

Economics and Transshipments of the American Fur Company in the West

By

Michael Casler

© 2008

The Missouri River History Conference: Steamers, Sandbars, and Snags – Reflections of
the Steamboat Era on the Missouri River.

Ponca State Park, Ponca, Nebraska
September 4-7th, 2008

The fur trade in the United States, during the first half of the nineteenth century, made up one of the largest industries of this young country. President Thomas Jefferson thought the fur trade so important that in his instructions to Captains Lewis and Clark they were told to: "...observed objects worthy of notice will be ... the animals of the country generally, & especially those not known in the U.S." In dealing with the natives encountered, they were to express "...our wish to be neighborly, friendly & useful to them, & of our dispositions to a commercial intercourse with them; confer with them on the points most convenient as mutual emporiums and articles of most desirable interchange for them & us."¹

Twenty two years after the expedition passed through the confluence region of the Yellowstone and Missouri Rivers, Fort Union the great fur "emporium", rose from the prairie to dominate the northern plains for nearly forty years. Eighteen hundred miles from St. Louis, Fort Union was dependant upon the Missouri for its lifeblood of men, articles of trade, and as an avenue to return the products of the northern plains: skins, peltries and buffalo robes to market.

Historians of the fur trade have written volumes on the various aspects of these great commercial ventures, each examining the interrelated activities which made the fur trade "the business" of the West, employing both whites and Native Americans in its service. Transportation methods both overland and along the vast river systems of the continent have also met with the attention of scholars. These begin with Hiram M. Chittenden's History of Early Steamboat Navigation on the Missouri and William E. Lass's two books A History of Steamboating on the Upper Missouri and Navigating The Missouri: Steamboating on Nature's Highway, 1819-1935, but also include overviews of the western river systems written by Louis C. Hunter and William J. Petersen.

Yet, curiously silent is what became of the skins, furs, and robes gathered with so much toil and trouble once they arrived at the warehouses in St. Louis. An examination of the microfilm of the Missouri Historical Society's Chouteau Collection, which contain ledger books and accounting records, steamboat bills of lading and cargo manifests. Studied with the Calendar of American Fur Company's Papers, Parts One and Two and the 18,181 records they contain, these documents provide insights into this aspect of the fur trade.²

The American Fur Company, organized in 1808 by John Jacob Astor and incorporated by the New York Legislature, became America's first great international corporation. As the company expanded its operations over the years, trading manufactured goods to Native Americans for furs and peltries, it crushed all opposition until it had gained a monopoly of the Great Lakes and Midwest region of the United

¹ Donald Jackson, Letters of the Lewis and Clark Expedition, with Related Documents, 1783-1854, (Urbana: University of Illinois Press, 2nd Edition, 1978), pp. 63-64.

² Roll 7, Volume "Y", "Ledger, Invoices outward, Pierre Chouteau, Jr., and Company, February 1834-October 1839, (St. Louis: Missouri Historical Society), Microfilm. Annual Report of the American Historical Association for the Year 1944, Volume II & III Parts 1&2. "Calendar of the American Fur Company's Papers, 1831-1849", Washington: G.P.O., 1945). Hereafter referred to as Papers of the American Fur Company.

states by the mid 1820's.³ The juggernaut that was the American Fur Company ran up against the French-founded city of St. Louis, whose traders through custom would not engage in business with outsiders unless related through blood or marriage. Ramsay Crooks, Astor's right-hand man, married Emilie Pratte; daughter of Bernard Pratte in 1825, becoming a cousin to Pierre Chouteau, Jr.⁴ This alliance gave the American Fur Company its entry into the all important St. Louis business world.

The region west of the Mississippi and along the Missouri river was controlled and influenced by the firm of Pratte, Chouteau and Company. Between the American Fur Company and Pratte, Chouteau and Company, these two firms controlled fur trading concerns that stretched from the Hudson River to the Rocky Mountains. From 1834 to the demise of the American Fur Company proper in 1847, the tactics, methods and practices of the two can only be described as "Big Business" more than a half century before the term became popular.⁵

The business arrangement between the two companies were that the American Fur Company in New York purchased articles of trade for Pratte, Chouteau and Company from European and American sources, shipping these goods to New Orleans and along the Mississippi River to St. Louis. The second route was through the Pennsylvania Canal to Pittsburgh, then along the Ohio River by keelboat or steamboat to St. Louis. Skins, furs, peltries, and buffalo robes followed these same routes back to New York where the American Fur Company marketed them in the United States or through Curtis M. Lampson, its London agent. The accounting records of these two companies were carried on by the means of outfits and departments. Goods purchased in Europe and America for each unit was debited to them on the company books. Credits against these were the number of packs of furs and buffalo robes each outfit and department shipped to the St. Louis and New York offices.⁶

Pratte, Chouteau and Company, as agents for the Western Department of the American Fur Company, inaugurated steamboat operations on the Missouri River in 1831, when Captain Charles LaBarge eased the new steamboat *Yellow Stone* (always two words) away from the St. Louis levee.⁷ The voyage of 1831 was not the rousing success the company had hoped for, with the *Yellow Stone* only reaching Fort Tecumseh, in present day South Dakota. Fort Union was reached in June 1832, beginning twenty seven years as the head of steamboat navigation on the Missouri River.⁸

With the retirement of John Jacob Astor in 1834, the American Fur Company underwent a reorganization that resulted in a significant change to the fur trade. Ramsay Crooks purchased the Northern Department and Pratte, Chouteau and Company the

³ James L. Clayton, "The American Fur Company: The Final Years", PhD Dissertation, Cornell University, 1964, p. viii.

⁴ David Lavender, *The Fist in the Wilderness*, (Lincoln: University of Nebraska Press, Bison Book Edition, 1998), pp. 346-356.

⁵ Clayton, *The American Fur Company*, viii. *Papers of the American Fur Company*, p. 523.

⁶ *Papers of the American Fur Company*, pp. 522-523.

⁷ Donald Jackson, *Voyages of the Steamboat Yellow Stone*, (Norman: University of Oklahoma Press, Paperback Edition, 1987), pp. 1-2.

⁸ Michael M. Casler, *Steamboats of the Fort Union Fur Trade*, (Williston, ND: Fort Union Association, 1999), 8-10.

Western Department. According to a letter dated September 6, 1834, the reorganized American Fur Company offered to “continue supplying goods at a 2 ½ percent commission and to sell Pratte, Chouteau and Companies furs, skins, & ect, at the same rate.”⁹ While in New York, Bernard Pratte finalized the arrangements of purchase between the two companies. In another letter dated December 20, 1834 to Pratte, Chouteau and Company, the New York office wrote that it “Hopes that this business connection may prove one of cordiality and good understanding.”¹⁰

General records of both the American Fur Company and Pratte, Chouteau and Company are available for comparison from 1834 to 1841. And from these records transportation data reflects routes up and down the Missouri, Mississippi and Ohio River systems, also utilizing the Erie Canal, Pennsylvania Canal and over-land wagon routes. The Ohio River was the preferred route for a majority of fur shipments over the Mississippi/New Orleans route because of the Crescent City’s hot weather and quarantines, which caused delays in transshipment.¹¹

Both Companies had in there employ dozens of commission and forwarding agents through whom the goods and furs moved. Three of these are most important for our discussion and a general understanding of the transportation system involved. John A. Merle and Company of New Orleans served as forwarding agent for Pratte, Chouteau and Company and the American Fur Company’s New York office. Merle’s name first appears in the account books of Berthold, Pratte, Chouteau and Company in July 1823 as being owed \$845.33 in commissions.¹² Shipments of merchandise from the New York office and furs, peltries, and robes out of St. Louis were directed through New Orleans and John A. Merle and Company. In February 1839, John A. Merle and Company was required by an enforced liquidation of its business affairs to reorganize. Even after the financial failure of Merle and Company, the Pratte, Chouteau and Company held confidence and continued to ship furs and robes to be forwarded on to New York and Europe through them. In March 1841, John A. Merle and Company sent out notices of a second reorganization, this time to Merle, Beylle and Company General Commission agents.¹³

At the northern end was shipping agent Francis Ronaud of Pittsburgh, who served as forwarding agent for the two companies. Rouaud also served as forwarding agent for gun powder ordered from Du Pont and Company of Brandywine, firearms and other merchandise secured in Lancaster, Philadelphia and other places in Pennsylvania. His correspondence provides rates charged by Waggoner’s on freight to Pittsburgh; the rates on the Pennsylvania Canal; time required to ship goods from Pittsburgh, both east and west; and method, cost and time required for shipping by keelboat and steamboat from Pittsburgh to St. Louis.¹⁴

The record book “Invoices Outward” for the years 1834 to 1841 reflected here in Figure 1 shows cargo values of merchandise shipped through New Orleans and Pittsburgh. The records for the year 1834 are so low as to be negligible, but this figure

⁹ Papers of the American Fur Company, Record #33, pp. 4-5.

¹⁰ Ibid, December 20, 1834, Record #102, p. 14.

¹¹ Ibid, 533.

¹² Roll 2, Book “L”, “Ledger, American Fur Company – Western Department, 1823-1828”, p. 66.

¹³ Papers of the American Fur Company, Record #10,452, p. 1022.

¹⁴ Ibid, p. 521.

can be explained. Records of the American Fur Company prior to 1834 are limited and scattered business papers since the bulk of the records were destroyed in the New York fire of 1835.¹⁵ The figures from 1835 through 1841 are reflective of the amount of merchandise being shipped to the St. Louis warehouses of Pratte, Chouteau and Company. However, it should be noted here that these cargo values represent numerous cargos on many different steamboats. The figures for 1837 and 1838 are rather curious, not only because they represent the largest figures in this time period, but they also occurred during the financial panic of 1837, and the smallpox epidemic on the northern plains. The merchandise figures are totals for all the various outfits and forts of Pratte, Chouteau and Company acting as agents of the Western Department of the American Fur Company. Additionally the figures represent the time frame from the reorganization of the American Fur Company in 1834 to the end of the rendezvous system in the Rocky Mountains in 1841.

Figure 2 illustrates the cargo values of goods shipped to forts of the Upper Missouri Outfit. These figures again cover the same period of time, 1834 to 1841, but also the fledgling years of steamboating on the Upper Missouri. The values for 1834 are significantly larger than those for the same period in the first set of figures for the “Invoices Outward” from New York, which the records were destroyed. The cargos for 1835 maybe a reaction by the St. Louis office of lessening its risk because of the stranding of the company steamboat *Assiniboine* near Fort Union in the late summer of 1834. The *Assiniboine* in the spring of 1835 became a total loss when she burned to the waterline somewhere between the Little Missouri and the Mandan Villages in present day North Dakota.¹⁶ The loss of the *Assiniboine* was estimated at \$60,000 in furs and peltries with nothing insured.

The total 1837 cargo value of the *St. Peters* -- \$44,647.14 – makes up 32 percent of the total merchandise value of -- \$141,342.66 – shipped to Pratte, Chouteau and Company at St. Louis in the same year. As noted previously 1837 was a tumultuous year with the financial and economic panic in the U. S. with inflated land values, wildcat banking, and paper speculation, constitutional revolts in Upper and Lower Canada, and smallpox ravaging the Northern Plains Tribes. It is little wonder that the 1838 cargo shipments to the Upper Missouri Outfit are only 20 percent of the merchandise received in St. Louis from New York.

Insurance rates are a topic of considerable correspondence in the Papers of the American Fur Company. The microfilm collections of the Chouteau Papers also contain numerous accounting entries for insurance premiums; only one however is detailed as that of the steamboat *Trapper* in 1841. This entry is an “Insurance Account – to the Upper Missouri Outfit for premium on cargo S.B. Trapper for \$60,000. – twice charged - \$1,505.00”.¹⁷

Figure 3 represents the third leg of the transportation circle and part of our original question of what happened to the furs once they arrived at St. Louis. Microfilm

¹⁵ Ibid.

¹⁶ Michael M. Casler, editor, The Original Journal of Charles Larpenteur, (Chadron, NE., The Museum Association of the American Frontier, 2007), pp. 8, Note #29, p.13, and p. 33.

¹⁷ Roll 9, Book “EE”, “Journal, American Fur Company, August 1841 – March 1852”, p. 59.

records document the earliest shipment of “robes, furs, and peltries” destined for New York through the port city of New Orleans as taking place in 1822.¹⁸ The steamboats *Mandan* and *Expedition* were used to transport these cargos to New Orleans and its forwarding agents John A. Merle and company for transshipment to New York.¹⁹

Figure 3 is only a partial listing of these returns because of the accounting habit of the St. Louis clerks to record only the number of bales and packs rather than the value of the cargo. Consequently figures for 1835 through 1837 do not reflect the total returns from St. Louis, but are interesting in the shipping routes through Portsmouth, Ohio along the Ohio and Erie Canals. Total shipment in 1838 of -- \$150,206.13 – in furs to New York may be representational of the total value however; this figure may not be complete. The 1841 totals taken from the records of the St. Louis office of Pierre Chouteau Jr., and Company are considered reliable for this year.²⁰

This brings us to Curtis M. Lampson third and most important agent for the American Fur Company, and the London representative. Lampson, a Vermonter by birth was in the habit of writing to both New York and St. Louis, by ever packet departing for New York.²¹ These reports to America contained information on the state of the fur trade through the auctions held in London and Leipzig; they even include the conditions of Otter sales in Canton, China. His eagerly anticipated marked catalogs of the London and Leipzig auctions were sent directly to New York and St. Louis and read almost like the Wall Street Journal is today. Of special interest to the American fur trade were the Leipzig fairs around which domestic prices revolved. Two auctions were held annually in Leipzig, the centuries old Easter and Michaelmas fairs during which the North American furs, skins and peltries were sold.²² Prices at these major events set the standard for prices of furs in the coming year, when the cycle began again.

This brings us back full circle to the trapper on the Upper Missouri, both white and Indian, and what became of the furs, skins, and robes that were collected and sent to St. Louis. The journey began along the river systems of America, making brief stops in city warehouses at St. Louis, Pittsburgh, New Orleans, and New York then to be shipped to London and Leipzig markets. The cargo values of merchandise used to trade for these products of the country indicates and enormous dollar investment for the American Fur Company. By comparing the records of Pratte, Chouteau and Company and the American Fur Company, students of the fur trade can begin to understand that the “Business” of the west was the fur trade.

¹⁸ Roll 1, Book “A”, “Ledger, Invoices Outward, American Fur Company, Western Department, 1822”, p. 35.

¹⁹ Roll 7, Book “Y”, “Ledger, Invoices Outward, Pierre Chouteau, Jr., and Company, February 1834 – October 1839”, pp. 79-372. Roll 9, Book “EE”, “Journal, American Fur Company, August 1841 – March 1852”, pp. 39-71.

²⁰ Roll 9, Book “EE”, “Journal, American Fur Company, August 1841 – March 1852”, pp.39-71.

²¹ Papers of the American Fur Company, p. 527.

²² *Ibid.*

Figure 1

“Invoices Outward” – Value of Merchandise Shipped from American Fur Company, New York Office to Pratte, Chouteau and Company, St. Louis, Via:²³

1834	-	New Orleans	-	\$1,277.64
		Pittsburgh	-	N/A
1835	-	New Orleans	-	\$80,259.37
		Pittsburgh	-	\$2,516.96
1836	-	New Orleans	-	\$93,966.55
		Pittsburgh	-	\$3,970.08
1837	-	New Orleans	-	\$125,871.42
		Pittsburgh	-	\$15,471.24
1838	-	New Orleans	-	\$118,306.68
		Pittsburgh	-	\$7,206.00
1839	-	New Orleans	-	\$87,405.19
		Pittsburgh	-	\$33,775.91
1840	-	New Orleans	-	\$80,512.10
		Pittsburgh	-	\$42,859.18
1841	-	New Orleans	-	\$86,667.67
		Pittsburgh	-	\$5,602.50

²³ Papers of the American Fur Company, “Invoices Outward-New York American Fur Company to St. Louis, 1834-1841”, Records, #17,087-#17,912, pp. 1617-1678.

Figure 2
Cargo Values Transported by Steamboats to Forts of the
Upper Missouri Outfit, 1834-1841

1834	-	Cargo Value for the <i>Assiniboine</i>		
		Fort Union	-	\$21,287.69
		Fort Clark	-	\$5,532.71
		Fort Pierre	-	\$14,408.10
1835	-	Cargo Value for the <i>Diana</i>		
		Fort Union	-	\$12,002.43*
		Fort Clark	-	*
		Fort Pierre	-	\$6,319.39
		* Cargo not separated by fort of destination		
1836	-	Cargo Value for the <i>Diana</i>		
		Fort Union	-	\$15,896.55
		Fort Clark	-	*
		Fort Pierre	-	\$20,977.90
		* not listed		
1837	-	Cargo Value for the <i>St. Peters</i>		
		Fort Union	-	\$15,817.46
		Fort Clark	-	\$7,463.90
		Fort Pierre	-	\$21,365.78
1838	-	Cargo Value for the <i>Antelope</i>		
		Fort Union	-	\$7,342.44
		Fort Clark	-	*
		Fort Pierre	-	\$17,816.79
		* not listed		
1839	-	Cargo Value for the <i>Antelope</i>		
		Fort Union	-	\$13,262.96
		Fort Clark	-	\$2,135.57
		Fort Pierre	-	\$20,603.69
1840	-	Cargo Value for the <i>Trapper</i>		
		Fort Union	-	\$16,112.18
		Fort Clark	-	\$5,067.34
		Fort Pierre	-	\$17,762.71

1841²⁴ -

Cargo Value for the *Trapper*

Fort Union	-	\$20,509.44
Fort Clark	-	\$5,109.04
Fort Pierre	-	\$30,143.56

²⁴ Roll 7, Book "Y", "Ledger, Invoices Outward, Pierre Chouteau, Jr., and Company, February 1834-October 1839". Roll 7, Book "Z", "Ledger, Invoice Blotter, Pierre Chouteau, Jr., and Company, 1836-1839". Roll 9, Book "DD", "Ledger, Invoice Blotter, Pierre Chouteau, Jr., and Company, 1839-1841". Erwin Thompson, Research Collection, Box 1, File 16, Library, Fort Union Trading Post NHS, Williston, ND.

Figure 3

Partial Listing of Furs Shipped from Pratte, Chouteau and Company, St. Louis to
American Fur Company, New York, Via:²⁵

1834	-	Records not available	
1835	-	New Orleans	- \$10,033.93
		Pittsburgh	- \$10,592.50
1836	-	New Orleans	- \$20,909.47
		Pittsburgh	- N/A values not listed
		Portsmouth, OH-	\$5,086.38*
		* to be shipped via the Ohio and Erie Canals	
1837	-	New Orleans	- \$15,470.29
		Pittsburgh	- \$N/A values not listed
		Portsmouth, OH-	\$1,488.10
		* to be shipped via the Ohio and Erie Canals	
1838	-	New Orleans	- \$125,898.13
		Pittsburgh	- \$24,308.00
1839	-	Records not available	
1840	-	Records not available	
1841	-	\$272,293.02 – no routes listed	

²⁵ Roll 7, Book “Y”, “Ledger, Invoices Outward, Pierre Chouteau, Jr., and Company, February 1834-October 1839”, pp. 79-372. Roll 9, Book “EE”, “Journal, American Fur Company, August 1841-March 1852”, pp. 39-71.