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A historical study of the role of the industrialist in the tobacco, flour and textile industries of Virginia 1860-1890

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A HISTORICAL STUDY OF THE ROLE OF THE INDUSTRIALIST IN THE
TOBACCO, FLOUR AND TEXTILE INDUSTRIES
OF VIRGINIA 1860-1890

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PREFACE

The primary objective of this study is to ascertain what part, if any, the prominent industrialists of Virginia, in the postwar-pre-twentieth century period, played in the economic rejuvenation of a state that was ravaged for four years by invaders and defenders alike. Cognizant of the fact that Virginia industry after 1865 was attaining a degree of diversification, nonetheless, this study will be limited to three primary industries, namely tobacco, flour and textiles. Even though these three industries, with the possible exception of textiles, were found in most towns and cities throughout the state, only four cities have been selected for study, that is to say Richmond, Petersburg, Danville and Lynchburg. It was in these four that the greatest concentration of tobacco, flour and cotton manufacturing plants were found, during the last half of the nineteenth century. No slight was intended for Norfolk and Newport News, for even though they acted as major export centers during the four decades under discussion, their business was more commercial than manufacturing.

Since economic development in any form depends in part on transportation, and in part on financial stability, these two factors, briefly, were embraced within this study. As it happened, Virginia, during the last half of the century, was the scene of legal and political battles involving finance in the form of the "debt controversy," and transportation in the form of postwar railroad development and consolidation.
Fears, real or imagined, kept Virginia's economy unsettled for over forty years and hindered the flow of European and northern capital which was so desperately needed for economic rehabilitation. Despite the shortage of ready capital and the handicap of a transient financial status, industry in Virginia progressed admirably during the last four decades, with the exception of the years centering around the Panics of 1873 and 1893. An explanation for this can perhaps be found by an examination of the men who dominated Virginia industry during these troubled and uncertain times.

There was in fact, in Virginia during these years, a quiet element of business and professional men who, whether approving or disapproving of the state's political situation and leaders, kept up activity and later stood forth when a liberal industrial and commercial program became the order of the day. They became the backbone of economic recovery when, through their efforts, they refused to allow Virginia to stagnate to a point where the Commonwealth would fall irrevocably behind other rapidly industrializing sections of the nation. Not only did they help the state to utilize its dormant potential, they also prevented it from retaining a strictly agricultural economy. These were the men who found time to serve on the boards of local businesses, sponsor charities or aid the fledgling community projects. Their tangible contributions can be seen or measured, but what about the intangible gifts that they bestowed?
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CHAPTER I
MANUFACTURING IN VIRGINIA 1860-1890

In March, 1891, the Richmond Dispatch predicted that "When the future historian comes to write the history of the State since the war he will refer to the ten years just drawing to a close as the period of Virginia's transformation." Census returns and other evidence support the Dispatch's statement, but they also show that any economic advancement of the eighth decade rested in part on the industrial foundations established in the late 1860's and the 1870's. Not only were the foundations laid for greater progress in the future, but that progress had already begun, as old towns took on new life, and new towns appeared.

Although primarily an agricultural state, Virginia in 1860 had attained a ranking of ninth among the other states on the basis of the value of its manufactured products. In 1868 it ranked twenty-first, and by 1899 only a notch higher. In 1860 Virginia had only 3,325 manufacturing establishments, in 1880, 5,710, but in 1890 just 5,915. From a capital investment of $13,432,155 in 1860 it increased to $26,868,990 in 1880, and to $92,299,589 by 1890. The number of hands employed stood at 19,740 before the war, at 34,943 in 1880 and at 46,323 by the last

1. Richmond Daily Dispatch, March 25, 1891.
decade. Annual wages which were $4,137,718 in 1860, almost doubled to $7,425,261 in 1880, and did double by 1890 to $15,615,804. The value of the final product increased steadily from $25,618,198 in 1860, to $51,780,99 in 1880, to $88,032,686 in 1890.

As of 1900, among Virginia's ten leading industries, tobacco ranked first, flour milling second, and cotton milling ninth, at least according to the value of their products. Moreover, the largest and most productive factories involving tobacco, flour, and cotton were concentrated in the four cities of Richmond, Petersburg, Danville and Lynchburg.

The growth and manufacture of tobacco had since the ante-bellum days been the leading industry in Virginia. In 1859, Virginia and North Carolina combined, produced sixty-one per cent of the smoking and chewing tobacco in the United States. Ten years later, despite the devastation rendered by the war, the two states still produced thirty-one per cent of the smoking and chewing tobacco, a figure which increased to forty-one per cent as of 1870. In 1870 Virginia had a tobacco crop of almost 43,800,000 pounds valued at $3,194,553, which within a decade had almost doubled to 78,421,860 pounds valued at $6,273,749. Twenty years later, Virginia claimed 296 tobacco establishments, capitalized at $10,536,498, and employing a labor force of 13,658 on annual wages of $2,749,467. The
final product that year was valued at $22,020,298. Over the next ten years, on the heels of the Panic of 1893 and the creation of the American Tobacco Trust, there was a general but slight decrease, as the number of establishments declined to 212, the capital to $8,936,213, the hands employed to 11,815, the annual wages to $2,122,360, and the value of the final product to $21,278,266. The decline in the number of establishments as a rule occurred in the small towns because the factories there were unable to compete with the urban factories which advertised extensively, offered better wages, received the choicest tobaccos and occasionally special railroad rates.

As for flour milling in Virginia, as late as 1870 the value of her mill products exceeded that of the mills of Minnesota. Although the Minnesota mills output and product value eventually surpassed those of the Commonwealth, nonetheless Virginia's flour and grist mill products continued to increase until the end of the century. In 1880 there were 1,385 flour and grist mills throughout the state, capitalized at $5,791,137, and employing 2,205 hands on annual wages of $409,639. Six million bushels of wheat were ground into a final product valued at $6,866,313. The value of all grain products amounted to $12,210,272.

Twenty years later the state of Virginia had 1,726 flour and grist mills scattered across it which consumed over nine million bushels of wheat and made the industry second only to that of tobacco in the state.

In 1900 the ninth ranking state industry was that of cotton milling, which had seen its capital quadruple since 1880. Prior to 1860 cotton milling in Virginia was done for the most part on an individual basis, rather than in any corporate form. Investment sprang from and ended with individual initiative. Richmond and Petersburg, alone, contained eight cotton mills in 1860 with a capital of $1,090,000; 1,071 hands; 26,200 spindles and a final product valued at $780,200. After the war, however, there gradually emerged the joint stock form of milling, through which the manufacturer was able to embrace more widely the community resources. Cotton mill builders became a composite of:

Lawyers, bankers, farmers, merchants, teachers, preachers, doctors, public officials—any man who stood out among his neighbors, or whose economic position allowed him a little freedom of action. (He) was likely to be requisitioned into service.... Especially did merchants, with their credit relations with the North, become mill builders.17

In 1880 there were eight establishments with an aggregate capital of $1,190,100, which employed 1,112 hands to process 5,087,519 pounds of

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15. Original MS Returns, Census of 1860.
raw cotton into a final product valued at $1,060,962. The real factory life in Virginia began after 1880, so that the mills, located on streams in the Piedmont, chiefly at Danville and Petersburg, despite a decrease in number, had increased in size. At the turn of the century the number of spindles in the cotton mills had mushroomed to 126,827, the looms to 4,608 and the number of pounds of raw cotton used to 17,832,465.

Thus, by 1900 there had been in Virginia a general increase in overall manufacturing, to which tobacco, flour and cotton contributed more than their share. Noger noted that in twenty-three selected towns and cities, considered collectively, regardless of size:

(They had) eighteen percent of the population, sixty-seven percent of the capital invested in manufacturing, seventy-one percent of the wage earners, paid seventy-four percent of the wages, and turned out sixty-seven percent of the value of the products. In capital invested in manufacturing, Richmond, Newport News, Norfolk, Danville, Petersburg, and Roanoke held the first six places respectively, while in the value of products the order was the same with Newport News and Danville changing places.21

Yet, despite the seeming economic growth in Virginia prior to 1900, some felt that the state never ardently backed those interested in economic recuperation, as did the states to the South. Mitchell feels that the reason for this was the internal dissention and political wrangling being carried on in the state, caused primarily by the railroad and state debt issues. Not until Virginia set her house in order did she experience real

22. Mitchell, op. cit., p. 81m.
economic growth. This was not to be the case until after the end of the nineteenth century.
CHAPTER II

THE DEBT CONTROVERSY

For a full half century after the close of the Civil War, Virginia struggled to arrive at a final settlement of its prewar debt. The debt, which on January 1, 1861, amounted to $33,897,074 plus some $2,500,000 of bonds held by the funds of the state, had been incurred mainly for railroads, canals and turnpikes. Four years later the debt exceeded $1,000,000. In 1865, however, it was not the same prewar Virginia, at least physically. A third of her land area and a third of her population had been lost to the new state of West Virginia, while at least two-thirds of her revenue potentialities had been destroyed. State-owned assets which in 1861 had been worth about $35,000,000, were now worth only a fraction of that sum.

The first postwar legislature of Virginia met in December, 1865, and continued in office until the establishment of military rule in 1867. The most pressing questions, concerning the debt, which the legislators faced, were the actual amount of debt which the state was obligated to pay, the extent to which the state could meet its obligations, and the manner in which the state could fulfill its duty to her citizens and at

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the same time be just to her creditors. Representing the state's old and honorable regime, the legislators on March 2, 1866 assumed full responsibility for the prewar debt and provided for the funding of all accrued interest. Efforts were to be made to reunite with West Virginia, but if unsuccessful, the debt and interest were to be divided proportionately between the two states. After funding a large part of the interest, the debt, as of January 1, 1867, stood at $43,383,679.

Before the 1865-6 legislature adjourned it was obvious that West Virginia planned no action concerning the debt issue. This, plus poor crops, many private debts, and the "immense loss of property" suffered by Virginia during the war, led the legislature to declare that it was impossible to pay full interest on the public debt. Instead, two percent interest would be paid on January and July 1st 1867, that being the "interest which this state feels obliged to pay, until there is a settlement of accounts between this State and West Virginia." Since two percent was two-thirds of the interest due, the act "expressed the settled conviction of the people that Virginia ought equitably to pay two-thirds of the debt, and West Virginia ought to pay one-third of it." To quiet current fears, the legislature pointedly resolved that there would be no repudiation.

By January 1, 1870 the debt had mounted to $45,872,778, including nearly $5,000,000 of accrued interest. There was much uncertainty as to the future of the debt, and many native bondholders were selling their bonds to outsiders. The Commonwealth, in an effort to raise money, voted in June and July of 1870 to dispose of her railroad properties. Governor Walker called for the funding of the entire debt on a basis most favorable to the creditors, and the passage of credit strengthening laws. Carrying out Walker's demands, the legislature on March 30, 1871 passed the celebrated Funding Act, which inadvertently became a stumbling block in the road to debt adjustment. The act provided for the funding of the whole debt including accrued interest, with the exception of $1,618,375 of sterling bonds and certain other small debts. Bondholders were to receive new six per cent, 10-3/4 year bonds (known later as "consols"), to an amount equal to two-thirds of the principal and accrued interest of the old bonds. For the other third they were to receive coupons, i.e. interest bearing certificates, the payment of which was to be provided for "in accordance with such settlements as shall hereafter be made between the States of Virginia and West Virginia." Virginia promised to receive the coupons, at and after maturity, for all "taxes, debts, dues and demands

9. Pearson, op. cit., p. 13. By 1874 only $3,400,000 had been realised from railroad sales, but Governor Walker estimated that $2,600,000 immediately and $10,000,000 more remotely, were available. Ibid., p. 31n.
A sinking fund was created by pledging to it any proceeds from the sale of state-owned securities and revenue derived from a tax to be levied after 1879 of two cents per $100.

The passage of the act was followed by cries that the state had been sold out to the brokers and bondholders; that it favored the rich who were able to buy coupons below par and use them to pay their taxes while the poor could not; and finally, that it was no use denying that the "negroes had been bought." The act recognized as the fundable debt $47,090,867, and the estimated annual interest as $1,865,451, which would:

About equal the estimated revenue under the new tax law less the minimum appropriated by the constitution for public education, leaving nothing for government expenses, which the auditor estimated at over one million dollars.... Expenses could be reduced only by undoing the democratic features of the constitution just put into effect; but at best this would require years. Any considerable increase in revenue depended upon economic improvement, which could come only gradually, or upon the always slow process of...new methods of taxation.13

Consequently, Virginia almost immediately defaulted on interest payments on the new bonds. In the meantime, the exchange of old for new bonds proceeded rapidly, so that by December, 1871, over thirty million dollars worth of old bonds had been surrendered, and $21,610,691 in new bonds issued. After the state defaulted on the interest, the new legislature elected in 1871 began to seek methods by which it could stop the issue of

13. Ibid., p. 31.
bonds with tax receivable coupons. In March, 1872, the legislature passed an act over the governor's veto which prohibited state officers from issuing any more bonds bearing tax receivable coupons, or receiving the coupons already issued in payment of taxes. The State Supreme Court, however, ruled the new legislation unconstitutional as it violated the contract between the State and the bondholder. As the coupon-debt issue raged on, the legislature on several occasions passed acts to hinder or discriminate against the tax-receivable coupons. Nevertheless, the State, between 1873 and 1878, received $5,404,789 of coupons as payment of taxes. "They were redeemed, however, at the expense of other demands upon the State; as the revenue was not sufficient for all, the deficiency fell principally upon the provision for public free schools."

When Governor Kemper took office in 1874, the state and the nation had just passed through the Panic of 1873, which in Virginia's case was just shy of disastrous. In the Commonwealth:

the large surplus which had existed at the beginning of Governor Walker's administration was gone. Nearly a million dollars in authorized cash payments and a half a million in tax-receivable coupons were outstanding, the current year would show a deficit of almost another million, the bulk of the state's assets had been bargained away, and general economic conditions demanded a decrease, rather than an increase, in taxes.19

One of Kemper's first acts was to deny ex-Governor Walker's statement that

Virginia's financial shape was healthy enough to bear the large interest payment established by the Funding Act of 1871. Declaring the state "prostrate," Governor Kemper asserted that "public opinion had been misled, partly by erroneous representations of our condition abroad, and partly by miscalculations and errors of the authorities of Virginia in the past." Moreover, the action of the 1871 legislature was taken "without calculation of the diminished resources of the State, and without needful inquiry into the question of her ability to bear, at this time, the great burden thus assumed."

By 1875 the Commonwealth was "at a lower ebb economically than in the hopeful year just after peace had been made in 1865." Out of this economic chaos of the middle seventies rose the Readjuster movement and party. It numbered among its ranks the dissatisfied, among whom were many from the southwestern part of the state, the Negroes and most of the poor whites. They opposed the funding of the debt's interest which had accrued during the war, instead they sought adjustment of the principal of the debt. Opposed to them were the "Debt Payers" or "Funders" who came mostly from the middle and upper classes, and who felt that "it would be better to burn the schoolhouses than to permit the state to default in interest payment on the debt." Led by William Mahone, the Readjusters

22. Ratchford, op. cit., p. 204.
by 1879 had assumed control of the state legislature, and in 1881 their candidate, William E. Cameron, was elected governor.

In March 1879, two years before Cameron took office, Governor Holliday requested that the legislature meet in an extra session, that the debt question, "that angry controversy may end, and peace and quiet bring that prosperity which will surely follow and which the people of Virginia long for so earnestly." Its response was the McCulloch bill of March 1879, which provided for the funding of the debt into new 10-40 year bonds bearing three per cent for ten years, four per cent for twenty years and five per cent thereafter. The bonds were to bear tax-receivable coupons and to be exempt from all taxation in Virginia. Accompanying the new bonds were certificates representing West Virginia's share of the debt, the acceptance of which completely and finally released Virginia from liability thereafter. Although the principal was not reduced, the state's burden of interest was lightened to $1,249,083 annually. Pearson feels that the act:

represented the triumph of that moderate move for readjustment which had manifested itself in 1871 and 1874. It discarded on the one hand the ideas of 'state sovereignty,' 'will of the people,' and antagonism to 'money rings'; on the other, it recognized the actual fiscal situation and the existence of new popular necessities. 27

In February 1879, however, the Readjuster convention was called

for the express purpose of denouncing the McCulloch bill. The convention declared the bill an "attempt at deception and fraud, declared for no higher taxes, and favored public education and charities, partial repudiation, no exemptions or special privileges, and a popular referendum." In 1880 the Readjuster dominated legislature, attempted to push through the heart of their "forcible readjustment" in the form of the "Riddleberger Bill," but the "fundor-governor" Holliday, vetoed it. Two years later it was remodeled and was signed into law by Governor Cameron. Under the provisions of the act, one-third of the principal and accrued interest as of July 1, 1863 was set aside for West Virginia. By deducting from the remaining principal all sums paid through the sinking funds since July 1863, the debt amounted to $16,843,034. The interest accruing since July 1863 of $25,713,268 was reduced to $1,192,333. Thus, the total debt in July 1882 was declared to be $21,035,377, upon which new 18-50 year bonds bearing three per cent interest payable in lawful money, were offered in exchange for the various classes of outstanding indebtedness. The bonds to be issued became known as "Riddlebergers."

Supplementing the 1882 act were two others known as "Coupon-Killers. These forbade tax collectors, under pain of heavy penalties, to receive coupons except for verification before a jury of the county, and except when accompanied by the amount of the taxes in cash. Upon the establish-

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29. Ibid., 112-3; Ratchford, op. cit., p. 207.
ment of their genuineness the cash would be returned. Thus, the Read-
justers hoped that the difficulty and the cost of proving the genuine-
ness of the coupons, would prevent a deluge upon the treasury and tend to
encourage conversion of consols and ten-forties into Riddlebergers.

In sum the Readjuster philosophy was:

That if a political party should take possession of the State in
all of its departments—legislative, judicial, and executive—and
fill every office in the State with a person determined to destroy
the coupon as a tax-paying instrument, its value as such would
disappear even though it had behind it the guarantee of the Constitu-
tion of the United States....

They relied on the judges with whom they had filled the corporation
and county courts to make the suit to recover money a farce, and the
complexion of the judiciary which they had established in Virginia
gave every encouragement to the hope that they entertained. 32

In March 1883, the United States Supreme Court upheld the first
"Coupon-Killer" act and by implication the Readjuster debt settlement.
Even though the Conservatives, most of whom were Funders, swept Kan-
home from power in 1883, the next Virginia legislature "accepted the remodel
called upon the creditors to fund their bonds and to cease the con-
troversy." Unfortunately, this only provoked seven years of litigation
in the Federal and State courts, between the bondholders and taxpayers on
one side, and the state on the other. Finally, in 1890, the Supreme

32. Royal, op. cit., pp. 29-30, 60.
34. Ibid.
Court in exasperation declared:

It is certainly to be wished that some arrangement may be adopted which will be satisfactory to all parties concerned and relieve the courts as well as the Commonwealth of Virginia...from all further 35 exhibition of a controversy that has become a vexation and a regret.

In the same year a commission was appointed and by February 1892 the "Olcutt Settlement" had been agreed upon. The principal of the debt was increased by three and a half million dollars to $25,081,242 over the debt set by the act of 1882, but the interest rate was lowered appreciably. New bonds of $19,000,000 in lieu of the twenty-five million dollars not funded under the Riddleberger Act, were issued to mature one hundred years from July 1, 1891, and bear interest of two per cent for the first 36 ten years and three per cent for the final ninety. Not until after 1900, however, was accord reached with West Virginia over her share of the debt. Nevertheless, a frustrating financial problem had been resolved by 1892, a problem that undoubtedly acted as a deterrent to the growth of manufacturing and other forms of business in Virginia during those thirty odd years.

35. Royal, op. cit., p. 110.
CHAPTER III

VIRGINIA RAILROADS 1860-1890

Since the development of the tobacco, flour and cotton industries depended a great deal on the transportation available, the restoration of Virginia's railroads after 1865 became an essential item to the state. Unfortunately, the restoration of the railroads, like the debt controversy, became involved in political wrangling and maneuvering, mainly because of the state's financial interest in them. Fortunately, at least for the development of manufacturing, the railroad issue did not have to wait until 1890 to reach a settlement. The needs of commerce demanded that the state abandon its old policy of partial ownership in the roads in favor of private ownership and consolidated management. The threat to Virginia industry after railroad consolidation, however, was the possibility that a foreign influence, hostile to the Commonwealth's industries, would dominate the particular railroads in question. Although northern businessmen did come to dominate the state's railroads after 1885, few, with the exception of those from Norfolk, would admit that there was any outrageous discrimination against Virginia industry. Nonetheless, in the 1870's and 1880's the fear was real.

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In 1850 the railroad mileage in Virginia was five hundred fifteen. Over the next decade, as industrialists throughout the state demanded cheaper and more rapid transportation, the rail lines expanded by 1,256 miles to a total of 1,771 by 1860. As the mileage trebled in Virginia, the capital invested increased sevenfold, the result of the state's liberal policy of subscribing three-fifths of the road's stock after the first two-fifths had been purchased. This liberal policy also helped to boost the size of the state debt prior to the Civil War.

Before 1860, Virginia was in the midst of a great railroad chartering boom, although a great many were unable to complete construction before the conflict ensued. Most of her newly built railroads ran parallel to the mountains toward the southwest and the tobacco country, the longest being the Virginia and Tennessee Railroad, completed by 1857 and connecting Lynchburg with Bristol. Almost as important was the parallel line to the east, the Richmond and Danville Railroad, which connected two important trade and manufacturing centers by 1856. During the 1830's Richmond and Petersburg were linked by the Richmond and Petersburg Railroad, while the connection was pushed on in the 1840's from Petersburg to Lynchburg by the Southside Railroad. Petersburg also had another outlet,

7. Acts, March 5, 1846.
the Petersburg to Weldon, North Carolina road, a sixty-one mile line run by the Petersburg Railroad Company. Connecting Petersburg to the ocean was the eighty-one mile Norfolk and Petersburg Railroad. The Seaboard and Roanoke Railroad did the same for Roanoke, giving it an outlet at Portsmouth. Since Richmond, after 1850, was the state's most important manufacturing center, it too had railroads radiating out from it. Besides those named above, there were the Richmond, Fredericksburg and Potomac to Acquia Creek, the Louisa Railroad (later the Virginia Central) to Covington, and the Richmond and West Point Railroad to West Point, Virginia.

With the exception of the lines in and around Lynchburg, all other Virginia railroads were hard hit by the Civil War. When the war was over, the state's great system of public works was an utter ruin. The Norfolk and Petersburg Railroad had hardly a sleeper or a rail remaining on its roadbed in the summer of 1865. The connecting line to the west, the Southside, although not damaged extensively, had lost several bridges and much rolling stock. The Virginia and Tennessee Railroad, particularly in the late stages of the war, was the scene of numerous raids and was in operation only half the time. South of Richmond both the Petersburg and the Richmond and Petersburg Railroads had suffered damage estimated by the

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companies at $254,000. "Western Virginia, for the development of which many of these railroads had been built so largely, and to which the worn-out eastern counties had looked for a lightening of taxes, was now gone...."

Rail service was naturally poor and freight and passenger rates often high. Rapid transportation on re-straightened rails was practically non-existent. Whitelaw Reid, on a trip from Lynchburg to Bristol, wrote of a passenger who complained of the lack of speed, until he saw that occasionally stones had been placed between gaps in the crooked rails. Though:

bit by bit, the railroads patched up their worn-out rails and rolling stock, rebuilt burned bridges and depots, and opened for business, yet it was all too obvious that they must have time and a great deal of money before they either paid dividends or met the needs of the people. 19

In September 1865, Governor Pierpont set out to restore fully the Virginia railroads by publicly inviting northern men and money to help the Commonwealth. Until Virginia became Military District No. 1, aid from the North was available, but after that it slowed to a trickle. Later the Reconstruction Constitution added another obstacle to recovery when it ruled that the state henceforth would not be able to lend its credit or appropriate money to any internal improvement company because of the large outstanding state debt. Left to their own resources, the railroads in Virginia by 1870 had increased the total mileage only by

17. Pearson, loc. cit.
ninety-nine over that existant in 1860. Hamstrung by the legislation of the Reconstruction legislature, the state did the best it could in aiding indirectly the railroads:

Agreeing where it was necessary, in order to confer an efficient borrowing credit on the companies, that they might execute a first mortgage on their franchises and property to raise money, the state relinquishing all prior claims she might have held as stockholder or creditor, and accepting a deferred stock or a second and subordinate lien for the millions of money she and her citizens had invested in these works...²²

By the acts of June and July, 1870, and March 1871, the state went one step further and completely, excepting one road, divested itself of its railroad stock, which was offered for sale. In essence these acts were to raise money to offset the huge state debt, but in fact little was realized from the sales, other than huge losses. In March 1876, the Board of Public Works sold to the Chesapeake and Ohio Railroad the Blue Ridge Line in which the state had invested $1,694,870. The price was only $625,348 and the state suffered a loss of $1,069,522. By the same act the Chesapeake and Ohio was given outright the $3,206,461 Covington and Ohio Railroad, which at that time had not been completed.

Despite the state’s generosity, Virginia railroads in the 1870’s went through a period marked by default, receivership, foreclosure and reorganization, particularly after the Panic of 1873 removed existing

²¹ Poor, Railroad Manual, 1877-78, p. ix.
²² Imboden, op. cit., p. 23.
²³ Acts, June and July 1870, March 28, 1871; Stover, op. cit., pp. 67-68.
²⁴ Acts, March 1, 1876; Imboden, op. cit., pp. 76-7.
capital from the reach of the railroads. The decade of the 1880's, however, saw railroading in the state proceed at a rapid pace, with consolidation and merger as the twin themes. In 1880 Virginia's railroad mileage was 1,893, but over the next ten years it increased seventy-eight per cent to 3,368 miles, ranking third behind Georgia and Alabama in rate of growth. During the 1880's, throughout the state, it became apparent that the processes of consolidation and merger were creating several trunk lines that, then and in the future, would be beneficial to manufacturing, as they connected the more important centers with one another and with terminals on the Atlantic Ocean. Of these, the most important, perhaps, were the Chesapeake and Ohio, the Norfolk and Western, and the Richmond and Danville Railroads.

Three years after Appomattox, Virginia and West Virginia jointly chartered the Chesapeake and Ohio Railroad with an authorized capital stock of $30,000,000. The Chesapeake and Ohio was a consolidation of the Virginia Central Railroad and the Covington and Ohio, the latter having been chartered before the war but not completed. Henry Wickham, president of the C. & O, realizing that he had inadequate financial backing to complete the projected line to the Ohio River, sought aid first in Europe and then in New York City. In 1869 he found aid in the person of

27. Imboden, op. cit., p. 46.
Collis P. Huntington, and the banking firm of Fish and Hatch. In November 1869 the company was reorganized, with Huntington the newly elected president, and four others each subscribing $100,000 toward the six per cent mortgage bonds issued by the Chesapeake and Ohio Railroad.

Four years later on January 29, 1873 the last spike of the Covington to Ohio River line was driven, giving the Chesapeake and Ohio Railroad an unbroken line from Richmond to the Ohio River. Construction costs however, had been high, and a year after completion the debt of the C.& O. was $31,199,777. By 1878 it had increased to $35,132,500 and the company was placed in the hands of a receiver. On April 2, 1878 the C.& O. was sold to the Committee of Purchase and Reorganization for $2,700,000. With Huntington a Committee member the company was reorganized under the new name of the Chesapeake and Ohio Railway Company. In 1879 the new company was given permission to extend its rails down the peninsula to Newport News, which prompted Huntington to write that:

the C.& O. railroad will have its trunk andÍ reaping upon perhaps the finest harbor in the world, its main stem extending by easy grades through the rich iron and coal fields of the two Virginias, and its western extension penetrating the fertile Ohio and Mississippi Valleys, affording the boat line over which to transport their product out to sea on their way to coastwise and European markets.

By August 1882 the first ships were being loaded at Newport News, and by December 105,573 tons of coal had been shipped there over the C.& O.

30. Evans, ibid., p. 550.
lines. In 1882 a 2,500,000 grain elevator with a capacity of 1,500,000 bushels was completed. In 1883 the C.& O. hauled 220,188 tons of coal to its deep water terminal, while two years later the tonnage increased to 640,823. Also in 1885 the railroad hauled to Newport News 127,693 tons of coke, 15,251 of cotton, 29,499 of flour, 22,488 of leaf tobacco and 2,685 of manufactured tobacco.

Even with his Newport News outlet, Huntington was experiencing financial trouble because business had been retarded by the lack of a suitable western connection, and the heavy charges for through business. One contemporary of Huntington suggested that the railroads in Virginia drop temporarily the rates because:

> It would invite immigration and capital to the state, and thus promote the general prosperity, including their own.... A reduction of one half in present rates would probably quadruple the local travel, and that would increase other traffic.33

Apparently the advice went unheeded because in October 1887 the Chesapeake and Ohio was once again in the receiver’s hands. Although the road escaped a foreclosure sale and Huntington remained as a director, he was removed as its president. Two years later the Chesapeake and Ohio obtained the Richmond and Alleghany Railroad and later the same year the direct connection with the West which Huntington had longed for. In 1893

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33. Ibid., p. 72.
Huntington sold his interest in the Chesapeake and Ohio to the Illinois Central Railroad for $5,000,000 and turned his time and energies to the building of Newport News and its shipping facilities.

Local interest in rebuilding of Virginia railroads was led by ex-General William Mahone, who after the war returned to the presidency of his Norfolk and Petersburg Railroad. By buying up stock, Mahone in 1867, was also president of the Southside and the Virginia and Tennessee Railroads. In 1867 and later again in 1870 the state aided Mahone by approving the consolidation of his three railroads into the Atlantic, Mississippi and Ohio Railroad. The state also transferred its stock to the Atlantic, Mississippi and Ohio for $4,000,000, secured by a second mortgage on the whole property. Not only did Mahone benefit from the state's actions, but also the port of Norfolk.

The linking of Norfolk with the cotton states would have proved of little benefit had it not been for the consolidation of the Norfolk to Bristol line.... The new system intercepted traffic to Richmond from Lynchburg, the Valley, and West Virginia. The lumber, wheat and tobacco of southern Virginia and the cotton of the Far South poured into Norfolk in an increasing volume.38

Shortly after 1870, Mahone decided to refinance much of the A. M. & O's debt by issuing new first mortgage bonds to the amount of $15,000,000. Of this amount English financiers bought $6,000,000, but by 1874 the road was in trouble, reeling from the Panic of 1873 and a winter which

35. Evans, op. cit., p. 583.
reduced net earnings twenty-some per cent. By the end of the year the A. M. & O. had defaulted on the bond interest, but Mahone managed to placate the bondholders through 1875. In March 1876, however, the road was in the hands of receivers. In defense of Mahone, Blake says that:

There is little question but that the A. M. & O. Railroad could have survived the period of depression following the Panic of 1873 had Mahone been able to retain the support of the English bondholders. In the midst of financial difficulty, however, he was abandoned by the English agent of the company who in turn alienated the confidence of the consolidated bondholders.40

On May 8, 1880 a decree of foreclosure and sale was granted and a bid by Mahone to form a new company thwarted. "Norfolk waited anxiously" to see if the A. M. & O. would go to northern interests, but instead in February 1881 it was sold to Clarence Clark for $8,605,000 subject to liens and claims which brought the total cost to approximately $15,500,000. The purchasers reorganized the railroad company and renamed it the Norfolk and Western Railroad.

Throughout the 1880's the Norfolk and Western remained one of the better managed Virginia roads, expanding its mileage from 428 to 1,099, and paying dividends during the late eighties. Later in the middle nineties, due to overexpansion, the company was placed in receivership, but by 1896 had successfully reorganized as the Norfolk and Western Railway Company.

40. Blake, op. cit., p. 132.
42. Poor, Railroad Manual, 1891-2, pp. 806-8; 1893, p. 859; 1900, p. 366.
One of the largest, most fascinating and most complicated of Virginia railroads was the Richmond and Danville, which originally was only a hundred and forty mile connection between the two cities. Opened in 1856, the Richmond and Danville Railroad, during the war, served as one of the major arteries of the Confederacy, and afterwards became one of the major lines of the upper South. In 1870 when the state authorized the sale of its railroad stock, owners in the Richmond and Danville made plans to buy up the 24,000 shares held by the state in the road. A year later, and in a move which many called underhanded, the Richmond and Danville, allowed Tom Scott, acting trustee of the Pennsylvania Railroad, to buy up the 24,000 shares. Despite the Panic of 1873, the Richmond and Danville, through their wartime extension to Greensboro, North Carolina, expanded rapidly in the Tarheel state, so that by 1880 it owned or controlled the major lines there. Moreover, it had extended its control to Atlanta, Georgia, thus giving the parent company, the Pennsylvania Railroad, a line from Pennsylvania to Georgia. In 1880, however, the Pennsylvania Company, with an eye on diminishing profits, decided to sell its southern roads, and in the spring the 24,000 shares went to the P. Clyde syndicate for $1,200,000. As it turned out the Clyde syndicate was not satisfied with the Richmond and Danville road, alone, and in March, 1890, persuaded the

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43. Inboden, op. cit., pp. 36-7; Poor, Railroad Manual, 1877-78, pp. 351-6.
46. Ibid., p. 365.
state legislature to incorporate the Richmond and West Point Terminal Railway and Warehouse Company, which as a holding company was authorized to purchase stocks and bonds of railroad companies throughout the South. The original capital stock of the Terminal Railway was $3,000,000, but later it was increased to $15,000,000, seven and a half million of which was held by the Richmond and Danville Railroad. The real purpose of the Terminal Railway was to acquire roads not directly connected with the Richmond and Danville Railroad, since the latter's charter debarred it from owning stock in any but connecting lines. Under William P. Clyde, the dominant force from 1880 to 1885, the Richmond and Danville by 1882 had expanded to 527 miles and the Terminal Railway to 1248. Three years later the two roads were composed of 2669 miles, a system stretching from northern Virginia to Alabama.

In 1885 the Richmond and Danville received permission to hold stock in non-connecting railroads. Quietly, it sought to buy up the stock of the Terminal Railway, but in November 1886, found that the tables had been turned, and that the Terminal Railway in fact held the controlling interest. Between 1886 and 1890 the two roads trebled in size to over 8,000 miles, but following 1890 they met with disaster.

In the decade that followed, upon the sensational disclosures of poor management of the past, receivership overtook the jerry-built

48. Poor, ibid.
corporate structure. The outcome of the resulting reorganization managed by J. P. Morgan was the creation of the Southern Railway, a six-thousand-mile system (in 1900) completely dominated by bankers in the North. 51

Undeniably, railroad expansion in Virginia after the war, a movement vital to state industry, was accomplished through the sacrifices of the Commonwealth's people. Capital contributed to the roads, until northern businessmen entered the picture, came from the local citizens, with the large industrialist usually leading the way. "In the almost total lack of quick capital...after the war, the good name of private firms, of merchants and of private bankers was a necessary asset." 52

At any rate, years before 1900, the state's economic isolation from the North, West and deep South, was shattered by the railroad boom.

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EMERGENCE OF THE RICHMOND MANUFACTURER 1865-1890

I. THE TOBACCO INDUSTRY

"On the eve of the Civil War Richmond was clearly the tobacco manufacturing center of the nation, if not the world. No city, north, south, or west, equalled Richmond in the value of its product." In 1850 the Census listed thirty-one factories in the city with a capital investment of $369,471, employing 2,044 hands, and making an annual product valued at $2,491,721. During the next ten years expansion in Richmond's tobacco industry continued at a rapid pace. A local survey in 1858 revealed that there were fifty-three chewing tobacco factories employing 4,052 hands and using machinery valued at $515,000. Their assessed real estate amounted to $636,000 and their product sold for $6,228,496. Two years later the Census gave a more conservative report of fifty-two factories, invested at $1,121,025, employing 3,404 operatives, using 28,555,294 pounds of leaf, and producing goods valued at $1,830,995.

The Richmond of 1865 little resembled that of 1860. Few suffered so much from war as did its citizens. "At the evacuation the greater portion of its business quarter was laid in ashes; its principal manu-

2. Original HS Returns, Census of 1850.
facturing plants, its largest warehouses, and its chief wholesale stores were all consumed. But the dark cloud of ruin and despair soon began to lift, and...Richmond (became) one of the most prosperous centers of its size in the United States. This was due primarily to the growth of its manufacturing interests.... Richmond's new prosperity was based on an extensive commercial trade and a varied manufacturing activity, made possible by a system of railroads which connected it with the South and West. By the end of the century Richmond's commercial trade amounted to $36,000,000.

At the center of commerce and manufacturing, was tobacco, the city's most important industry. In 1870 the city contained thirty-eight tobacco factories, capitalized at $500,500 and employing annually 3,970 hands on wages of $688,820. Materials costing $2,384,787 were bringing a final product valued at $3,984,918. Seven years later the city listed seventy-nine factories employing 5,868 hands. The following year 39,687 hogsheads and 6,325,190 pounds of loose tobacco were sold in the Richmond markets. At the beginning of the eighth decade, with the Panic of 1873 behind, Richmond listed sixty-five factories, 6,070 hands, and annual wages of $972,427. The capital investment stood at $1,523,230 and the final product was valued at $6,824,606. Five years later the city's

5. Bruce, op. cit., p. 235.
tobacco business was booming, thanks in part to the emphasis placed on the rising cigarette business. In 1885 there were fifty-four cigar and cigarette factories, employing 1,280 hands, capitalized at $229,000 and producing a product valued at $985,990. In addition there were thirty-seven chewing and smoking tobacco factories working with a capital of $1,788,500, utilizing 4,941 laborers, and converting 20,090,922 pounds of leaf into chewing and smoking tobacco worth $7,149,000. Finally, there were twenty-six stemmeries and reprizers, capitalized at $690,000, employing 1,090 hands and converting 23,943,799 pounds of raw material into a product valued at $1,200,000. In 1889 Richmond was ranked first in the state with twenty chewing tobacco factories producing a product valued at $15,940,412, and a year later it was ranked third in the country as a center for making plug tobacco. In 1891 the city listed the total number of tobacco establishments at one hundred-twenty, representing 8,820 hands, $5,058,000 of capital invested and $12,535,000 of gross annual product.

Not only did the individual manufacturers benefit from Richmond's explosive tobacco industry, but the city as well, as much of the wealth created by the industry was made available for real estate development and further industrial expansion.

II. THE TOBACCO MANUFACTURER

One of Richmond's oldest tobacco manufacturers was Robert A. Mayo who established his factory in the city in 1830. Robert Mayo for many years contracted with the Federal government to supply the navy with plug, and later was accredited with originating the distinctive name, "Navy Tobacco." With the navy as an outlet for his product, Mayo in 1850 produced 270,000 pounds of plug valued at $45,000. In 1855 the factory was moved to 25th and Cary Streets where it remained for another twenty years. In 1860 Robert Mayo turned the business over to his son, Peter, who had been born in 1836 at "Powhatan Seat," below Richmond and raised there. That year the company employed sixty-eight hands, an increase of eighteen over 1850, and utilized 500,000 pounds of leaf worth $25,000 in turning out 375,000 pounds of tobacco valued at $80,000. Six years later with the family fortune ruined, Peter started anew and soon amassed great wealth. In 1870 the firm, Peter H. Mayo & Co. listed its capital at twenty thousand dollars, employed 195 workers who drew annual wages of $45,000. The factory converted 1,250,000 pounds of leaf into stems and plug valued at $264,000.

In 1873 the firm moved to South Seventh Street, where seven years

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15. Original MS Returns, Census of 1850.
17. Original MS Returns, Census of 1860.
18. Original MS Returns, Census of 1870.
later Peter Mayo took as an associate his nephew, Thomas Atkinson, Jr. Specializing in chewing and smoking tobacco the firm increased its capital to $80,000, its labor to 350 hands, and the payroll remained at $43,000 annually. The $200,000 spent on raw leaf brought returns of $600,000 on brand names such as "Ivy," "Eglantine," "Mayo's Cut Plug," "Holly," and "Mayo's Genuine U.S. Navy." In 1882, the year before he purchased his large home at 110 West Franklin Street, Peter sent an elaborate display to the Mechanics Institute Fair in Boston. It was:

a garrisoned fort, fifty feet long and twelve feet high, mounted with heavy siege guns, rifle cannon, and stacks of shot and shell while surrounding it was a hostile fleet of line-of-battle ships, monitors etc., the whole of which were made of their own manufactured tobacco.20

At the time of the display, Mayo's firm covered 40,000 square feet, fronting two hundred feet on both Cary and 7th Streets, and within the five story building five hundred hands produced annually over a million pounds of tobacco. In 1891 the firm was incorporated, and following a fire in 1892, it was rebuilt to cover a third of a block with two leaf factories located across the street. Before Peter Mayo retired and sold his interest to the Continental Tobacco Company, the factory was capitalized at $250,000 and employed five hundred hands to produce over 400,000 pounds of the Mayo brands.

A local firm which gave nothing away to P. H. Mayo as far as size and wealth, was that of Alexander Cameron & Co., which itself was only a portion of a family tobacco empire with factories in Petersburg and Australia. The Petersburg factory, founded in 1856 by William Cameron, was the pioneer factory of the family. During the 1860's, Alexander came to Richmond and established his factory which specialized in plug and twist. Shortly, thereafter, the third brother, George, set up his branch, Cameron and Cameron, to specialize in cigarettes, cheroots and fine cut tobacco. In Richmond, Alexander was soon thought of as "one of the most enterprising, broad-minded and liberal" residents of the city. Married to the daughter of R. Barton Haxall, the well-known flour merchant, Alexander was accredited with a large part in the industrial restoration of the city in the nineteenth century.

In 1870 the firm of Alexander Cameron & Co., located on Cary Street, was capitalized at $40,000 and employed 350 hands at an annual wage which equalled the listed capital. The 1,200,000 pounds of leaf cost him $159,000, but the 200,000 pounds of manufactured tobacco brought a return of $230,000. Within a decade his capital had increased to $100,000, the number of operators to four hundred and wages to $62,400. The 150,000 pounds of leaf which were converted into such brands as "Venus,"

23. Morrison, op. cit., pp. 126-28; Richmond City Directories, 1870, 1874, 1880, 1886;
25. Original MS Returns, Census of 1870.
"Queen of the Seas," "Canary," and "Flower of All Nations," brought on the retail market $300,000. In 1890 the 44 by 160 foot factory located on Cary Street, the 44 by 140 foot warehouse on 24th Street, both five stories, were capable of producing 1,500,000 pounds of tobacco. In addition the Cameron and Cameron cigarette and cheroot factory, known for such brands as "Gold Metal," "Golden Gate," "Purity," "Cameron's Empire," and "Canuk," in 1880 showed a capital investment of $10,000, a labor force of one hundred and a payroll of four thousand dollars. Materials valued at $20,000 were transformed into a product worth $26,000.

Although little is known of James B. Pace's early life, the Census returns bear out the fact that he was one of the largest tobacconists in Richmond after 1870, and one of the most influential. In that year J. R. Pace & Co. was capitalized at $80,000, employed 220 hands drawing $55,000 annually, and made 1,650,000 pounds of leaf into 1,282,000 pounds of chewing tobacco and 36,000 pounds of smoking tobacco, with a total value of $490,000. A decade later the firm's capital had almost tripled to $200,000 while the labor had doubled to four hundred hands. Materials valued at $286,724 retailed for $332,177 on the market. On the local business scene Pace had been elected president of the Planters National Bank and in 1881 acted as one of the committeemen in charge of the

27. Morrison, loc. cit.
28. Original MS Returns, Census of 1880; Morrison, op. cit.
29. Original MS Returns, Census of 1870.
30. Original MS Returns, Census of 1880.
Richmond Centennial Exposition. In 1883 he served as vice-president of the Richmond Home For Ladies, which just that year had received its charter. In November 1886, he attended the dedication of the Park Place Church, which he had built as a memorial to the memory of his daughter, Mrs. Nannie P. Donnan, and his son, Thomas Neal Face. Before the turn of the century his wife was serving on the board of the Home for Incurables, while he became the fifth man on an arbitration board which persuaded striking Richmond street car operators to return to work. Before his death in 1920, he also served as treasurer of the City of Richmond. Truly a man with whom actions meant more than words.

In 1848 the soon to be known firm of Joseph G. Dill was established at 21st and Franklin. Joseph's father, Adolph, had come to Richmond at the beginning of the nineteenth century and established a bakery. Joseph, however, preferred the more lucrative tobacco business, and by 1860 his firm was capitalized at $40,000, employed seventy-five and produced 480,000 pounds of manufactured tobacco valued at $85,000. Dill's firm survived the war; and although the capital was the same in 1870, the number of hands had increased to 105, the raw leaf to over a million pounds worth $260,320, and the manufactured product to 707,000 pounds of "Dill's Best," plug and cut plug, valued at $218,000. From his forty-

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32. Scott, op. cit., p. 172.
33. Original MS Returns, Census of 1860.
34. Original MS Returns, Census of 1870.
eight acre farm in Henrico County, Dill watched his business prosper over the next decade until it was employing 190 hands at a yearly wage of $35,000. With the help of his partner and brother, Adolph, Joseph bought $135,000 worth of leaf and produced a final product from it valued at $280,000. As late as 1893 his factory covered a quarter of a square, employed 225 hands and had a daily capacity of 6000 pounds.

In 1870 Richmond's "big four" were Alexander Cameron, James E. Pace, J. C. Dill and P. H. Mayo, and although they continued to operate large factories until the 1900's, there appeared on the Richmond scene several newcomers which might be designated as the "big five." They were John Allen, Lewis Ginter, Dr. R. A. Patterson, James Thomas, Jr., and T. C. Williams.

John F. Allen, son of a tobacconist, was born about 1815 in Wexford, Ireland. In 1820 at the age of five he emigrated to Richmond, and there attended the public schools, some say as a classmate of Edgar Allen Poe. By 1860 Allen had established a modest tobacco business with a capital of $3,000. Forty hands were engaged in changing 250,000 pounds of leaf into 200,000 pounds of chewing and smoking tobacco valued at $40,000. Ten years later the business was even more modest, with the same capital, but only eleven hands, with an annual salary of $3,300, converting 100,000 pounds of leaf costing $20,000 into tobacco valued at $25,000. In 1874,

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35. Original MS Returns, Census of 1880.
38. Richmond Times-Dispatch August 21, 1890.
40. Original MS Returns, Census of 1870.
Allen had the great good fortune to join hands with Lewis Ginter, who had only recently returned to Richmond from New York City. Ginter persuaded Allen to attempt the manufacture of cigarettes some time around 1875, but success in the financial sense did not come until after Ginter had displayed their product at the 1876 Philadelphia Centennial Celebration. Then business leaped, and within a year Allen had 120 girls rolling between a million and a million and a half cigarettes a month. In 1880 the firm, then Allen and Ginter, had a capital of $25,000 and employed 350 operatives, 250 of which were women. Labor costs increased to $55,000 annually, materials to $70,000 and the product value mushroomed to $200,000. Because of the firm's sudden growth, Allen brought into the business as associates, John Pope and Thomas Jeffress, in 1880. By 1883 to the amazement of many, Allen and Ginter employed five hundred operatives, with all but a hundred women. These were girls from among the "most respectable" families of the city, and their earnings varied from $4.50 to $9.00 a week. To make $9.00 a week, one had to roll between 15,000 and 18,000 cigarettes. In addition, the Allen and Ginter girls were "morally pure" for they were employed only after a rigid examination as to character and habits. Ginter, eventually, even provided a library for the operatives.

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41. Richmond Times-Dispatch, November 6, 1949.
42. Original MS Returns, Census of 1880.
44. Tilley, op. cit., pp. 515-16, 520.
Although Allen retired from the firm in 1884 and sold his interest to Ginter for $65,000, the firm's growth went on unchecked. In 1887 it established a stemmery in Henderson, North Carolina, and when it was incorporated in 1888 it had 1000 skilled women and girls rolling 2,000,000 cigarettes a month. In 1890 Allen and Ginter became a subsidiary of the American Tobacco Company in which it held $7,500,000 in stock. In 1893 the company was employing 1200 operatives who drew better than $250,000 annually in wages. Six hundred thousand cigarettes and 250,000 pounds of tobacco were produced in factories and warehouses which covered in all five acres of floor space.

Allen, between retirement in 1884 and his death in 1890, devoted himself to the economic and cultural betterment of the city. He was an ardent music lover, a member of the Richmond Mozart Association, and the solitary painter of all of the scenery for Richmond's comic opera, "Pinafore." Richmond's adopted son possessed a reputation for "rare conversational ability, a retentive memory, a scintillating wit, and an engaging manner," and was widely known for his anecdotes about persons prominent in the social life of the city. He was gifted with the critical "perception of the true and the beautiful," and his death left to others the "recollections of a life of unostentatious benevolence."

45. Tilley, op. cit., p. 211; Richmond Times-Dispatch, November 6, 1949; Johnson, loc. cit.
47. Richmond Times-Dispatch, August 24, 1890.
As outstanding as John Allen was, he could never equal the ability and prominence of his partner, Lewis Ginter, who rose from poverty and obscurity to wealth and position in the multi-roles of merchant prince, financier and tobacconist. Lewis Ginter (Ginter later) was born in New York City, April 4, 1824, the fifth child of John Ginter and Eliza Somerindyke Ginter. Both of his parents died when he was a child, and Lewis lived with his sister, Mrs. Grace Arents, who was ten years his senior. His education in the public schools continued until he was twelve, and then he found a job in a store. During his youth he made several trips with his uncle, one of the places being Richmond. In 1842, at the age of eighteen, he moved to Richmond and opened on lower Main Street a toy shop. Business remained at a standstill until the socially prominent Mrs. Clopton had Ginter prepare a table of toys for exhibit at the local fair. His careful arrangements and meticulous merchandising attracted attention, so that before long notions were added to his stock and toys gradually replaced by household wares and trimmings. From Main Street, Ginter moved to a store opposite the St. Charles Hotel and on his window appeared "Lewis Ginter—Fine Linens." Following another move, this time to Eagle Square, Lewis in 1856 sold out to Thomas A. Buckley.

Ginter next ventured into the wholesale notion business on Pearl

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48. S. J. Moore, The Jefferson Hotel, A Southern Landmark, (Richmond: Virginia State Library, 1940), pp. 5-7; Sketch of Lewis Ginter by the Late Grace Arents, (Valentine Museum), p. 16.
49. Richmond Times-Dispatch, October 3, 1897.
Street, in which he included his roommate John F. Alvey. Within months cramped quarters forced them to move to 13th and Main and the firm became Ginter, Kent and Alvey, and Saxony woolens were added to the stock. When Kent retired, Ginter added his nephew, George Arents, and changed the firm to Ginter, Alvey and Arents. Soon the company was doing $40,000 annually, with Ginter traveling extensively throughout America and Europe, seeking the finest linens and woolens possible. "He was probably the first man in the South to raise the cause against the 'middle man' and always bought directly from the manufacturers." Possessor of an uncanny foresight, Ginter anticipated the Panic of 1857, and avoided financial ruin by purchasing extra horses and bill collectors to round up outstanding debts.

By the outbreak of the Civil War, Ginter had the largest dry goods house south of Philadelphia and personally was worth $200,000.

At the first signs of war the firm dissolved and Ginter enlisted in the Confederate Army under General Joseph Anderson. From a Quarter-master he rose to the rank of Commissary, and at the Battle of Manassas, he so distinguished himself, that he earned the epithet of the "Fighting Commissary." By the end of the conflict he had risen to the rank of major, a title which he bore the rest of his life. In 1865 he returned to Richmond only to find that his firm had been burned during the evacuation. Refusing to collect many outstanding debts, and unable to borrow the

50. Moore, op. cit., pp. 7-9; Richmond Times-Dispatch, October 3, 1897.
necessary funds for reopening the firm, Ginter retired to New York, where he joined the brokerage firm of Harrison, Goddin, and Colquitt, one of which had been in his employ before the war. By 1869 the firm was styled Ginter and Colquitt, and Lewis was on his way to recouping his prewar wealth, when the crash of 1869 left him penniless once again, this time at the age of forty-five. Returning to Richmond, with borrowed funds, he bought into John Allen's tobacco business, and in 1875 they put on the market the cigarette, "Richmond Gems." Soon the company had offices established in London, Paris, and Berlin to handle name brands such as "Napoleon," "Perfection," "Virginia Fats," "Dubec," and "Old Dominion." Much of Allen and Ginter's success was due to Ginter's merchandising ability, as he applied his dry goods experience to the cigarette business. One of his most effective ads was the one which claimed that "Richmond Straight Cut No. 1" was made especially for the use of the Turkish ruler.

In 1889 Allen and Ginter was the largest of the tobacco firms in Richmond, and one of the last to be included in the American Tobacco Company. However, when James B. Duke secured the exclusive rights to the Bonsack cigarette machine, Major Ginter felt compelled to join American Tobacco as a subsidiary. He was offered the first presidency of the company, but turned it down because of his age, and instead became one of its

51. Moore, op. cit., pp. 10-13; Tilley, op. cit., pp. 559-60; Richmond Times Dispatch, October 3, 1897.
52. Richmond Dispatch, January 4, 1896.
It was said of Major Ginter that "so great was his affection for Richmond, that his fortune estimated at twelve million dollars during his lifetime, had dwindled to only two million dollars at the time of his death, wholly because his generous heart and hands were always open to his fellow Richmonder." The Major, on more than one occasion, said that he had made his fortune in Richmond, and intended to spend it there. Even though he did not favor denominational schools and colleges, when the Union Theological Seminary wished to move to Richmond from Prince Edward County, Ginter donated $25,000 worth of his most valuable land to the school and had it deeded in fee simple. The Major became a charter member of the Dove Lodge of Masons, had interests in the Richmond Locomotive and Machine Works, and was an original member of the Richmond Grays organized in 1844. He donated the "Stonewall Cottage" to the Old Soldier's Home and other gifts aggregating to over $12,000. He was a director of the Virginia Trust Company, a member of the Board of the Mutual Assurance Society and the Virginia Hospital. As a firm believer in land development Ginter had interests in the Lakeside Park Company, the Bloomingdale Stock Farm, the Sherwood Park Company, the Virginia Dredging Company, the Brook Turnpike Company and the Powhatan Clay Manufacturing Company.

53. Moore, op. cit., p. 5.
54. Ibid., pp. 6-8.
55. Richmond Times-Dispatch, October 5, 1897.
Despite a demanding daily schedule, Ginter tried to lead a quiet and unassuming life. During his prime he was described as:

formal, but not severe, stately without pomp, dignified without severity, formidable in his self-reliance and reticence, individual, positive, scrupulous, and exact, but neither aggressive nor caustic. The personality of Major Ginter, although it impressed many...as exclusive and cold, was sincere, manly, gentle and even tender. He had strong convictions. He never flattered anybody and he never assumed a cordiality that he did not feel. It was almost inevitable, because of his prominence, that his $250,000 mansion at 901 West Franklin would become a social gathering place, particularly in the case of Alexander Cameron, Thomas Peyton and John Dunlop, who often dropped in for a game of draw poker. Ginter eventually escaped to the country when he bought in 1835 the Westbrook estate from John B. Young and built on it his magnificent mansion, "Westbrook." A model of neatness, devoted to art—his two homes held art treasures valued at a hundred thousand dollars—and music, and a linguist, Ginter, nevertheless, retained the unique habit of using the double negative in speech, a practice he refused to abandon, contending that "more emphasis was derived from it."

Two years before his death in 1897, the Major gave the city of Richmond a first class hotel, The Jefferson, in which he invested over a million dollars. When the end came, thousands lined the streets to pay tribute to one of, if not, the greatest benefactor of the city. "The child

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56. Richmond Times-Democrat, October 5, 1897.
58. Moore, Ibid., pp. 35-37.
of poor parents and humble hopes, he grew to be a potent factor in the
money market of the world, and to prop with his integrity and credit the
financial credit of great institutions."

A contemporary of Major Ginter was James Thomas, Jr., who was born
February 8, 1806 in King William County, but who was raised in Caroline
County. In 1827, at the age of twenty-one, he moved to Richmond where he
lived with his brother Archibald. In 1829 he traveled to Lynchburg to
purchase tobacco for a Richmond firm which was under contract to the local
agent of the French government. When the French government switched agents,
Thomas was thrown out of work, and to alleviate the financial strain, he
bought and sold flour. Out of an annual salary of $600, he saved half,
and with an additional $300, borrowed from his father, he entered the
tobacco business in 1830. With an eye to the value of the "Bright" to-
bacco and not fully satisfied with eastern markets, Thomas manufactured
his tobacco for the west coast. He was able to corner the California
market because his tobacco was "so carefully prepared that it could stand
without injury the voyage around South America and twice across the
tropics." Thomas then turned to the Australian markets where he also
met with success, mainly because he invoked a policy of personal risk,
on both ships and factories, in order to avoid the high insurance rates.

Thrice, however, in 1853, 1865 and 1872, he saw his uninsured factories

59. Richmond Dispatch, October 5, 1897.
60. Richmond Dispatch, October 10, 1882.
61. Memorial of James Thomas, Jr.; Addresses by John A. Broadus
and Officers of the College, on the Formal Opening of the Museum and Art
Hall, Richmond College, September 22, 1887, (Richmond, 1888), pp. 27-33.
In 1850 his tobacco factory, employing ninety hands, produced 62
600,000 pounds of chewing tobacco valued at $120,000; while a decade later
it utilized 150 hands who produced from 1,500,000 pounds of leaf, 1,100,000
63
pounds of chewing tobacco valued at $225,000. A shrewd tobacco man, Thomas
also had factories in Danville and Lynchburg, and a warehouse in Asheville,
64
North Carolina. When news of Fort Sumter reached Thomas, he hastily
prepared and sent all available manufactured tobacco abroad, and re-
quested his English agent, J. K. Gilliat, to return no receipt until after
the war. Then Thomas began laying in domestic supplies in quantities
sufficient to allow a large family to live comfortably for several years,
in case of an extended conflict. Friends ridiculed him, insinuating that
his well-known dyspepsia had impaired his sanity. Thomas unquestionably
had the last laugh, but despite all precautions, it was estimated that he
lost over a million dollars in the war. Yet, at fifty-nine, bolstered by
the return of his funds from Gilliat, he began to rebuild and to invest in
65
real estate. Soon he had two farms and a $20,000 home on East Grace
Street. To avoid the rigors which accompanied an active business routine,
Thomas associated with his firm the astute and able Richard Patterson and
66
Thomas C. Williams, who thereafter, for all practical purposes ran the firm.

62. Original MS Returns, Census of 1850.
63. Original MS Returns, Census of 1860.
64. Scott, op. cit., p. 268; Richmond Dispatch, October 10, 1882.
66. Scott, loc. cit.; Richmond Dispatch, October 10, 1882.
A friend described Thomas as being "...physically, intellectually, morally and spiritually, nothing less than majestic." As a dynamic and patriotic person, Thomas in 1867 became one of the signee's of Jefferson Davis' bailbond, and from this noble gesture sprang up a fantastically untrue story. Suffering from dyspepsia he had someone else write his name and then he made his mark. From this several northern newspapers deduced that Mr. Thomas was illiterate and said so in print. Nothing of course could be further from the truth. Thomas, a deeply religious man, was a staunch supporter of the First Baptist Church in which he had held a membership since 1827. His home, always open to visiting preachers, soon became known as the "Baptist Hotel." Moreover, he did not forget the Negro, and when a group of them needed funds to purchase the old First Baptist Church, Thomas led a drive which netted over $3,000. Being a staunch Baptist, Thomas showed great interest in the Baptist affiliated Richmond College, of which he was a trustee for forty years. In 1854 he purchased a lot and then contributed funds for building the Richmond Female Institute, of which he has been called the father. In 1861, he wisely, but unsuccessfully, opposed the conversion of Richmond College's stocks into Confederate bonds. Five years later he personally visited and coerced Richmond businessmen into contributing $75,000 to the college's endowment. In 1872 he urged an endowment of $300,000 instead of the pro-

67. Memorial to James Thomas, Jr., pp. 56-7.
68. Ibid., p. 44.
69. Ibid., pp. 27, 36-8.
70. Ibid., pp. 56-7, 58-9, 61.
posed $100,000, and before the Panic of 1873 struck, he had raised $150,000 of it. Before his death he was elected president of the College's Board of Trustees, and it was later estimated that his gifts to the institution hovered between fifty and sixty thousand dollars. Before his death in October 1882, a scholar described Mr. Thomas:

As a close thinker, a logical reasoner, and gifted with rare financial foresight. Preachers of national reputation have acknowledged indebtedness to him in the interpretation of difficult passages in the Scriptures, and eminent statesmen and financiers have consulted him profitably on questions of finance and political economy. If he had turned his attention to politics he would have rivalled a Morris or a Colbert.

When James Thomas, Jr. passed on at the age of seventy-six, his body was escorted to the church by 150 Richmond College students, and his "coffin was borne" up the church steps by twelve colored men who had been his servants, and to whom he had been a friend.

A man who was induced by his maternal uncle, James Thomas, to forsake medicine for tobacco, was Richard A. Patterson, although the word doctor always preceded his name. Patterson, born on March 15, 1828 in Caroline County, moved with his parents in 1834 to a small farm seven miles west of Richmond. Following the death of his father, Richard attended Richmond College, but after a year he moved on to Hampden-Sidney College, from which he was graduated a doctor in 1848. After two years of practice in Goochland County, he succumbed to a $1,000 a year offer

71. Memorial to James Thomas, Jr., pp. 61, 63.
72. Richmond-Dispatch, October 10, 1882.
73. Memorial to James Thomas, Jr., pp. 45-6.
from his uncle, James Thomas, and entered the tobacco industry. He found working for his uncle, the young and personable T. C. Williams, and six years later they branched out for themselves under the firm name of Patterson and Williams. Within four years the two had a $10,000 concern which was buying annually 500,000 pounds of leaf, employing sixty hands, and producing 450,000 pounds of tobacco valued at $90,000. In 1861 Dr. Patterson entered the 56th Virginia Infantry as a surgeon, leaving his family with his widowed mother, and dissolving the partnership with Williams, whose poor health disqualified him for service. Returning in 1865, Patterson found his savings swept away, and was destitute except for some money remitted to him by Gilliat of London, and a small piece of real estate in the city. For several years he occupied himself by reorganizing his mother's farm, from whose pond he sold ice in the winter to supplement their meager income. In 1869, with three or four thousand dollars garnered from the sale of his city property, he once more ventured into the tobacco business. In 1869, he, with Williams and Thomas as silent partners, ran a firm with a capital of $9,000, employing eighty hands drawing $10,500 annually, and taking in 220,000 pounds of leaf valued at $28,000. From this came 180,000 pounds of chewing tobacco worth $41,000. Starting as he did, at the bottom, Patterson within a

74. Autobiography of Archibald Williams Patterson, (MS, Richmond, 1921-32). A copy of the original manuscript is in the possession of Joseph C. Robert of Richmond, who graciously allowed the researcher to use it.
75. Original MS Returns, Census of 1860.
76. Autobiography.
77. Original MS Returns, Census of 1870.
decade had gained a substantial foothold in a territory already well
saturated with successful manufacturers. His small farm of seventy-two
acres was now more than two hundred acres and valued at over $10,000.
In the city his factory's capital had climbed to $64,000, his labor force
to 233 and the payroll to $37,411. From materials costing $120,393 he
was producing tobacco products valued at $347,739. By 1884 he had a
branch office in Boston, and associated with him locally were R. F.
Patterson and Thomas Rutherford. In 1889 the firm was incorporated
with Dr. Patterson as its president, and during the 1890's it became a
part of the American Tobacco Company which welcomed the Patterson brand,
"Lucky Strike," whose original "casing" was said to have been based on a
formula used by Dr. Patterson in a cough syrup.

Patterson, who retired from the firm in 1903, was a "big man in
every sense of the word," for his vision was prophetic in that he pre-
dicted that Richmond would be a great city, and he took steps to pur-
chase property in the west end which might be of future value. He
organized the Savings Bank of Richmond in 1889 and served as its first
president. From 1883-87 he was a member of the Board of the Virginia
State Penitentiary. He was instrumental in getting an electric line into
the West End, and later served as president of the Westhampton Park Rail-

82. Richmond Times-Dispatch, April 9, 1912.
way Company. In 1888 he was elected president of the Richmond Tobacco Exchange, and at the same time served on the Virginia Exposition Executive Committee. For several years before his death in 1912, he served as chairman of the Henrico Board of Supervisors. For a generation he too was a leader in the Richmond tobacco industry.

The third member of a closely knit triumvirate, which included Thomas and Patterson, was Thomas C. Williams, born in Richmond in August 1832, the son of Jesse Williams, a well-known brick manufacturer and contractor. As early as the 1840's he had begun to work in the tobacco factory of James Thomas, Jr., displaying such qualities, aptness, and energy, that he soon became Thomas' confidential secretary. In 1856, although remaining in the employ of Thomas, he joined with Dr. Patterson in the firm of Patterson and Williams, which lasted until 1861. During the war he returned to full time employment under Thomas, but as a partner. At Thomas' death he assumed control of the company, whose name had been changed before 1870 to T.C. Williams & Co. In 1870 T. C. Williams & Co. was capitalised at $25,000 and carried 150 hands on a payroll of $30,000. Three hundred thousand pounds of leaf were converted into smoking and chewing tobacco valued at $150,000. Two years before the death of his partner, Williams not only owned a $11,250 Goochland farm

83. Richmond Times-Dispatch, April 9, 1912; Autobiography.
84. Richmond Times-Dispatch, April 3, 1889.
85. Ibid.; Harrison, op. cit., p. 132.
86. Original US Returns, Census of 1870.
of 165 acres, but also three factories in Richmond. The Richmond factories listed a capital, combined, of $139,000, 114 hands and a payroll of $72,137. Raw materials cost Williams $318,735, but the final products were valued at $701,979. Williams also had a hogshead factory in Danville, as well as a smoking and chewing factory, the latter in 1880 listing a capital of $35,000, 100 hands, a $10,000 payroll, and $60,000 worth of raw leaf which was processed into a final product valued at $80,000.

After Thomas' death in 1882, Williams brought into the firm R. S. Bosher, T. C. Williams, Jr., and J. T. Parkinson. In 1889, the year Williams died, the company was incorporated, and by 1893 it had a capital of $400,000 and employed 700 hands to produce annually 4,000,000 pounds of plug and twist under such labels as "Lucy Hinton," "Mattaponi," "Paris Metal," and "Imperial Ruby."

Williams possessed a modest and retiring disposition and shrank from all publicity; never taking an active part in public affairs, but always willing to support whatever would be beneficial to the city. He was a trustee of Richmond College, a member of the Virginia Agricultural and Mechanical Society, and the head of R. C. Wortham and Company, producer of cigar and tobacco boxes. At his death he was one of the two or three wealthiest men in Richmond.

87. Original MS Returns, Census of 1880, "Agriculture and Manufacturing."
88. Original MS Returns, Census of 1880.
89. Review of Richmond, op. cit., p. 98; Morrison, op. cit., p. 132.
90. Richmond-Dispatch, April 3, 1889.
III. RICHMOND FLOUR MILLS

The fame of Richmond for the excellence of its flour dates from the first decade of the nineteenth century, and is worldwide. The soil and climate of the region in which Richmond is located is particularly adapted to the production of a "quality of wheat which alone has been found to yield a flour which will successfully defy the climatic tests to which it is subjected in equatorial exportation, being entirely unaffected by the damps of sea voyages or the most torrid heat."

The great majority of manufactured flour turned out by the Richmond mills was shipped directly to South America, mainly to Brazil. Before the Civil War, the coffee which Richmond received in exchange for the flour, made the city the nation's first ranking coffee port. In 1860 the city received 1,434,000 pounds of coffee valued at $49,821. In the same year Richmond produced 254,792 barrels of flour valued at $1,894,109, the greater part of which was sold in South America. Five years later the Gallego and the Maxall Mills, two of the largest in Richmond, were nothing but ashes. In 1870 the rebuilt mills, consequently, were only able to produce 88,899 barrels of flour valued at $677,176. During the next decade, however, they began to reach capacity in production, and in 1880, 161,949 barrels valued at $1,158,384 were produced. Over the next five years it increased to 243,035 barrels.

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91. Brock, Richmond Manufacturing, p. 46.
92. Imboden, op. cit., p. 120.
worth $1,242,869. Of this 203,941 barrels valued at $1,034,270, were shipped to Brazil. Not until after 1900 did Richmond’s flour milling industry show signs of a protracted decline.

IV. RICHMOND FLOUR MANUFACTURERS

One of the oldest and most distinguished of the Richmond flour mills was the Gallego Mills established in 1798 by Joseph Gallego on the James River Canal approximately a mile and a half above the city. Gallego, a native of Spain, had lived in Richmond at least since 1784, but not until fourteen years later were the mills bearing his name built. Joseph quickly established himself as a prominent and wealthy Richmonder, as indicated by the taxes on his beautiful 5th Street home, "Moldavia," which rose from $11,000 in 1804 to $36,000 in 1813. In 1804 he became one of the incorporators of the Bank of Virginia and two years later was appointed to a city commission to promote domestic manufactures. Tragedy struck in 1811 when his wife perished in the great "Theatre Fire" of Richmond, a blow from which he never recovered. Remorse as well as generosity probably led to the donation of $200 and his time, the following year, in behalf of the new Episcopal Church. At his death in 1818...

95. Scott, loc. cit.
the Richmond Enquirer wrote:

Though born a foreigner, he became a most ardent citizen of our country, which he loved as his own. Though very rich, he was unassuming and unostentatious in his manners; he was warm towards his friends, kind to the needy, unaffected in his intercourse with others, candid in his conversation, honorable in his dealings, respected by all who knew him.96

At the same time that Joseph Gallego was establishing his mills, a French agent of Beaumarchais, Jean-Auguste-Marie Chevallie (later anglicized to John A. Chevallie) was founding his own flour mills on the James River. In time Chevallie and Gallego married sisters, but their mills remained apart until 1832, when Pierre-Joseph Chevallie, son of John Chevallie and nephew to Joseph Gallego, united the two mills in an establishment located at the foot of the main basin of the James River and Kanawha Canal. In the same year new blood entered the family when Abraham Warwick married the daughter of Pierre Chevallie. Warwick, born and raised in Nelson County, was a successful tobacconist, until he decided to join Chevallie in the Gallego Mills. Shortly thereafter the mills burned, but were rebuilt in 1833 and within a year Warwick owned approximately one-sixth of the firm. When Pierre Chevallie died in 1837, Abraham Warwick assumed control of the Gallego Mills and quickly increased the number of burr stones from six pair to twenty-four, thereby expanding production. Disaster struck in October 1848, in the form of a conflagration, which took not only the mills, but also the Shockoe Ware-

96. Richmond Enquirer, July 3, 1818.
house, stores, factories and surrounding lumberyards, a loss of some $400,000.

Warwick and his new associate, George Barksdale, immediately rebuilt the mills on a more extensive scale and by 1860 the Gallego Mills were operating on a capital of $400,000, employing 140 hands and consuming 94,600 bushels of wheat and corn costing $1,210,000. From the raw materials came 90,000 barrels of flour valued at $1,330,000, and 47,000 bushels of meal worth $47,000. Their brands, "Gallego," and "O'Dance" were internationally known for their keeping qualities in tropical climates. Five years later, the mills were destroyed in the great Evacuation Fire. Undaunted, Warwick and Barksdale formed the joint-stock company, the Gallego Mills Manufacturing Company, and rebuilt the mills in 1868 at a cost of $350,000. The new mills were red brick, 166 feet by 96 feet and seven stories high. They contained twenty-three French burr stones which were capable of producing one thousand barrels of flour a day. Moreover, connected to the mills by a covered way, was a large grist mill which turned out 1,200 bushels of meal and 100 barrels of flour per day.

In 1870 the Gallego Mills were a million dollar investment which employed annually sixty-five laborers at a cost of $25,000. Into the mills

99. Original MS Returns, Census of 1860; Mordecai, loc. cit.
100. Morrison, op. cit., pp. 176-77; Review of Richmond, p. 74.
went over 500,000 bushels of wheat, corn and rye at a cost of $700,000, and out came flour, meal and feed valued at $838,000. Warwick, who was one of the signees of Jefferson Davis' bail bond, died a year after the Panic of 1873, and the firm passed on to his son, Peter Warwick. One paper noted that the late Abraham Warwick was "distinguished for his business enterprise, and though he suffered great loss by the burning of his mill..., he never faltered but seemed to be always up and doing. Perhaps the most striking feature in his nature was the cheerful, sanguine disposition."

Not long after Peter Warwick replaced his father, the Gallego Mills began to falter. In 1880 the capital was down to $500,000 and the wages to $17,500 annually. Materials costing the mills $483,000 brought only $539,000 on the final products of flour and meal. Peter continued to lose money in the mills, so that by 1887 he had moved to Chesterfield County where he engaged in selling "lithia" water from the Campbell Spring. One afternoon a friend stopped Peter's waggon to bemoan his loss of the mills, to which sympathy Peter retorted, "If you'd paid me what you owe me, I wouldn't be driving this waggon."

In 1887 the firm was reorganized as the Gallego Mills Company under the presidency of Charles L. Todd, one of Richmond's largest commission merchants. In 1890 the Mills located at 12th and Canal, em-

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101. Original MS Returns, Census of 1870.
103. Original MS Returns, Census of 1880.
104. Scott, op. cit., p. 268.
braced a nine-story, two and a quarter million brick building, with a capacity of 1,400 barrels daily. The warehouses could store 250,000 bushels of wheat and 20,000 barrels of flour. Fifty hands were employed to feed into the runs 10,000 bushels of wheat daily and receive in turn 325,000 barrels of flour annually. In 1902 the Gallego Mills were purchased by Warner and Thomas Moore, and apparently revived, for as late as "1911, the Gallego Mills were filling the largest export orders recorded in their 116 years of active operation," despite a $260,000 fire in 1903.

By 1933 the mills were in the receiver's hands, and two years later they were dismantled by the Chesapeake and Ohio Railroad, which had bought them for $150,000.

Another of the famous Richmond flour mills which dated back a century, was the Haxall Mills. The original founders, William and Philip Haxall, came to Virginia from England in 1786 and settled at Petersburg. By 1809 Philip had moved to Richmond and in that year he bought out the old "Columbian" mill of David Ross, which had been located on the James River since 1793. In 1818 Philip built his home, "Columbia" at 601 North Lombardy and insured it for $11,000. In 1830 the Haxall Mills burned to the ground, and the following year Philip died, willing them to

105. Clark, op. cit., p. 802; Morrison, op. cit., p. 177; Christian, op. cit., p. 491.
106. Richmond News Leader, July 8, 1936.
107. Ibid.
his son R. Barton Haxall, who promptly rebuilt them. In 1858, Barton was joined by the enterprising and sagacious Lewis D. Crenshaw and the firm took the name, Haxall, Crenshaw & Co.

In 1860, on the eve of the war, the company was capitalized at $500,000, employed 108 hands at $32,700 annually, and consumed 800,000 bushels of wheat valued at $1,120,000. The final product was 160,000 barrels of flour bringing yearly $1,300,000. A year later the mills were smoldering ruins, but by 1870 the Haxall-Crenshaw Flour Mills were in limited operation. The capital was only $45,000, while the number of hands had been reduced to forty. Daily the mills produced 2,000 barrels of flour and 800 bushels of meal from raw materials worth $685,000. The value of their "Haxall," "Clara," and "Crenshaw" brands in 1870 was $838,000. Four years passed and the mills were reduced to rubble once again. Within a year, however, they had been rebuilt on a seven-acre tract of land located on Byrd Island, with a thousand foot frontage on the James River. In 1876 Lewis Crenshaw died, but the mills continued to expand and advertise their "F.F.V." or "First Family Flour of Virginia."

By 1880 capital had leaped to $600,000, the number of hands to 120 and wages to $36,700, as the mills consumed 710,000 bushels of wheat and other grains worth $990,000. The value of the final product had risen to $1,219,150.

110. Original MS Returns, Census of 1860.
111. Original MS Returns, Census of 1870.
113. Original MS Returns, Census of 1880.
In 1881 R. Barton Haxall died and the firm passed to his son Philip, who became president that year. Before the war Philip had attended the Richmond Public Schools, the University of Virginia, and then joined his father in the milling business. In 1861 he joined the Confederate Cavalry and gradually rose through the ranks until he was appointed Adjutant-General under General Beverley R. Robertson. Twice he was wounded, but survived the conflict to return to Richmond and the Haxall Mills. On April 14, 1874, he married the beautiful and socially prominent Mary Triplett, who only a year before the marriage, had been the principle subject of the famous Page McCarty-John Mordecai duel in which Mordecai was fatally wounded. "As Miss Mary Triplett she reigned as one of Virginia's belles, and as Mrs. Haxall she was one of Virginia's most prominent social leaders." Unhappily, a week after their wedding, Philip and his bride saw their means of support go up in smoke, but as others before him, Philip rebuilt the mills, and on a more extensive scale. Both socially and business wise, Philip was active in his city of birth. From 1881 to 1888 he served as president of the Richmond Grain and Cotton Exchange, during which time he witnessed a slump in the city's flour industry, his own final product value dropping to $752,032 in 1885.

An ardent horseman, Philip, in 1884, organized the Stuart Horse Guard, and in 1885 accepted Governor Lee's appointment to the staff of the First

111. Brock, Virginia, p. 788; Richmond Dispatch, March 6, 1897.
115. Richmond Dispatch, April 5, 1892.
Regiment Cavalry with the rank of Colonel. He took an active part in the formation of the Deep Run Hunt Club, and later became a charter member of the Westmoreland Club. Following a personal illness in 1890, the death of his wife in 1892, and the decline in his milling business, Philip in April 1893 closed the Haxall Mills and acted as receiver until his death in 1897.

The third of the three large and prosperous Richmond flour mills was founded in 1853 by H. T. Taliaferro and his brother, E. S. Taliaferro, near Mayo's Bridge in Manchester. The mills towered six and a half stories and were fifty feet by sixty-eight on completion in 1854, and were insured for $38,000 with an additional $40,000 on the machinery. Prior to the war the Taliaferro Mill was purchased by Dunlop, Moncur & Co., former commission merchants, and thereafter bore the well-known name of the Dunlop Mills. The leading member of the firm was James Dunlop, a native Richmonder, and a founder of St. Paul's Church.

In 1860 the Dunlop, Moncur Mill was capitalized at $150,000 and employed forty hands at $12,000 annually. The 330,000 pounds of wheat costing $44,500 was being manufactured into 74,000 pounds of flour valued at $582,000, and 198,771 bushels of offal valued at $142,000. Shortly thereafter, H. W. Moncur was succeeded in the firm by Dunlop's

117. Richmond Dispatch, July 29, 1853.
118. Scott, op. cit., pp. 228-30; Mordecai, op. cit., pp. 327-9; Richmond Dispatch, September 4, 1875.
nephew, Thomas W. McCance, and firm name changed to Dunlop & McCance.

Thomas McCance, born in 1813, had joined his uncle in the firm prior to the war, and rose quickly through his ability to succeed Moncure. He and Dunlop, in 1860, had over $100,000 invested in an outside interest, coal mining, which brought returns of $47,000 that year. After the war the two concentrated on milling, and by 1870 the firm listed a capital of $100,000, sixteen laborers, and a final product valued at $217,000, which was derived from $197,000 worth of raw grains.

In 1875 James Dunlop died and the mills passed on to McCance, who continued to expand business over the rest of the eighth decade. Occupying a $15,000 home on East Leigh Street, Thomas McCance also grew in social stature to become one of the city's leading citizens. He was vice-president of the Virginia State Insurance Company and president of both the Richmond Corn and Flour Exchange and the Richmond Chamber of Commerce. In 1880 his mills were still capitalized at $100,000, but the labor had increased to forty hands, and the annual wages tripled to $20,000. Cost of raw materials had also increased to $512,000, but the final product of 5,600,000 pounds of feed had doubled in value to $571,000. By 1884 the company included Richard A. Dunlop, Thomas McCance, and James McCance, and advertised that "we have changed our mill so as

120. Original MS Returns, Census of 1860; Scott, op. cit., pp. 140-41.
121. Original MS Returns, Census of 1870.
123. Original MS Returns, Census of 1880.
to operate upon the complete Roller system. This process...is the same as that used by the famous Hungarian Mills, long noted for making the best flour in the world." In 1888 the firm was incorporated as the Dunlop & McCance Milling and Manufacturing Co., with a minimum capital of $50,000 and a maximum of $500,000. In 1889 Thomas McCance died, and the Dispatch described him in glowing terms.

No better and purer man ever walked the streets of Richmond.... Thomas W. McCance was one of the most unostentatious of men, but nevertheless a leader of and a power among his fellow citizens.... His quiet but forceful influence was always on the side of conversation and had swayed the councils of the people into the path of safety in more than one hour of sore trial.... He was an example to the young, the peer of the noblest of his contemporaries in all that constitutes the good and public spirited citizen....

In 1891 the Dunlop and McCance Mills were purchased by Thomas and Warner Moore, who ten years later bought the Gallego Mills. The Moore brothers had business interests in the city dating back to the ante-bellum era. Five years after the war Warner Moore was the proprietor of a corn and flour mill, capitalized at $12,000, which brought him returns of $140,000. A decade later he operated not only a $25,000 fertilizer plant which employed twenty-four hands, but also a $25,000 drug and chemical concern which employed fifty hands and brought returns of $40,000. Thomas Moore died in 1929, and following Warner's death in

125. Richmond Dispatch, August 15, 1889.
126. Richmond News Leader, June 29, 1935; Original MS Returns, Census of 1870.
127. Original MS Returns, Census of 1880.
1936, the old Dunlop and McCance Flour Mills were purchased for $135,000 by C. B. Stout, head of the Dixie Portland Flour Mills of Tennessee. On March 23, 1949, a spectacular fire wiped out the last of Richmond's great nineteenth century flour mills.

V. RICHMOND COTTON MILLS

Cotton milling in Richmond never reached any great proportions, and as late as 1890 the city contained only two such firms, with products valued at $800,000. Cotton manufacturing in the city did have roots extending back beyond the Civil War, however. In 1860 the James River Manufacturing Company was listed with a capital of $100,000 and 140 operatives. Over the 4,000 spindles went 800,000 pounds of raw cotton valued at $80,000, and out came 3,000,000 yards of cloth worth $160,000.

Another prewar cotton firm was the Marshall Manufacturing Company located at Canal and Hull Streets, which was established in 1848. It is listed only in the Census of 1870, but city directories show that it existed up until 1900. In 1870 the firm was capitalized at $80,000 and had 6,000 spindles and 132 looms, operated by 125 employees. Raw cotton amounting to 450,000 pounds and costing $77,000 was changed into sheeting and shirting valued at $168,800.

129. Morrison, op. cit., p. 213.
130. Original MS Returns, Census of 1860. This company possibly might be the postwar Marshall Manufacturing Company.
131. Original MS Returns, Census of 1870. In 1884, its president, J. L. Bacon, was also president of the State Bank of Virginia and the Virginia State Insurance Company. See Chataigne's City Directory, 1884.
The Manchester or Old Dominion Cotton Mill, located on the James River, was an ante-bellum factory founded in 1832. By 1860 the mill was capitalized at $233,100, employed three hundred hands at $3,500 per month, and contained 8,000 spindles. Two hundred fifty thousand pounds of cotton and 75,000 pounds of wool at an aggregate cost of $225,000, were manufactured into 2,500,000 yards of cloth and 150,000 pounds of yarn valued at $200,000. As late as 1870 the mills were run by Alexander Domman who also had milling interests in Petersburg. In 1870 the capital of the Manchester Mills had fallen to $125,000, the spindles to 7,000 and the number of laborers to 180, but the wages remained around $35,000 annually. From $102,000 worth of raw materials, over two million yards of cloth valued at $214,000 were manufactured. In 1876 the mills were sold to S. P. Arrington of Petersburg for $53,000, he, already the owner of the Swift Creek Cotton Manufacturing Company. By 1884 the Manchester Mills contained 9000 spindles, 250 looms and were capable of producing ten bales of cotton per day. In 1888 the mills were being run by R. T. Arrington, and a decade later they were closed.

Although little is known of the Richmond cotton mills, Imboden in his report on Virginia commerce, lists in 1885 three cotton factories, capitalized at $380,000, employing 450 hands, and manufacturing 12,294,912 pounds of cotton valued at $1,353,000.

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132. Original MS Returns, Census of 1860.
133. Original MS Returns, Census of 1870.
135. Richmond City Directories, 1858-1900.
CHAPTER V

LYNCHBURG AS A FACTORY TOWN

I. THE TOBACCO INDUSTRY

"In proportion to its size Lynchburg in 1860 produced considerably more tobacco than either Richmond or Petersburg. It is with some justice that Lynchburg claimed to be 'The Tobacco City'." In 1850, that city contained thirty-five factories representing a capital investment of $600,300, a labor force of 1,127 hands, and a manufactured product valued at $1,183,000. Although the city of Lynchburg did not grow much physically in the next decade, considerable progress in the tobacco industry was made when surrounding Campbell County is included in the tabulations. In 1860, for the whole county, which included Lynchburg, there were forty-seven factories with a capital investment of $787,690, a total of 1,589 hands and a product valued at $2,167,202.

After four years of relative wartime prosperity, if compared to other manufacturing centers in the state, the tobacco industry in Lynchburg began to decline gradually, as the bright leaf industry sprang up further south in Danville and around the Carolina border. In 1880, in Campbell County, except for an increase in the labor to 2,034, there was

1. Robert, Tobacco Kingdom, p. 181.
2. Original US Returns, Census of 1850.
a marked decrease in all other statistical departments over the Census of 1860. The number of factories had decreased to twenty-two, the capital investment to $373,500, and the value of the final product to $1,275,500.

In 1885, however, Lynchburg was claiming to be the largest "loose tobacco market in the world." From 1870 to 1884, the annual average sales of loose tobacco was 20,059,720 pounds. In 1885 alone the sales were 29,595,768 pounds, and when purchases from markets outside of Lynchburg were added, the total sales of loose tobacco for 1885 amounted to 38,306,939 pounds. Of this, 9,601,216 pounds were exported and the remaining 26,735,621 pounds were manufactured in the city's twenty-two plug, and seventeen smoking, cigar and cigarette factories. As of 1889, however, Lynchburg still ranked fourth behind Richmond, Petersburg and Danville, in that order, in the sale of chewing tobacco. Her ten factories sold only 5,684,935 pounds that year.

II. THE TOBACCO MANUFACTURER

One of the most extensive of the ante-bellum tobacco factories in Lynchburg, was that of Maurice Moore, a native of Fluvanna County, who as a youth came to the city with two dollars and a half in his pockets. Forsaking the customary manufacture of plug and twist, Moore embarked

1. For some reason, out of all the major tobacco centers in the state in 1870, only Lynchburg and Campbell County were omitted in the Census of 1870. Why are they mistakenly placed in surrounding counties.
2. Original U.5 Returns, Census of 1880.
3. Ibid., op. cit., p. 113.
4. Ibid., op. cit., p. 517.
on the large-scale manufacture of granulated leaf. Overnight his "Killickinick" brand became famous, and during the war it was a chief rival to John Carroll's "Lone Jack" chewing tobacco. In 1860 his factory, using twenty hands and a twelve horsepower steam engine, was producing $40,000 pounds of granulated smoking tobacco valued at $81,000.

In 1850 Jesse Hare operated a factory which manufactured 400,000 pounds of chewing tobacco, surpassing in bulk of product all other Lynchburg factories. The value of his final product, $75,000, was exceeded only by one other local competitor. Hare's success in the 1850's was due largely to the incorporation of licorice in his plug as a sweetener, something unheard of in Virginia at the time. The story has it that one William Abbott of Baltimore originally possessed a sweet chewing tobacco, but was not interested in manufacturing it or handing out the formula for his plug. Hare, hearing of this, traveled to Baltimore, where with the help of Walter Moxley, he secured a lump of Abbott's tobacco. Upon picking it apart, they discovered a tiny lump of licorice. Hare then returned to Lynchburg, incorporated the licorice in his plug, and "within a few months sweetened tobacco found its way over nearly all of the United States. Hare grew prosperous rapidly and in a few years amassed a fortune." Hare, in turn, so the story goes, had his secret

10. Original MS Returns, Census of 1850.
filched by a local competitor, Augustine Leftwich. At any rate, by 1860, Hare's business had declined, and he operated his $20,000 factory with forty hands, and produced a final product of 270,000 pounds of chewing tobacco valued at $50,000.

Another known ante-bellum tobaccoeconomist was Colonel Maurice Langhorne, a native of Cumberland County. By 1850 he had established his factory in Lynchburg under the name M. Langhorne & Sons. That year he employed fifty-nine hands to turn out 320,000 pounds of chewing tobacco valued at $75,000. In 1857, over his own protest and that of his physician, he was elected president of the convention of Virginia and North Carolina manufacturers, held in Richmond. In 1860 Langhorne and Sons was capitalized at $65,000, employed sixty-two hands and had purchased 460,335 pounds of raw leaf valued at $1,9939. From this came a final product of 360,000 pounds worth $80,000.

A tobacco firm which was in existence, both in 1860 and 1880, was that of S. M. McCorkle. In 1860 his $7,500 investment employed thirty operatives to transform 250,000 pounds of leaf valued at $20,000, into 200,000 pounds of manufactured tobacco worth $30,000. A decade later he owned real estate valued at $3,500 and personal property worth $3,000. During the next ten years he joined with James T. Bowman, formerly of Prince Edward County. Their factory, capitalized at $40,000, utilized 120 hands on wages of $21,415 yearly, and converted raw materials costing $50,232, into a product valued at $36,000. One of their principal rivals

14. Ibid.
was Nathaniel Bowman, James’ son. Young Bowman had come to Lynchburg at the age of sixteen, in 1852. After service in the Confederate armies, Nathaniel in 1867 organized N. R. Bowman & Co. Three years later at thirty-two he had real estate valued at $8,000 and personal property assessed at $10,000. By 1880 his factory’s capital stood at $10,000, his labor force at forty, and raw material valued at $188,000 brought returns of $200,000. No doubt his marriage to the daughter of the tobacconist, Maurice Moore, aided him in his business.

Undoubtedly, what Cameron, Ginter and Sutherlin were to their respective cities, John Carroll was to Lynchburg. Carroll was born on March 3, 1832, the son of the planter Jacob Carroll. His parents died while he was a youth, so Carroll lived with relatives in Augusta County until he was seventeen. In 1849 he came to Lynchburg, where he was first employed as a cabinet maker in the firm of Folkes and Winston. After his marriage to the daughter of William Crumpton, a tobacconist, he joined his father-in-law in partnership in 1850, which lasted until the early 1860’s. In 1859 Carroll secured an old frame building on the corner of 12th and Rumbough Streets, and there began to manufacture tobacco on his own. Apparently, in that year he created his famous brand “Lone Jack,” the naming of which is celebrated in several legends. The most wide-

20. Original MS Returns, Census of 1880; Yancey, loc. cit.
spread describes a card game in which Carroll staked his last cent on a single jack and won. When it came to naming his product, memory of the incident led to the name "Lone Jack." Others argue that Carroll was too devout a Methodist to gamble for such high stakes. They contend that "Lone Jack" was the combined product of the memory of a struggling orphan and the nickname of Carroll, which was Jack. Regardless of its origin, Carroll in 1860 had a modest $3,000 investment, which employed twenty-three hands to work 123,000 pounds of leaf, costing $27,000, into 1188 boxes of "Lone Jack" valued at $35,000, stems worth $900, and 4,500 pounds of smoking tobacco listed at $620. In addition, he had funds tied up in his father-in-law's factory, which was capitalized at $18,000, employed forty hands, and turned out a final product valued at $78,000.

During the war Carroll remained in Lynchburg, where his brands were soon selling for seven dollars a pound. Many later accused him of connaisance with Federal revenue agents, who made it possible for him to sell at a greater profit than other local manufacturers. Whatever the case, Carroll emerged from the war penniless. Later he accumulated enough funds to buy the old Crumpton factory, in addition to having his own. In 1868, however, the Crumpton factory burned, taking with it

25. Tilley, loc. cit.
stock valued at $50,000, but on which Carroll had only $10,000 worth of insurance. He still managed to operate from his old factory until a new one was completed late in 1870, but after 1870 his business, though probably not his accumulated wealth, declined. In 1880 his factory listed a capital of $15,000, thirty hands, and $24,600 worth of raw materials which were converted to brands bringing only $34,500. Despite a reduction in sales, Carroll, residing at his "Lone Jack Farm" along the lowlands of Chandler's Mountain, proved to be an extremely useful asset to the Lynchburg community. For thirty-two years he was a member of the City Council, serving as its president in all but ten of those years. He was president, director and largest stockholder of the Lynchburg National Bank. He was president of the Carroll Hotel Company, and a trustee of the Lynchburg Female Orphan Asylum. He had interests in the Glamorgan Works, the local cotton mill and the Bonsack Cigarette Machine Company. At his death he was said to be worth over a million dollars, and there was "not a dirty dollar among them."

III. LYNCHBURG MILLING

Mill ing, whether cotton or flour, was not done on an extensive scale in Lynchburg. In 1860 the flour mill of Langhorne & Son listed

27. Original MS Returns, Census of 1880.
a capital of $60,000 and took in 150,000 bushels of wheat costing $210,000. The 30,000 barrels of flour were valued at $240,000. A decade later, the mill was capitalized at $40,000, employed four hands, and manufactured a #44,170 custom product from 30,800 bushels of wheat and grain costing $30,750. Another well-to-do miller was Stephen C. Hurt, proprietor of the Piedmont Mills. In 1870 his wheat and corn mill was only a $2,500 investment with a capacity of 500 bushels per day. It converted 42,500 bushels of grain worth $51,500 into a custom product valued at $60,000. Ten years later the capital of the Piedmont Mills was forty thousand dollars and the number of hands, sixteen. Wheat amounting to 90,000 bushels and costing $100,000, was made into 20,000 barrels of flour, 2,160,000 pounds of meal and 1,440,000 pounds of feed, all valued at $141,000. In 1887 Stephen Hurt at the urging of others, subscribed to $10,000 worth of stock in the proposed Lynchburg cotton mill. Not until after 1890, however, was anything done about constructing the cotton mill, although property had been purchased in 1883.

29. Original MS Returns, Census of 1860.
30. Original MS Returns, Census of 1870.
31. Ibid.
32. Original MS Returns, Census of 1880.
34. Ibid.
CHAPTER VI

MANUFACTURING IN THE COCKADE CITY

I. THE TOBACCO INDUSTRY

Petersburg, located on the Appomattox River at the head of the Tidewater, and in a direct line of railroad transportation to the seaports of the Atlantic and the great cities of the North and East, before the Civil War was one of Virginia's most important tobacco manufacturing centers, and as a rule ranked second behind Richmond. In 1860 in the city, there were twenty tobacco factories representing a capital investment of $587,000 and employing 2,516 hands. The total production value of the factories was $2,167,202. Stung by the Panic of 1873, the tobacco industry of Petersburg registered a slight decrease over the next decade. The number of factories had slipped to fifteen, the hands to 1,739, and the capital investment to $384,550. Materials valued at $1,022,658 were bringing as final products only $1,819,286. Recovery was the sign of the eighth decade in the Cockade City. Although there was one less factory, the number of operatives had doubled to 2,942, and the capital had risen to $658,500. A final product valued at $3,194,245, was obtained from materials worth $2,395,196.

2. Original MS Returns, Census of 1860.
3. Original MS Returns, Census of 1870.
4. Original MS Returns, Census of 1880.
In 1881, Edward Pollock wrote that "in the manufacture of a pound of tobacco more money is expended in wages alone than the aggregate profits of the planter, who grows the leaf, and the middleman who sells it...." Thus, it is not surprising that in 1885 Petersburg claimed to have the largest export trade of manufactured tobacco of any city in the United States. During the nine years ending December, 1885, Petersburg had exported 37,945,719 pounds of manufactured tobacco, 1,540,000 pounds of which came in 1885 alone. This was accomplished by nine factories employing 2,097 hands on yearly wages of $332,147. In 1889, with ten manufacturers listed, Petersburg was second only to Richmond in the total number of pounds of chewing tobacco sold, the amount being 9,893,039 pounds.

II. THE TOBACCO MANUFACTURER

One of the most enduring and well known tobacco houses of the "Cockade City," was that of William Cameron (1830-1902), who with his two brothers, Alexander and George, and his widowed mother, first came to Petersburg in the 1840's from Invernesshire, Scotland. William and Alexander soon found employment in the tobacco firm of a fellow-Scot, David Dunlop, and became excellent judges of the "weed." George, in the

7. Tilley, op. cit., p. 599.
meantime, in 1850 returned to Scotland, where he resided five years before he returned to Petersburg. By 1858, William and possibly his brothers, had united with a Mr. Crawford in the tobacco firm of Cameron and Crawford. William, who always sought methods of improving production, in 1858 invented and patented a hydraulic press which "constituted, perhaps, the most important contribution to the manufacture of chewing tobacco made during the ante-bellum period." Business continued during the Civil War and Cameron slipped many cargoes of tobacco through the Union blockade. The only casualty was George, who after his capture in the fighting around Petersburg, spent six months in the prison camp at Elmira, New York. Done with war, the Camerons in the late 1860's branched out into Richmond, where they established Alexander Cameron & Co., and Cameron and Cameron. In 1870 William Cameron & Co. listed its capital as $50,000 and its labor force as two-hundred, which was an increase of $30,000 over the capital listed in 1860, and ninety in the case of the labor force. In 1860 the firm had consumed 650,000 pounds of leaf valued at $50,000, while a decade later, three hydraulic presses were kept busy handling 1,555,105 pounds of leaf worth $163,734. In 1860, 550,000 pounds of manufactured tobacco, valued at $110,000 were produced, while in 1870, chewing tobacco totaling 1,181,474 pounds, and worth $294,527.

was fashioned.

Misfortune struck Cameron in 1878 when his Petersburg factory burned to the ground. On the same site, however, rose a four-story building fronting a hundred-eighty feet on Brown Street by two hundred-forty on Perry Street, and in the form of a spacious quadrangle, which allowed the office, warehouse, engine-room and drying rooms to occupy 13 separate departments. By 1880 the newly built factory was a capital investment of $161,000, and engaged 360 operatives at an annual wage of $22,583. From $105,000 worth of raw tobacco, the firm extracted a product valued at $272,000. In 1893 the factory included 500 employees, three, 250 horsepower boilers, one, 100 horsepower engine, and its own electric light plant. From the plant emerged 2,500,000 pounds of tobacco annually, bearing such names as "Raven," "Havelock," and "Peach and Honey."

In addition to their Virginia factories, the Camerons, in the 1870's, established in Australia four extensive plants. In Sydney and Brisbane were those known as Cameron Brothers & Co., and in Melbourne and Adelaide were those designated as William Cameron, Brothers & Co., Limited. In the 1880's the factories in Sydney and Melbourne were enlarged and improved at a cost of $20,000 each, and at both, bonded ware-

houses were established to facilitate trade. Until his death in 1902, the Antipode concerns were under the personal supervision of William Cameron, although his nephew Alexander Cameron, Jr., moved there in 1886 as general manager of the operations.

William, though not as socially prominent as Alexander, was elected a member of the Petersburg Common Council, and later served as chairman of the committee on gas and lights. A member of the semi-exclusive St. Andrew's Society, William displayed his wealth only through his elegant home, Mt. Erin, which nestled atop the heights of the city. In 1886, William sold his interests in the firm and retired. Alexander continued to live in Richmond and run the factories there, while George moved to Petersburg to replace William. "Down to the time of the creation of the American Tobacco Company, it appears that the combined Cameron properties represented the largest tobacco manufacturing enterprise operated by Americans."

Not quite as large, but still a respected tobacconist, was Samuel W. Venable, who established his Petersburg factory in 1853. The three-story, 150 by 250 foot factory, located at Byrne and Halifax Streets, in 1866 was manufacturing and selling over 1,700,000 pounds of chewing and plug tobacco. Four years later Venable recorded a capital of

$100,000, and one hundred laborers drawing $40,000 annually. Leaf, sugar, and licorice in quantities amounting to 1,311,925 pounds and costing $132,508 were manufactured into 1,200,000 pounds of plug and twist valued at $187,000. In 1875, Samuel's son, Edward C. Venable, was admitted into partnership, and over the next five years the business grew at a rapid rate, while specializing in fine bright navy tobaccos and leaf. In 1880 the firm had a capital investment of $150,000, a thousand hands, wages of $110,000, raw materials valued at $1,215,000, and a final product value of $1,400,000. By 1883 the three-acre firm was consuming from four to five thousand hogsheads annually, and producing for the market four million pounds of tobacco. In addition, a box factory attached to the main plant, consumed 1,500,000 feet of lumber and paid out over $125,000 in wages.

In 1890, when it was incorporated, the company, in addition to the main plant and box factory, included within its folds three leaf houses and two large warehouses for storage purposes. Its brands, "Blue Jeans," "Old Virginny," "Logol," and "Big Chew" were made from Kentucky White Burley and Virginia brights and were nationally and internationally known.

S. W. Venable, besides being president of the firm, was also an active member of City Council and its Finance Committee; while his son, in 1894, was president of both the Chamber of Commerce and the principle social organization of the city, the Petersburg Club.

22. Engelhardt, loc. cit.
23. Ibid.
Another of the foreign-born Scots to emigrate to Petersburg was David B. Tennant, who as a youth crossed the Atlantic to live in Petersburg with his widowed aunt Mrs. David Prydon, whose husband formerly had been in the tobacco business with Robert Leslie. In 1843, Tennant and a fellow Scot, Robert Dunlop, began operations under the firm name of Dunlop & Tennant. Tennant was also associated with Robert’s brother, David, but David by 1860 had broken away to set up his $100,000 investment which employed 300 hands and brought him a product valued at $180,000. In the meantime, Robert Dunlop had died, and the firm passed on to Tennant, who renamed it D. B. Tennant & Co. In 1866 D. B. Tennant & Co. was a $50,000 operation, specializing in the export trade, and employing 110 hands to process 500 tons of leaf, into 400 tons of plug and twist valued at $150,000. In the late sixties, David Dunlop, a nephew of the late Robert Dunlop, and the son of David, Sr., became a partner with Tennant, but the name of the firm remained the same. David Dunlop, Jr. (for clarification) was born in Petersburg around 1841, and attended the best schools available, especially that of Professor Thomas Davidson. Later he attended Washington & Lee University, interrupted his education for the war, and afterwards traveled to Europe to complete it. After his return to the States, he tried the tobacco business in Kentucky, but after

26. Robert, Tobacco Kingdom, p. 186; Petersburg Index-appeal, October 28, 1902.
one year he returned to Petersburg and eventual partnership with Tennant. By 1870, D. B. Tennant & Co. was a capital investment of $50,000, which utilized eighty hands at an annual wage of $18,000. Over $75,000 worth of raw materials were manufactured into 637,300 pounds of plug and twist valued at $128,250. In ten years the capital doubled, while the hands increased to 249 and the wages to $33,000. Ingredients valued at $61,000, were formed into a product worth $155,000. Four years later, Tennant's three story, 100 by 200 foot factory on East Washington Street, housed four hundred hands who worked to export plug and twist aggregating annually to 1,500,000. The brands "Bellevue," "Belle of Virginia," and "Kohinoor," won the gold medal at the 1883-4 Calcutta Exhibition. Tennant before his death served on many Petersburg corporation boards, particularly those involving cotton, and at his death was known as "Petersburg's wealthiest citizen."

After Tennant's death, David Dunlop, Jr. carried on the Old Street business, which by his death in 1902, was said to be the largest exporter of manufactured tobacco in the United States. Dunlop was a member of the Petersburg Tobacco Exchange and the St. Andrew's Society. After his death his estate was estimated at two to three million dollars.

One of the oldest tobacco manufacturers of Petersburg was Robert

27. Original MS Returns, Census of 1870 and 1880.
29. Petersburg Index- Appeal, October 28, 1902.
Leslie, an immigrant from Ayersh1re, Scotland, who established his firm in 1818. After a brief partnership with David Brydon, Leslie was joined in 1845 by his nephew Robert L. Watson of Scotland, and six years later by the Canadian, John McGill, also a nephew. In 1854 the two nephews were admitted into partnership, and by 1860 the firm was known as Watson, McGill & Co. Leslie, who lived to be eighty-five, in 1857 constructed on Washington Street a four-story factory, 165 by 45 feet, which the press predicted, somewhat erroneously, would "in point of size, style, and beauty, be the largest and handsomest building of the kind in the state.... The front is to be stuccoed with colored stuff representing brownstone, in order to be in keeping with the new Baptist Church to the right of it...."

In 1860, Watson, McGill & Co., operating on capital of $25,000, kept busy 150 hands in turning out 325 tons of lump and twist valued at $100,000, from 450 tons of leaf costing $60,000. Within ten years the capital had doubled to $50,000, but the labor force reduced to fifty hands, who were taking home annually $25,000. Although 635,000 pounds of raw leaf were being consumed at a price of $81,500, the total production of plug had declined roughly to 500,000 pounds (250 tons) valued at $120,000. Over the eighth decade the firm doubled its capital to $100,000, and its labor force, drawing annually $50,000, had jumped to 300. Costs of materials

p. 186.
had doubled to $175,000, while the value of the final product had increased to $235,000. It was later said of Leslie, after his death in 1878, that he was "one of the most successful tobacconists who ever engaged in the business. By his great business tact and energy, he was enabled to acquire a large fortune."

III. FLOUR AND THE MILLER IN PETERSBURG

Flour milling in Petersburg was a cross between Richmond and Lynchburg, being neither too great nor too small. Perhaps the leading firm would be only one-third the size of a Callego or Maxall Mill, but on the other hand it lauded it over the Lynchburg flour mills. As late as 1885, there were at least three flour mills in Petersburg, despite the proximity of the city to Richmond. The three had an aggregate daily capacity of 315 barrels and a yearly capacity of 98,280 barrels of flour. The total labor force was only eighteen, but the value of the product reached a combined $468,936. In addition there were five small corn mills, employing twenty-four hands and producing 951,660 bushels of a final product valued at $468,936.

Perhaps the city's leading flour mills were the Hope Mills, owned and operated by Andrew and John Kevan, two brothers who had moved from New York to Petersburg in the 1830's. Before long they were being described as "millers, or rather manufacturers of flour, doing a most extensive

32. Original MS Returns, Census of 1880.
34. Imboden, op. cit., p. 104.
35. Ibid.
business." In 1860 the Kevin brothers had $100,000 tied up in the mills, where 205,000 bushels of wheat valued at $250,000, were being ground into 41,000 barrels of flour worth $280,000. In the next ten years the firm slipped to a capital of $30,000, nine employees, and a daily capacity of 800 bushels. Wheat cost the company $63,900, but the 10,650 barrels of flour and the 745,000 pounds of feed were bringing a return of only $43,000.

Equally as important to Petersburg's flour industry was the City Flour Mill owned and operated by two distinguished local citizens, Bartlett Roper and F. Eugene Davis. Davis was born in 1835 in Surrey County, and in 1852 he had come to Petersburg where he found employment as a clerk in a jobbing house. In 1857 he became a wholesale grocer in the firm of Davis, Derring & Co. In 1858 he not only married the daughter of Bartlett Roper, but also entered his father-in-law's employ, and shortly thereafter the name was changed to Davis & Roper. By the end of the Civil War the two were proprietors of both a flour mill and a cotton factory. Davis also had the unpleasant distinction of being one of the surrenderers of Petersburg after the Confederate army withdrew.

In 1870 the City Flour Mill was the largest in Petersburg, with a capital of $50,000, sixty-nine hands, and a product value of $141,000, derived from 250,000 bushels of wheat. During the next decade, however,

36. Wyatt, op. cit., p. 31.
their business, like that of the Keenan brothers, fell off. Although they still listed their capital at $50,000, they only employed eight hands to work the 40,500 bushels of wheat worth $40,000, into 9,425 barrels of flour and 659,750 pounds of feed valued at $57,045.

The third and last flour mill of the city was the Rialto Mill, built in 1820 by Richmond Furt and J. B. Kendall, and then passed on to Richard Bagby. Bagby, in turn, sold the mill in 1858 to Sylvanus Johnson, who remained in the flour business until after 1870. In 1860, the Rialto Mill, under Johnson, retained a capital of $35,000, and from $229,000 worth of raw wheat, the mill produced 40,000 barrels of flour valued at $240,000. In the same year, Johnson also owned a corn mill, in which he had invested $20,000. From 60,000 bushels of corn valued at $48,000, Johnson derived 12,000 barrels of meal worth $55,000. By 1870, his flour mill business had slumped drastically. In that year the Rialto Mill with a daily capacity of 700 bushels was capitalized at $4,500. Only six laborers were needed to convert the thirty thousand bushels of wheat, costing forty-five thousand dollars into 6,000 barrels of flour and 420,000 pounds of feed valued at $55,400. Sometime during the 1870's, the Rialto Mill was purchased by James M. Williams, a Dinwiddie farmer who owned 258 acres valued at $5,350. In 1880 he listed the mill's

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39. Original MS Returns, Census of 1880.
40. Wyatt, op. cit., p. 31.
41. Original MS Returns, Census of 1860.
42. Original MS Returns, Census of 1870.
43. Original MS Returns, "Population" Census of 1880; Wyatt, loc. cit.; various Richmond and Petersburg City Directories.
capital at $20,000, the hands at twenty-five and the annual wages at
$4,500. Instead of specializing in flour, Williams converted his 50,000
bushels of grain into 2,700,000 pounds of corn meal and 100,000 pounds of
feed, but with little success, as the final products brought only
$37,000.

IV. THE COTTON MILLS OF THE COCKADE CITY

Whereas flour milling was done on a limited scale, the manu-
facture of cotton products was second only to that of tobacco in the city.
Among the stockholders and directors of the mills, could be numbered some
of the wealthiest and most influential capitalists and merchants of
Petersburg. In 1885 there were five cotton producing companies, which
employed 690 hands to run their 26,514 spindles and 810 looms. Capi-
talized at $688,100, these mills consumed 8,250 bales from which came
10,636,000 yards of cloth valued at $667,775.

The first of the large cotton mills in the Cockade City, was that
of the Petersburg Manufacturing Company, which was chartered in 1826
with the authority to manufacture cotton, wool, hemp, and flax. The
capital was not to be less than $25,000, nor more than $100,000, and by
1827 it had been subscribed. The company established itself in the old

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44. Original MS Returns, Census of 1880.
45. Ibid., op. cit., pp. 102-3.
corn mill which Robert Osborne had built in 1815 on the Appomattox Canal, and shortly thereafter set up 2,000 spindles and twenty-five looms. In 1831, one hundred operatives were operating 2,500 spindles and 15 power looms, and consuming 1,000 bales of raw cotton annually. In March, 1837, the company was authorized to increase its capital to a maximum of $200,000, and within a year the Petersburg Manufacturing Company had increased the number of spindles to 4,000, the looms to 106, and the plant was consuming 1,600 bales of cotton yearly. Of this, 450,000 pounds were sold as yarn and the remainder woven into cloth by the two hundred hands.

Several years before the war the plant was converted into a fertilizer factory, but after 1865 it was reconverted back to the production of cotton. By then it was under the able management of Bartlett Roper and Eugene Davis. In 1870 the mill had a working capital of $150,000, spindles numbering 3,000, and 109 looms, all being run by ninety-five hands drawing $4,000 annually. Cotton amounting to 400,000 pounds and costing $83,000 was changed into sheeting and shirting numbering 1,186,832 yards and valued at $140,000. By 1877 the mills, of which there were two, contained 5,000 spindles, 174 looms and 175 laborers who handled

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48. Wyatt, Ibid.; various Petersburg City Directories.
49. Original MS Returns, Census of 1870.
the incoming weekly load of thirty bales of unfinished cotton. From
this, 8,000 yards of cloth were produced daily. Six years later, with
Eugene Davis as president, the firm was producing daily, 7,000 yards of
cloth from 6,000 spindles and 170 looms.

Six years passed in Petersburg before a second charter was issued,
but in March, 1832, the Merchants Manufacturing Company received one call­
ing for the capital to range between $40,000 and $80,000. Located on
the Appomattox River at the south end of Campbell's Bridge, the company
was directed by Hugh Nelson and John Stockstill, and eventually had as
its agent Andrew Kevan & Co. Because of its initial success, the capital
stock was increased to $20,000 in 1833, and to $100,000 in 1836, while a
second factory was erected across the street from the first and connected
by a passage between the two. Power for the second factory was generated
by a canal connected to the river. In 1835 the company operated 3,500
spindles and a number of looms capable of producing 1,500 to 2,000 yards
of cloth daily. Three years later the mills were consuming 4,000 bales
of cotton, obtaining a capacity of 70,000 yards of yarn and 800,000 yards
of heavy cloth annually. Two hundred hands ran the 4,000 spindles and
112 looms. By 1860 the Merchant's Manufacturing Company had a capital
of $150,000, and employed ten hands to manipulate the 172,112 bales of

50. Wyatt, op. cit., pp. 20–21; Pollock, Guide to Petersburg,
p. 158.
51. Acts, 1831–32, 1832–33, 1836–37; Petersburg Directory, 1877,
pp. 62–2.
raw cotton from which 834,900 yards of onasburgs were produced and valued at $64,000. A decade later the $150,000 investment, with Kevan as agent, was consuming $35,150 worth of cotton, which after being fed into the seventy looms and 3,000 spindles, emerged in the form of 125,000 pounds of cloth valued at $75,000. In 1877 the Merchant's Mill was no longer in operation, although it still had 2,300 spindles, 88 looms and eighty-eight employees ready to meet the capacity of 1,200 pounds per day.

The Matoaca Manufacturing Company sprang from the old Providence Manufacturing Company chartered in 1833 with a maximum capital of $50,000. Established on a mill site formerly owned by Mordecai Barbour, about four miles from Petersburg, on the Appomattox River, the Matoaca firm proved to be one of the most enduring of the cotton mills. The original act was amended in December of the same year to allow the owners to continue the grist mills which they had acquired, as well as to manufacture paper. During the amending process the name of the mill was changed to Matoaca, and three years later the company was given permission to increase its stock to $500,000. It then erected "two, three-story mills, a machine shop, and a sizing house built from granite found on the company's property." When finished, the new mill contained 4,000 spindles and 170 looms, while around it, a small village of fifteen to twenty

53. Original MS Returns, Census of 1860.
54. Original MS Returns, Census of 1870.
tenement houses was begun and was expected to reach a population of five hundred persons. In 1838 the mill's capital stood at $150,000, far short of the authorized amount, but the 4,000 spindles, 152 looms, and 200 operatives were producing 850,000 yards of cloth from the incoming 800 bales. The paper mill, which had been established with a capital of $75,000, was soon employing thirty hands. In 1870 the capital of the Matoaca Mills was the same $230,000 listed in 1860, while the number of employees had decreased only slightly from 210 in 1860 to 175 a decade later. Means of production were up, in that in 1870 there were 277 looms and 7,216 spindles, as opposed to 224 looms and 6,300 spindles ten years earlier. Moreover, at the later date, 700,000 pounds of cotton were being used, an increase of over 180,000 pounds of that used in 1860. Before the war 1,050,000 yards of cloth valued at $92,000 were produced, but in 1870 there were 2,600,000 yards of cloth produced, valued at $250,000.

In 1877, the company contained 250 hands earning monthly $3,000, 260 looms, and 10,000 spindles capable of producing weekly 70,000 yards of cloth. The capital stood at $231,700. By 1884 the president of the Matoaca Mills was Alex Dorman, and on the Board of Directors, sat such notables as John McGill and D. B. Tennant. Alex Dorman was another Scottish immigrant to Petersburg, his birthplace being Galloway Shire,

57. Wyatt, loc. cit.; Pollock, Guide To Petersburg, p. 159.
58. Original HS Returns, Census of 1860 and 1870.
59. Wyatt, loc. cit.; Pollock, Guide To Petersburg, p. 159.
Scotland and his date of birth, 1818. Following his immigration to Petersburg, he attended the local schools, and then the University of Virginia Law School. After 1840 he became the senior member of the law firm of Donnan and Hamilton. From 1859 until his death, he was a member of the Virginia House of Delegates from Petersburg, a City Council Member, the vice-president of the Petersburg Savings and Insurance Company, and president of the Matoaca Cotton Mills. The firm continued to expand its operations under Donnan, until, in or around 1894, it absorbed the Ettrick Cotton Mills, also located in Petersburg.

The Ettrick Manufacturing Company, which was later united with the Matoaca Mills, was first chartered in January, 1836, with a maximum capital of $150,000. Occupying a mill site formerly owned by Jabez Smith at the "Ettrick Banks," on the Appomattox River, the firm by 1838 had 200 hands, 4,000 spindles and 146 looms consuming a 1,000 bales of cotton and producing in their stead over a million yards of cloth. In 1857, a labor force of 300, most of whom were women, operated the two hundred twelve looms, each capable of turning out forty-five yards of "Petersburg" daily. When adequate water power from the river was available, five steam engines of a hundred horsepower each were used. In 1859, the village of Ettrick grew up around the factory until it numbered 830 persons. In 1860, the Ettrick Mill was capitalized at $200,000, employed 205 hands, and utilized 5,140 spindles and 220 looms to produce over

60. Brock, Virginia, pp. 555-6.
two million yards of cloth valued at $124,800. During the war the mill made many of the sheets used by the Confederate Army, but it never survived the conflict, for in 1865, the $40,000 plant was destroyed by fire, including all of its machinery, which numbered 5,000 spindles and 212 looms. Three hundred persons went unemployed, and production that had risen to 60,000 yards of cloth weekly, was halted. In 1870, however, with tobacco moist D. B. Tennant, as president, Ettrick reorganized with a capital of $200,000, a labor force of 99, and a payroll of $10,000. Cotton worth $62,700, was changed into a final product of 193,000 pounds valued at $84,000. By 1877, the number of spindles had increased from 3,000 to 5,650, and number of looms from 88 to 170. The capital was the same, but the hands were earning $26,000 annually, and the plant had reached a weekly capacity of 15,000 yards.

The last of the mills to be chartered in 1836, was the Mechanics Institute, which, with a maximum capital of $100,000, situated itself on Swift Creek. By 1838 the mills were completed, and with a capital that exceeded the specified amount, the Institute began to manufacture, not only cotton, but also hemp, flax and wool. Originally it had 180 hands, 4,000 spindles and 154 looms, and from 700 bales of cotton, it produced 1,000,000 yards of cloth. By 1860 the company's capital had

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66. Original ES Returns, Census of 1870.
68. Acts, 1835-6, pp. 332-4; Wyatt, loc. cit.
fallen slightly to $100,000, the number of hands to one hundred, the
spindles to 2,760, and the looms to eighty. The 307,000 pounds of cotton
consumed were converted into 832,000 yards of cloth valued at $62,400.
During this time the village of Mechanicsville was growing up around the
mills. The war, however, took its toll, and in 1870, the mills were only
a $25,000 investment, employing 100 operatives, containing 3,000 spindles
and 114 looms, and producing a final product valued at $96,000. On
February 15, 1871, the mills came to an end as fire leveled them to the
ground.

The last of the ante-bellum mills in Petersburg to be chartered
was the Battersea Manufacturing Company, on April 2, 1839, with a capital
not to exceed $200,000. By 1840 the mill was completed on the south
side of the Appomattox River near the old Battersea Estate. Its first
president was Judge John F. May. In 1860 the Battersea Mills were
capitalized at $77,000 and utilized 106 hands to run the ninety-five
looms. Cotton to the amount of 850 tons was processed into 853,997
yards of cloth valued at $77,000. During the war the mills remained
in operation doing great service to the Confederacy. In 1870 the mills
listed a capital of $116,000, and a labor force of 104, who efficiently
operated the hundred looms and two thousand spindles. Over 300,000 pounds

70. Original WS Returns, Census of 1870.
71. Hyatt, loc. cit.
73. Original WS Returns, Census of 1860.
of raw cotton worth $94,000 were converted that year into 972,978 yards of cloth valued at $720,000. In 1877, with the capital remaining at $116,000, the number of spindles increased to 4,100, while the labor force declined to ninety and the looms to a hundred. By the middle 1880's Battersea had also undergone a change in management, in which Dr. David Steel became president, and D. E. Tennant and Alexander Donnan were added to the Board of Directors.

71. Original MS Returns, Census of 1870.
CHAPTER VII

MANUFACTURING IN THE BRIGHT TOBACCO CITY

I. THE TOBACCO INDUSTRY

Situated on the south bank of the River Dan, occupying the central concave portion of a graceful horseshoe curve of the river, South Danville, plus her sister city, North Danville, on the opposite bank, in 1893 claimed to be the greatest loose-leaf and bright tobacco market in the world. Not more than a decade before, an observer noted that:

No town, North or South, experienced a more rapid and solid growth during the past few years than Danville, Virginia. Situated near the dividing line between Virginia and North Carolina, in the midst of a region producing fine yellow tobacco and in view of the Blue Ridge, with ample means of transportation by rail to all parts of the country... Danville should continue to grow.2

Prior to the war Danville ranked fourth behind Richmond, Petersburg and Lynchburg, as a tobacco producing and manufacturing area. In 1850, there were seven factories in Danville, representing a capital investment of $36,500, annually purchasing 2,475,892 pounds of leaf, employing 327 hands, and producing a finished product valued at $331,500. On the eve of the war the number of factories had mounted to thirteen and represented an investment of $99,200. The 496 hands handled 3,612,860 pounds of leaf and produced a product valued at $610,332. During the war, Danville,

1. Imboden, op. cit., pp. 113-19.
3. Original MS Returns, Census of 1850.
4. Original MS Returns, Census of 1860.
nestled in the interior and comparatively safe from invasion, became the
center for stores of raw and manufactured tobacco sent there from the
major manufacturing centers of Virginia. In 1870 there were only eight
tobacco establishments, capitalized at $70,000, and employing 601 laborers
at an annual wage of $52,600. Materials valued at $2,458,335 were made into
a final product worth $456,631. Over the next ten years Danville in-
creased the number of tobacco establishments to twenty-nine, the capital
invested to $703,400, the number of hands to 1,602, wages to $233,859,
and the value of the product to $1,309,127. In 1885 the factories de-
clined in number to twenty-seven, the capital to $560,656, but labor was
advanced to 2,725. That year 5,403,697 pounds of plug and twist, and
28,963 pounds of smoking tobacco were manufactured at an estimated value
of $2,010,084. In 1889 Danville had eighteen chewing tobacco factories,
selling 7,262,529 pounds of their product.

Accompanying the growth of Danville’s tobacco factories, was a
corresponding growth in the sale of loose leaf tobacco, especially the
bright tobacco after 1880. In 1870 Danville warehouses sold 10,621,557
pounds of leaf valued at $1,301,140; five years later the figures were
11,679,421 pounds valued at $3,002,218; and by 1885, 11,017,904 pounds
were sold for $5,551,599.

6. Original MS Returns, Census of 1870.
7. Original MS Returns, Census of 1880.
8. Inboden, op. cit., p. 166.
II. THE DANVILLE TOBACCONIST

Probably the most outstanding figure in nineteenth century Danville was Major William T. Sutherlin, who was born April 7, 1822, on his father's farm near Danville. His education he received in the male Danville Academy and in the private Franklin County school of Joseph Godfrey. Following his education, Sutherlin clerked in a Danville tobacco factory, and after one year as a leaf dealer, he turned to the manufacture of tobacco around 1845. In 1850 his business, employing forty hands, was turning out a product valued at $55,000. In 1858, Sutherlin joined with Peter W. Ferrell under the firm name of Sutherlin and Ferrell. Two years later their firm showed a capital of $5,000, forty-eight hands, and 255,000 pounds of manufactured tobacco valued at $70,000. At the same time, Sutherlin still operated his original factory with a capital of $17,000, seventy-five hands, and 590,000 pounds of leaf which were made into 1,350,000 pounds of plug valued at $97,732. In 1865, Ferrell and Sutherlin each went his own way.

Sutherlin's greatest contributions lay not in the tobacco industry, but in the services he rendered to his community. In 1850, the Major showed his mettle after a large storm had washed the Dan River Bridge away.

12. Original MS Returns, Census of 1850.
For $4,500 he bought the site and rights of the former bridge, and with a syndicate of local business, he built a covered toll bridge across the river at a cost of $12,000. From 1855 to 1861 he served as mayor of Danville, and the latter year, as a member of the Whig Party, he attended the Virginia Convention which adopted the Ordinance of Secession. As a delegate of Danville he was pledged to vote against the Union. When war broke out, Sutherlin entered the army, but because of ill health he was forced to accept a position as a major and quartermaster in his native city. Several years before the war, Sutherlin had purchased a four-acre lot on Main Street for $4,000, and on it built the most elaborate home in Danville. It was in this home that Jefferson Davis resided during the waning days of the Confederacy, and there he received word of Lee's surrender.

After the war, Sutherlin wintered in Cuba to recover his health, but before long he had returned to Danville to pursue the development of the city and if possible, the state. In 1868 R. E. Lee joined Sutherlin's name to his own in a letter to General W. S. Rosecrans, explaining the attitude of the South to the war settlement. For the next thirty years in Danville, "there was not a public undertaking of any importance in that time that was not backed by his opinion, his services,"

and his money. During the war Sutherlin served on the Board of Public Works, and for two years after it, in the State Legislature. For fifteen years he was a director in the Richmond and Danville Railroad, and almost single handedly he built the Milton and Sutherlin, and the Danville and New River Railroads. When the Virginia State Agricultural Society was reorganized, he was unanimously elected its president for two years. He secured a charter and set up the $300,000 Danville Bank in 1860, and served as its only president. Through his efforts the Border Grange Bank was established in Danville, and he became its first president. Major Sutherlin was a trustee of Randolph-Macon College, a large contributor to the Danville College For Young Ladies, and the first president of its Board of Directors. He personally purchased a lot for the Methodist Church on Main Street, and contributed to the building fund. In the reconstruction of his State, and his city in particular, Major Sutherlin made infinite contributions.

Every bit as important to the wealth and prosperity of Danville, were the Holland brothers, John and Christopher, who came to the city from Franklin County in the 1840’s. Before long, each had his own tobacco factory, but by 1850 they were united in the firm of J. W. Holland & Co. which that year employed twenty-eight hands and produced a product valued at $14,500. In 1860, the $10,000 firm employed fifty-two, and consumed

330,000 pounds of leaf. The final product was 270,000 pounds of chewing tobacco valued at $68,000. During the war, their factory, located on Spring Street, served as a Union military prison, and on at least one occasion there was an attempted flight by the Yankees inside. Five years after Appomattox, J. W. Holland & Co. was a $20,000 investment with a $15,000 payroll to support fifty-five laborers. Out of 425,000 pounds of raw leaf costing $59,000, emerged 332,998 pounds of plug valued at $135,000. As a sideline the company manufactured 10,200 boxes. During these years, John managed the manufacturing and business departments, while Christopher handled the selection and purchasing of raw leaf. In 1880 the company's capital had increased fourfold to $75,000, the number of employees to 185, and the annual wages to $20,000. The final product was valued at $140,000. By the middle of the eighth decade, the two large brick factories reached an aggregate capacity of a million pounds of tobacco, while employing over three hundred operatives.

The Holland brothers were also active citizens. John for ten years presided over the City Council and was a prime factor in the establishment of the Market Square, situated on his property. He also was a principle mover and contributor towards the erection of the Main Street Episcopal Church. His brother, Christopher, also exhibited qualities of

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22. Original MS Returns, Census of 1880; Pollock, Sketch Book of Danville, loc. cit.
"good sense, economy and foresight," and rose rapidly, not only financially but also in the public's esteem. For sixteen years he served on the City Council, frequently, as the chairman of the Finance Committee. He became a pioneer in Danville's cotton industry when he erected his immense factory on Canal Street, known as the Morotock Cotton Mills. For many years he served as a director of the Virginia Midland Railway, and upon the organization of Danville's Chamber of Commerce, he became its president. A member of the State Democratic Committee for eight years, he became a delegate in 1884 to the National Democratic Convention in Chicago, where he supported Cleveland. An active and zealous church worker, he promoted financially the Main Street Baptist Church, and later served as the president of the Danville Y.M.C.A. As one observer noted:

Mr. Holland is a rare combination of modesty and good sense. He is a gentleman of fine address, (and) there is none of the nineteenth century veneering in his make-up.... He is too much a man to be a manikin. He always has an opinion of his own, and never waits for a crowd to back it before he expresses it.... Conservative in character, he often comes in collision with ideas for advancing Danville contrary to his own. But he bides his time, and his sagacity has frequently been vindicated.24

Another pioneer in the Danville tobacco industry was Thomas D. Neal, born in 1812 in Spring Garden, Pittsylvania County. Neal first entered the business world as an employee of his uncles, James and

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Robert Williams, who were well known Danville millers. Subsequently, he became a salesman in their grocery and dry goods store, and by 1833, claimed a partnership in the firm. Failure followed success, however, and by 1835, Neal had become a tobacco auctioneer. Three years later he turned to the manufacture of tobacco and eventually joined with Josiah Wills, Bannister Anderson and Thompson Coleman in a firm which lasted until 1857. In 1858, Neal struck out on his own, and in that year joined with William P. Graves in establishing the "Danville Warehouse System," which helped revolutionize the sale of loose-leaf tobacco in the South. Within twenty years, eleven large tobacco warehouses had sprung up in Danville, beginning with "Neal's" established in 1858. Interested in promoting Danville, Neal in 1853 established a steamboat line on the Dan River to run between Danville and South Boston. On completion of the railroad to Danville, he abandoned the steamship line. Realizing the value of the railroad, he willingly supported the Richmond and Danville line, and became the Chairman of its Examining Board. Until 1861, he served on the City Council, and through his efforts, lamp lighting was introduced to the city. Upon the war's conclusion, Thomas Neal moved to Richmond where he resided as a Tobacco Commission Merchant until his death in June, 1884.

Thomas Neal not only bequeathed to Danville his past achievements, but also two sons, James and John, both of whom followed in their father's footsteps. The Neal brothers by 1869 were proprietors of the "Planter's" warehouse which in fifteen years increased in floor space from four to twenty thousand square feet, and sold on an average price of fifteen dollars per hundred pounds. Over a fifteen year period this meant the sale of 45,000,000 pounds of leaf for $6,750,000. John, like his father before him, sold his interest to James and turned to auctioneering. Thus James became more widely known in the business and social realms than John. James Neal, born in 1845, served during the war in the 18th Virginia Regiment as a member of Pickett's staff. After the war he traveled to New York City where he entered a large tobacco firm. In 1866, he returned to Danville, married, and became a leaf dealer. He was a promoter of the $30,000 Academy of Music, the Odd Fellow's Hall, and the Episcopal Church. During his term on the City Council he sponsored a resolution calling for the appropriation of $100,000 for public improvements such as gas, water works, and sewerage. He was president of the Chamber of Commerce, and at his death it was recorded that "the spirit of the man was manifest—a zeal for the public good, pride in the growth of Danville and a persistence that knew no such word as failure."  

Another of the Danville brother acts, was that of Peyton and Willis Gravely, natives of Henry County, who in their Leatherwood Valley factory manufactured the famous "Peyton Gravely Honey Dew Pound," a name which was plagiarized many times over throughout the state. In 1860 the Henry County factory of Willis Gravely, Sr., showed a capital of $12,000, a labor supply of twenty-four, and 52,000 pounds of manufactured tobacco valued at $15,000. Peyton, born in 1835, as the oldest son, entered the Danville Artillery and served under "Stonewall" Jackson. He rose from sergeant to captain through the ranks, and four times was wounded in battle. After Appomattox he returned to the Leatherwood Valley tobacco business of his father, and in 1870 the firm had a capital of $35,000, twenty hands, and a product valued at $50,000. In 1871, Peyton, as head of the company, moved the factory to Danville from the Valley, and once there he associated with his firm C. M. Sublett. Sublett, later was replaced by R. W. Lawson, and the firm of P. B. Gravely in 1880 listed a capital of $40,000, seventy-five workers and materials worth $35,000, from which a $49,000 final product was derived. In 1884, after the death of Lawson, the company was reorganized to include P. B. and F. B. Gravely and James T. Burton. Factory "No. 9," erected in 1883 was one of the largest in Danville, being 110 by 50 feet and five stories high, from which came

30. Original MS Returns, Census of 1870.
31. Original MS Returns, Census of 1880.
the brands that won laurels at the World's Exposition in New Orleans in 1885.

Not all of Danville's leading tobacconists were natives of Virginia, as evidenced by the Baltimorian, Thomas J. Talbott. Thomas, born in 1833, had accompanied his father to Richmond at the age of fourteen to work in the factory of Talbott & Bro. Beginning in 1852, he left the firm for five years of railroading on the Wilmington and Manchester, and the Richmond and Danville Railroads. In 1857 he returned to the tobacco industry in Richmond, but by 1860 had decided to move on to Danville. Talbott's plug and twist factory at Lyn and Newton Streets survived the war, and in 1868, Talbott, following his marriage to John R. Pace's sister, merged his company with that of Pace's, under the name John R. Pace and Company. Talbott became a respected citizen in his adopted city, and from 1880 to 1888 he served as president of the Tobacco Board of Trade. In 1880, he also was a delegate to the Democratic National Convention which named General Hancock at Cincinnati.

Pace, with whom Talbott merged, was a native of Henry County, and first came to Danville in 1851 to work in his father's tobacco factory. By 1857 the firm was in his name, and in 1860, J. R. Pace & Son had a capital of $8,000 and a final product valued at $11,000. During the

33. Brock, Virginia, pp. 617-18; Porter, op. cit., pp. 266-7;
34. Original WS Returns, Census of 1860; Brock, Virginia, 613-4.
war he served in the quartermaster's depot, and in 1865 he returned once more to Danville. In 1870 the Pace-Talbott Company employed forty hands at yearly wages of $10,000, and converted some 368,000 pounds of leaf into 327,000 pounds of chewing tobacco valued at $130,000. Several years later Pace retired from the business, which continued to expand under Talbott. In 1872, a four-story brick factory, 157 by 40 feet was erected. In 1876 a 129 by 40 foot addition was completed, and again in 1885, a third building was added to store and handle leaf tobacco. In 1878, O. S. Watts of Baltimore bought into the firm and the name was changed to Pace, Talbott & Co. By the time Watts retired from the company in 1881, the firm listed a capital of $60,000, a work force of 300, an annual payroll of $30,000, and a product valued at $125,000. Five years later the firm's labor remained the same, but it was estimated that the factory could turn out annually four million pounds of plug and twist, notably the brands, "T. J. Talbott," and "J. R. Pace." John Pace, in the meantime had returned to the manufacture of tobacco, but as a special partner of his eldest son, W. J. Pace and P. B. Gravely, under the name of P. B. Gravely & Co. Essentially a conservative, Pace served several times on the City Council and in 1888 was elected president of the Citizens Bank of Danville.

35. Brock, Virginia, loc. cit.; Original MS Returns, Census of 1870.
37. Original MS Returns, Census of 1880.
Of the several tobacconists who crossed into Virginia from North Carolina, one of the more successful was Frank X. Burton of Caswell County. Born in 1848, Burton entered Danville at the age of twelve, and there received what educational opportunities that were available. For three years, after the war, he was employed as a clerk by W. T. Clark, but in 1869 he turned to tobacco. Six years later he joined with John H. Cosby under the firm name of Burton and Cosby. Cosby, only a year younger than Burton, had held for seven years responsible positions in two principal Danville factories before joining with Burton. By 1880, Burton and Cosby were going their separate ways. In that year, Burton & Co. was capitalized at $75,000, employed 175 hands at $20,000 annually, and produced a product valued at $110,000. Cosby, in partnership with his brother Charles, listed a capital of $30,000, a labor force of ninety-one, and a final product valued at $38,118 in the same year.

Burton did not restrict his business activities to tobacco alone, for in 1882, in conjunction with C.G. Holland, he established the Morotock Cotton Mills, of which he was secretary-treasurer, and half-owner. He remained in the firm until the Morotock and the Riverside Mills united after 1889. Interested in building, Burton, in 1888, became president of the Merchant's Bank and soon was embarked on a bank building program. Before his death in 1904, he headed the Hotel Burton Company, became a

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40. Brock, Virginia, op. cit., 600-1; Pollock, Sketch Book of Danville, pp. 139-40; Porter, op. cit., p. 344.
41. Original MS Returns, Census of 1880.
member of the real estate firm of W. J. Dance, and acted as president of the West End Land Improvement Company of Danville.

III. DANVILLE MILLING: COTTON AND FLOUR

Although cotton milling dated back to 1828 in Danville, it was not until after 1880 that cotton became a significant factor in the city's economy. As late as 1885, Danville had only two cotton mills with an aggregate number of hands amounting to 360, looms amounting to 310, spindles to 13,740, and the number of pounds of cotton used, to two million pounds. The value of the 6,500,000 yards of cloth was $450,000.

In 1882 the Morotock Cotton Mills under the guidance of C. C. Holland and Frank Burton, were established on the Dan River. In February, 1886, the mills were incorporated, with the maximum capital set at $1,000,000. Also in 1882, the forerunner of the great Dan River Mills was created under the name, Riverside Mills, with a capital stock of not less than $50,000 nor more than $300,000, including its 2,240 spindles and 100 looms. Among its more important stockholders were Thomas B. Fitzgerald, and the Schoolfield brothers, John H., James E., and R. Addison. R. Addison Schoolfield, the youngest of the three brothers, due to an illness was forced to spend a winter in the Georgia climate. There he observed first

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44. Porter, loc. cit.
46. Pollock, Sketch Book of Danville, p. 130.
hand the management of cotton mills, and there he gathered the information upon which the broad charter was based, authorizing the "manufacturing (of) cotton and woolen fabrics, rope, flour, etc." It was he who went north to buy the first and most necessary equipment. As first president the stockholders chose Thomas B. Fitzgerald, whose business interests ranged from flour milling to construction. Fitzgerald was a native of Halifax County, where he was born in 1840. During the war he served with the 38th Virginia Infantry, and after its conclusion he moved to Danville. In 1870 he was the proprietor of a small flour mill with a capital of $6,000 and a final product valued at $114,900. In 1880 he had a building firm with a capital of $12,000, and a labor force of ninety hands. His final product value was $49,000. With such a varied background, it did not take long for the stockholders to select him to direct the construction of the No. 1 mill at the foot of Main Street. From 1882 to 1895 the story of the Riverside Mills was one of expansion, during which time it absorbed the Norotock Mills, while building five others. In 1884, the mills produced 5,400,000 yards of cloth valued at $365,000, and by 1895, the same amount of cloth could be produced in a single week. Later the Riverside Mills became a part of the Dan River Mills which were created after 1895.

47. Brock, Virginia, p. 605.  
48. Original MS Returns, Census of 1870.  
49. Original MS Returns, Census of 1880.  
Flour milling in Danville remained on a small scale, until by 1885, it was handled mainly by one firm, George W. Yarborough Milling Company. Richard Yarborough, George's father, first came to Danville in 1831 from Caswell County, North Carolina, and soon was engaged in flour milling with Thomas Worsham. In 1850 George joined his father in Danville, but by then the mill had passed into other hands, and his father, now a partner in the firm of Yarborough and Terry, was engaged in building the woodwork of the new free bridge across the Dan River. George joined his father's firm in 1851, and later took an active role in building Danville's first circular saw mill, and in laying the pavement between the old Danville Bank and the Episcopal Church on Main Street in 1859. He entered the war as a member of the Danville Grays, was wounded and held a prisoner at Williamsburg. Disabled by wounds, George returned to Danville in 1868, but then moved to Greensboro, North Carolina until 1870. From 1870 to 1876 he resided in York County, Virginia, but in the latter year he returned to Danville and leased the old William's Mills. When they were demolished, he leased the North Danville Flour and Corn Mill in 1879 and purchased them in 1882. In 1883, he built in conjunction with the Danville Water Power Company, the Morotock Lake Dam and advertised that the water power on the North Side was his "exclusive property." Although his brands, "DeSota," "Dan Valley," and "Danville Extra" were well known, George by 1890 had sold his mill to the Riverside Cotton Mills, which converted it into mill #2. Three years later the Dan Valley Flour Mill was organized and continued in operation for fifty years.

CHAPTER VIII

CONCLUSIONS

In this analysis of a segment of Virginia industry and the men who ran it, certain characteristics basic to all emerge, whether the industry was flour, tobacco or cotton. Generally, most of the large and wealthy industrialists were self made men who entered their respective fields with very little in the way of ready capital, but with excessive energy, aggressiveness, and a desire to succeed. With success, there was a tendency to keep the firm, as long as possible, in the family, by passing it on to succeeding generations or by marriage to an able administrator willing to follow the family policies. Characteristic of these men also, was the courage they continually displayed in the face of financial disaster, whether it was occurring in the state or in the nation. Many seemed to possess a sixth sense which warned them of impending crisis, be it war or national panics. Most were quick to react to such disasters, and thereby avoid financial ruin. In the fight for economic survival during those postwar years in Virginia, more often than not, two firms would merge until they could recover their capital, and then, thereafter, go their separate ways. Many of these industrialists held interests in the firms of friends in the manner of a silent partner, each seeking to bolster the other financially. Moreover, most of these wealthy industrialists had interests elsewhere, which might serve as a cushion in times of want. More often than not, these men were pioneers in their field, and through creative ability were able to produce the "warehouse system," a hydraulic press, sweet tobacco, or even the first paper cigarettes in Virginia. They were benefactors and not deterrents to the local economy.
Despite their wealth, these men gave of their time, their energy, and their money to the improvement of the locality in which they lived. The Jefferson Hotel, Ginter Park, local churches and schools attest to their generosity. Common to all of these industrialists was pride, a pride so strong that they refused to accept defeat on any terms, no matter how often outside, inexplicable forces administered crushing blows to them, in their homes or at work. Indeed, it would be foolish to discount the manifold works and deeds of these postwar industrialists, for without them, Virginia might well have sunk into a morass of mediocrity.
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