mining camps. Conditions were so safe, due to the Mounted Police, that no attempt was made at robbing sluice boxes or gold in transit.

The entire Yukon Valley is icebound by the middle of October. During that time transportation by water is impossible, and the only method of travel in the early days was by dog sled. It therefore was necessary to get all of the provisions and supplies in before October, sufficient to last until the breakup of the ice the following May. In spite of this lack of transport, prices were not inordinately high, excepting for luxury articles, particularly liquors, which brought very high prices, from \$1 to \$2 a drink over the bar.

In the summer, mail was transported by the river boats, but during the long winter season there was no regular mail service, and the only communication with the outside world was by special messengers, who traveled from Dawson over the Yukon River, and by the lakes to Chilkoot Pass, with dog sleds. Telegraphic communication was not supplied until some years later.

Dance halls, saloons and gambling places flourished, for with the gold being taken out in large quantities, it was easy come and easy go. Many who became rich overnight had been poor all their lives, and it being mostly a male population, there were no restraints on behavior. Men prided themselves on the amount of money they squandered, with the result that when the immediate pay-dirt was exhausted, these same men were penniless. However, this is the temperament and experience of the pioneer prospector and mining man.

In the beginning there were no banks, and the Alaska Commercial Company, being the first and largest merchandising company to establish itself at Dawson, and having a safe deposit vault, was made the repository of the miners' "pokes" of gold—bags made of moosehide. The company took no responsibility for these deposits, and the miners often put their pokes in the boxes and removed them themselves. They had such confidence in the honesty and reliability of the Alaska Commercial Company that no receipts were given nor demanded. About two years after the discovery of the Klondike, branches of Canadian banks were established there, and relieved the company of all this responsibility.



DAWSON

Professor George Davidson, in July 1897, drew a map of a portion of Alaska and Yukon Territory showing the relation of the Klondike District to the boundary line between Alaska and Canada. It shows the location of Dawson, the Klondike River (150 to 200 miles long), emptying into the Yukon at Dawson. Also it shows the locations of Forty Mile Creek, Circle City, Fort Yukon, the Tanana Mountains, and Copper River.

On the waterfront of Dawson, near the mouth of the Klondike River, the Company erected a sawmill, where timber from nearby forests was cut into lumber. The Company erected, for its own use, several warehouses and a large store (this of logs), with corrugated iron roof. It was steam heated from a central plant some distance away.

This power and water-pumping plant served the business center of Dawson. It had a pipeline under the ice, so water might be pumped when the surface was frozen. A pipeline laid 4 or 5 feet deep carried water to other buildings. As additional fire preventive, woolen blankets were hung under the eaves of buildings and kept wet during a fire in the neighborhood. The Company had no fires.

The sawmill at Dawson supplied the miners with lumber for sluice-boxes, and other needs. There were boats of various sizes, to transport lumber up the Klondike, and on the creeks and rivers entering it. There were horses to haul lumber, after water transportation. The Company never voluntarily entered the mining business, though at times miners who couldn't pay their debts for supplies furnished, turned over their claims to liquidate indebtedness.



FIRST SAILING FOR THE KLONDIKE . . . STEAMER "EXCELSIOR" JULY 28, 1897

FORTY YEARS ON THE YUKON

Forty years on the Yukon River, might have been the headline telling the life story of Captain John S. McCann, from 1898 to 1938. He was among the first of the old steamboat men brought from the East by the Alaska Commercial Company.

What experiences he had had; what stories he had heard; what contrasts going up and coming down. Captain McCann had seen the day when the fuel used on his boat was wood cut by the Indians, hauled down from the hills, piled along the shore to dry; sometimes washed away when the river overflowed.

He had seen the introduction of oil for fuel—more economical in several ways, especially in time-saving, steamers not being tied up at a river bank for hours, while natives loaded the wood. He had seen betterments in the river-boat services—as the pushing of barges ahead, rather than towing them behind. He had seen the introduction of the two spars which could be lowered and used as “legs” to raise the boat if it hit upon a sand bar.

The Yukon River, with its navigable tributaries, is one of the longest in the world. At times of heavy rains, or of snow melting in the mountains, the river and its tributaries carry silt downstream, which forms bars that hinder boat movement.

The long-experienced captains seemed able to “sense” a sand bar or other obstacles, by “looking” at the water in the current. Some required soundings. In the wood-burning days, the boats sailed only by day; then came searchlights and sailing by night as well as by day.

In 1897 the Company had built at Louisville, on the Ohio River, four steamboats like those used on the Ohio and Mississippi. These were knocked down, shipped to Unalaska, rebuilt there and sailed to St. Michael under their own power, accompanied by a convoy.

The Company had altogether 16 barges, from 100 to 150 feet in length, and 28 to 38 feet beam. Two of them were built for the exclusive purpose

of handling fuel oil. The average time on a trip from St. Michael to Dawson was 22 days (1700 miles).

Duty was claimed when entering Yukon Territory (Canada); passengers were carried on the steamers, and during stampedes the larger boats handled as many as 500 passengers. There were no Labor Unions in the early days, and none now with the exception of an association of engineers.

At times of gold excitement it was not uncommon for crews to desert the boats to go mining. This would necessitate picking up Indians to fill out the crews. Along the Yukon River boat-stops were distant, but the villages of Circle City and Forty Mile reacted to the discovery of gold, and grew to be important trading points.

Dawson in 1897 was a small village, then suddenly a city of 20,000—now it has a population of 1,000. The smaller places, however, have retreated to the status of “ghost towns”. Forty Mile has about half a dozen residents; Circle City, only about 25 whites and 50 Indians. Furs are still bought.

The Law has discovered Alaska, and now trapping is regulated by seasons. Today there are five boats operating on the upper Yukon between Whitehorse and Dawson; five between Dawson and Tanana; two between Tanana and Marshall; two between Marshall and St. Michael. Prospecting continues to a small extent.

TELEGRAPHIC COMMUNICATION

By 1911 telegraphic service might be had the year 'round, over the wires of the Signal Service of the U. S. Army, by means of submarine cable from Seattle to Valdez, by way of Sitka, and land lines serving most of the territory.

The Signal Service maintained a wireless system at Eagle, Circle, Tanana, Fairbanks, Koblik, St. Michael, Nome, Kaltag, Nulato and Iditarod. Also available was telegraphic communication by the land lines of the Canadian Government via Dawson.

ST. MICHAEL—PORT SAFETY CABLE

On September 26, 1900, the S.S. "Orizaba" stranded on a rocky reef at St. Michael Island, at the mouth of the Yukon River. Part of her cargo was a telegraph cable which she had just started to lay from St. Michael to Port Safety. Her captain sent a message to the Alaska Commercial Company office at St. Michael, as follows: "Send stern-wheeler and large gang on her to Orizaba quickly. We are filling and hard grounded."

The steamer "Margaret" went to her assistance, and salvaged the cable, valued at \$66,000. The contract price for the cable and laying was \$120,000. The Alaska Commercial Company then proceeded to lay the cable, successfully, as stated in the following telegram from Washington, November 24, 1900: "Appreciate thoroughly public spiritedness shown by your company in facilitating establishment of cable communication between St. Michael and Safety Harbor and the most friendly spirit shown by transfer of cable to Government under conditions safeguarding your interests."

YUKON RIVER

The Yukon is a strange river; it rises in the Selkirks, in British territory; it flows southward; it flows northward, while all the time it is flowing westward, 2300 miles. Along its banks were trading stations of the Alaska Commercial Company.

The Yukon is navigable from May to September for 3500 miles, including its tributaries. The Yukon River system drains an area in Alaska and Canada equal to the combined area of California, Oregon, Washington, Utah, Nevada and Idaho; more than double the area of Texas.

Here are some "distances" navigable on the Yukon, and its tributaries: St. Michael to Dawson 1701 miles; St. Michael to Fairbanks 1176 miles; St. Michael to Bettles 1150 miles; St. Michael to Diskaket 700 miles; St. Michael to Iditarod 708 miles; Bettles to Tacotna 529 miles.

Gold in paying quantities was first discovered in 1880 on the creeks leading into Forty Mile Creek, which empties into the Yukon on the Canadian side. Soon thereafter gold was discovered in Circle City. This place became the most important center for mining in Alaska.

When gold was discovered on the Klondike, everyone stampeded to that district, and operations at Circle City dropped off. Subsequently gold was discovered on the branches of the Tanana River, and Fairbanks was settled and became the outfitting point for that district.

SEWARD'S FOLLY

"Seward's Folly", it was called, when the United States paid \$7,200,000 for Alaska. Its area is one-fifth as large as that of the 48 States. The "Louisiana Purchase" was similarly ridiculed during the administration of Thomas Jefferson.

An illuminating example of the effect of organized business versus lackadaisical methods is shown by the results following the leasing to take fur seals on the Pribilof Islands, to the Company in 1870.

The total sum of \$5,925,736.49 was paid to the Government during the term of the twenty-year lease by the Alaska Commercial Company.

During those same twenty years the Government received little or nothing else from its investment.

SOLDIERS WANTED AT ST. MICHAEL

Here follows a message to the Adjutant General of the U. S. Army, at Washington, concerning conditions at St. Michael:

"I submit the following application, made to me this day, St. Michael, Alaska, August 26, 1897:

Capt. P. H. Ray, U. S. A.

Dear Sir:

Believing the situation here to be critical, owing to the number of people now here, and reported to have sailed for this point without visible means of reaching their destination, and the certainty that a large number will be stranded here for the winter, in a state of destitution, after navigation by sea closes, which will jeopardize large property interests, and owing to the absence of civil authority here, we request that a suitable guard be sent here for the protection of life and property at once.

Yours very respectfully,

JAMES M. WILSON, *Superintendent*

Alaska Commercial Company

A. B. SHEPHARD, *Manager*

Northern Alaska Trading and Transportation Co. (M)

From my own observation, recommend that two officers and twenty men be sent to St. Michael, by return steamer.

RAY, *Captain.*"



The Pioneers of the Yukon Valley, with headquarters at Circle City, on January 8, 1897, addressed a letter to the Alaska Commercial Company, from which these extracts are made:

"We the Pioneers of the Yukon Valley submit the following for your careful consideration: We have obligated ourselves to do what is just and right between men . . . bind ourselves to your interests, as long as those interests are just and right. Your Company has always stood by us in adversity.

"We came to this Valley to wrest from the frozen earth of this northern country a competency sufficient to enable us to enjoy any few remaining years within the borders of civilization. God knows there are but a few of us who have realized this hope. We have struggled on here for years, with always that one hope in view . . . and during all these years we have endeavored to be honest with you and pay our bills . . . and if some of us have failed to do so, it was not for lack of honesty.

"And now that everything was looking brighter and we could see our way clear, we are threatened with possibility of non-success through the incompetency or negligence of one of your agents . . . it is a matter of duty to report anything that may be to your advantage, or anything that may be injurious to your interests on the Yukon River."

Here follow instances of mismanagement in bringing in sufficient merchandise to supply the thousand miners in that vicinity . . . that the manager complained of is reported to be trading in his own behalf . . . and protesting the rumored removal of another company employe . . . in this language:

"We cannot credit this (rumor), knowing the honest qualities of that good old man, who has labored the best part of his life in building up your interests in this country; stood bravely by the country in its darkest hour; and never faltered; and through his indomitable energy, your business has reached its present gigantic proportions.

We are, gentlemen, respectfully yours,

THE YUKON ORDER OF PIONEERS

By Joe A. Cooper, President

J. A. Snow, Acting Secretary."

CHARLES GRIMM

(He was one of the trusted employees of the Company in the Yukon District.) He contributes the following:

"One hundred and eighty miles north of the Arctic Circle isn't exactly a nice place to be. But, then, there was gold—sometimes—sometimes not—though quite a few rich spots were uncovered—but only profitable to a few. The main problem was transportation—or the lack of it—that and the lack of timber for sluice boxes. Transportation on the river from Bergman to Bettles was entirely by poling boats—by hand sled, and by dog-teams in winter.

"Gradually river transportation improved until large boats carrying twenty tons, and towed by horses were in use. In the winter the horses hauled bob-sleds.

"Between 1900 and 1905 the mining population in this district decreased until only the hardier ones remained; they merely made grub-stakes 'who against hope believed in hope.'

"A gunny of flour (102 lbs.) cost at Bettles \$12.00. Freight to Gold Creek \$102.00—one dollar and twelve cents a pound delivered. Truly it isn't so much the quantity of gold obtained, as it is the cost of getting it—and living."



HOWARD TURNER — Auditor

In connection with activities on the Yukon River and tributaries, we mention the name of Howard Turner, who entered the service in the early 90's, and became auditor for the Yukon River stations. His business was to visit the Company's stations at any time during the year when convenient, and when transportation was best available, taking into consideration the 1600 or 1700 miles between St. Michael and the last of the Company's posts on the American side.

The merchandise stocks at every store were checked up with the latest inventories, accounts were gone over, and proper advices sent to home office in San Francisco. No station was overlooked, no matter what inconvenience in traveling, and we mention this last, for in the earlier days of Mr. Turner's necessary journeys, steamboat travel on the Yukon River was few and far between, necessitating long trips, as much as 300 miles, with an Indian by rowboat.

In the winter period, the auditing business was conducted with dog sleds, and hundreds of miles of territory traversed in that manner. Much of these routes had to be judged entirely by compass, excepting perhaps along the Yukon River, where the frozen river itself could be taken as a guide for travel up or down the river.

There were no roadhouses, no places where a traveler could look forward to resting, available at night, but it was quite customary for the traveler to sleep in a sleeping bag of some kind, with the dogs piled over him, for the nights surely could be severe and bitter. Summer traveling was likewise not a joy, with millions of mosquitoes which made traveling almost unbearable.

Mail service on the Yukon in those days was only such that some traveler might have been able to pick up, and any letters brought to some

station or town would be left with anyone conveniently around, say in the Company store, or in a saloon, or in a dance hall; and anybody claiming the letters, it would be all right. In fact, it was really a hit and miss condition.

Newspapers were likewise rare, particularly in the winter months, and some lucky person might get a number of papers already two or three months or more old, and they would be arranged in a pile, the earliest date first, and the paper would be read, one a day, even though it got to be six months after publication when the last one would be reached.

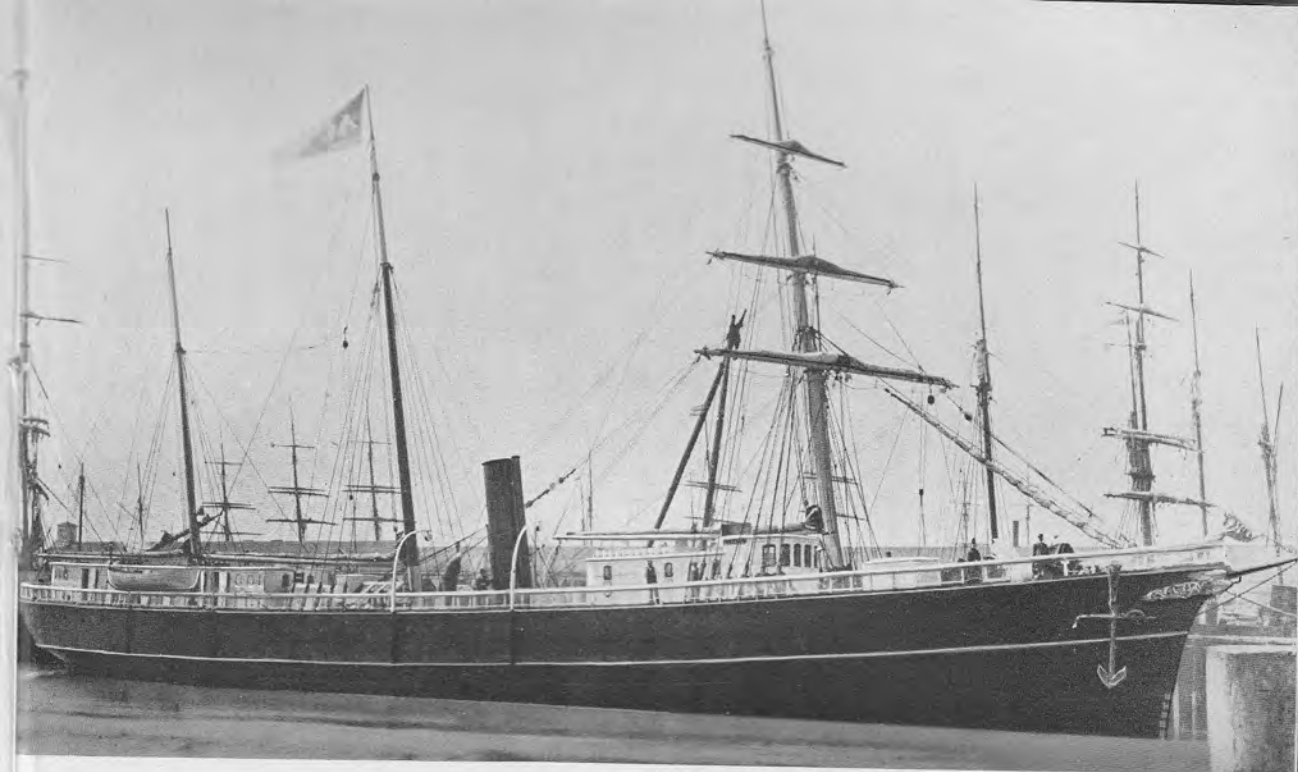
Law enforcement was under most primitive conditions. It was not until 1897 that an appointed Federal Judge arrived in the Yukon district for that part of the Territory. Up to that time all matters and disputes between mines and others were settled at, say, miners' meetings, but it was fairly well known that justice was meted out.

LETTER FROM ED. SCHIEFFELIN
(a prospector in Alaska 1882-1883)

"We fitted out our expedition in San Francisco and went on a schooner chartered for the purpose, with our own supplies of all we deemed most desirable for the adventure. We carried up on the schooner a small steamer, so that we could trans-ship our supplies at St. Michael, and by this means reach the supposed mining regions, which were our ultimate destination.

"Whilst in San Francisco, before our departure, I accidentally met Mr. Lewis Gerstle, President of the Alaska Commercial Company. After a brief conversation about my intended excursion, he very promptly offered me any assistance I might desire; and gave me a letter of credit to the agents of that company in Alaska.

"This letter instructed the agents to assist me in every way. I found the agents of the company very kind and obliging; their conduct and treatment was all that one gentleman could expect of another. They expressed great cordiality and offered every encouragement to me to advance on my expedition and to remain in the country."



STEAMER ST. PAUL



Alaska Commercial Company fleet:

Ocean Steamers: Portland, Dora, Bertha, St. Paul, Alexander.

River Steamers: Sarah, Saidie, Susie, Florence, Hannah, Louise, Alice, Yukon, Arctice, Bella, Margaret, Reliance, City of Paris, Leah.

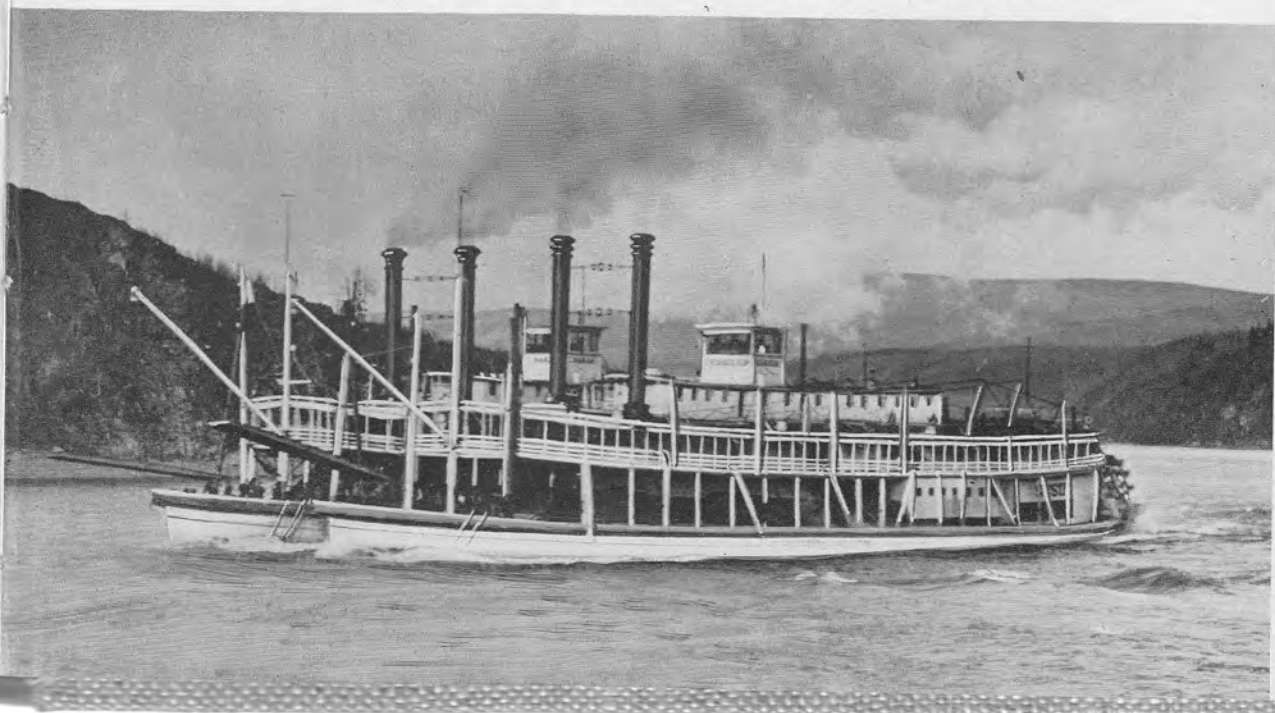
Trading Schooners: St. Paul, Matthew Turner, Pearl, Kodiak, Lettie, Lydia, Leon.

Large River Barges: Wolf, Wolverine, Fox and many others.

Sundry small barges not named, but numbered.

St. Michael Tugboat: Meteor.

YUKON TWINS — STEAMERS SARAH AND SUZIE



NORTH OF 53 CORPORATION SHOWED ITS SOUL

By EDWARD H. HAMILTON

San Francisco *Examiner*, July 4, 1927

YOU have read and I have written a great deal about "soulless corporations," and concerning the oppressions, exactions and general cussedness of "big business."

We've all read, too, of the romance of far lands and of the fellowship of men in the realms of adventure. And out of the north, through the tales of the Sourdoughs of the Yukon, comes to me the copy of a letter that warms the heart, that puts back a faith in the humanity of business dealings and in our fellow man.

It is a letter from the government files at Washington in the volume entitled "Investigation of the Fur Seal and Other Fisheries of Alaska." The volume has the imprint of the

"San Francisco, May 7, 1886.

"Dear Sir: We have been informed that a large number of miners have already started to the Yukon and Stewart River Mines, and it is probable that many others will be attracted to that section of the Territory in consequence of the supposed existence of rich diggings in the district. Considering that the company's station at St. Michaels is the nearest source of supply, an extra amount of groceries and provisions has been sent to you to meet the possible demands likely to be made upon you during the coming winter.

"It must not be understood, however, that the shipment referred to is made for the purpose of realizing profits beyond the regular schedule of

government printing office and bears the date 1889.

The letter came out of our own San Francisco under the date May 7, 1886. It is from Lewis Gerstle, who, with Louis Sloss and Captain Niebaum, practically owned the Alaska Commercial Company, which controlled about all the trade of Alaska and the far north. It is written to M. Lorenz, the company's agent at "St. Michaels," as it was then called, and then the farthest north white settlement in the world.

The occasion was the inrush of miners for the mines at "Forty Mile"—ten years before the discovery of the great gold placers on the Klondyke, and the letter reads:

prices heretofore established. Our object is to simply avoid any possible suffering which the large increase of population insufficiently provided with articles of food might occasion. Hence, you are directed to store these supplies as a reserve to meet the probable contingency herein indicated, and in that case to dispose of the same to actual consumers only, and in such quantities as will enable you to relieve the wants and necessities of each and every person that may have occasion to ask for it.

"In this connection we deem it particularly necessary to say to you, that traders in the employ of the company, or such others as draw their supplies from the stores of the company, doing business on their own account, must not be permitted to charge excessive profits, otherwise all business relations with such parties must cease, as the company cannot permit itself to be made an instrument of oppression towards anyone that they may come in contact with.

"It is useless to add that in case of absolute poverty or want, the person or persons placed in that unfortunate position should be promptly furnished with the means of subsistence without pay, simply reporting such facts at your earliest convenience to the home office.

"Asking your strict compliance with the foregoing instructions, which we hope will be carried out with due discretion on your part, I am, with kind regards to yourself and Mrs. Lorenz,

"Yours truly,

"LEWIS GERSTLE, *President.*"

"Don't that make you feel a little better? Doesn't it restore faith in the general goodness of human kind? There was a soul in that corporation of a certainty; and perhaps if we could inquire more closely we'd find 'good in everything,' corporation and all."

CAPABILITY OF ASSOCIATES

It has been said concerning a prominent industrialist, that he possessed the capability of selecting able associates. The selecting of men to manage important affairs at a distance from the home office, is also of great importance.

In the years covering the activities of the company, communication facilities were meager. Men assuming responsibilities had to depend upon making their own decisions.

The men chosen as managers and agents proved to be honorable, honest and intelligent. They were loyal to the last degree.

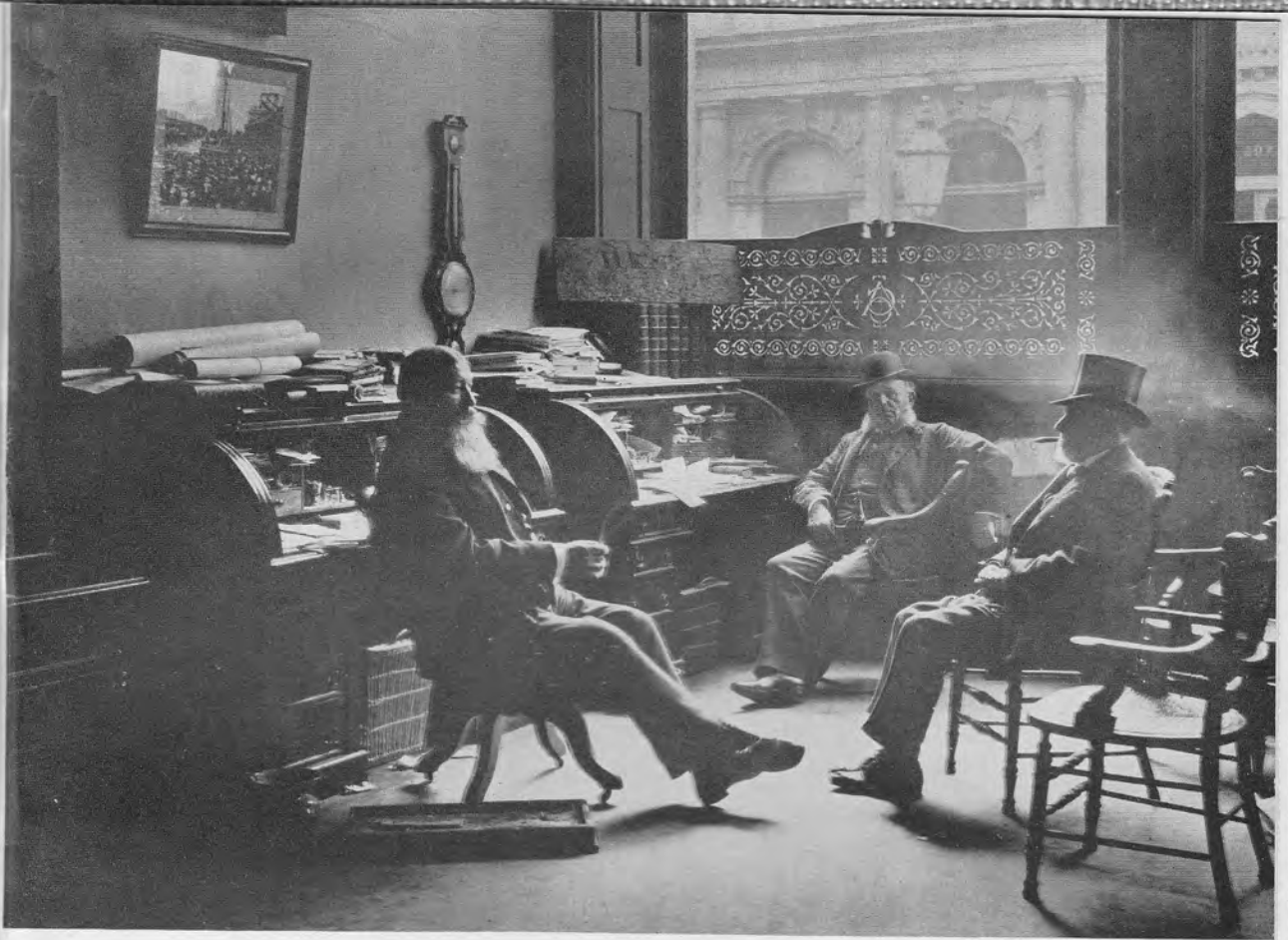
NOME

In the winter of 1899 and 1900, gold was discovered on the beaches in the Nome district, facing the Bering Sea, at Gulovin Bay. There was the usual rush to that far-off place . . . steamers from Seattle and San Francisco carrying crowds of prospectors. Gold was taken out in large quantities from many of the creeks in that territory, and in addition there was mining done on the ocean beaches, and in crude manner considerable values extracted from sand along the shorelines.

The city of Nome soon became the important center for all business, and the Alaska Commercial Company immediately built a store and warehouse there. Conditions in Nome were very unfortunate. Due to the attitude of the Federal judiciary located there, only those who were friends of the office-holders were able to get a favorable hearing.

The result was that Nome was filled with the riffraff of the country. Law and order were disregarded, and honest men could scarcely make a living. It was in great contrast to the conditions in Dawson, where everybody's rights were guarded, and law and order strictly observed.

Because of these conditions, after a very short time the Alaska Commercial Company withdrew its activities from Nome.



GUSTAVE NIEBAUM

LEWIS GERSTLE

LOUIS SLOSS

H. H. McINTYRE,
Agent at the Seal Islands

Captain M. C. ERSKINE

Professor GEORGE DAVIDSON

GUSTAVE NIEBAUM



SEA YARNS

In the first 310 Sansome Building, destroyed in the fire of 1906, there was a room, in the rear of the office, used as a gathering place for those who "go down to the sea in ships". A stove occupied the center of the large room. It was surrounded by a box containing sand, familiarly called the "spit box".

Here came ship captains to relate for the delight of their fellows, adventure stories, true or imaginary, tales of the sea. Many a Joseph Conrad relating stories of particular interest to the office boys supposed to be attending to business.

Here in this "marine exchange" were told stories of the clipper ships, of Barbary pirates, of Chinese pirates, of rounding Cape Horn (Cape Stiff), of the Bering Sea, of Mother Carey's chickens, of topsails, of spankers, and of hurricanes.

The dean of these symposia was Captain Niebaum, himself not lacking in imaginative talents, nor in a high degree of descriptive ability.

ALASKA COMMERCIAL COMPANY MUSEUM

From its very earliest days all of the company's traders and employees were requested to obtain specimens of all utensils—household as well as hunting, clothing and trinkets made and used by the native Eskimos, Aleuts and Indians in such districts where the company was active. This was the most complete ethnological collection of that part of the world which existed anywhere. Duplicates, when obtained, were sent to the Smithsonian Institution in Washington.

On the second floor of the old Alaska Commercial Building, the company had a museum where these specimens were displayed, and visitors and scholars from all over the world came to see it. As this museum was not in a fireproof building, it was decided that it should be donated to the University of California, who with its curators and proper buildings could take correct care of it and keep it intact. Fortunately this gift was made before the San Francisco fire of 1906.

ANOTHER GROUP OF VISITORS

We have written about the group of sailors and seafaring men who gathered at the back of the office at 310 Sansome street. There was another group of men who dropped into the front office, who were of equal interest, consisting of the real pioneers who had made the history of California. In those early days, when the community was small, everybody was well acquainted, and it was quite the custom, when the offices were all on the ground floor, for men to drop in for a chat and a smoke—such men as James Mackay, James Flood, Charles Crocker, Claus Spreckels, John Rosenfeld, "Emperor Norton", Senator George Hearst, Daniel Meyer, John Livingston, William C. Ralston, William T. Coleman, General Otis of the Los Angeles "*Times*", Irving and H. G. Scott, President David Starr Jordan of Stanford University, Eugene Meyer Sr., Widener and Elkins of Philadelphia, and many others. There were Navy and Army Men—Captain Healy of the cutter "*Bear*", Captain Tanner of the Fish Commission vessel "*Albatross*", Captain DeLong of the ill-fated "*Jeannette*" expedition, visiting explorers and travelers. There were writers and reporters and politicians. And there were the men who were utter failures, but old-timers, who came in for their little handout.

All these gathered daily in the front office and talked over old times in the early days of California. To the younger men in the office this was most interesting, and more attention was paid to listening to anecdotes than to the work in hand. It is too bad that there was no one there to make a record of these stories, most of which no doubt were true,—but some of them might have been the result of imagination. The atmosphere of the whole office was of the sort that could not be repeated these days, when offices are in tall buildings, and business conducted by telephone.

There was another phase associated with the atmosphere of the old 310 Sansome street building. The odor of the furs permeated the entire building, from the lofts on the third and fourth floors where they were stored until shipped.

Another most noticeable odor was that of tea. The Russians, having come to Alaska in the early days made a tea-drinking public of the natives. Large quantities of China tea in fifty-pound chests were stored on the second floor, until shipped to the various stations in Alaska. The spicy odor of the tea and the tea chests was very characteristic of the building.



HOME OF ALASKA COMMERCIAL COMPANY

from June, 1871, to April 18, 1906

THE END

After seventy-two years in business, the Alaska Commercial Company retires. † The Property in the Kodiak District was sold in 1911 to an old and valued employe, Mr. Wilbur J. Erskine. † The remaining properties in Alaska were sold, in 1940, to another long-time employe, Mr. Volney Richmond, who operates as the Northern Commercial Company, at Seattle. † Soon the Company will cease to exist. † This, then, is our farewell to our loyal employes, some of whom have been associated with us faithfully for half a century; it is to their efforts and loyalty, that we owe success; and to business friends half way around the world. † It has been a pleasant "three score years and ten."

WILLIAM L. GERSTLE,
President

December, 1940.

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Printer: EDWIN E. WACHTER

Binder: JOSEPH DUREIN