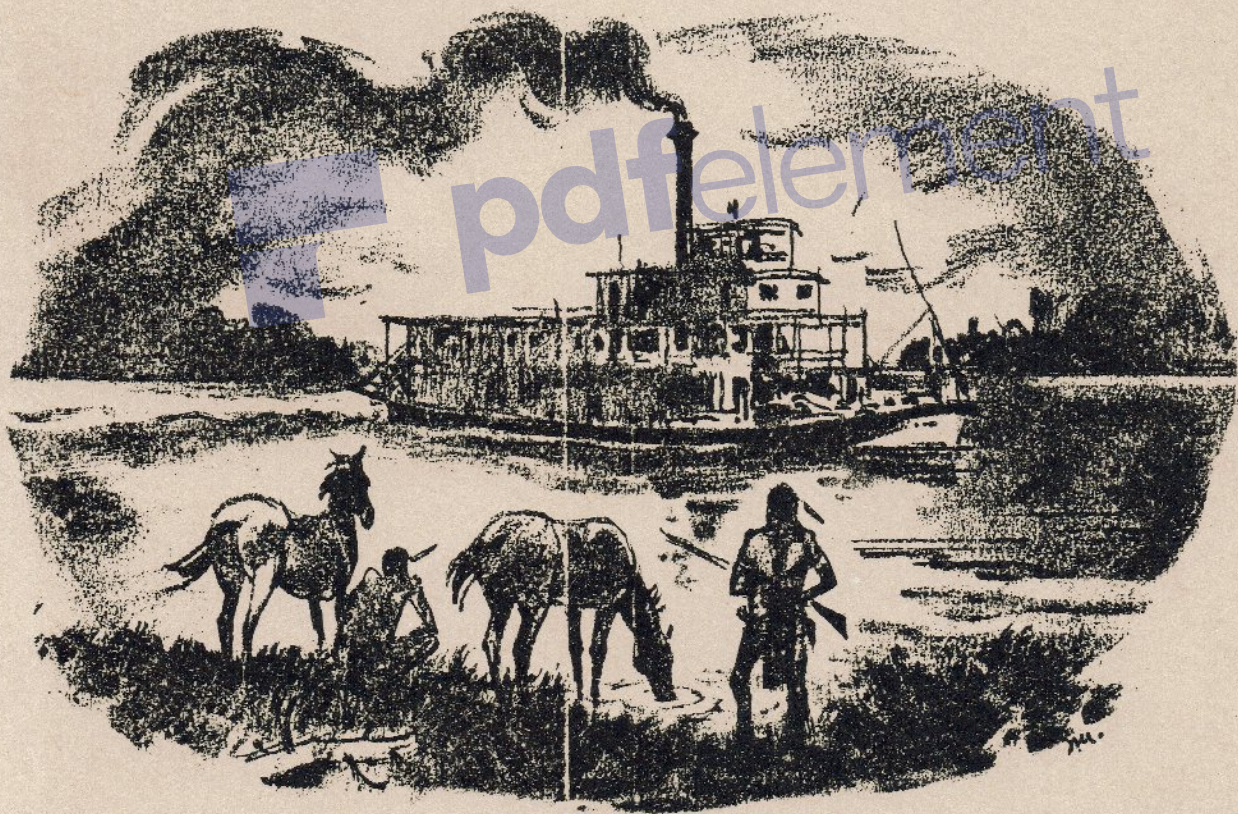


Steamboating on the Columbia River

The Pioneer Journal of Captain J. C. Ainsworth



Edited by
Henry H. and Lucetta A. Clifford

December 1999

Dear John, Kirk and Erica,

Here's a little piece of our family history for you. This journal was written by your great-great-great grandfather John C. Ainsworth. You are his descendants through the following connections:

J.C. Ainsworth } → George J. Ainsworth } → Mabel Ainsworth } → George Mays } → Nancy Mays
 Nancy Jane White } Margaret Sutton } Edwin Mays } Harriet Watson }

I was named after Nancy Jane White. I have some things of hers, for example, the little horsehair rocker which she got after her baby George was born (on April 13, 1852). As you know, I have clothing, furniture, and many other items belonging to all these ancestors.

Love and Merry Christmas,
 Mom

my original copy of this journal
 is underlined here and there.
 I don't know who did it or why.
 I added some notes about
 births and deaths.

STEAMBOATING ON THE COLUMBIA RIVER



*Edited by Henry H.
and Lucetta A. Clifford*

THE PIONEER JOURNAL OF CAPTAIN J. C. AINSWORTH, COVERING
THE DEVELOPMENT OF THE OREGON STEAM NAVIGATION COMPANY.

EDITORS' NOTE: *Aside from the accomplishments outlined in this journal, John Commigers Ainsworth built the Ainsworth Block in Portland and founded the Ainsworth National Bank in that city, which bank later became the U. S. National Bank. Ainsworth died in Oakland, California, on December 30, 1893, a year and a half after the last entry in his journal.*

The journal is published herewith in its entirety, with nothing deleted. Obvious errors in spelling have been corrected, and proper names have been conformed to the spellings shown in Bancroft's "History of Oregon" Vol. II. A few insertions have been added [in brackets] and a few changes made in punctuation to clarify the meaning.

The Editors are grateful to their old and dear friend, John C. Ainsworth, for permission to publish his grandfather's journal for the first time.

I WAS BORN JUNE 6th 1822, in the Village of Springborough, Warren County, Ohio—
PORTLAND, OREGON, FEB. 18, 1877

To my son George, and my other children, as they shall arrive at a suitable age to read the following pages understandingly.

For a long time I have felt that I owed you a service in the shape of a synopsis of some of the leading incidents of my life, and which I know you would all value very highly after I am gone.

Three years ago I purchased this very book, with the intention of commencing the work at once, but the accumulation of cares, in the shape of additional business, the natural hesitation I had to commence what constantly seemed to be the last work of my life, together with the torture of "Dyspepsia" that constantly depressed me in spite of myself, with many other reasons that I need not name, caused me to defer the matter to the present moment; but I feel now, that if I would leave any thing behind me for your information concerning the incidents of my life, (and they have been many) the years that mark my age, together with the worn out condition of my physical frame, admonishes me that longer delay would be dangerous, if not fatal.

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What I shall have to say will be without any notes or preparation whatever, but I shall speak to you of the past as if I were talking to you face to face. I have repeatedly been solicited, to furnish points for a biographical sketch of my life, but I have as often declined, for, among other reasons, I could not think of preparing the commendable acts of my life (if there have been any) to go abroad as the tootings of my own horn; and the naughty things (if I do say it) would not be sufficiently startling or interesting to attract the gossip-loving community, and therefore I have preferred to keep out of the public prints as much as it was possible, preferring to place all before you, for your own reading only.

Having said this much you will be prepared to receive what follows, in the disconnected and incoherent style that must of necessity obtain where no preparation is made, and the subjects considered will be just as they happen to present themselves to my mind.

I will not attempt a history of my life, but merely a synopsis; to connect the chain with details, would frighten me from an attempt of what already seems a stupendous undertaking.

My Mother died when I was about three years ¹⁸²⁵ old, and my Father when I was eleven. At this age I was dependent upon the charities of my Grandfather who was very poor, and who supported himself and family by teaching a country public school. It was therefore necessary that I should earn my own living, and to that end, I was placed in the employ (at age of eleven) of a small grocer, in the town of Franklin, in Ohio, where I remained for a short time only (my bed being under the counter). Why I was taken away I never knew, but I suppose I was too young to be of much service. After this I was sent to Cincinnati to live with an Uncle, on my Mother's side, and go to school; but I was only there a few days, when another uncle on my Father's side, asked me to visit him; permission was refused by the first uncle, and, thinking this arbitrary ruling, I went without his permission, and remained with my second uncle, but only for a short time, as this step on my part was considered almost criminal by my old Grandmother, who came at once, and after considerable exhibition of bad blood on the part of both of my uncles, (shared I suppose to some extent by my good old Grandmother), I was again taken to the humble home of my Grandfather in the country, and for a short time attended his school.

At the age of about thirteen, I entered the service of a third uncle who was a large Country Merchant. My education was now finished, so far as attending school was concerned. I entered the store as a boy of all work; I could write a good hand, and was pretty correct in plain accounts. This soon turned to my advantage so far as learning the business was concerned; my uncle's Bookkeeper left his service, his necessities were very great, and I was inaugurated bookkeeper, but it seems that I gave such satisfaction, that I was retained in that position in addition to my other duties about the store.

The work for a boy was hard, because I had to be up by daylight, and very often my work was not done 'till eleven o'clock at night, but this schooling was just what I needed to develop my faculties. I remained in this kind of service about two years (I was then fifteen) when my uncle informed me that he had met with reverses, and

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had determined to close business; that he proposed to take a small stock of goods on a trading boat, and coast down the Ohio River to the mouth of the Tennessee, and offered to give me an interest in his future business if I would go with him, or if I preferred, he would recommend me to some merchant in Dayton, Ohio, for a situation as clerk. The year previous to this proposition, I had received five dollars per month for my services, I therefore of course had nothing, and rather than risk the uncertainty of securing a situation, I accepted his offer, and started with him in his new venture.

At Louisville Ky. he purchased a keel boat, finished off one end of it for his family and the other with a counter and shelves where was placed in position a fair stock of goods. In this way we drifted down the Ohio River.

In passing through the locks at Louisville the first day of our venture, I was knocked off the boat in the turbulent waters of one of the locks, but was accidentally discovered in time by the lockman who shut off the water and assisted in my rescue. After spending the summer on this boat we reached Paducah, at the mouth of the Tennessee, where the goods, most of them were sold to the Cherokee Indians, who with "Ross" at their head were then moving to Arkansas. Here my uncle purchased two flat boat loads (one of lime and the other corn and oats) and started me off in charge of said boats and contents, for Memphis, where in due time I arrived and where I spent most of the winter, in selling what was placed in my charge. The great portion of the lime was sent out to Holly Springs in Mississippi, where it brought a good price, so I was enabled to return to Paducah in the spring, with my pockets full of money; but unfortunately, Mississippi paper money was at that time at a great discount, and the following summer, 1837 or 1838, the financial crash that carried every thing before it made a slaughter of all the Southern Banks, so what my Uncle first regarded as a success of my first effort of exclusive management, turned out a loss, because of the depreciating of paper money, that I had received in payments. I remember that a large amount of this money he sold for three hundred dollars in "Life Insurance and Trust Company" Bank paper of Cincinnati; and this Bank soon after failed, so that the loss was a total one. The then new territory of Iowa was attracting some attention, and my Uncle, who was then heavily embarrassed financially, concluded to try his fortune in the new country, just opening up to settlement, but which was partially occupied by "Blackhawk," and his warriors of the "Sac" and "Fox" Tribe of Indians.

We reached St. Louis in the Spring of 1839, and soon after took passage for Warsaw, a small town on the Upper Mississippi, opposite the mouth of the Des Moines River. From this point we started to prospect the then new country while my Uncle's family remained at Warsaw. My first effort at walking was from the Des Moines River, to a place called Farmington, thirty miles distant. I started out early in the morning in company with a young man by the name of Crooks, who had been with us ever since we left Louisville. I think I was never so near dead from fatigue as I was that day; but we finally reached the place, and here at Farmington my Uncle concluded to locate, and here we remained for several years. The business of merchandising was again resumed, and I, as heretofore, was installed bookkeeper,

↓ Ainsworth was 17

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salesman, and boy of all work. At this early date in the history of Iowa, goods were sold at enormous profits, and as a consequence, business showed great results. Soon after locating in this new home of the then far West, I was taken with the prevailing disease of the country, "Fever and Ague," and for one year, with slight intervals, I would shake and burn by turns, every alternate day. During this time I managed to keep the books, and make myself useful on my well days; but notwithstanding I was a partner in the business, by agreement (verbal), I could see that my position was a nominal one. My uncle never talked to me about business, except in the way of giving directions. He soon commenced the construction of a steam flouring mill (the first in the country) and I thought I could see that the partnership was ignored. I chafed under this state of things, but said nothing, as I could do nothing.

Pretty soon my Uncle sold the store to a party by the name of Heaight, whom he had known in Ohio. This sale was made on credit, as nearly all such transactions were made in those days. Mr. Heaight offered me a situation in the store at a good salary, which I accepted. Very soon Mr. H. thought he saw something more congenial to his taste and interest, and offered to sell the store to me, (on a credit of course) but knowing the relations that existed between me and my Uncle, and believing that he could, in some trade that he proposed to make, use the three hundred dollars of "Life Insurance and Trust Co." money, that he knew my Uncle had, he offered, if I would purchase the stock of goods and could get the \$300 to take it at par, as part payment. I thought this a good opportunity to start with a little capital, and knowing that my Uncle did not think the paper of any value, I went to him and told him what Mr. H. had offered to do, and proposed that I would take this money in full liquidation for all my interest in the partnership that he had voluntarily given me (my part at that time, as I figured it, would amount to about \$500.00). He refused to give it to me, or to give me any satisfaction, so boy as I was, (not yet seventeen, if I remember rightly) I determined to start out for myself. Up to this time, there had been no individuality in my character, outside of my own thoughts. I immediately consulted with a young friend, by the name of Isaac A. LeFevre, who had just graduated at Yale College, and came penniless to the new country to make his fortune on a farm. I presented the situation of affairs to him, and offered to take him as a partner, and purchase the stock of goods from Mr. Heaight on a credit. The arrangement was made, the trade consummated, and the sign of LeFevre and Ainsworth placed over the door, before my uncle knew any thing about it. This offended him very much, and I in turn was offended because he had refused to give me the \$300 that was of no value to him, but would be worth its face to me. So he passed my store door for months and never spoke to me; finally he sent for me to settle up accounts between him and Thomas C. Crooks, who was a partner by agreement in the old concern, on the same footing with myself. I was the only one of the three who thoroughly understood the accounts between them. The results showed about \$500.00 due to Crooks, and a like amount to myself. My uncle arranged with Crooks for the amount due him, and then turned to me, and asked how that should be paid. I told him that he owed me nothing, and that I would receive nothing from him. All that I said to him was respectful, but determined, so the partnership

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or the amount was never alluded to, though we had frequent and intimate business relations for many years afterwards.

He became so much attached to me, and relied so much on my judgement in after years, that he seldom engaged in any important transaction without consulting me. He went so far as to ask me to select goods for him in the Eastern markets, when we had rival stores in the same town.

After striking out for myself with my new partner (who willingly gave up his farm), we commenced to accumulate money from sales of goods until we had enough to pay my partner's expenses East, where he went, and with the aid of personal acquaintances, succeeded in buying a stock of goods on a credit of one year, and thus Farmington was introduced to the first stock of goods imported direct from New York. We worked hard and were successful; all goods at that time sold at about one hundred per cent advance on cost. My Uncle was very successful with his mill; people came with their teams, one hundred miles to get flour; he made money enough to pay all his old Eastern creditors, principal and interest, though some of them had lost sight of him, and considered the claim against him a dead loss. This act of honesty on his part (for what ever could be said of him, he was an honest man) gave him unlimited credit, and his success for a long time subsequently was uninterrupted.

His singular name "James F. Death" stood very prominent among the leading business men of that day. He was in my judgement the best salesman I ever saw, but his education was very limited; he trusted too much to others, and was often the victim of sharp partners. He became very wealthy, and engaged in bold and heavy operations in pork and flour, but died not long since a poor man. The three hundred dollars of "Life Insurance & Trust Co." money was never of any value to my uncle. Long years after, when he had lost his fortune (and I was working hard in Oregon to make one) I sent him a draft for three hundred dollars in gold, for which he returned me his note, which I still have among some of my old papers.

LeFevre and myself did business for about a year, and finding ourselves without capital, except the profit we had made,—concluded to sell out, which we did, protected our paper, and settled up with a few hundred dollars apiece, a good name, and enterprise enough to undertake anything. Being now out of business for the first time, I immediately conceived the idea of visiting my Grandfather's humble home, the only place that seemed like home to me, and where my sister still remained. I also conceived the idea of making the journey on horseback. (I was fond of riding horseback in those days.) So I purchased an elegant riding horse and started alone, a journey of several hundred miles, across the then almost uninhabited and trackless prairies of the great State of Illinois, and the almost impassible roads of Indiana. Nothing of interest marked this lonely ride across the great prairies, and in due time I reached Covington, Indiana, where my Uncle, Andrew Ainsworth, then resided. He still makes this his home, and must be nearly eighty years old. I spent about one week visiting among relatives, and then resumed my journey.

I reached my old home and received a hearty welcome. I was looked upon as quite a lion, having come from the then far West. I remained at the old home during the Winter, and started for Iowa in the Spring, via St. Louis, in steamboats, leaving

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my horse that had become a great favorite with my sister. I was glad to get back to the new country, and soon began to look around for business. I found my old partner had formed new business relations during my absence. Some of my friends thought he had not done quite right, as they knew it was through me he had received his first start; I now confess to just a little of that kind of feeling, though I would not confess it then.

SUNDAY, FEB. 25, 1877

I now resume my talk with my children, of the past; Sunday is about the only day I have for this work, and as I seldom go to Church, I think I shall find the appropriation of an hour or two, each Sunday, more a pleasure than a task.

Then to resume the thread of my story: After a short time I found a man by the name of Joseph Hayne, who had a small stock of goods at a small trading post called Iowaville, on the Des Moines River, at the line then established between the white settlement and Indians. It was a very wild, lawless place. I bought out this Mr. Hayne, and for about six months (as near as I can remember) continued the business in a small way. I then moved to Keokuk on the Mississippi, where I continued the mercantile business in connection with warehousing and forwarding for several years. I here had partners and was alone by turns, and did quite an extensive business. After I felt that I was well established, I married a Miss Josephine Augusta Kendall, a daughter of Capt. John Kendall of Boston Mass., who with others, liberal minded on the subject of religion, had followed the fortunes of "Abner Kneeland" who [was] persecuted and imprisoned in Boston gaol, for saying that he believed in a God, that the Universalist did not.

I knew Abner Kneeland very well; he was a man of most commanding presence, of pure morals, the highest culture of mind and exemplary in every way, as a citizen, Father, husband, neighbor and friend; but he was not tolerated, because he did not believe in the divine Authenticity of the Bible, and had the *honesty* to say so. This venerable man at the age of about seventy, formed a little colony of select friends and cultivated people, and settled on the Des Moines River, about two miles from my first Iowa home, and here I made the acquaintance of and married my first wife, who lived only about fifteen months afterwards. This loss changed the whole course of my life. I could no longer content myself with the business to which I had been partially educated, and longed for something more active and exciting. After battling along for a year or two, I sold out to my uncle, who had followed me to Keokuk, and who then became interested with me in my first steamboat.

Without any experience, I took command of my own steamboat, and was quite successful the first year. My fortunes varied in this new business, and wound up at the end of five years experience with a loss of my entire interest, which was the result of selling a steamboat to a failing Iron firm. I still had a little home left at Keokuk, where my sister and her husband lived. This was the year 1849, when the wonderful news of the gold discovery in California was electrifying the whole country. I had two friends (both steamboat captains) who were among the first to go to Cali-

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ifornia and return. They gave glowing accounts of the new Eldorado, and as they both were to return in the spring of 1850, I resolved to join them; so I mortgaged my only remaining property for money enough to take me to California (\$900.00) and started for the Pacific May 7th, 1850. I arrived in San Francisco June 23rd of same year. I remained in the Bay City but a few days, and went to Sacramento City, where I met many Mississippi River acquaintances. I here found that an old clerk of mine, on the Mississippi, by the name of Dunlap, was Clerk of the Court, a position worth at that time about \$20,000 per year. He offered me a position as his deputy, which I gladly accepted as my finances were reduced to nine dollars, and my board was four dollars per day. Here I remained about two months, discharging the duties, I think, acceptably. I was present, and in the crowd when the firing commenced that inaugurated what was known as the "Squatter War"; several were killed and wounded, and the squatters driven out of town. A few days afterwards the Sheriff McKinney, to whom I was much attached, was killed by the lawless men. About this time "Lot Whitcomb" from Oregon, came to California, and purchased a set of steamboat machinery, and forming a partnership with Colonel Berryman Jennings, who was then a wealthy citizen of Sacramento City, they determined to build the first steamboat of any note (though a small apology for a steamboat had already been built at Astoria, and called the "Columbia") in Oregon. I was a perfect stranger to these parties, but some of my friends, without my knowledge, recommended me as a suitable person to take charge of the new steamer, so to make what might be a long story short, I engaged to go to Oregon, and commanded the new boat when completed. I sailed on the steamer "Columbia" of P.M.S.S. Co.[*] the latter part of August, and arrived at Astoria on the first day of *September 1850*.

At this date my history commences, in which you will be more interested than in any thing that has preceded it. I will try to give you a faithful account of the leading features of my history since that date.

[*] Pacific Mail Steamship Company.

SUNDAY, MARCH 4, 1877

At Astoria I took passage on the little steamer "Columbia" for Portland, paying twenty dollars passage. We were out two nights on the trip, slept on the upper deck and found a place next to the paddle-box that was safe, otherwise would have been in danger of slipping into the river, as she would list several streaks, if a passenger would go from one side to the other. Portland at that time could boast of more stumps than houses, and was in all respects a very new place. Milwaukie was the threatened rival of Portland, and Oregon City was the centre of trade and Society, besides being the seat of Government.

After remaining one day in Portland, I took passage for Oregon City in a "whaleboat" (Commanded by John Thomas), and paid three dollars passage. This was the only means of communication (by water) at that time between the two places. I had letters from Col. B. Jennings to his brother-in-law S. S. White, so in order to present these letters, I walked out to Mr. White's farm. The steamer

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"Lot Whitcomb" was then in course of construction, but was not launched until December 25th. 1850. Capt. Lot Whitcomb was the partner of Col. Jennings in this steamboat enterprise; he was the proprietor of the town of Milwaukie, and every thing he did, looked to the building up of this place. He was enterprising, ambitious, very vain, with very little education, and not entirely reliable. He had the full charge and control in the construction of this steamer (that he named for himself) and having no experience whatever in this kind of business, it was rather remarkable that he should have succeeded so well in producing a fine boat, for she certainly was a fine boat and cost the owners about \$75,000. However the secret of his success was that he had fortunately secured the services of one Mr. Hanscombe, an experienced ship Carpenter, (who was afterward appointed as naval architect, and stationed at Benicia, Cal.) This Mr. Hanscombe had full control of everything in the construction of the boat, and his influence with Capt. Whitcomb was equal to any thing he wished to accomplish and within the range of possibilities of the Capt.

I of course had reported myself to Capt. Whitcomb, presented my letters from Col. Jennings (who by agreement between the two, had the right to select the Capt. of the new boat.) and was duly recognized by Capt. Whitcomb, in accordance with the letters I had presented. There seemed to be nothing I could do during the construction of the boat (or rather this was Capt. Whitcomb's opinion and decision). Consequently I spent my time in the country, boarding part of the time with Wm. Holmes, and part of the time with Judge White. During the months that intervened before the boat was ready to run, I had very little intercourse with Capt. Whitcomb, having, as I thought, observed a coolness on his part towards me. However when the boat was completed, I was installed Captain, and had papers taken out in my name, as Master, from the Customs House. It was the intention to run the boat between Milwaukie and Astoria, (tho' at that time the business was so limited that, had it not been for towing lumber vessels up and down, the boat could not possibly have paid expenses) and she was run as Capt. W. requested for some time, remaining at Milwaukie over Sundays. I soon found that "Hanscombe" who had built the boat, was very anxious to command her, in fact Capt. Whitcomb had requested in the start, to allow Mr. Hanscombe to take charge, and I go as "Supercargo," or in some such nominal position. The result of my refusing to do other than was first agreed upon, resulted in the formation of a conspiracy against me.

It had been my habit on Saturdays to go to Judge White's place, back of Oregon City, and remain 'till Monday morning, when I would return in time to start on the hour agreed upon from Milwaukie. Within a few weeks after the boat had been running as I have described, Capt. Whitcomb placed Mr. Hanscombe in charge of the boat in my absence, and started her for Oregon City (I had pronounced the water too low to safely run there with so large a boat.) It was therefore thought by the conspirators, (Capt. Whitcomb at the head) that if they could succeed in taking the first Steamboat to Oregon City, at a time when I had said it was not prudent to do so, that I would be effectually squelched, and easy to dispose of, so far as Col. Jennings was concerned; so the boat was headed for Oregon City with Mr. Hanscombe in command, and as I was riding down to Milwaukie, Monday morning to take

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charge as usual, I heard the puffing of the boat at Clackamas Rapids, and leaving the road to learn what it meant, I found on reaching the bank, that the boat was ashore on the gravel bar, and observing her position, and knowing the water was falling, I rode back to the country to await events. It was not long before Capt. Whitcomb sent for me to take charge of the boat, and try to get her off; but I refused to go 'till she should be delivered where I left her. This of course made a breach. The boat laid on the gravel bar for a week or two, when the river rose and floated her off.

Hanscombe then remained in command for several months, until Col. Jennings came up from California, when it was ascertained that both Whitcomb and Jennings were very much embarrassed financially, but to make a long story short, settlements were made and I was allowed \$3500.00 for my time. I took an interest in the boat for this amount, and was again placed in command, which position I continued to occupy 'till she was sold in San Francisco. The firm of Abernethy, Clark & Co., of Oregon City, purchased the whole boat (with the exception of my interest) and thus the question of command was finally settled.

SUNDAY, MARCH 11, 1877

I again resume my Sunday talk with my children. After the purchase of the Steamer by Abernethy, Clark & Co., I continued to run her successfully until New Year's Day 1853, when attempting to run her down from Oregon City during a high freshet in the river when it was rising at the rate of one foot per hour, the fury of the current threw the boat broad-side into "Elk Rock," just above Milwaukie knocking a large hole in the hull which caused her to sink, but before she became entirely unmanageable, we succeeded in securing her to the bank just opposite the Lewelling place where there was a little shelving bank, where after the water receded sufficiently, we succeeded in repairing damages, and raised the boat, but the freshet was a severe one and during the time the boat was submerged, great trees came floating down the river, some of them striking and completely carrying away the river side of the upper works. About a foot of sand was deposited in the hold and on the main deck. We succeeded in floating the boat on the 23rd of same month she sank (Jan. 1853) and commenced running again Feb. 3rd following. We continued to run with varied success until Aug. 12, 1854 at which date we started the "Lot Whitcomb" for San Francisco (in tow of screw Steamship "Patonia.") The object of this move was to find a market for the boat, or run her on the Sacramento River. We experienced a pretty rough passage down and arrived in San Francisco the fourth day out, with the boat leaking badly. After temporary repairs and a delay of a week or two, Mr. Clark, of the firm of A. C. & Co. succeeded in effecting a sale of the boat for \$40,000 cash. Up to this time, I had only been saving my salary during the time I had been in command and from the savings from this source, I had sent money to bring my stepmother from the Atlantic States, had paid my friend R. R. Thompson for money borrowed to pay personal expenses during the time I was waiting for my boat, so that up to the time the "Whitcomb" was sold, I had nothing in the way of Capital. But now my share of the boat, together with savings, gave me a Capital of about

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four thousand dollars. With this amount to start on (after returning to Oregon from San Francisco) I formed a partnership with Jacob Carum (who had been engineer of the Steamer "Lot Whitcomb") and Mr. Thos. Pope of the firm of Abernethy, Clark & Co., to build a boat for the Oregon City and Portland trade. The result was the building of the first sternwheel steamer in the state, the "Jennie Clark," one-fourth only of which was owned by myself. I ran this boat for two or three years between Portland and Oregon City, with marked success, running very hard all the time to make it so, frequently using Indians as deck-hands, and when pressed for time, leading the force by carrying sacks on my own shoulders, working with the best of them. I was something like the boy who was out of meat and digging for the wood-chuck he was "bound to catch him,"—I was after success and was *bound to secure it*, if application and hard work would do it. During the time I was thus engaged, we were frequently annoyed with opposition boats;—however I managed to get along without serious trouble 'till certain parties built a very good little stern-wheeler called the "Relief";— this boat was managed by impractical men, and commanded by a blustering fellow who had a small interest but seemed more intent upon appearing as an opposition man, and in favor with the public, than in making money for his owners. So the war waxed pretty warm, so much so that the party owning the control of the "Relief" (tho' he had protested that he could not be purchased) finally concluded to sell to my party. This was effected without the knowledge or suspicion of the Captain, and feeling a little ugly toward him, I sent for him and had a long talk with him about making arrangements between the boats for a division of business and profits, but he was inexorable, insisting upon terms that I could not entertain. Finally he looked at his watch and remarked that it was about his time to start for Portland, and must be going. I then told him that I had a shorter trip for him, that he would take the boat to the lower end of town and lay her up. He asked me what I meant and I told him I meant what I said as I was the owner of the majority interest in his boat. He was perfectly dumbfounded but yielded gracefully and remarked that I was too hard on him, etc.—

I should have mentioned sooner, that while waiting for the completion of the "Lot Whitcomb," I formed an intimate acquaintance with the family of Judge White, a brother-in-law of Col. Jennings, who, I before remarked, was the cause of my first coming to Oregon. The result of this acquaintance was my marriage to the daughter of Judge White, April 23rd, 1851. (Nancy Jane White)

Through the influence of my wife's family, I was induced to build a home on a part of what was the Donation Claim of Judge White. This was a mistake, though the step was taken, and I commenced to make a little farm in a thicket of fir trees and oaks. I was very fond of fruit growing, and naturally partial to any kind of farming, but of course I was not a farmer and the result of my experience was "a gentleman's farm," at great cost and no profit. Here I built a handsome house and in a few years, had a very attractive home, but it was far away from my business, in fact I could only be at home once or twice a week, and after spending several years time and many thousand dollars, that ought to have been invested in Portland, I saw that to continue in a course, contrary to my better judgement, would only add to the

* Nancy Jane White Answorth died Dec. 5, 1859 in Portland,
age 25 years 10 months.

* * The house is still standing.

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difficulty of a change that *must* sooner or later come, if I would succeed in building up a fortune. So without consulting any one, I rented a house in Portland, and told my family when I reached home to prepare for a move which was made in a few days, and Portland has been my home ever since. I hired a man to take charge of the place, and kept him there until his wages had amounted to over \$2,000. (which I paid.) I then traded the place to my brother-in-law, E. M. White for some mining property, for which *I never received one cent*; and thus ended my experience as a farmer.

After running the "Jennie Clark" for about three years, I sold my interest to Capt. J. Myrick, and in a short time commenced to build the Steamer "Carrie Ladd." While she was in course of construction, my friend R. R. Thompson who had been engaged on the upper Columbia River in transporting government freight, in sail-boats, built at the upper Cascades a fine little steamer called the "Venture," with the intention of, in some way, making the portage at the Dalles, and use her on the Upper Columbia, where he had contracted to transport a large amount of Government freight at a larger price, if carried in steamboats, and a much less price by sail. After finishing this boat he invited a number of friends (and procured a band of music) to make the first trip to the Dalles. His partner (L. W. Coe) was made Captain, without any experience whatever, so when every thing was ready, he gave orders to cast off the lines, (which was done) before asking the engineer if *he* was ready. The result was, that for want of sufficient steam to stem the current, he drifted over the falls at the Upper Cascades, and struck on a rock, where she remained full of water for some time. One of the passengers jumped over-board and was drowned; the balance were rescued by small boats, and the wreck abandoned. The river rose rapidly and floated her off. She was hauled out, repaired, her name changed to "Umatilla," and an unsuccessful effort made to get her up over the Cascades. This was in the year 1858, when there was such a rush of people to the Fraser River Mines. Mr. Thompson, having failed to use his boat according to his plans, and having no business for her on the lower river, he proposed to sell her for the Fraser River trade. The result was that I purchased one-third of her, Leonard & Green, one-third, and Thompson retained one-third. I of course was to take charge of her and make the venture which I did. The boat was prepared for sea as well as a river boat could be prepared, and on the 9th of July 1858, we left Portland for the new Eldorado (myself in Command). We had arranged with the steamship "Columbia" to tow us from Astoria to Victoria. When every thing was ready and the "Columbia" arrived at Baker's Bay (where I was lying at anchor) we found the bar so rough that it was not safe to cross. We were detained here two days and becoming impatient, we started in tow of the steamer, with steam on the "Umatilla" as well. We succeeded in crossing a very rough bar, and found it almost equally rough outside; in fact there had been a fearful Norther blowing for several days, but the strength of the gale was some distance to the Southerd of us. This was the time that the Steamship "Brother Jonathan" came near foundering at sea, and threw overboard part of her cargo. She experienced the wind, and we the sea that was caused by it. We soon saw, after crossing the bar, that it would not be safe to carry steam on the "Umatilla," as the steam pipes were twisting in every direction, so the fires were extinguished,

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wheel disconnected, wood (a large quantity of which was on board for the trip) thrown overboard, and every thing done that was possible to relieve the boat, that was plunging and laboring very heavily in the heavy sea.

The hog chains soon parted, the stairways worked to pieces, and it seemed impossible that the little boat could stand it, but as we could not return, we resolved to do all that was possible, and take the chances.

So we made "hog chains" of our heaviest manila rope, threw over-board everything that could be spared, and standing at the wheel most of the time, during the longest night I ever experienced, we longed for morning, hoped to weather through safely, but doubted the ability of the little boat to do so. Fortunately she had been built very substantially and much to the surprise of every one, daylight still found us afloat and the sea greatly reduced. In due time we arrived at Victoria, but in a very dilapidated condition, oakum hanging out of every seam, and upper works very much injured. We remained in the port about ten days for repairs, and then taking a large number of passengers, started for "Fort Hope" in the Fraser River. The whole route was new to me so I secured a Pilot to take me across the Gulf of Georgia to the mouth of Fraser River; here I secured the services of an "Indian" (who was recommended by the Hudson Bay Co.) as a river Pilot. He could not understand English, and of course knew nothing about steering a steam boat, so I stood at the wheel myself and received instructions from him by signs. It so happened that we reached the mouth of the river just before dark, so the first run up the river as far as Fort Langley was in the night. I did not like it much, but time was money, and I took the chances, believing that I could see well enough to avoid any danger. In due time we reached "Fort Hope" the highest point on the river (up to this time) that had ever been reached by a steamer. "Fort Yale" (a point twelve miles above "Fort Hope") at the foot of the great cañon was the point all the travel desired to reach by water. Up to this time, this twelve miles had to be made in "canoes," with Indians as boatmen.

It was considered a dangerous portion of the river for canoe navigation and by many thought entirely impracticable for steamers; however we resolved to try it with the "Umatilla" and securing the services of the Hudson Bay Co.'s agent at Fort Hope as Pilot, we started for Fort Yale. The Pilot represented that a place called the "Two Sisters" was the first and most difficult place to encounter, but on reaching it I found no difficulty whatever (of course I handled the boat myself all the time in this river) but when we came in sight of what is known as "Emory's Bar," I expressed some misgivings, but only as to the power of the boat to ascend the rapids (there being plenty of room and water). We ran into this rapid, and were fifty-eight minutes crossing, a distance of perhaps one hundred yards. At this point the banks were lined with miners, all making the greatest demonstration of joy at seeing a steam boat.

During our struggle to cross these rapids, we would at times make slow headway with apparent prospect of success, at which times, the miners (all of whom had suspended work) would shout, hurrah and fire off guns and pistols in the most frantic manner and when the boat would drop back again (as she did very many times) every one would stop, not a word would be uttered, except to express disappointment, 'till bottling up a little more steam, we would again move ahead in the

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rapids, when the popping of guns and cheering would be resumed. This continued, as I have stated for fifty-eight minutes, I was too intent on my work to notice any thing in particular, that was transpiring on shore, but when we finally succeeded in getting over, the firing and shouting was prolonged and hearty, as only men *under such circumstances know how*. It was noticed by some of our passengers that a most enthusiastic miner near the bank of the river had repeatedly tried to fire off a gun that he held in his hand, but for some cause he failed to make it respond and becoming disgusted at his repeated failures, just as the boat was observed to be over the pinch and everybody was gesticulating in the most frantic manner, this honest but disgusted miner seized his gun with both hands by the muzzle, and threw it into the river as far as he could. This was observed by many of the passengers as well as by many of his fellow miners, and the shout that followed the act can never be understood by *those who did not hear it*. Nothing unusual occurred after this until we reached Fort Yale, when we were received by a large number of men in the most rapturous manner. After remaining an hour or so, we started back; a short distance below Fort Yale is a place known as the Whirl pools, where it was said, canoes had been frequently pulled under water. I could see that there was plenty of water at this place, and steered for the heaviest whirls. Just before we were about to strike them, my Hudson Bay Pilot rushed in from the pilot house with fright printed on his face, saying as best he could, that I must avoid the whirl pools, etc. The poor man thought, (I suppose) that he was in a canoe, and was in danger of being drawn under, but I knew there could be no danger and I wanted to see the whirls.

Capt. John Wright who was a passenger with me at the time, said he could see twenty feet down one of these whirl pool holes as we ran close by it. The pilot I had taken was no service to me whatever, he only knew how and where the canoes ran, but the river was high and rapid and showed for itself, so that I had no trouble. I had the honor of taking the first boat to Fort Yale, but I never returned there afterwards. We returned to Victoria crossing the Gulf of Georgia after night, not knowing before entering it, whether it was rough or not; fortunately it was smooth and we had no trouble, but my Indian pilot always went below when we entered the gulf.

SUNDAY, APRIL 1, 1877

I did not have my usual talk with my children last Sunday on account of being down with sick headache, today I am a little off the track on account of my first grand-child being born this morning, but I feel that I must not waste the time allotted to this work as I cannot tell how soon I will break down altogether.

Resuming where I left off, I will say that when we returned to Victoria we found that there was quite a feeling among the miners in favor of reaching the upper Fraser River Country by a new route—that had been mentioned and canvassed by some of the Hudson's Bay Co. people. This new route was via "Harrison Lake." Gov. Douglas (who was at that time Gov. of Vancouver's Island and the British possessions on the mainland) felt quite sure that the route via Harrison Lake or "Lillooet" as it was called by the Gov. would be the quickest and cheapest if a

**Lawrence Sutton Ainsworth,
son of George Jennings Ainsworth
and Margaret Sutton Ainsworth*

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steam boat could reach the head of Harrison Lake. The proposition was therefore made, to give us a full load of passengers, at good prices if we could reach the point named. So after obtaining all the information we could on the feasibility of navigating the Harrison River from its mouth to the Lake, we consented to try it, and started with about seventy passengers. My Indian pilot pretended to know something of the river and lakes, but seemed very loath to go. On pressing him for the reasons I learned that some Indians had told him that the "Boston Steam Boats" were liable to blow up, etc. After talking to him for some time he consented to remain in our service but said the Indians in Harrison River were bad Indians. I had before learned that they were disposed to be hostile and had tried to borrow a small field piece from the Hudson's Bay Co. to protect us in case of attack, but was refused, so we started without fear from Indians, as every miner [was armed] as were the crew. We reached the mouth of Harrison River quite late in the afternoon. The sensation to me, of entering a water that had never before been divided by the prow of a steamer, was beyond description. The excitement and pleasure was always very great. In this particular instance it was doubly so, because we could get no reliable information about the river, and were told by many that the Indians were very hostile to all white men. This report deterred many miners from going with us on the first trip. As I remarked we entered the river late in the afternoon of a July day. I paid very little attention to my Indian pilot, but observed every thing very closely myself and moved forward very cautiously keeping the "Lead" going all the time. Very near the mouth of the river which was very deep, we opened into a beautiful little lake at the farther end of which we could see that a small river emptied into it. I steered for this place and soon discovered that there was an Indian Village on the bank of this stream, and that we would be forced to run very close to it. This of course created a little excitement for the time, but as we approached we could see a great many women and children and a swarm of dogs coming from the huts of the village. This did not look threatening, as in case of hostile intentions on the part of the Indians the women and children would not have been seen. It was strange to see the wonderment of these people; as we approached very near them, some one suggested that I blow the whistle, which I did, and such a stampede of children and dogs, I never saw before. We found sufficient water in this little river or outlet to the upper lake, to permit us to proceed, but as some places were quite short, I moved very cautiously most of the time, "under a slow bell" so that when we reached the entrance of the great lake it was just about dark. Here broke in upon our view, one of the grandest scenes I ever beheld. I am not as a rule very demonstrative myself, but I confess to have felt an enthusiasm on this occasion that was entirely new. I took in every thing at a glance but said nothing, as I greatly felt the responsibility of the charge, but my passengers for a time seemed almost wild, shaking hands, taking off their hats and exclaiming "did you ever see any thing like that?" The cause of all this was the indescribable magnificence of the scene before us. As we entered this lake just at dark, forty miles long and at some places five miles wide, a full moon came rising apparently out of the water that was so undisturbed it seems more like a vast mirror than a great lake. Apparent about five or six miles off was a large island on

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which were high hills, the whole lake was surrounded with mountains which in many places showed lines of snow, so that this great mirror of water seemed to be walled in on all sides by mountains several thousand feet high, but it is utterly useless to attempt a description of this magnificent scene. Under the peculiar circumstances of our first trip observing my usual caution I concluded I would wait for daylight before proceeding farther, and knowing nothing of the shores I thought I would come to anchor, instead of trying to make a landing, so I gave orders to the mate to drop the lead over and ascertain how much water we had, (a precaution always observed in strange waters) he did so and reported no bottom with all the line out, so I moved ahead a little farther and tried it again with the same result.

About this time I saw ahead about half a mile, what appeared to be a snag, and thinking that it would probably be a safer thing to tie up for the night, as there was neither current, nor wind, I moved up a bit, and made a head line pass at it, as it appeared to stand upright we commenced an examination to see if it was afloat or fast to the bottom, the result of the examination proved to be a huge tree that had evidently grown just where it then stood in 65 ft. of water. Here was a lesson in natural and geological history. The next day when we reached the head of the lake, we found quite a submerged forest. Here we discharged our passengers on some large drift logs and started back to Victoria which place we reached before it was thought we had time to reach the head of the lake, arriving in the night. I went to the home of my partner and agent Mr. John Green and awoke him from a sound sleep. He seemed frightened at hearing my voice and asked what was the matter, and why I had returned. I replied that I had completed my voyage and had returned for another trip.

SUNDAY, APRIL 8, 1877

Quite an excitement was created at the success of our trip, and Gov. Douglas, then Gov. of British Columbia was anxious to establish a new route to the Upper Fraser River mines. He offered to send a large force of men at the government's expense to cut a new road from the head of Harrison Lake, and arrangements were made for us to transport the men with their supplies and tools, on our return from a second trip. This second trip was made without difficulty and on reaching the head of the lake we found a few of our first trip passengers still there. I learned from one of them that there was a little passage way leading from the main lake into a small one that was perfectly protected from winds and would be just the place to land the road makers that were to come up on the next trip. I started with the steamer to prospect this new place and found the mouth of what seemed to be like a slough or canal, quite narrow but deep. So I moved along cautiously, found plenty of water, but a narrow crooked passage about one mile in length, at the end of which we entered a beautiful clear lake about one mile long. This water was so clear that you could see the anchor lying on the bottom in two fathoms of water. At the head of this lake there was a dense forest. I selected a place to land the Government "Road Makers" and recommended that a wharf should be built, which was done in a few days after the men arrived. I am told that there is quite a little village at this place now.

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I made one more trip to the lake and then turned over the command to Capt. Gladdinwell (who was afterwards lost in the "Northerner") and arranged for returning home to superintend my new boat ("Carrie Ladd") that was then being built at Oregon City. Mr. Green, my partner, remained at Victoria to look out for the boat and manage her business affairs. He afterwards traded one half the boat for one half the steamer "Maria" that was brought up from California by Capt. Lubbock (who was the same man that purchased the "Lot Whitcomb" in San Francisco) [who] had given bonds that the "Maria" should not return to California waters, so the exchange was made as I have indicated, the "Maria" taking the place of the "Umatilla" in the Fraser River, and the "Umatilla" was placed on the deck of the same barge that brought up the "Maria" and towed safely to San Francisco, where she was sold. The "Maria" continued to run for a time with fair success (having been placed under the English flag) and was finally sold to one of the Wright boys (she was afterwards brought to the Columbia River and run in opposition to my interest. She was siezed by the Government as a foreign vessel and confiscated.) My share of the profit of this Fraser River enterprise was very satisfactory. After making the arrangements named, I was ready to start home. At that day the opportunities for passage direct to Portland from Victoria were not very frequent. The Messrs. Green and myself at that time owned a small schooner that we had purchased for the purpose of transporting a cargo of flour to Yakima Bay, to fill a contract we had taken to supply the Indians at that place. We had been very successful in this contract and as the schooner was idle, she had been loaded with lumber for Victoria. She had discharged her cargo and was ready to return, so I availed myself of this opportunity to return (in my own vessel) and then made my first and only voyage to sea in a sailing vessel. We were six days from Victoria to Astoria. I sailed the schooner up to Portland (acting pilot myself) and this ended my Fraser River Expedition. I often look back upon it as a dream and wonder why I should have taken so many chances. With my present experience I would not entertain such an enterprise for a moment, but I was successful and that was enough; there is nothing so successful as success.

On my return to Portland I found my new boat still on the sticks, uncompleted as I had expected. Col. J. W. Nesmith, then Superintendent of Indian Affairs, met me at Portland and asked me to go to San Francisco and collect a Government draft for him of \$146,000. He said he could not well leave himself, and did not like to trust any one else with so large a sum of money, so thinking this quite a compliment and having time to spare, I accepted the offer and made the trip transacting all his business to his satisfaction. I then returned and commenced vigorously to finish up my new boat. She was all completed and ready for service in the spring of 1859, at which time my career on the Upper Columbia River commenced. At this time I found the river between Portland and Cascades occupied by steamers "Senorita," "Beth" and "Multnomah" owned by "Stark," "Reed," "Dick Williams" "Hoyt and Wells," all under the management of Ben Stark. Opposed to this interest was the "Mountain Buck" owned by J. S. Ruckle and H. Olmstead, who also owned the portage at the Cascades on the Oregon side of the river. Bradford & Co. owned the portage on the Washington side and owned the steamers "Warsalve" and "Mary"

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plying between Cascades and Dalles, Ruckle and Olmstead owning the little steamer "Wasco" plying on same route and thus making them a through line from Portland to Dalles. There were no steamers at this time in the Upper Columbia, but Mr. R. R. Thompson was the owner of all the sailboats in the upper Columbia and was then building the Steamer "Col. Wright" to take the place of the "Umatilla" of which I have given you a history. At this time the portage at the Dalles was made by teams to the mouth of the Deschutes River and O. Humason had charge of this portage having it stocked with teams. The price of freight over this portage by teams was twenty dollars per ton measurement.

These parties that I have named were very inharmonious, they had little confidence in each other. The Stark party and Bradford formed one line, by a division of receipts as follows. The freight that was at this time \$30 per ton between Portland and Dalles, was divided in four parts, Stark and his party receiving one fourth or \$7.50 per ton for delivering their freight at the foot of the rapids at the Cascades, at what was known as the "Garrison" or "Johnson" landing. Here Geo. W. Johnson took charge of it, (Bradford was his partner though under cover) and took it over the first rapid to what was known as the middle landing in sail boats, for which he received one fourth or \$7.50 per ton. From this place it was taken on a wooden tramway to Upper Cascades by Bradford & Co. and placed on their steamer above, they receiving one fourth or \$7.50 for this tramway service and one fourth or \$7.50 for their steamer from Cascades to Dalles. At this time Stark ran his boat from Portland to Cascades tri-weekly, passengers were compelled to remain over night at the Cascades taking two days from Portland to Dalles. Ruckle and Olmstead were running on same time, but they owned their whole line through and though it was of a very inferior character, they did not have to divide with others, and were rapidly encroaching upon the business of the old or Bradford line, much to the disgust and jealousy of the last named gentleman. This was about the state of affairs when my new boat "Carrie Ladd" (the finest boat that had thus far been built suitable to the upper river trade) was completed and ready for service. I proposed to the Stark party to put my boat into this line for an agreed portion of the business and run her to the middle landing at the Cascades and thus earn one half of the receipts between Portland and Dalles, instead of one fourth as heretofore. Arrangements were soon made and I commenced successfully to run the lower rapids of the Cascades. This gave such an advantage in time and facilities, to the old company, that Ruckle and Olmstead who had been making such inroads on the business, felt the crushing effect of my boat and proposed a combination in a very short time after I had started. (I was at this time commanding my own boat.) The result was that in April 1859 a general combination was made of all the interests, as far up as the middle landing at the Cascades. Under the name of the Union Transportation Co. with J. C. Ainsworth and J. S. Ruckle as agents, by this arrangement Bradford & Co. were to have all the business, from the middle landing to Dalles, Ruckle and Olmstead withdrawing their steamer "Wasco" from the route between Cascades and Dalles. At the time these negotiations were entered into, the Stark party was known as the "Columbia River Steam Navigation Co." and Ruckle and Olmstead's line as the

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"Oregon Transportation Co." The rate of passage at this time from Portland to Lower Cascades, was six dollars, and from Upper Cascades to Dalles six dollars, passage over the portage from one to three dollars.

SUNDAY, APRIL 22, 1877

In looking over a few of the last written pages, it occurs to me that the detailed business portion of the steamboat arrangements will prove dry reading to most of you, but it will probably be the only correct history of steamboating on the Columbia River that will ever be written. The fact is that the real inside history of the "Oregon Steam Navigation Co." is only known to R. R. Thompson and myself.

Therefore I conclude that the statements I will make, will increase in interest as years roll on, and the historian will be searching for material to write up the early history of Oregon. To resume—

About the time this "Union Transportation Co." was formed, the steamer "Julia" that had been built for the Fraser River trade in 1858 (and of which Bradford & Co. were one third owners) having failed of success in the enterprise for which she was built, was brought by her owners to the Columbia River, with the expectation that through the influence of Bradford & Co. she could be put in the regular line to the Cascades. This was quite a bone of contention for some time, finally Capt. Thos. Lyles and A. H. Barker, owning one half of the steamer "Julia" and having authority of other owners sufficient to control, concluded arrangements with the new and feeble "Union Transportation Co." to subscribe the "Julia" for one year at \$600 per month. At the same time this arrangement was made, the steamer "Latonia" a large stern wheel steamer from California was lying idle at the bank below town. This steamer had been started from California for Fraser river in 1858 by some of the then leading members of the "California Steam Navigation Co." This boat was very unmanageable and unsafe at sea. After a long and dangerous passage, she reached the mouth of the Columbia and was brought in safely, the Capt. refusing to go in with her to Fraser river. Here was another claimant for a portion of the cherry, already divided into almost tasteless pieces. However the owners of the "Latonia" for the time being, allowed her to remain without making any demands for a subsidy, and I will probably not mention her again. I will say that soon after the formation of the O.S.N.Co. she was sold to that company for \$15,000.00. Thus "Union Transportation Co." continued to work pretty well for about one year. I could see and feel the difficulty of the conflicting ownership and interests of steamers and portages, and conceived the idea of trying, if possible to combine at least the steamship interests together as one company. In fact this was an old scheme of mine, often talked over with my friend R. R. Thompson whose interests were at this time all on the upper Columbia. As I was then circumstanced, I could not avail myself of his counsel, working as I then was with an element whose interests were somewhat antagonistic to his, and with whom he was not disposed to fraternize, or have any interest in common. Therefore the difficulties I had to encounter in trying to consolidate the different interests, were *very much greater* than I can possibly make you

Oregon Steam Navigation Company

Amendatory and Supplemental articles of Incorporation.

Whereas at a regular annual meeting of the Stockholders of the Oregon Steam Navigation Company held at the office of said Corporation, in the city of Portland, County of Multnomah, in the State of Oregon, all of the Stockholders being present or represented, on the second day of November A. D. 1865 the following Resolution by the assent of all of the said Stockholders was adopted, namely:

Resolved, That the Directors of this Corporation be and they are hereby instructed and directed to file, as soon as they can reasonably be prepared, supplementary articles of Incorporation. Amending article III. of the present articles so as to include the navigation by steam or otherwise of all navigable waters, sea and inland whenever it may be deemed expedient. Also the constructing, purchasing and operating telegraph lines. And so far as may be found lawful, the constructing, purchasing and operating Railroads and other roads.

Article 5th so as to

increase the Capital stock to Five million dollars.

Article 6th do make the shares of the value of one hundred dollars instead of the value of Five hundred dollars each. Now therefore we, J. C. Ainsworth, H. R. Thompson, S. Ladd, Directors of the said incorporation by virtue of the resolution of the said Stockholders and in pursuance of the authority therein and under the laws of this State conferred, do hereby make and establish the following Supplementary articles of said Corporation:

Article 5th shall read as follows: The object of this incorporation and the business in which it proposes to engage is the navigation by steam or otherwise of the Columbia River and its tributaries and all other navigable waters, sea and inland whenever it may be deemed expedient. To construct, purchase, maintain and operate any rail road or roads, macadamized road or roads, plank roads, Canals or bridges for the purpose of transporting freight or passengers across any portage on the line of navigation upon any stream or other water which

Amendatory and Supplemental Articles, November 1865

the said Corporation may be navigating also such other railroads and other roads as under the laws of this State said Corporation may lawfully engage or be interested in.

And to charge and collect such tolls for or freight on all roads, boats, or vessels or means of conveyance or transportation, as may be used, chartered or controlled in whole or in part by the Corporation. And such rates for the use of the telegraph lines of said Corporation or for the transmission thereof of telegraphic messages as shall be deemed expedient. And to purchase and own all lands, lots, wharves, boats and vessels and all real and personal property of every name and nature that may be deemed necessary to the interests of said Corporation in the prosecution of the business above referred to. And to sell and transfer the same.

Article 6th shall read as follows: The amount of the Capital stock of this Corporation shall be five million dollars. Article 6th shall read as follows: The amount and value of each share of

the Capital stock shall be one hundred dollars.

In witness whereof we have hereunto set our hands at the City of Portland this Seventh (7th) day of November A. D. 1865

J. C. Ainsworth
H. R. Thompson
S. Ladd

State of Oregon
County of Multnomah

Do it remembered that on this 7th day of November 1865 at my office in said County personally appeared before the undersigned a notary public within and for the State of Oregon J. C. Ainsworth, H. R. Thompson, S. Ladd and H. S. Ladd known to me to be the persons described in and who executed the foregoing supplementary articles of Incorporation and acknowledged each that he executed the same for the purpose therein expressed.

Witness my hand and notarial seal the day and year aforesaid

John M. [Signature]
Notary Public.

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understand. But after much talk it was agreed between the San Francisco parties owning a control of the steamer "Julia," the parties owning the old boats of the "Columbia Steam Nav. Co." (Composed of Stark, Reed, Williams, Wells and Hoyt) the owners of the "Oregon Transportation Co." (composed of J. S. Ruckle and H. Olmstead) Bradford & Co. owning boats between Cascades and Dalles and myself and associates owning the steamer "Carrie Ladd," that it would be desirable to consolidate the different steamboat interests into one company, *and that it should be done if terms could be agreed upon.* This agreement was the first gun to a battle that waged hot and long, the difficulty being to agree upon a valuation of the different boats that should constitute the basis of the new company. The selfishness and unreasonableness of some of the parties was often beyond endurance, and the whole thing would break up in a row with threats of a steamboat war that should have no end. Then after the expiration of a day or two the excitement would wear away and some of the more conservative would propose to talk it over again as it was reported that some one would yield a point; so the fight would begin again (I can call it by no other name) only to end in another flare up and declaration of war. I will mention here that the parties who were the loudest with threats, were the least prepared to carry them into execution; so this war of words continued on and off for weeks, but as there is a limit to all things, the day finally arrived when an agreement was reached to combine all the then steamboat interests between Astoria and the Dalles, the valuation of each piece of property or steamboat having been agreed upon; this being accomplished the next step was to bring in my friend R. R. Thompson who owned the steamer "Col. Wright" and a lot of small sailboats on the upper Columbia river. Some of the party who were not friendly to Mr. Thompson (prominent among them was J. S. Ruckle) did not think it possible to get Mr. Thompson with his property into the new company and immediately commenced to threaten opposition, etc. These threats had a damaging effect on the negotiations that followed, as some of them had reached Mr. Thompson's ears; but I had faith to believe arrangements could be made, as he and I had long previously predicted such a combination would be effected sooner or later. Well, the miscellaneous elements that composed the new company (all now friends of course) started in a body to the Dalles for the purpose of bringing Mr. Thompson into the arrangement, or arrange for war, as it was now determined that the whole river with the exception of the "Portages" should be controlled by the new company. Much to the surprise of many of the party, we found Mr. Thompson willing to come in on a fair basis, only objecting to the threats that had been made by some, particularly J. S. Ruckle. He was more exacting on this account, but an agreement was soon reached, the price of his property agreed upon, in addition to which he was to receive \$18,000 in money as a bonus. Just here Mr. Thompson made a great mistake in not taking this \$18,000 in stock instead of money, it made a difference against him in the end of nearly half a million dollars. Well, the agreements were all made, and the "Oregon Steamship Navigation Co." formed, with a capital in steamboats and other property of \$172,500.00. I was at once put at the head of this new organization as agent and so remained till we procured a charter from the Washington Territorial Legislature, when the

Steamboating on the Columbia River

company was legally organized with nominal headquarters at Vancouver, and I elected President which position I have occupied (with the exception of one year) to the present time. The difficulty of giving birth to this company was very great but its subsequent history has been great in results and usefulness. No other steamboat Co. in the United States can show such a record.

SUNDAY, APRIL 29, 1877

We commenced as I have stated with a capital in property at the highest possible valuation of \$172,500.00. *No assessment* was ever levied on this stock. The Co. has expended in gold nearly three million of dollars in creating its present magnificent property, and has paid to stockholders in dividends over two and a half millions in gold, up to the present writing. The first board of directors, elected Dec. 29, 1860 were as follows, J. C. Ainsworth, J. S. Ruckle, D. F. Bradford, S. G. Reed and L. W. Coe. These were supposed to represent the different interests that composed the new company. On June 8, 1861, L. W. Coe resigned as a director, and R. R. Thompson was elected in his place. From that time to the present, Thompson and myself worked almost as one man in framing and carrying out the different policies of the company.

When Mr. Reed was first elected to a seat on the board, he was a merchant in Portland giving no thought to his steamboat interests except at board meetings, at which time he would have to be posted about what had transpired subsequent to the last "board meeting" in order to vote intelligently on any question that was presented. This state of things continued as far as Mr. Reed was concerned, for several years. I mention this to prepare you for the subsequent action of Mr. Reed, and give the facts named as his excuse. Very soon after the legal organization of the company the rich placer gold mines of Idaho Territory, Eastern Washington Ty. and Western Montana were discovered, and a rush of miners and freight up the Columbia River was the consequence. The new Co. was greatly overtaxed to do the business that was forced upon it. Our success was beyond our most sanguine expectations, but the difficulties that we labored under were very great. We had but few boats, most of them very indifferent, (my new boat the "Carrie Ladd" being the best in the new line). The portages at the Cascades were owned by rival and hostile parties, yet both were interested in the O.S.N. Co. and occupied seats on the board. These two parties were represented by and were substantially D. F. Bradford and J. S. Ruckle, the first named controlled the portage on the Washington side of the river at the Cascades, and the second (with his friend Olmstead) owned the portage on the Oregon side.

These two parties regarded their portage interests of paramount importance to any other, and all their actions both in and out of the "Board" of the O.S.N. CO. were governed entirely by their (to them) main interests. These two men were of exceedingly jealous dispositions, neither having any confidence in the other, but ambitious to do the work of portage and to get the lion's share one from the other, but neither willing nor had they the means, and credit necessary for transporting

Steamboating on the Columbia River

freight and passengers over the portages named. I have mentioned that both these parties occupied seats on my "Board." D. F. Bradford was the vice-president of my Company and looked upon the company as simply auxiliary to his larger interests. This state of things made it exceedingly embarrassing to me (my personal interest in the new company at its formation was only \$10,000.00 as I owned one third of the "Carrie Ladd" valued at \$30,000.00). The portages were regarded by their owners as being worth *hundreds of thousands*. The portage at the Dalles at the formation of the O.S.N. Co. made by teams to the mouth of the Deschutes river, a distance of some twenty miles, and was at that time principally controlled by O. Humason and associates. The freight for the new mining country was forced upon us in such quantities, that at times the whole portage at the Cascades was lined with freight from one end to the other. The result was of course heavy losses, caused by damage and a system of robbery, beyond my then power to control, and we have paid damages to freight in a single month amounting to over ten thousand dollars. The most of this occurred *on the portages* yet it was universally saddled on the O.S.N. Co. You can readily see how this was brought about, as both Bradford and Ruckle were members of the O.S.N. Co. board. "Reed" a merchant giving the business little or no attention; and Ruckle the traveling, authorized agent of the O.S.N. Co. with power to adjust matters of this kind. You can imagine the embarrassing situation of Thompson and myself, but we saw the situation and *looked ahead*, this gave us an advantage, because the other two *active* members were seemingly blind to everything else except their portages. And each willing and ready to annihilate the other should a favorable opportunity present itself. This briefly, was the situation of affairs, when Thompson and myself saw before us the necessity of playing the part of good Generals. We saw the difficulty of the undertaking and knew the disadvantages under which we labored. We were simply interested in a line of steamers that were wholly dependent upon the portages, and these were in the hands of rivals, as well as their holding large and almost controlling interests in our own Company. We could see that the O.S.N. Co. must control the portages, or the portages *must* control and swallow up the company—in other words the whole interest must be as *one*. The question then, was simply as to the mastery, and here commenced the struggle. Here came in the management for which the O.S.N. Co. must ever be indebted to Thompson and myself. I am free to say that if Thompson and myself had owned the portages at the Cascades, as did Bradford & Ruckle, the result would have been very different, but our credit for good management would not have been half so great. Our San Francisco owners in the O.S.N. Co. at this time were principally Capt. T. W. Lyles, and A. H. Barker, each owning one fourth of Steamer "Julia" that was put in at \$30,000.00, consequently each owned \$7,500 of our original capital. Both these men were on the ground and observed the situation of things as I have just described them and notwithstanding they could see we were making money, they could and did also see that our earnings must be absorbed for some time to come in creating new and more suitable steamers etc. They could also see the difficulties to the Company at the different portages, and knew of the friction that existed between the parties controlling them. These parties had labored

Steamboating on the Columbia River

hard to get their "Julia" (that was brought to the river as a blackmailing boat) into our company, and as I have before stated, through the influence of Bradford who was one third owner in the "Julia," succeeded.

Having accomplished this and seeing the situation as I have described it as existing at that time, Mr. Barker was very anxious to sell his interest to me and offered it for \$7,500 in easy payments, and urged me to take it. I made a great mistake in not doing so, but I could see no immediate income or dividend to stockholders and declined it. I mention this to prepare you for what will follow, in connection with this man Barker, and to show how selfish unreasonable and ungrateful some men can be. At the time of which I write, Bradford's means of transportation over his portage, was a very indifferent wooden "tramway" from what was known as the middle landing to the upper Cascades on the Washington side. Ruckle's means of transportation on the Oregon side was a wooden tramway, the whole length of the portage, the lower half, or from middle landing down was iron strapped, and over this portion of the road he ran a small engine, the cars on the upper part of the road were hauled by mules as they were on the Bradford road. During the high stage of water, say from May to August, our steamers could not run to the middle landing, consequently Ruckle transported the freight during such time, over the entire portage for which he received half the through freight from Portland to Dalles, and as Bradford had no "tramway" below the middle landing he could not claim from Ruckle a division of portage earnings on the lower half of the road. This annoyed Bradford exceedingly as Ruckle's income from this source with the immense freight that was then moving, was very great. Thompson and myself were watching every symptom of the patient, and could readily see that the tonic to Ruckle was wormwood to Bradford. We now began to lay our plans. The first was to absorb the interests of O. Humason, in the Dalles portage. We stocked the road with teams, etc. at a cost of about one hundred thousand dollars. (When we broke up this portage after the completion of the railroad, we sold to the Government for Army use, over seventy thousand dollars worth of mules and wagons alone.) This immense caravan was taxed to its utmost capacity, as was everything else that we had.

The portage at the Dalles made by teams as I have named, was now owned by the O.S.N. Co. This was a small step towards the accomplishment of the plan conceived by Thompson and myself, but it was a *start*. The next thing was to bring in associates on the Board, to see the necessity of building a railroad from Dalles to Celilo, and to convince them that the company could safely undertake it. After great labor on our part, to show Bradford and Ruckle that such a step on the part of the company would greatly increase the value of their Cascade portages, and knowing the two men as we did we would pull the right strings with cash, as showing the danger of the other while at the same time urging the Dalles enterprise in a way that could not be resisted. Bradford was the first to favor our Dalles Railroad and thus give us the balance of power. We at once passed resolutions authorizing the construction of the Dalles Railroad. This so annoyed Ruckle and Olmstead that they for a time absented themselves from the office, possibly with the hope of frightening us from our purpose by the shadow of their frowns. But we had started ahead and

Steamboating on the Columbia River

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Steamboating on the Columbia River

could not now look back. I was dispatched to San Francisco by action of the "board," to purchase iron if possible for the Dalles road. On arriving there I was introduced to the house of W. T. Coleman and Co. by the lamented W. C. Ralston (who had always been a great friend of mine, and whom I knew well on the Mississippi river before coming to this coast). I found that the house of Coleman & Co. held about *twenty miles* of railroad iron for freight and charges, and that the consignee (one Col. Wilson) could not raise the funds to redeem it. I immediately commenced a negotiation for this iron. Every effort was made by Wilson to redeem it by paying charges and to defeat my purchase of it, but to no avail. After much delay that was impatiently borne by me, it was agreed that I should have the "iron" but they would not divide the lot. They must sell it altogether (the Dalles road would only require fourteen miles). Here seemed a providence working for me, so it was agreed that I should purchase the whole twenty miles. This could give enough for the *Cascade Portage* as well, and Bradford already in mortal fear of Ruckle's power, no doubt thought he could secure the six miles of iron for his own side of the river, and possibly get the company to advance enough in money and credit to build his road, readily gave his consent to the whole purchase.

SUNDAY, MAY 6, 1877

Arrangements were made for shipping this iron at once, and the work of constructing the Dalles and Celilo road was commenced. Scarcely any one thought that the company was serious in its intentions to build this railroad; the commencement of the work was regarded by the community as a "ruse" to prevent any opposition on the river, and the newspapers were free to say that the company had no serious intentions of building a railroad, that the cash would be too great for so small a company etc. but Thompson and myself meant *business* and having gone as far as purchasing the iron and commencing the work at the Dalles it was so far as we were concerned, simply a question of success or ruin, and *we had no intention of being ruined*.

We had completed about three miles of this road at the Dalles when Mr. Bradford became more and more frightened at the success of Ruckle on the Oregon Side of the Cascades; he saw the power that Ruckle was gaining by the large income of his immense portage business, and that he (Bradford) must do something to check Ruckle's success if he would retain anything like an equal footing with Ruckle in the portage.

This was the time for Thompson and myself to open our batteries, and this we did by showing Bradford, first that he was a large owner in the O.S.N. Co. and the only way to defeat Ruckle was to side with us in the management of the company and to pursue such a policy as would make the O.S.N. Co. his leading interest; and second that the Co. could without doubt finish the Dalles road, and when finished, Ruckle would as a good business man, put his Cascade portage into the company at a good price, and then Bradford's power in both portage and company would be so reduced as to give him but little influence. On the other hand, if he would sell his portage and Railroad franchise at the Cascades to the O.S.N. Co. his power would overshadow Ruckle and force him to such terms as we would dictate. After a great

Steamboating on the Columbia River

deal of argument, Bradford finally yielded, and sold all his portage interests to the O.S.N. Co. This was our grand victory. Bradford was now forced to work with Thompson and myself and endorse our policy. We at once gave orders to suspend work on the Dalles road and transfer all the force to the Cascades to build the present railroad on the Washington side. This move caused a great deal of gossip by the newspapers, who were free in their expressions that the company would never finish the Dalles road and never intended to from the first. This made no kind of difference to us, we kept our own counsels, never contradicted newspaper reports, and have *never* in the whole course of our business, suffered ourselves to be dragged into newspaper controversy. The provocations have often been very great, but we have remained firm, and in looking back now, I attribute a great share of our success to this wise policy. No business man can succeed who does not keep his own counsel, or who advertises to the world every business move he is about to make. I wish you to particularly remember what I have said on this point. As I have remarked before, both Ruckle & Olmstead were not pleased with the policy of the Co. and had almost wholly absented themselves from the Co.'s office, so that the order to transfer all the R. R. force from Dalles to Cascades was made without their knowledge.

The first intimation that they had was the working of about 200 men on the Bradford Side of the river—this made them furious, they indulged in all sorts of threats but all to no purpose. Thompson and myself now commanded the situation. Bradford was forced to move with us, besides there was a 5 year contract between the O.S.N. Co. and the two portages owned by Bradford. [He] thought that now the O.S.N. Co. would build this portage road and he would receive an immense sum during the period of the contract, for work that the O.S.N. Co. would do at its own expense. Bradford was tricky in all that he undertook to do, if there was an underground way of arriving at any business point he would adopt it, rather than pursue a straightforward course. All this Thompson and I knew, and now came the time to play Ruckle against Bradford, this we did by showing Ruckle first that it was now settled. The O.S.N. Co. must control the river, and could do so with the footing they already possessed. (That as he Ruckle was largely indebted to Ladd & Tilton & Co. for which he was paying 2 pr-ct/per months interest he must see that as soon as the O.S.N. Co. should finish its portage road, that his resources would be cut-off, except his portion of the 5 yr.-contract, and that under the new state of things Bradford would get the lion's share of this and at the end of the contract would come out rich, while he with his heavy debt would be absorbed, etc.

Our object now was to purchase Ruckle's portage but before doing so we wanted a 5 yr. contract annulled.

Bradford was opposed to purchase of the Ruckle road for fear it would interfere with his contract. It so happened that Bradford was a third party to this contract.

The O.S.N. Co. had bound itself for 5 yrs., to pay the portage one half the freight from Portland to Dalles. This agreement on behalf of the portage was signed by H. Olmstead (in whose name the whole property was) and by contract signed by all. Bradford was to receive a certain part of portage receipts.

The O.S.N. Co. was bound to this agreement and the only way to get free from

Steamboating on the Columbia River

it was through Olmstead. Ruckle had become convinced that his true policy was to sell to the Co. but Bradford opposed the purchase, in fact he did not know that Ruckle would sell until some time after terms were really agreed upon between Ruckle, Reed, Thompson and myself, so it was agreed that Olmstead should give a written notice that he would not carry any more freight under the contract after a certain date. This brought things to a focus. Bradford was now in favor of buying the Ruckle road and he was delighted to negotiate with Ruckle for that purchase. Some days after terms had really been agreed upon. This was not the style of doing business that was agreeable to me but we had to work as best we could with the material in hand and I give you these facts in order to make the history complete and to tell the story as it was.

The purchase was made that gave everything into the hands of the O.S.N. Co. and Bradford did not know for a yr. afterwards that he had been used as a cats-paw in this negotiation. This purchase was made Nov. 4, 1862 and the price pd. was \$155,000. The Co. that was first organized by a Special Act of the Legislature of Washington Ter. with nominal headquarters at Vancouver was dissolved Dec. 6, 1862 and reorganized under the general corporation law of the State of Oregon.

SUNDAY, MAY 13, 1877

The purchase of the Ruckle & Olmstead property on the Oregon side of the Columbia at the Cascades, and the annulment of the 5 yr.-contract settled the question of supremacy. The O.S.N. Co. was now master of the river, and all rival interests were now settled in the Co. but the success of the management on the part of Thompson and myself created jealousies on the part of the disappointed portage owners that resulted in a combination of the Ruckle & Bradford interests (heretofore so hostile) to fight me in the Co. They became afraid of my power and in the meanest possible way put their heads together to change the control and management. This was done by degrees in an underhand way. The first step was the resignation of D. F. Bradford as vice-pres. and director July 27th, 1864. His brother P. F. Bradford was elected to fill his seat on the board of directors and S. G. Reed was elected same date as vice-president. This was the first time that Mr. Reed had become actively engaged as an officer in the Co. and it subsequently appeared that Bradford & Ruckle had poisoned his mind against me; in fact a secret conspiracy had been formed between Bradford, Ruckle, Reed & Ladd to change the management at the next election. So at the annual election that took place Nov. 7, 1864 (about three months after the resignation of Bradford and election of Reed) I was let out of the board. Not a word had been said to indicate such a step but Thompson and myself could see it and were not deceived.

The change was made and Ruckle was elected president and Reed vice-Pres.—Thompson still remaining on the board under the new organization. The meanness of Ruckle & Bradford soon began to crop out and Reed and Ladd who had both been deceived by those parties began to see that they had made a mistake in electing Ruckle to fill my place and both Reed and Ladd were manly enough to say so to me.

Steamboating on the Columbia River

Ruckle remained Pres. but a few months when his utter unfitness for the place forced him to resign and S. G. Reed was made Pres. for balance of the year, Thompson acting as vice-Pres. At the next annual election I was unanimously elected to my old position and have remained Pres. of the company up to the present writing. Reed in the meantime had become familiar with the workings of the Co. and has served as Vice-Pres. ever since. We get along without the slightest friction—no two men ever worked so harmoniously for so long a period.

During the year that I was out of the board and while Ruckle was Pres., the company resolved to build a steamship to run between Portland and San Francisco. It was agreed that D. F. Bradford and J. W. Ladd should contract for the construction of this ship in the City of New York; and to prevent incurring the hostility of the Cal. Steam Navigation Co. who at that time controlled the steamships of the southwest coast as well as all the river steamers in the State of California, it was decided that this steamship should be built in the name of D. F. Bradford, J. W. Ladd & C. E. Tilton but that really the ship should be owned by the O.S.N. Co. and funds should be provided by Co. for payment of the ship, as the work progressed, and funds to be disbursed for the Co. by A. E. & C. E. Tilton of N. Y. City who were largely interested with Mr. W. S. Ladd of Portland in the stock of the O.S.N. Co. This was a very prudent move on the part of the Co. because if the Cal. Steam Nav. Co. had known that the O.S.N. Co. was building a steamship to attack their then most profitable trade, the result would have been without doubt an opposition on the Columbia river so that all that was done in this respect was perfectly proper and right—and the very best course that could have been adopted to protect the stockholders of the O.S.N. Co. Remember that I was out of the board when the steamship enterprise was inaugurated, but I was advised of it by my friend Thompson and approved of it. The fact is that it was just the thing to do to make the Co. strong and successful, but circumstances changed the programme as you will see by what follows.

SUNDAY, MAY 28, 1877

The construction of this Steamship "Oregonian" cost the Co. about \$450,000. When she arrived at San Francisco there was still due on her nearly \$100,000 but this amount was soon paid. During the construction of this steamship the danger that threatened our river trade by the completion of the Central Pacific R. R. far enough to tap the carrying trade of the Boise Basin had become a reality and the most profitable part of our river business was cut off. Our business fell off more than one half. This frightened some of our large stockholders very much, but none more so than the Bradfords who owned about one sixth of the whole Co. One of them P. F. Bradford was then a director in the Co. and of course knew all its property and business as well as any one could. The capital stock of the Co. at that time was \$2,000,000. They (the Bradfords) offered to sell their stock at 75 cts or at the rate of \$1,500,000 including steamship.

The Bradford stock was purchased by A. Hayward for a pool of us, who had agreed to take the chances on the future of the Co. and purchase its stock

NOTICE OF STOCKHOLDERS MEETING

OFFICE OF OREGON STEAM NAVIGATION CO.

Portland, Oregon, February 1880.

To *W. S. Ladd* *Co.* *(City)*, as Stockholder of the Oregon Steam Navigation Company, of Portland.

Please take notice, that at a meeting of the Board of Directors of this Company, duly called and held at the Company's Office in the City of Portland, in the State of Oregon, on the 12th. day of February, A. D. 1880., the following resolutions were unanimously adopted; to wit:

"RESOLVED, that a meeting of the Stockholders of this Company be and the same is hereby called, to be held at the office of this Company, at the corner of Ash and Front Streets, in the City of Portland, Oregon, on the 31st. day of March, A. D. 1880., at 11 O'clock, A. M. of said day, for the purpose:

"FIRST: To consider a proposition of the Oregon Railway and Navigation Company, (a Corporation under the laws of Oregon,) to purchase all the property, real, personal and mixed of this Company.

"SECOND: To consider a proposition for the Consolidation of this Company with the Oregon Railway and Navigation Company.

"THIRD: To consider the propriety of, and to authorize the dissolution of this Company, the Oregon Steam Navigation Company, and the settling of its business; and the disposing of its property; and the dividing of its Capital Stock.

"FOURTH: To consider a proposition for the disposition of the Company's property; and the liquidation of its affairs.

"RESOLVED. That the Secretary of this Company be, and he is hereby directed to give notice of the time, place and object, of each meeting of the Stockholders of this Company, by mailing to each Stockholder of this Company, directed to his usual place of residence, a written or printed notice thereof, under his official signature and the Corporate Seal of this Company, and in the manner provided by Article XXV, of the By-Laws of this Company."

CALL OF SPECIAL MEETING FOR THE SALE OF THE OREGON STEAM NAVIGATION COMPANY.

You are therefore hereby notified in pursuance and by authority of said resolutions, and in conformity to By-Laws XXV. of the Oregon Steam Navigation Company; and of Section 19, of Chapter 7, Title 1, of the General Laws of Oregon; that a special meeting of the Stockholders of this Company, the Oregon Steam Navigation Company, will be held at the Office of the Company, corner of Ash and Front streets, in Portland, Oregon, on the 31st. day of March, A. D. 1880., at 11 O'clock A. M. of said day.

The objects for which said meeting is called, are as follows:
 First: To consider a proposition of the Oregon Railway and Navigation Company, (a corporation under the laws of Oregon,) to purchase all the property, real, personal and mixed of this Company.

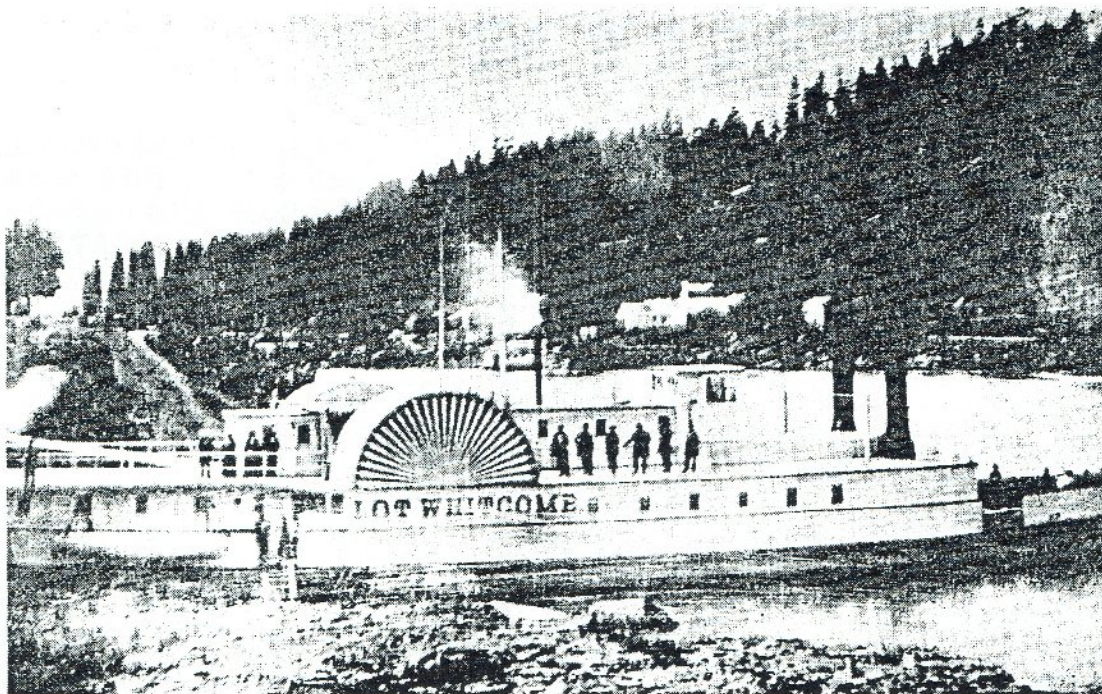
Second: To consider a proposition for the consolidation of this Company with the Oregon Railway and Navigation Company.

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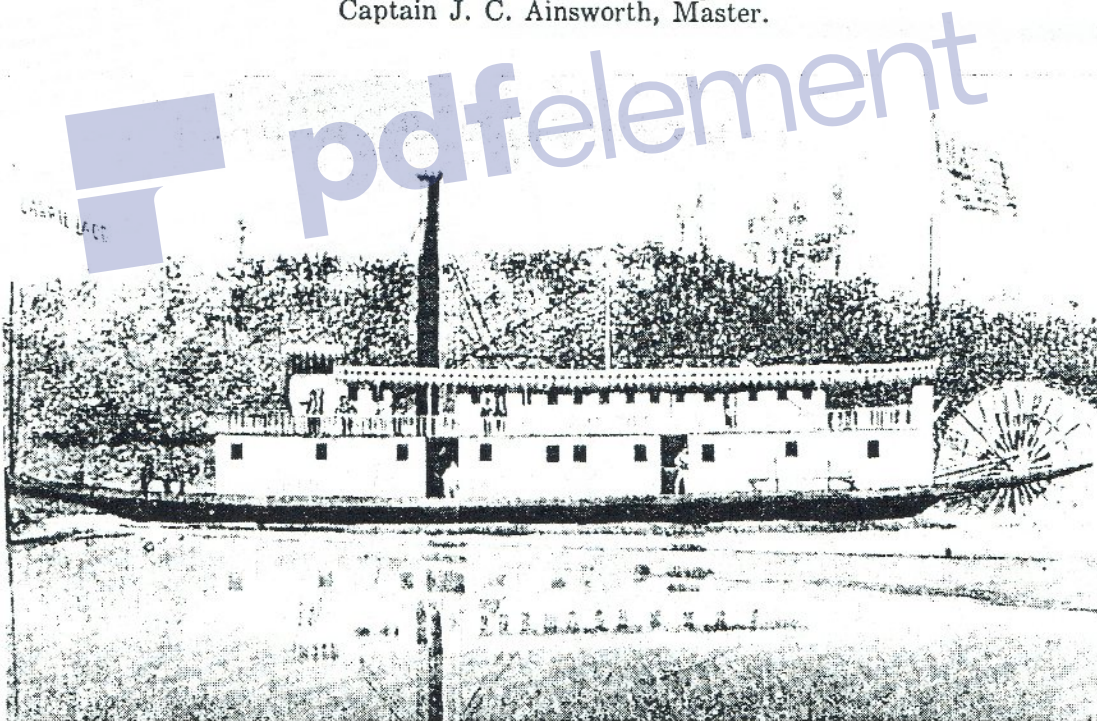
Fourth: To consider a proposition for the disposition of the Company's property; and the liquidation of its affairs.

Yours respectfully,

W. S. Ladd
 SECRETARY OF THE
 OREGON STEAM NAVIGATION COMPANY.



Steamer *Lot Whitcomb*—launched December 25, 1850—the first paddlewheeler built in Oregon—Captain J. C. Ainsworth, Master.



Steamer *Carrie Ladd* — launched about 1857-58, Captain J. C. Ainsworth, Master.

Courtesy Oregon Historical Society

Steamboating on the Columbia River

whenever it could be had at 75 cts. on the dollar. This pool consisted of W. S. Ladd, J. W. Ladd, R. R. Thompson, S. G. Reed, A. Hayward and myself. Arrangements were made by Ladd & Tilton to advance money on such purchased stock and charge the pool interest. As soon as Bradford sold his stock a general stampede occurred with most of the large stockholders. Outside of the Pool named, many were frightened because the control seemed to be going into Hayward's or Cal. hands; and the offer of stock was more than we could well provide for, but with the assistance of W. C. Ralston (who I supposed at the time would have an interest with Hayward) all was purchased that was offered. At first the object of the pool was to own a decided control of the Co. and work together in its management, but so much stock was offered and sold that very little was left outside, and then it was thought desirable to purchase all stock if possible, increase the capital to \$5,000,000 and put the stock on the New York Market. The result was that the whole of the stock was purchased by the "pool." The last lot owned by Allen & Lewis was purchased at par. This was the cause of infinite trouble, as one of the small owners, J. M. Gilman, who had obtained his interest through a \$1000 interest he had in the boat and first put into the Co. and from which interest he had recd. from dividends and sale of stock over \$20,000—yet this man who could never have made money by his own management felt sore because he did not get par for his stock and because he as an engineer had been discharged from the Co.'s service for insubordination. So conceiving the idea that he had been wronged because he did not know (or said he did not know) that the Co. owned the steamship, he commenced suit against the directors for a difference of 50 cts on the dollar of his stock.

At the time this suit was commenced Ben Holladay was in the zenith of his power, controlling courts, sheriffs and juries and fighting our interests in every possible way and in the most unscrupulous manner. In the suit commenced by Gilman it was claimed that the Co. had no legal right to build steamships at all, and if it did it had no right to build them in the name of other parties (though it was for the protection of all the stockholders that this plan was adopted). Our attorney told us that he thought Holladay was at the bottom of this suit and if so, with the corrupting influence he was exerting in the community and the acknowledged power he had with court and county officers, the case would go against us and advised compromise. This both Thompson and myself protested against. We claimed that we could not be held responsible for the blunder of this man in the sale of his stock (if indeed it was a blunder) as *he had received all it was worth* as subsequent history has proved. We felt conscious we had done nothing but what was perfectly proper, legitimate, loyal and honest in the discharge of our duties as directors and would not listen to a proposition for a compromise in this blackmailing suit, but we soon met a difficulty that was not so easily overcome. In purchasing this outside stock for the pool, W. S. Ladd & J. W. Ladd had transferred all their stock to A. Hayward and represented that in the purchase of this stock (which was nearly all done by W. S. Ladd) they were acting as Hayward's agents; therefore when this suit [was] commenced by Gilman, Ladd feared to be called on the stand to testify, because if it were known in the community that he was acting ostensibly as an agent for another

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in the purchase of this stock when in fact it was partly for himself, it would greatly injure him in the community. He was the leading banker in the place and very sensitive to public opinion. So to save him as well as Mr. Hayward we *yielded our rights*, and to some extent our reputation in the community and consented to a compromise to save *W. S. Ladd & A. Hayward* who were both interested in keeping *the facts from the public*. Thompson, Reed and myself have suffered in purse and reputation to save our friends, *who to say all that can be said* simply acted as brokers for us to purchase stock.

I have been particular to give these details of *facts* that you may know the situation and know that your father and his associates Thompson & Reed *sacrificed their own interests* to save the feelings of their *friends* who had *served them*. This compromise with Gilman gave this contemptible unprincipled fellow the idea that he could make a fortune out of us by stirring up other stockholders to commence suits. The result was that one J. H. Mitchell (now a Senator from Oregon) induced the Cal. owners to commence a blackmail suit against us as directors to recover their interest in the steamship built by the Co. in the name of a third party and which it was claimed that we as "directors" had no legal right to do. This A. H. Barker who I before told you was $\frac{1}{4}$ owner in the steamer "Julia" brought to this river for blackmailing purposes and which was put into the Co. at its organization for \$30,000 and who urged me to purchase his interest at \$7,500 was one of the first to commence suit against us. This man Barker during the time he held his interest in the Co. (which had all grown out of his $\frac{1}{4}$ ownership in the "Julia") had received in gold dividends and sale of his stock about \$150,000 in gold. The most of this great profit was due to the skill with which Thompson and myself managed to absorb all conflicting interests and finally control both steamboats and portage roads, yet his greed was so great that he commenced suit for more and induced other stock holders to join him. Mr. W. S. Ladd had acted as the agent of Olmstead who also owned a large amount of O.S.N. Co. stock, and who like the rest got frightened and directed Mr. Ladd to sell which he did (to the pool before referred to) at the rate of \$1,500,000 for the whole property, a greater price than it has ever commanded since the whole stock was purchased; and he too joined the crusade against us, but sued Ladd & Tilton instead of the directors. In short, a large number who had been made rich by our management and the sale of their stock for more than it has ever sold for since, commenced similar suits all employing this man Mitchell who had always been a bitter enemy to all of us and who took the cases for half he could make out of them. I could not begin to make you thoroughly understand how much we were wronged in these suits, both in reputation and pocket and to what great sacrifices Thompson, Reed & myself submitted to save our friends from unjust criticism and personal mortification. I will close this unpleasant subject that has always been as a thorn in the flesh to me (because I *knew* the *Community* always misjudged us in reference thereto).

By copying from a leaf from a private book now in my safe and which reads as follows: "Portland, March 4, 1876 have this day paid Ladd & Tilton \$7,626.90 for my share of the compromise of suits against the directors of the O.S.N. Co. inaugurated by Senator Mitchell several years ago. This includes attorney fees to Judge

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Strong of \$5,940 for the whole party a more iniquitous blackmail suit was never instituted, not one dollar should have been paid by either Ainsworth, Reed or Thompson who by this settlement sacrificed themselves to save their friends."

SUNDAY, OCTOBER 5, 1878

It is now nearly a year and a half since I have written in this book. One year ago (after returning from my summer camp) I resolved to go to Florida to spend a winter with the hope of recruiting my health and obtaining the rest that my broken down system seemed to demand. I took with me my wife and my two oldest daughters, and thinking I would have plenty of leisure I took with me this book intending to finish it before returning home. On arriving in New York my whole plans were changed—instead of going to Florida we went to Europe and spent the winter in traveling and sight-seeing and were so busily employed that I had no time to resume the thread of my story to my children and have this day opened it for the first time since it was sealed up and marked private papers. I am at a loss [to] know how to resume, or how to condense what I have yet to say, and have you properly understand it. Much that I will omit would be of great interest to you when I am gone. If I *could* take the time to tell it—(but that is the *rub*)—it seems that I can never get time (*when well enough*) to write the little that must be said to finish the task that I have undertaken.

SUNDAY, NOVEMBER 3, 1878

I have given you an account of the purchase by the Pool named of all the stock of the O.S.N. Co. and the blackmail suits that grew out of it. Steps were immediately taken to increase the capital stock of the Co. from 2 to \$5,000,000. The business in the meantime had greatly fallen off; still we thought we could see an agricultural business in the near future and we were hopeful and confident. About this time the Northern Pacific R. R. Co. was at the zenith of its prosperity; and desiring to utilize our facilities in connection with their enterprise they proposed to purchase a control of our stock, and invited (by telegraph) an interview with an authorized committee from our Co. to meet them in N. Y. City. Mr. Thompson and myself were ap[ointed] said Committee with authority to sell. We met the Co. in N. Y. and after much talk and frequent disagreements we effected a sale of $\frac{3}{4}$ the Capital Stock of the O.S.N. Co. at the rate of \$2,000,000 for the whole, taking one half the amount in N.P.R.R. bonds at par and giving easy terms for the money payments. It was thot at the time we had succeeded in making a good sale as our party remained with the management of the Co. Through the failure of Jay Cooke & Co. in 1873 the N. P. were forced to go into liquidation and the bonds that we held and could have sold for cash for 90 cts. dropped to 10 cts. and today are only worth about 18 cts. The $\frac{3}{4}$ of our capital sold to the N. P. passed into the hands of the bankrupt estate of Jay Cooke & Co. and here it remained locked up for a long time. Some of it is there yet.

It now became a matter of necessity as well as policy to purchase back a sufficient amount of O.S.N. Co. stock as would again give our party the control and to this

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end we set to work. The failure of Jay Cooke & Co. served to shrink values all over the United States and the commerce of the country has not yet fully recovered from the financial shock, and the result was that the O.S.N. Co. stock went down in the general crash with other stocks. A plan was adopted by the trustees of the Jay Cooke & Co. to pay its creditors in time—each creditor accepting the proposition recd. 14. pr ct. of his claim in the O.S.N. Co. stock at 40 cts on the par value. This, as the creditors slowly and reluctantly came forward to accept, began to throw our stock on the Philadelphia and New York Market. Parties taking it knew nothing about it and offered it at once for sale, and as all parties except ourselves were ignorant of its value we had no difficulty in picking it up (through our Mr. Tilton) at a low figure. Some of it was purchased at 13 cts and the average cost of enough to again give us control was about 20 cts. So in the end covering a period of about 5 years we find ourselves the owners of a large control of our stock at about half the cost of what we sold for. Our Northern Pacific bonds (or rather preferred stock taken in lieu of bonds) we still hold but attach but very little value to it compared with cost. After the purchase of the O.S.N. Co. stock by the N.P.R. Co. I was elected managing director of said last named Co. on the Pacific Coast. This position I held acceptably to all concerned till the first election under the reorganization of the Northern Pacific. After which election the Trustees of estate of Jay Cooke & Co. (Mr. Lewis) held the balance of power, through the false representations of one J. B. Montgomery (Mr. Lewis who knew very little of me at that time was induced to vote against me) and as a consequence I was let out of the board. I will not say what followed or how Mr. Montgomery came to grief with the Managers of the N.P.R.R. Co. I will only say that since that time I have been three times elected as director of that Co. and hold a seat on the board at present writing. The only object I had in accepting a seat in N.P.R.R. board was to maintain friendly relations between that and O.S.N. Co. and thus protect the interests of myself and friends. I have added very much to my cares by accepting this position, and have rendered as I know valuable service to this Co. At the time Jay Cooke & Co. failed the last 40 miles of road which was to connect the Columbia river with Puget Sound was under contract for construction and about one half of it completed. J. B. Montgomery was a contractor and at once suspended work owing his laborers quite a large sum of money. The result was that his men took armed possession of the road and refused to let the work go on until they should be paid. In the meantime the iron rails were arriving and no money to pay freight. Under this state of things myself and associates R. R. Thompson & S. G. Reed came to the rescue, advanced the money to pay freight on iron etc. amounting to over \$60,000 and I personally (without consent or knowledge of my associates) went to the front to meet this armed mob, and after a protracted conference succeeded in making arrangements (by paying part money and endorsing their time checks) to release the road so that work could be resumed. I then put on a new force and by the greatest possible exertions succeeded in finishing the road to Tacoma in time to save the charter having only *24 hours to spare*. But for this timely aid the N.P.R.R. Co. would have had to forfeit its charter.

After a long time we were reimbursed for our advances, but we took great

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risk and would not do so again under like circumstances. A few principal men connected with the N.P.R.R. Co. knew the valuable *and timely service rendered by me* and felt grateful for it, but by many others I got nothing but abuse and slander. The time is not far off when the interests of the N.P. Co. and the O.S.N. Co. will be in conflict: the former must purchase the controlling interest in the latter, as it did once before or trouble will ensue. I hope to have influence enough with both Co's. to prevent a conflict.

SUNDAY, MARCH 16, 1879

It is with the greatest reluctance that I resume the thread of my story. My cares multiply so rapidly and my health giving way more and more I feel at times like giving it up altogether. Still duty tells me I ought to gratify my children by continuing the steamboat history at least. Well, I have been making history for the O.S.N. Co. during the last winter, single handed and alone and the chapter has been an important one in conducting important negotiations. I miss the counsel of my two old associates, Thompson & Reed very much. Going back a little I will say that when the locks at Oregon City were completed the parties contracting them (*Goldsmith & Leal*) constructed several steamboats and began the navigation of the Willamette river between Portland & Eugene City, the construction of the locks though aided by the State to the extent of \$200,000 proved a damaging venture to these inexperienced men, leaving them after exhausting their own resources (which were large) with a bonded debt on the locks of \$200,000 the interest of which it was impossible to pay with the tolls allowed by State law. Then with the idea of connecting the locks with steamboats and preventing other companies from passing boats through locks on equal terms with their own, they started off with their steamboats under favorable circumstances and made money very fast, but like most inexperienced men were foolish enough to tell every body how much they were making. Up to this time our Co. had nothing to do with the navigation of the Willamette river, and would not to day if Goldsmith & Leal had been content with doing well and confined themselves to Willamette river, but they took one step too far and a fatal step it proved when they put boats on from Portland to Astoria in opposition to our daily boats. This opposition continued for two yrs. without let up. In the meantime we commenced building boats for the Willamette river, and when the first two, the "Occident" & "Orient" were finished we notified the Pres. of the Locks Co. (Goldsmith) that on a certain day one of these boats would apply for passage through the locks, and if refused would continue to demand a passage every day and would commence suit daily for damages. This brot them to terms.

Mr. Goldsmith called to see what terms could be made to terminate the opposition and come to an understanding. The result was that the O.S.N. Co. purchased the controlling interest in the locks and the Goldsmith Steamers and organized a new Co. under the name of the Willamette Transportation & Locks Co. of which I was elected Pres., we assuming control and management. Soon after this the new Co. purchased a basin and warehouse at Oregon City together with 6 steamers (that had

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been rivals of the Goldsmith party, and then belonged to the German creditors of Ben Holladay). In order to do this and purchase other property necessary for the interests of the new Co. we advanced large sums of money and as other interests that had foolishly been fostered by Goldsmith now appeared in opposition to the new Co. the result was a long continued fight. Meanwhile interest was accumulating and Goldsmith receiving no interest from his stock was forced to sell to Corbett & Failing all his interest in Locks & Steamboats and then failed utterly to pay his liabilities. So after two years hot opposition and hanging on to his stock in the W. T. & L. Co. for about 2 yrs. longer he acknowledged himself broke having lost I think about \$200,000.

One of the important negotiations that I have made during the past winter was to purchase for the O.S.N. Co. all the property of the W.T. & L. Co. except the locks and basin and warehouse at Oregon City.

SUNDAY, MARCH 30, 1879

Ill health and overwork often prevent me from resuming my task as I could wish, and of necessity will make my story very unconnected, but to resume, Messrs. Corbett & Failing who I have referred to as having purchased the Goldsmith interest in the N.T. & N. Co. [W.T. & L. Co.-?] became at once directors in said Co. and were called upon from time to time to advance their proportions of money necessary to keep things going. This they did for about two years, till the amt. of their advance was \$60,000. Seeing no prospect of ever working the Co. out of debt they proposed to sell all the steamers, barges, docks, warehouses, &c belonging to the W. T. & L. Co. to the O.S.N. Co. for the purpose of paying the indebtedness of the first named Co. as the O.S.N. Co. was a creditor to extent of about \$100,000. As no other party could purchase this property the price was agreed upon by which the O.S.N. Co. became the owners of the property referred to at a price that was not enough to pay the debts of the W. T. & L. Co., but by agreement with creditors settlements were made at 75 cts on the dollar, and thus all this property came into the possession of the O.S.N. Co. with a loss of every thing that had been put in by the Goldsmith party & successors except their interest in the locks & basin at Oregon City that would not sell for \$1.00 a share because of its mortgaged indebtedness of \$211,000. This utter failure and bankruptcy of the Goldsmith party ought to have been a warning to others not to attack unprovokedly the old O.S.N. Co. but the fools are not all dead. About this time the Grangers were in the zenith of their glory and power. They resolved to ignore all other interests but their own and were hostile to all transportation Co's. They were led to believe that nearly all receipts of steamboats were profit notwithstanding the W. T. & L. Co. were transporting freight at a loss. They organized a co. and secured a large farming element as stockholders, and put on the river two new steamers in opposition to the W. T. & L. Co. (which already had 12 steamers and only business enough for half that number). These Granger boats were run for nearly two yrs. having the whole community to back them with credit, sympathy and business. They were managed by

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men wholly unacquainted with the business (but who did learn that it cost money to build and run steamboats). These two steamers cost them over \$40,000. They were run as long as they could put off creditors or borrow money. Finally the Managers came to me and said they must sell their boats, and as no one cared to invest good money and continue the fight with all odds against them, the result was that I purchased the two boats at my own price of \$17,000 which amount I was led to suppose would pay their floating debt, but it was not sufficient and I was forced to pay about \$1500 more to free the boats from legal claims for supplies and crew. Here then is another example that ought to have some influence to deter men from engaging in a business they do not understand.

These Grangers lost all they put in to these boats and many thousands more. The Pres. of this Granger Co., a Mr. Warren, a very clever man, was induced to make advances and endorse the Co. which resulted in greatly impairing his health and almost ruining him financially. There has been a dozen or more minor propositions spring up and subdued during my steamboat life in Oregon. The history of my success and those associated with me in all this strife is rather remarkable. I often look back upon my business life in Oregon and wonder why I was not defeated in some of the severe battles for position and power. I could only say I was fortunate in occupying favorable positions at an early date, that I gave my whole time to my business and stuck to it. Nearly every time I was induced to invest in outside business of which I had no practical knowledge I made a failure, and in this unwise way I lost large sums of money. If I had kept this money and increased my interest in my Co. I would have been worth at least a half million more money today. Let this steamboat history whose main points I have only touched upon be a lesson to all of you. *Do not engage in a business you do not understand. Do not let other people manage your business. Do not have partners and let said partners manage the business.*

Do not have stock in any Co. unless you have a voice in its management, and a perfect understanding of the business in all its details. Never invest in mining stocks of any nature whatever. Never go in debt particularly if the object is speculation. As a rule avoid all speculation.

The slow but sure work of money at interest on good security is always better than three times the income if derived by speculation or inflation of any kind.

Always live within your means no matter how little it may be. Never trust any man or set of men with power over or control of your money or property. This you may think is severe judgment or doubt of the integrity of man in general—it is just that, no more no less.

A long business life has given me a pretty good insight into human nature. So far as business relations are concerned, never go security for any one. If you feel called upon to help any friend do it only by loaning him money, but only do it on his giving good security. In 9 cases out of 10 where you befriend any one by loan or otherwise, you will make an enemy when you insist upon his paying you what he justly owes you. Do not deceive yourself by thinking that the men and women of your time are better or more reliable than I have found them.

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Human nature is the same the world over and as a rule the more plausible and polished the more danger. Always try to have some legitimate and respectable occupation, and be satisfied with slow increase if you can be safe. Money easily and rapidly made is little prized and seldom goes to the second generation. I hope to leave you all money enough if properly managed and protected to make you comfortable, and to some extent independent. If you could inherit my experience as well as property what a blessing it would be to you, and how many troubles it would save you. This you cannot do. My only hope is that having shown you a successful business life you will have respect enough for my advice to occasionally read it and profit as much thereby as your natures or intellect will permit.

ROSE LAWN, CAL., FEBRUARY 9, 1881

Almost two yrs. have passed since writing in this book. Two most eventful yrs. I am now in my new home, acquired for the purpose of recruiting my health by a change of climate. I have retired from active business having with my old associates sold all our interests in the O.S.N. Co. to H. Villard and associates of New York who immediately organized a new C. & O. R. & N. Co. consolidating the Steamship Co. with the river and Portage R. R. interests, and disincorporating the old O.S.N. Co. This large transaction is so familiar to my son George that I will not attempt to describe it. Suffice it to say that for myself and associates it proved a great financial success and has made me worth more than a million. To carefully invest this money so that it will be of the greatest advantage to the children is now my greatest study and care. The last year of my business life in Oregon was a hard one. My cares and responsibilities were greatly multiplied, my health constantly giving way, and I was called to do double duty because of the absence (in Europe) of S. G. Reed (our vice Pres.). Mr. R. R. Thompson was in Cal. so when Mr. Villard came to Oregon with the avowed purpose of purchasing our property or commencing an opposition with J. Gould at his back, I had to stand *alone* and fight the battle for myself and associates unaided by counsel or advice from any one. How well I succeeded is fresh in the minds of all my associates. I got my full price for the property. Valuing the whole at *five Millions*. Maintained every point that I took and required Mr. Villard to come to my terms in every particular. Even to writing the agreement that consummated this large transaction was done in my own hand and in my own language. (My want of confidence in the legal advisor of the Co. induced me to do this without his aid or advice.)

Mr. Villard is a shrewd financier and has made a great success growing out of this purchase made of me. He is now in the zenith of his financial power, controls capital for new enterprises at will, makes a success of every thing he undertakes. He is a good man of noble impulses and generous disposition. He is a capital leader as long as success fills every sail, but I should greatly doubt his ability under adverse circumstances. He would not be a good general if superior numbers were to force a retreat. I trust he may always be successful but I doubt it.

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SUNDAY, MARCH 13, 1881

Since writing the above I have heard that Mr. Villard and associates have purchased a control of N.P.R.R. Stock. If this be true and Mr. Villard can retain the confidence of his associates for 5 yrs. it will make him the R. R. King of the United States. The power required by the control of this great Corporation will greatly tend to prolong his influence with men of capital but Mr. Villard is driving a very fast team financially and is in great danger. The unprecedented prosperity of the country may float him on its surface to the end of his voyage, but he will pass many dangerous rapids and threatening seashores. I have been led to these remarks about my successor in the management of transportation lines in Oregon and Washington Ter. because his policy so far as inflating is concerned has been so very different from my own, that I thought it [might] be of interest in after yrs. to compare the two managements, having only the interest of stockholders as a guide or objective point, but if Mr. Villard *is* ever so successful I hope no one of my children will attempt to follow his example in a business way. Remember that when *one* succeeds in inflating values and making fortunes in stocks *10,000 fail*, and are bankrupt financially, physically and morally. Therefore be conservative, be satisfied with slow, healthy and natural accumulation, such as will induce you to consider a prudent economy and you will be much happier.

JANUARY 4, 1882

Again a long period has elapsed since writing in this book and to continue the subject last under consideration viz Mr. Villard and his reported control of the N.P.R.R. Co., I will say that soon after he assumed to have control, articles appeared in the newspapers of the country over Mr. V's. own signature calculated to excite and greatly offend the old (and then present managers) of the N. P. who being good men, large stockholders and for long yrs. managers of the Co. set their heads together to defeat Mr. Villard in his attempt to control the election of officers that was soon to take place under the reorganization that became necessary on account of the failure of J. Cooke in 1873. About 18,000,000 of the "common stock" had been withheld from the owners as a matter of policy, intending to carry out the J. Cooke policy of issuing only as fast as the road was constructed in sections of 25 miles; but as this plan was adopted only as a matter of policy, besides being somewhat an arbitrary policy on the part of the directors (the owners of the common stock being unquestionably entitled to the full issue under the plan of the reorganization), Mr. Billings being Pres. at the time and the largest individual stockholder called his executive committee of the board together and passed a resolution authorizing the immediate issue of this 18,000,000 of stock which at once defeated Villard and secured the old board as their own successors. (It must be remembered that Mr. Villard, who up to this time had been so preeminently successful, had asked his friends for \$8,000,000 as a "blind pool" to be managed by him without indicating in what manner. This \$8,000,000 was rapidly given him in *blind confidence* and

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8,000,000 more offered which he refused.) With this large amount he set to work buying up preferred and common stock of the N. P. and when he thought he had the control he very foolishly (in my judgment) announced his determination of changing the policy of the N.P. with reference to construction, &c., and hence the offence of the old management and their prompt action in defeating him by issuing the remaining 18,000,000 of common stock. This threw Mr. Villard off his balance and led him to make intemperate remarks in public print over his own signature, accusing Mr. Billings of *fraud* and of *issuing illegal stock* and finished out by serving an injunction restraining the issue of the 18 millions referred to. This act was regarded by Mr. Billings and his associates as a formal declaration of war and all sorts of defensive plans were talked of and planned, some of which were to attack Mr. Villard's O.R.N. Co. by an opposition. Mr. Billings and associates were conscious of being in the right and fearless of the legal results of the injunction and being in possession of the Co's. management determined to hold it. Mr. Villard on the other hand had said so much about *fraud* on the part of Mr. Billings and had placed himself as it were in the hands of attorneys who did not want a compromise and had assumed such high grounds to his friends who had furnished the \$8,000,000 and (who were now beginning to be frightened) that the situation on both sides was of a most embarrassing character. To continue the fight and wait the slow process of litigation would delay the construction of the N. P. and greatly embarrass the plans Mr. Villard had made for his O. R. & N. Co.

Mutual friends of both parties had made vain attempts to effect a compromise and the bitter feeling between the parties seemed to be increasing daily. This (as briefly as I can state it) was the situation of things when I arrived in New York in April last. I immediately set about to effect a compromise so that the great work of construction should go on unimpeded and the country in which I had been interested for so many years continue to develop for the good of the thousands who would find happy homes along the line of the N. P. I believed from the first that I was the only man who could bring these intemperate and contending parties together and without going into detail I will only say that after 30 days of hard work and much to discourage and counter influence I succeeded, purchasing in my own name of Billings \$9,000,000 of the common stock which I turned over to Villard on condition that all suits should be withdrawn and nobody humiliated. By this transaction Mr. Billings got half a million more for his stock than the market warranted at that time, and a million and a half more than it is now worth. Mr. Billings was very profuse in his expressions of gratitude and thanks to me for my good offices (after reaching home he sent me a check of \$10,000 as a present). Mr. Villard was equally grateful and volunteered to give me about \$10,000, which has not yet come to hand but which I expect to receive.

All that I did in this matter was not for a monied consideration, but to prevent embarrassments that would retard the development of the great country east of the Cascade Mountains in Washington, Idaho and Montana Territories.

Mr. Villard said to me if you had done for me what you did for Mr. Billings I would give you my check for \$250,000. I have burdened you my children with all

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this long story that will doubtless be interesting but I want to say that I regard it as one of the greatest achievements of my life. Many able men had tried to do the same thing and failed. My great pleasure is the knowledge of the fact that so many thousand good people who will occupy the country developed so rapidly by the compromise will be benefitted. They will never know what a timely service I have rendered them because I think a month later without an agreement would have involved the parties in legal entanglements that would have kept the country back for years. I give considerable space to the consideration of Mr. Villard and his schemes because he is my successor in the great Co. that took so many yrs of my life to build up. Soon after the settlement of difficulties with the N. P. as just stated, Mr. Villard organized another grand Co., The Oregon & Transcontinental with \$50,000,000, the object of which as he announced to his friends was to control all the Co.'s under his management: The N. P. Oregon Railway & Navigation Co. and many other organizations collateral thereto. His friends were invited as a great privilege to subscribe to this stock at par and he says it was all readily taken. It is only a few months old and all the assessments are not paid, but instead of the great privilege to his friends to get this stock at *par*, outsiders are buying the stock in N. Y. at 1-1/3 less than it has cost Mr. Villard's followers and friends. This of course makes heart-burnings and criticisms and to add to the demand of money from his friends he has again increased the capital of the O.R. & N. Co. that had already been doubled from \$6,000,000 to 12,000,000 and is now increased to \$18,000,000. This makes a capital with its bonded indebtedness that the business will not warrant without keeping freight rates too high for the growth of the Co.

All these rapid inflations and high sounding figures of many millions cannot stand the test of business principles, and Mr. Villard today with his numerous wealthy followers stands in a very critical condition before the business world. I would not assume his responsibilities for all the money he can hope to make out of it. Already many of his friends have lost heavily in his last great scheme the "Transcontinental."

Mr. Villard has been petted and praised by leading press of the country, has been entertained by boards of trade, communities and legislatures, and has acquitted himself well in his speeches, and presentation of his plans, but I observe that he never prepares for, nor anticipates disasters or disappointment, but presumes always on a greater increase of business than the growth of the country will warrant. I cannot but think he will meet with heavy reverses, and ruin many of his confiding friends which was the case.

I have said this to warn my children against the dazzle of rapidly accumulated wealth, and to warn them too against the seeming popularity of men who are constantly extolled by newspapers. Remember that publishing newspapers is a business, and that money will give tongue to most of the leading papers of the country. Well now I have done with Mr. Villard. I will only add that with the great prosperity of our country and particularly with that portion of it that his enterprises are developing *it is just possible* that he may escape financial disaster, but under ordinary circumstances he would certainly fall. He is *now* in great danger.

Steamboating on the Columbia River

ROSE LAWN, JANUARY 28, 1882

Having been a very prominent Free Mason, you will think it strange if I do not allude to my connection with that order and therefore I shall do so, but very briefly. My father before me was a high Mason and without naming other Masons I, at the age of twenty-one was made a Mason, in Farmington Lodge No. 9, Farmington, Iowa. I travelled thirty miles to receive my degree (being then a resident of Keokuk). I was very much impressed at my initiation, with the zeal that was displayed by two men, both over sixty years of age, who being officers of the lodge at the time I was initiated, walked from their homes in the country *seven miles* in order to be present and participate in the ceremony. I could not but think there must be something *more* than ordinary to induce these good men to sacrifice the time and endure the fatigue that was necessary to enable them to be present. I think that this circumstance had much to do in making me an enthusiastic Mason (I confess that at present I have none of that feeling). After receiving the Master's degree (which was conferred on me by the Grand Master of the State) I entered actively into the work, was briefly instrumental in organizing the first lodge in Keokuk, giving it the name (Eagle No. 12) and serving as its first Junior Warden. I was very active in the work when its membership was rapidly increased, by the application of very many members of the Methodist Church, caused by a circumstance that I will not now relate. Our first meetings in Keokuk were held in a carpenter shop. I soon built a lodge room at my own expense and rented it at a nominal price to the lodge. In short I was very active and zealous. Nothing of note in this connection transpired 'till I arrived at Oregon City in the fall of 1850. Here I found that the first lodge, under the *oldest charter on the Pacific Coast* had been established, but owing to the excitement created by the discovery of gold in Calif. most of its members had left the country. Its Master, appointed and named in the Charter, (Multnomah No. 84 from the Grand Lodge of Missouri) had died, and for quite a long period no lodge meetings had been held. Under this state of things and finding but few Masons in the country, I undertook to revive the seemingly dead lodge, overhauled the records, made a full report of the situation to the Grand Lodge of Missouri; in short set the craft to work again. All this required much of my time, which was given cheerfully. After many months of preparation and securing a new lodge room, all the Masons that could be mustered at the time (about a dozen if I remember right) met in the new lodge room to elect officers. (I was then engaged as Captain of the "Lot Whitcomb" and absent most of the time.) I stated before the election that my business would keep me from home most of the time. I could not take an office but would assist all I could, when it was convenient to be present and my choice for Master was A. L. Lovejoy. But the members present would listen to nothing but *my* election as Master. I was unanimously chosen. This made me the first elected Master under the *oldest charter on the Pacific Coast*. I afterwards was the first to receive the Mark Master's degree in the State of Oregon and was chairman of the committee that made the first report at the organization of the Grand Lodge of Oregon. I succeeded to the Grand Mastership of the State at the death of Grand Master Elliott and was afterwards elected

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Grand Master *three* different times. The last time I declined the honor and ordered a second ballot for Grand Master. I was at once elected and served one year as Grand High Priest of the Grand Royal Arch Chapter of Oregon. I was elected a member of the Supreme Council of the southern jurisdiction of the "Ancient and Accepted Scottish Rite of Free Masons" and having received the 33rd degree was for many years at the head of the order in Oregon, Washington Ty. and Idaho. I resigned my seat in the "Supreme Council" but it was not accepted until two years afterwards and my name was then placed on the roll of "Emeritus" members, where it now appears in all the published reports. I mention all these things because I think it will give you pleasure to know it but not because it is particularly pleasant for me to remember. All organizations have their drawbacks, defects and unworthy members.

During my active participation in Masonic Matters in Oregon and Wash. Ty. I contributed largely to the funds of many of the Scottish Rite Bodies but chiefly to those established at Portland. My donations in money independent of my dues was more than \$2000. The members of the Scottish Rite Bodies seemed to be pleased with all I did for them and always treated me with the greatest consideration, but it was not so with the Grand Lodge for whose interests I had worked for more than a quarter of a century. The Grand Lodge had at one of its meetings (through the influence of one Thomas H. Pearne, a Methodist Minister and at that time a candidate for U. S. Senate) adopted a resolution paying all the delegates and members of the Grand Lodge \$3.00 per day while in attendance at Grand Lodge and 10 cts per mile for traveling expenses going to and from the Grand Lodge.

This resolution was passed during my absence from G. L. As soon as it came to my knowledge I denounced it. I saw it would give to country members very much more than their lodges would contribute to the G. L. fund, in the way of dues. In short the G. L. would pay out in this way much more than they would receive, and that in a few yrs. it would have exhausted all accumulations contributed by old members for other purposes. I made several ineffectual efforts to have this resolution rescinded. I personally refused at all times to receive a cent of this money, and when by the rule it was sent to me by the Grand Treas. I at once turned it over to the educational fund of the G. L. I was the *only member* of the G. L. that persistently refused to receive this allowance. Doing what I thought my duty in this resulted in a feeling against me of which I was not aware and which did not crop out until some yrs later.

About this time I conceived the idea of building a Masonic Temple in Portland with individual and Lodge capital under a chartered co. My avowed object from the start being to have it owned ultimately by either the Lodges of Portland or the Grand Lodge. I was at the head of this corporation from its first organization up to the time I turned over the majority of its stock to the G. L. Seeing that the original savings of the Grand Lodge were being exhausted, in fact were exhausted, nothing of note left except the amt. that had been a freewill offering of the old Masons from year to year, as an irreducible fund for educational purposes, (an effort had been made to distribute this sum between different Lodges), I offered the controlling interest in this Masonic Temple that had cost \$60,000 (and the amt. I offered had

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cost me about \$27,000) to the Grand Lodge for *whatever sum they chose to name*. This liberal offer was made the subject of an attack on me, and as soon as I heard of it I withdrew the offer and absented myself from the Grand Lodge, and have never been present at any of their meetings from that day to this. My withdrawing the offer resulted in the ap. of a committee of three Past Grand Masters, urging me to reconsider my withdrawal of my proposition, but I said no, you are welcome to meet in, free of charge, and occupy my house as long as I live, but you cannot buy it. Matters remained this way 2 yrs longer when at a meeting of the G. L. some of my old friends came to me and urged me to renew my offer; or rather the Grand Lodge offered me what was about equivalent \$17,000 for the interest I held, and still feeling a pride in carrying out my original idea that the G. L. should own the Temple, I yielded and sold the property at loss to myself of about \$10,000. The Grand L. then passed very complimentary resolutions about me and my action in turning the property over at so low a price, and thus the matter ended; but I have never forgotten the bitterness spoken by one D. P. Thompson and others. So all my Masonic zeal was thus frozen up forever. I studiously refrained from visiting any Masonic bodies, but I did not give the reason, and thus ends my chapter on Free Masonry. I will mention however that I have seen members of the Grand L. receive over \$50.00 for mileage at the same time they were traveling on a *free pass* given by myself.

ROSE LAWN, CAL., APRIL 12, 1883

It is more than a yr since I have written a line to be hereafter read by my children. During this time I have had indifferent health and when able have been busy beautifying my California home, and preparing a home for my son George who now lives near me and is so useful to me in almost every way. The many little incidents of my life that I thought might be of interest to you, that I could mention at the close of this narrative, now look like mountains to me, and I have abandoned the idea of writing them up to make my story readable; but there is one subject I feel it my duty to mention that you may better know your father and understand the motives and principles that have governed him through life so far as religion is concerned, and now that I have spurred myself up to the undertaking I shrink from it. First for the reason that I may not succeed in making myself understood and second because if I tell the whole story it will reflect on the intolerance and illiberality as well as the uncharitableness of a church member of my own family.

ROSE LAWN, JANUARY 3, 1884

I have frequently thought of resuming this narrative but have as often shrunk from it because the more I think of it the more am I convinced that I shall fail to convey my views on the subject referred to. Since last I wrote in this book my step-mother has gone to her long home. It is not necessary for me to say how much I miss the social benefits and influences of church organization. This part of the church I would gladly appropriate but *can not for many reasons. Now I am tempted to tell*

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how I have been bruised by church influence, but I refrain; it is better that I should carry my thoughts and convictions unuttered to the grave than to speak and be misunderstood.

Therefore my children must judge of me by *the life I have lived*.

For all of the influences of my life that have been for good I am thankful, for any that may have been for evil I *regret*. The great God whose laws are *perfect and unalterable* and who has never authorized man (as I believe) to speak in his name, directs the thoughts of us all, (no two of which are alike) to the end that His plans *shall be perfected*, that shall be for good.

I believe the world is progressing and that as the church of whatever faith relaxes its iron rules and step by step abandons untenable doctrines, just in proportion will toleration and civilization advance and the world grow better. Everything that tends to advance civilization and better the condition of mankind is progressive *except theology*. The unreasonable doctrines promulgated 2000 yrs ago for the purpose of controlling an ignorant people and placing all power in the hands of a corrupt Priesthood is in a slightly modified form attempted to be forced upon a *thinking* people of the present day. By the unyielding authority of the church and as a consequence a very large majority of the civilized world are not *churchmembers* and a very large majority of those who attend church are not believers in the doctrines taught; but lend their countenance and tolerate their theories for the good that it *is claimed will result*, or because it is fashionable or to court influence and for various reasons. Just as the church discards unreasonable theories and adopts more liberal, practical views, thinking more of temporal relief and charity than making war on good men, who *honestly* differ with them, just in that proportion will their influence increase and their influence be felt. The church is a long way behind in the race of progress.

God's law intended that everything should move forward and did not exempt the church, but my children this subject has caused differences in families and nations for ages long past and I suppose in a modified and more civilized form, will continue to be a subject of serious difference for a long time to come; but I have faith in that doctrine of "Good will to man" and that in the Creator's good time peace and harmony will take the place of strife and contention and the world move onward more and more in harmony with the great plan of ultimate perfection and consequently universal peace.

Many men have attempted to make themselves understood on paper and have failed. I of course cannot claim exception to the general rule, and though I thought of trying to explain my ideas in detail I can see how endless would be the task so I cut it off just here.

ROSE LAWN, APRIL 10, 1884

I have been looking over what I have written about Mr. Villard and am struck with the prophetic character of my words, but what a fall from power to obscurity. His rise, power, reign and fall is unequaled in the history of commercial men. He started with the blindest following, and the most unimpeachable character for

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integrity, and fair dealing. His whole course of rise progress and fall did not cover more than 4 yrs. Today he has the unenviable reputation of having *ruined* hundreds if not thousands who *trusted to his word* and were *deceived*.

He remains in the possession of an ample fortune, but has lost what is of far more value in the eyes of men: his *good name*. Mr. Villard is not naturally a bad man, he would rather have *made* fortunes for his blind followers than to have *wrecked* them as he did, but his vanity and egotism, want of business experience and the fatal blunder that he fell into in the beginning of his career of placing bad and inexperienced men in important positions, (not but he had many good men, but many were modest and did not put themselves forward) giving unscrupulous men opportunity to fleece the corporations under his control by unjust commissions, etc. etc.—and his persistence in employing incompetent engineers, in the face of protests and better knowledge on the subject, together with his multiplication of unnecessary employees.

All this added to his disposition to purchase everything that was offered for sale if he could do so by floating bonds or scrip in payment. His frequent acts of bad faith to one co. under his control at the expense of another, but above and beyond all the causes of his failure was his theory of *one man power*. He ruled all of his "boards of directors" with rods of iron and did not consult them on matters of policy but directed them by telegraph and otherwise just what resolutions to pass, etc. He assumed without a business education to know more than men of large experience, with a record of success as an endorsement. He never asked for advice and seldom for information, but in looking at this man's history for the brief period of his power I want to impress one fact on the minds of my children. From personal knowledge I can assert that Mr. Villard employed unprincipled attorneys and agents for important places and kept them in position, knowing their character. I only feel at liberty to name one, *John H. Mitchell*, though I could name many more who I think aided in his downfall, by their bad standing and questionable course of action. No good *can ever* come by employing men of questionable or bad character, no matter how smart or seemingly well qualified they may be. And any business that requires unprincipled men to advocate or manage should under all circumstances be avoided. Poverty and even oblivion is infinitely better than Mr. Villard's butterfly history.

ROSE LAWN, JANUARY 18, 1886

How time flies, how prone we are to defer until tomorrow the duties of today and when tomorrow comes and duty knocks at the door we again ask for further time. Thus it has been with me and while I write I say to myself I am not ready I will feel more like it at some future time, *but I know better*. The longer I postpone what I have to say to my children the more difficult the task, if indeed there is a finish to be made when there is so much I would like to say. My task seems herculean, (owing to my nervous condition and continually failing health). How can I select and condense the subjects, so as to make the work less formidable to me is the question now that concerns me most. I had hoped when I came to Cal. to be free from business cares,

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but a combination of circumstances have caused disappointment in this respect. To please my son George and to further his interest I have given a reluctant consent to many enterprises that have resulted in more worry of mind than profit, and in consequence my health has suffered. To counteract the injurious effect of this worry I have traveled a great deal, have no doubt received benefit but I have been from home more than I ought to be, and more than is agreeable. I am more than ever impressed with the fact that every one should have a calling in life, some business upon which to depend for a support. Unfortunately circumstances have prevented my son George from engaging in any active business, and as a consequence he is unhappy and impatient to do something that will show results. Naturally over-sanguine he has been persuaded to engage in many speculative schemes that have resulted in loss. This has discouraged him and the more so because the losses have been a tax on me with nothing tangible in sight by which he can recuperate.

I feel greatly concerned about him and his future. All men should do something *but what can he do?* I can find no answer to this question and it weighs upon me, and the more so because the fault is with me. I should have provided in some way for his learning some kind of business. I blame myself and not him for the unhappy situation of affairs, but I want to guard against like mistakes with my sons John and Harry by urging them to select some occupation (when their education is finished) upon which they can enter as a life work. And having carefully considered your choice *stick to it*. No distinction is ever arrived at by frequent changes of occupation and no permanent success is achieved except at the expense of painstaking and honest toil, slow, steady and continuous growth. It's far preferable to rapid accumulation, and real success as a rule is more the result of prudent economy than anything else. No man can be happy or long prosperous who draws upon his capital for support. In all I have said I trust my son*George will not be offended. I want him when I am gone to try and engage in some business that will occupy the whole of his time. In this way his mind will be drawn away from those illusive schemes that thus far have proved so disastrous. I hope his experience in trusting men who make great pretensions will cause him to be more cautious in the future. Trust none with your name and few to do your bidding. What I mean by this is to be careful in your selection of men to serve you, and do not trust any of them to the extent your generous nature would dictate.

**George Jennings Ainsworth
died October 20, 1895*

FEBRUARY 14, 1886

It is useless to continue this writing further. I never shall feel *well enough* to finish it up as I intended. I will now bring it to an abrupt close, seal it, mark it private papers to be opened after my death. Thus my children I bid you an affectionate farewell. I cannot add to the force of language heretofore employed in the way of advice. Do not ignore it or set it aside as the ideas of an old man who has been mistaken in his estimate of human nature. Continue to live pure, honorable and industrious lives. Remember that *idleness* is almost a first cousin to vice.

Do something that the world may be better for your having lived in it. Be

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charitable, tolerant, industrious. Live within your means, avoid all undue speculations, be content with steady and legitimate growth, and observe quiet and modest demeanor in the community in which your lot may be cast. And may God abundantly bless, and protect each and all of you will be the last prayer of your devoted father.

J. C. AINSWORTH.

OCTOBER 20, 1889

Almost 4 yrs have passed since I have looked upon these pages as I supposed for the last time, but the world moves on, circumstances change. My health when last I wrote in the book seemed completely broken down. At last I have a respite—my attacks now are at much longer intervals and I feel equal to renewed efforts, as is evident by the new enterprises I have engaged in. But though I am better prepared physically to resume the story of my life to my children, yet I would not have done so had not my circumstances and the pleading of my family urged me to a more detailed statement of the incidents of my life that seem to grow in interest as time moves on. But what has urged or rather *provoked* me to a renewal of this talk is the repeated urging of Mr. H. H. Bancroft and his many assistants to have my biography written up and appear in a book of biographies to be entitled the "Chronicles of the Kings."

I have combatted all these urgings and propositions chiefly because it would not be agreeable to furnish material for a biography that from the many incidents of a long and busy life might if truly stated seem so egotistical and for another and more important reason viz:—Mr. Bancroft had through his agents taken what he terms dictations of myself & my associates R. R. Thompson & S. G. Reed years ago. He knew us and our position in and our relation to Oregon and its commercial development for a period of 30 years.

Mr. Bancroft through one of his agents some three or four yrs ago proposed to publish a book of biographies of prominent men of the Pacific Coast, and had persuaded my son George to prepare material for a short and modest sketch of my life, which was furnished, *put in print* and a copy shown to me by Mr. Donovan.

Some two or more yrs. ago my son told me that the price to be charged for this biography was \$250.00. About a yr ago as nearly as I can ascertain Mr. Bancroft conceived the idea of pub. a book of biographies to be called the "Chronicles of the Kings." To appear in this book it was expected Mr. R. R. Thompson, Mr. Reed and myself would submit to a tax of about \$5,000.00 each. The \$250.00 book has never appeared. Mr. Bancroft had written a history of Oregon in two volumes, the first and most commendable vol. prepared entirely (*as I believe*) by Mrs. F. F. Victor. This first volume brought the history of Oregon down to a period when the commerce and general development of that prosperous state began to assume shape. As the O.S.N. Co. had done *more for Oregon* than any other Co. or combination of capital and had shown a record of *success* and rapid growth ahead of any combination of its kind in the U. S. it was but natural to look for a mention of it in a 2nd vol. of Bancroft's History of Oregon.

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To show the importance of the O.S.N. Co. I will give a few figures. It commenced in 1850 with a capital of \$172,500.[*] *No assessments were ever made on the stock.* Yet from its net earnings, dividends amounting to about \$3,000,000 were paid to stockholders and over \$3,000,000 was expended in construction and the property finally sold to Mr. Villard for \$5,000,000.

This array of figures show that the O.S.N. Co. must have cut some figure in the commercial history of Oregon, though no mention[**] is made of it in Mr. Bancroft's history.

A little more than a yr ago Mr. Bancroft was in Portland and expressed a great desire to see Mr. Thompson, Reed and myself, that he might hear from us all the incidents he would value in writing up the history of the O.S.N. Co.

I was on Puget Sound at the time and at Mr. Bancroft's request and at inconvenience to myself I went to Portland, met Mr. Bancroft and his party and were with them for several days, engaged in dictations as I was led to suppose were intended for the 2nd vol. of the History of Oregon.

It transpired afterwards that the 2nd vol. was then in print, though no mention of it was made to us. Before leaving Portland I learned that some of the Bancroft party had broached the subject to Mr. Reed. Mr. Thompson also had heard of it. As it was mentioned that Mr. Bancroft would expect a large sum from each of us if we should have a place in the select book, "The Chronicles of the Kings," I immediately put my foot down on the proposition and so did Mr. Thompson; and when shortly after the 2nd vol. of Oregon appeared and no mention whatever was made of the O.S.N. Co. (though copious mention was made of unimportant and insignificant Co.'s) you can imagine my astonishment and determination to have nothing to do with Mr. Bancroft.

Especially was I determined not to appear in his "Chron. of the Kings." Having thus given you the spur that has goaded me on to the resumption of talk that will further speak of my life, I shall now in my usual incoherent way speak of events as they happen to come to my mind, with no previous thought or arrangement whatever.

OCTOBER 27, 1890

I have figured prominently in several enterprising schemes, particularly such as had for an object the commercial development of some new section of the great Northwest. Not all of my enterprises have proved a success. In 1881-2 myself and associates acquired valuable mining interests on Kootenay Lake in British Columbia. These mines though discovered by British subjects in 1822 and subsequently at intervals examined (and partial locations made) yet no work had been done of any importance until myself and associates undertook the work (I think) in 1881, when

[*] EDITORS' NOTE: While the O.S.N. Co. had its origin in 1850 with the construction of the *Lot Whitcomb*, it was not until 1860 that it was incorporated as the O.S.N. Co. with a capital of \$172,500.

[**] EDITORS' NOTE: Bancroft does mention the O.S.N. Co. on page 480 of Vol. II, and gives some of its background and history in a rather extensive footnote on pages 480-2.

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first and last we expended about \$30,000 and secured a Crown title to what I consider the largest lead and silver mine in the world.

It is located unfortunately in the most inaccessible place, but by the expenditure of a large sum in connecting the Kootenay Lakes with the Columbia River by a short line of R. R. a large and valuable mining and grazing country would be open for settlement. Believing in the feasibility of the scheme we applied to the local Parliament of British Columbia for a grant of land to aid in building the R. R. and steamboats necessary to open this new section. This would be of immense value to B. C. and particularly to Victoria. Some of the large minded members of the Parliament (like the late Mr. Dunsmuir) saw the importance of the scheme and advocated the grant with all the force of their influence and position; but there was an opposition faction representing an element that appeared to be in the market (for purchase or *fight*) and as I would not treat with the opposition the conflict became intense and became the chief talk of the Parliament and the people during the entire session, resulting finally in passing a bill granting to me and my associates land amounting to 750,000 acres, conditioned upon building the R. R. and steamboats within 2 yrs. from passing of the bill, but with embarrassing amendments.

The approval of the Canadian Government was a condition also and the opposition, determined to carry the "war into Africa," appealed to the Canadian Government to disallow the bill. So at great expense I was forced to fight the battle over again at Ottawa, the result of which was that the Chief Justice of the Canadian Government was sent to B. C. to examine into the merits of the case, with power to ratify or disallow. He found the bill not only meritorious but of unquestioned interest to the Colony, and so decided.

This of course consumed a large portion of the limited time and as I did not want to carry the whole enterprise myself at my time of life I sent an agent to Europe to engage foreign capital in aid of the enterprise. The necessary arrangements were made and the agent advised me of his success by cable, after which it seems he behaved in an unbecoming manner so the parties who had agreed to furnish the capital *backed out*. This of course caused delay. Other English capitalists were approached and a syndicate made up who agreed to take hold on condition that a certain selected agent should visit the country and report upon it. This was done, the agent reporting in favor of the scheme in the most enthusiastic manner.

Just at this time one of the English parties became embarrassed and the scheme failed a second time. So much time had now elapsed that without an extension from the local parliament no one could be induced to take hold of the scheme. Tired out with the disappointments I allowed the Grant to lapse. At the next meeting of the parliament my son George insisted upon applying for a renewal of the grant asking for 300,000 acres instead of 750,000 as in the first bill. To make a long story short the fight was made resulting in giving us a grant of 200,000 acres but with embarrassing conditions (insisted upon by jealous parties) one of which was that we should begin work within six months of passage of bill. The 6 mos. ended about the commencement of the winter season, so thinking only of liberal construction (so long as we acted in good faith) my son purchased \$10,000 worth of tools ready to

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begin work in the Spring and notified the Government and asked them to acknowledge this as the commencement of the bill which they positively refused to do. This with repeated narrow mindedness and jealous rulings so disgusted me that I threw the whole thing up, after having expended first and last about \$50,000.

We still hold the mining property and the growing interest in that section must soon induce someone to open up the country by rail connection with N.P.R.R. or carry out my scheme of connecting Kootenay Lake with Columbia River.

One of the conditions of first grant of 750,000 acres was that we were to put up \$25,000 as a guarantee of good faith to be forfeited if we did not comply with the conditions of the charter. This amount I advanced myself and this was added to other losses.

I think that some of the narrow rulings of government officials was to cause a failure so that the poverty-stricken government could appropriate the \$25,000. One other restriction and condition I will mention to show [how] narrow the government was disposed to act in this matter, when what is known as the Government party consented to have the bill pass to grant the 750,000 acres of land. Another load was added as follows. At this time the Canadian Pacific was building towards the Columbia River, but undetermined whether they would come through Kicking Horse Pass or the Eagle Pass. The Victoria people were very anxious that the Eagle Pass should be adopted. So a bill was passed through a local Parliament granting 60,000 acres of land (then valued by government at \$1.00 per acre), to aid in building a wagon road through Eagle Pass from Columbia River to Kamloops Lake. The party then in power insisted that we should agree to take this land subsidy and build this road. My son's brother-in-law G. B. Wright (who had large experience in building roads in this country) estimated that the road could be built for \$40,000, and if I would guarantee it he would take personal charge of the construction. Well the result was I consented, put Mr. Wright in charge who was 2 yrs in finishing the road at a cost to me of over \$100,000. The 60,000 acres of land scrip was turned over to me which I held for a long time and finally sold the first 10,000 acres at 75 cts per acre. This Mr. Wright otherwise involved us in a large loss by inducing us to trust him in managing large contracts for Canadian Pacific R. R. in which he made great profits, but managed to cheat us out of it. *He went so far as to take our money and invest in Gov. land in his own name*, which we subsequently made him deed back to me, and which I still hold with little prospect of selling. This in brief is the history of my ventures in British Columbia and with this I dismiss B. C. from further mention.

JUNE 6, 1892

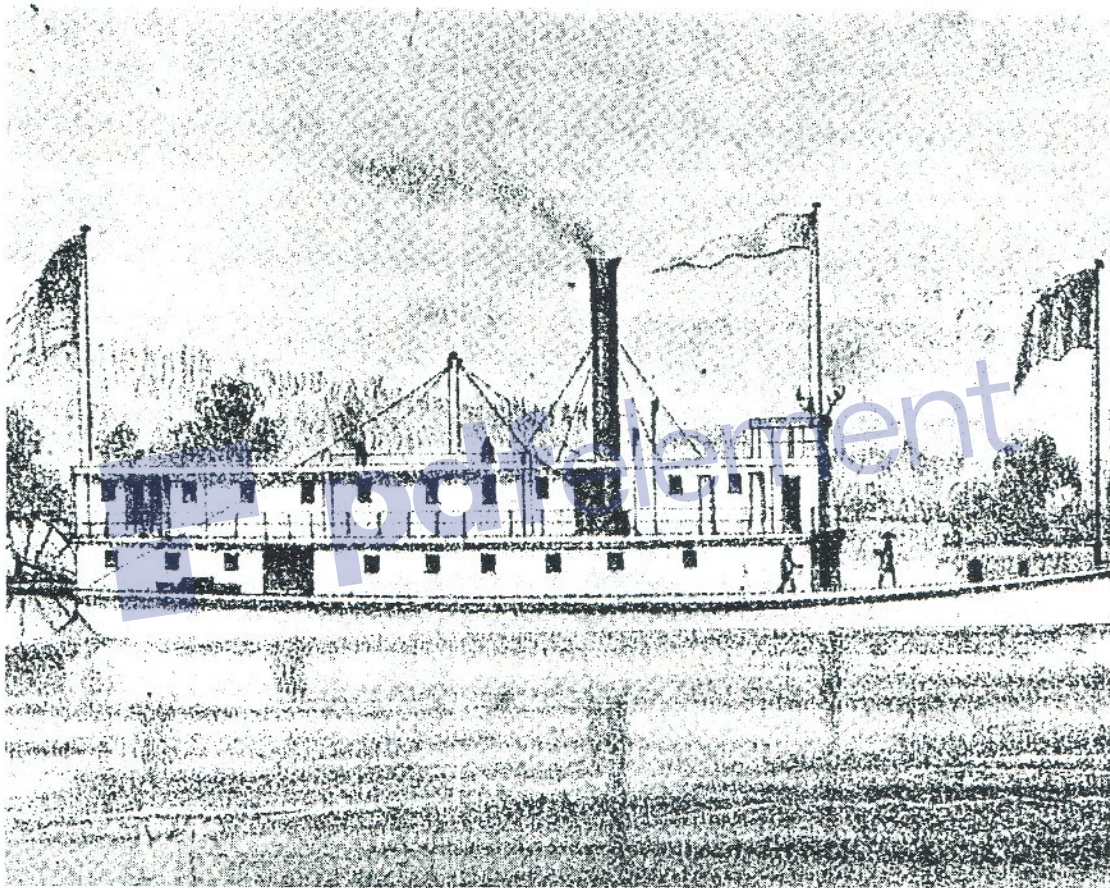
This is the anniversary of my birthday. I am 70 yrs old. I have been sick and lame since last writing in this book. I had intended to give my children many more incidents of a long and eventful life, much of which would be of commercial-historical value, but my age and infirmities have outweighed my intentions and my lame right hand refuses to be taxed by any work more than a page or two at a time.

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So I abandon my intention of further writing any incidents of my life, and close by saying that I am very grateful to the giver of all good for being permitted to reach this ripe old age with my family who are so dear to me, for the many blessings I have received through a long and eventful life, for the prosperity and success that makes me able to leave my family in easy circumstances, and for the protecting hand that saved me in the many trials to which I have been exposed, and renewing my best wishes and God's blessings to all my dear ones, I now on my 70th birthday bid you all an affectionate good bye.

J. C. AINSWORTH

* * *



Steamer *Jennie Clark*—launched about 1854—the first sternwheel steamer in Oregon. J. C. Ainsworth was original Captain—later sold to Captain J. Myrick. From a lithograph.

Courtesy Oregon Historical Society



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