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CHAMBER OF COMMERCE EDITION

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THE RISE OF THE MINNEAPOLIS CHAMBER OF COMMERCE IN A SCORE OF YEARS

FROM FEEBLE BEGINNINGS TO A POWERFUL COMMERCIAL POSITION

Now One of the Leading Trade Bodies of the World.

It Is the Finest Grain Exchange Building in America.

The Chamber Now Housed in a Sumptuous Manner.

The completion of the new building of the Minneapolis Chamber of Commerce is an event of peculiar significance to Minneapolis and the northwest. It is not the structure in itself which is of such special importance, for, though it is a magnificent building, larger and more costly buildings have been erected in this city. But the occupancy of this new "Chamber" marks the opening of a fresh chapter in the history of one of the most remarkable commercial organizations in the country and emphasizes anew the importance of the great triple industry—the growing, handling and grinding of wheat—which is the foundation of the industrial life of three states. And further, it makes emphatic before the world the fact that in a score of years that body which is the heart of the great wheat and flour industry has developed from feeble beginnings to the unique position of being first in the list of cash wheat trading organizations; that Minneapolis has become the greatest wheat market in the world, that Minneapolis is by far the largest flour producing point, and, through the logic of conditions, must continue to maintain her supremacy.

Twenty years is but a short time in which to make such wonderful commercial strides. Accustomed as are the people of the west to astonishing development, they themselves scarce appreciate what has been done in Minneapolis since 1881; and even some of the people of Minneapolis do not understand the significance of the fact that the Chamber of Commerce has twice outgrown its quarters and is now housed in one of the most complete, if not one of the most costly, structures devoted to buying and selling grain.

The Minneapolis Chamber of Commerce grew out of the need for a "market." Previous to 1881 the bulk of the wheat shipped to this city was purchased by the flour mills through the Millers' association, which, of course, fixed the price. There were few independent receivers of wheat. But it was evident that the time was fast approaching when there must be an open market here and when prices must be established by the general laws of supply and demand—and, further that a demand from outside the city was likely to develop and become a large factor in the business of grain handling. It is an interesting fact that Colonel George D. Rogers, now secretary of the Chamber of Commerce, was the first to propose an organization. After many discouragements and considerable delay his efforts were successful and on Oct. 19, 1881, the Minneapolis Chamber of Commerce was formally organized.

It was thought desirable to have prominent business men of the city as incorporators, without regard to their connection with the grain business, for it was believed that the whole city must support the new project if it were to be a success. And so the articles of incorporation included the following names: H. G. Harrison, A. C. Rand, John Dunham, A. H. Bode, E. V. White, R. P. Russell, J. T. Buxton, W. F. Meader, C. M. Loring, A. D. Mulford, Samuel P. Snyder, A. B. Taylor, D. C. Bell, Anthony Kelly, James A. Lovejoy, Frank L. Morse, D. Syme, S. W. Serl, Robert McMullen, J. R. Coykendahl and R. L. Crockett.

H. G. Harrison, who became president, was a leading banker and with a few exceptions the other incorporators had no direct connection with the grain or flour trade.

It was the idea of the founders of the Minneapolis Chamber of Commerce to make it a conservative institution with the grain and flour business as the first consideration; but the objects or organization as outlined in the articles of incorporation were made broad enough to cover a wide range of functions. They stated the purposes of incorporation to be "To facilitate the buying and selling of all products, to inculcate principles of justice and equity in trade, to facilitate speedy adjustment of business disputes, to acquire and disseminate valuable commercial information, and, generally, to secure to its members the benefits of cooperation in the furtherance of their legitimate business pursuits, and to advance the general prosperity and business interests of the city of Minneapolis."

At that time the Minneapolis Board of Trade was in existence with the avowed purpose of promoting the general interests of the city and with perhaps no aspirations towards the functions of a "trading" organization. Its future was somewhat in doubt. It had opposed the organization of the Chamber of Commerce and there was probably some idea that there would not be room for two public bodies in the city and that, if the Chamber proved a success, the Board would drop out of existence. At all events the articles were made broad enough to cover the general purposes of a city promotion body should the necessity or desire for such enterprise arise. As it turned out, however, the Chamber never took up these functions, further than to publish reports of the general trade, commerce and resources of the city. At first these reports were issued jointly with the Board of Trade but after a time the Board ceased to take a part in them. And as the Chamber grew it developed a very conservative policy, devoting itself almost exclusively to the interests of the grain and milling trade and being very slow to take any action with reference to the general affairs of the city.

Under the charter provision the first officers of the Chamber of Commerce were: President, H. G. Harrison; first vice president, A. D. Mulford; second vice president, A. B. Taylor; secretary, G. D. Rogers; treasurer, T. J. Buxton; directors, H. G. Harrison, A. D. Mulford, T. J. Buxton, James A. Lovejoy, R. P. Russell, F. L. Morse, W. F. Meader, John Dunham, S. W. Serl, D. Syme, R. McMullen, A. B. Taylor and John Coykendahl.

Temporary quarters were secured in a room in the basement of the building at the corner of Third street and Hennepin avenue, now occupied by the Western Union Telegraph company. Here the first meeting under the charter was held and here the membership was increased by the election of twenty-one men, who included practically all the grain dealers then in the city. These new members were: F. A. Bishop, D. C. Moak, C. W. Johnson, Albert Hoppin, Oliver Merion, L. K. Rogers, C. G. Hellman, Louis Duensing, W. E. Steele, A. M. Woodward, O. A. Pray, J. A. Walkley, W. M. Cochrain, A. C. Loring, G. D. Rogers, Francis Hinkle, E. F. Dodge, Samuel S. Linton, Joseph Clark, William Griffith and Thomas Wright.

Although these men were elected but twenty-one years ago very few of them are now identified with the Chamber of Commerce.

After this new members came in rapidly. On Nov. 18, Theo. A. Sammis and Samuel Morse were elected. At the meeting of Dec. 5, the following list was passed upon favorably: T. S. King, C. G. Daggett, E. D. Bowen, D. H. Wright, C. P. Reigal, E. W. Batcheldor, John T. West, Ed M. Clement, W. A. Dolliver, C. W. Tracy, W. W. Huntington, John T. Byers, C. S. Hulbert, H. G. Crosswell, James Marshall, J. C. Joslyn, Oscar Absalom, W. S. Embody, E. Cooley, Henry W. Holmes, M. W. Yerxa, R. H. Hankinson, Charles P. Lovell, Louis Muldahl, C. H. Carpenter, Stephen Cox, S. Grove Williams, M. B. Rollins.

From its inception the Minneapolis Chamber of Commerce was a live organization. The work of formulating details for the management of a trading body went forward with the greatest of dispatch and within a month the chamber was holding daily sessions and buying and selling wheat. At first the daily session lasted from 11:30 to 12:30—a period which proved insufficient after a time and was lengthened as required, until the chamber now meets from 9:30 to 1:15 p. m.

Much of the time during the first winter was spent in working out rules for the management of the chamber, and the wise legislation of this period has been felt during the whole history of the chamber. The earliest and strongest efforts of the leading spirits were for the establishment of fair and stable grades and strict rules for the conduct of business. Repeated meetings were held by the directors, committees and the whole chamber and a valuable code of by-laws was thus formulated.

Within two months of the formal organization the chamber removed from the unsuitable basement quarters at Third street and Hennepin avenue to the third story of the old Johnson, Smith & Harrison building, at the corner of Third street and First avenue S. It did not take long, however, to demonstrate the need of more accessible rooms, and quarters on the first floor of the same building was soon secured. This room faced Third street and was the scene of one of the most remarkable periods in the career of a trading organization. Here it was that the grain trade of Minneapolis really had its birth—where it grew from almost nothing to dimensions which put to shame a score of older markets—where the chamber multiplied its membership by hundreds—where the plans for a building were formulated and successfully carried out.

To realize fully the conditions of this period, one must remember that in 1880 Minneapolis had but 46,000 population and received but 10,000,000 bushels of wheat, almost all of which was consumed by the mills. The grain commission business was practically unknown in the young city; and the city itself was not recognized among the markets of the world. Three years later saw wheat receipts of 22,000,000 bushels, a Chamber of Commerce with over 500 members (and a membership fee of $250), numerous grain commission firms in business, a $175,000 building almost completed, elevator capacity tripled—a veritable "boom" under way, but a boom founded upon the most solid and reliable of all bases—the production and marketing of the world's staple—wheat.

During the first winter of the life of the Minneapolis chamber grain men flocked to the city. Men of experience from Chicago and other cities foresaw the wonderful future of Minneapolis and her grain market and hastened to establish themselves here. They came so rapidly that they could not always be identified immediately. At the fourth regular meeting of the chamber, on Dec. 5, 1881, the name of James Marshall (now president of the chamber) was proposed for membership, with a number of others. But no one present knew James Marshall. As he had been proposed by William Griffith, Secretary Rogers telephoned Mr. Griffith asking for information.

"Hello, Mr. Griffith," he said, "who is James Marshall and is he all right?"

The answer came back over the wire: "James Marshall has just come to town and is now my partner; and he wouldn't be that if he wasn't all right."

Mr. Marshall was elected.

Grain firms multiplied rapidly and helped swell the membership but nearly every business man of consequence in the city wanted to join the chamber. Within a few weeks it was evident that the membership would grow too large unless the fee—then $25—was advanced and it was agreed to raise the amount to $250 on March 1, 1882. But before that date 539 applications had been received. Membership was limited to 550 and the chamber decided to hold the 11 remaining memberships in the treasury. This at once gave a market value to the membership held by individuals which gradually advanced with the prestige of the chamber. The fee was raised by the board to $500 some time later and subsequently to $1,000 and when the market price reached this figure the 11 memberships were taken. Later sales were made by transfer at as high as $4,000 and it is predicted that the market price will touch an even higher figure in the future.

The founders of the chamber looked forward from the beginning to a permanent building for the organization, but none of them could foresee that the demand for a home would come as soon as it did. But within five months of organization the subject was proposed at a meeting in the chamber, and on April 5, 1882, a committee was formally authorized and appointed. This committee consisted of Thomas Wright, A. D. Mulford, R. P. Russell, John Dunham, R. McMullen, S. S. Linton, T. A. Sammis, C. M. Loring, George A. Brackett and T. J. Buxton; and F. S. Hinkle, A. B. Taylor and J. H. Clarke were subsequently added. This committee evidently had the spirit of the organization in its veins, for, notwithstanding the difficulty of its position, it reported in less than four months, recommending the adoption of a site at Third street and Fourth avenue S, which had been offered free of cost by property owners. Two days later this choice was ratified by the chamber and plans were at once arranged for and bids for a building asked. So quickly did matters move along that the foundations of the new building were in place before the close of the year. Operations were renewed in the following spring and the building was occupied early in 1884. It was indeed a wonderful record of development. Writing of the progress of the chamber, the secretary said: "In two and one-half years from the date of its organization it has grown from a weak corporation with but a score of members and a few hundred dollars in its treasury, to the strongest commercial organization in the northwest, with a membership of over 500, embracing the business men and capitalists of the city; owning property over all indebtedness worth $130,000, yielding an income sufficient to pay interest on all indebtedness before it matures and leave a surplus for improvements or dividends among its members."

These results had been brought about by good management. Reasonable assessments started the building fund and upon completion of the building, and ever since, it yielded a revenue sufficient to more than take care of interest charges. A bonded indebtedness of $100,000 was thus handled satisfactorily and the bonds were paid promptly.

But long before these obligations were disposed of, it became evident that the chamber must plan for a more commodious building. The original building was pretty well filled at the outset and within a few years the Corn Exchange and Flour Exchange were erected on opposite corners and filled with the overflow from the chamber. Later the Grain Exchange and Godfrey building accommodated more Chamber of Commerce men but still there was need for room and many firms found quarters in other uptown office buildings. Agitation for a new building failed to crystalize into results because of a division of opinion as to location and method. Some of the members wanted a building in the "uptown" district, while some wanter to stay in the vicinity of the old building. Certain members believed it best to secure the erection of a building by outside capital; others desired the chamber to control. Plans for enlarging the old building were discussed in all their bearings.

Meanwhile the need became more urgent. In the fifteen years from 1884, when the first building was occupied, to 1899, the receipts of wheat in Minneapolis had increased from 29,000,000 bushels to nearly 88,000,000 bushels. The shipping business was averaging as large as the total receipts in 1880. In addition, a tremendous coarse grain business had been developed, Minneapolis had become the leading flaxseed market of the country, and the increased output of the flour mills and the centralization of much of the flour milling business at country points in Minneapolis offices had built up a great business in flour brokerage and in millstuffs and feed. Great industries such as the manufacture of cereal foods, stock foods and the grinding of feed had been developed—all closely associated with the Chamber of Commerce. Since 1885 Minneapolis had been the greatest primary wheat market in the world. The Chamber of Commerce had become the place of transacting the largest cash wheat business in the world, and the buying and selling of futures had reached such a point as to give some warrant for the prediction that Chicago would soon be eclipsed in this department of the business.

In the chamber itself there had been natural changes. A membership at first composed of business men of varied interests had now become almost exclusively one of men interested in the business of buying or selling grain, flour or mill products, or in supplying the grain and mill men. The members who had joined the young chamber from patriotic motives had mostly sold out to persons who could make direct use of the memberships. The increase of business and the multiplication of firms in active operations had brought the old trading-room—50x90 feet in size—to an intolerable state of crowding.

President C. M. Harrington, under whose administration the final decision for the new buildings was reached, is generally given much credit for bringing about this much desired result. During the last year of Mr. Harrington's presidency—in the winter of 1900—the chamber voted to build on its own account and to build in the neighborhood of the old structure. This plan was developed by the purchase of the lots immediately in the rear of the original building, and the determination to erect a nine-story building with fronts of 157 and 132 feet respectively on Fourth avenue and Fourth street. The property cost $50,000. It was afterwards decided to make the building ten stories high, and other modifications and changes were arranged.

As now practically complete, the building has cost over $600,000. It is unquestionably the most substantial and finished office building in the northwest and much the best adapted to the needs of a grain trading body of all the exchange buildings of the country. The members of the Chamber unite in giving much credit for the excellence of the building to John Washburn, who was president during the two years of most active building operations, to the late L. R. Brooks, who was chairman of the building committee, to Secretary George D. Rogers, who was indefatigable in his labors, as well as to the members of the boards of directors in the several years of building progress.

In this work as during its entire career, the Chamber has been most fortunate in its officers. The official list shows that some of the most prominent men of Minneapolis have given their time and labors to the Chamber. The first president was H. G. Harrison, remembered as a most active and patriotic Minneapolis business man and banker. He was succeeded for one year by E. V. White. George A. Pillsbury served for two terms, from 1883 to 1885. From 1885 to 1889, C. M. Loring, always a most active worker for the good of the city, was president. His four terms were followed by three for F. L. Greenleaf, who had been a prominent figure in the development of flour milling. Mr. Greenleaf was succeeded by the late Charles A. Pillsbury, who was easily the most conspicuous man in the flour milling business in the world. He served two terms from 1892 to 1894, and was followed by J. H. Martin for two terms and the late L. R. Brooks for two terms more. C. M. Harrington then came in for two terms, John Washburn for two more and last fall James Marshall, one of the oldest members of the Chamber and a hard working and popular member, was chosen to this highest honor.

Colonel George D. Rogers, the father of the Chamber and its first secretary, returned to that position in 1893, and has ever since occupied the position to the entire satisfaction of the organization.

The present list of officers is as follows: President, James Marshall; first vice president, F. W. Commons; second vice president, P. B. Smith; secretary, G. D. Rogers; assistant secretary, J. H. McEnary; treasurer, C. T. Jaffray; directors, W. A. Freemire, J. L. Tracy, S. D. Cargill, Samuel Morse, A. M. Woodward, B. H. Morgan, G. F. Piper, H. L. Little, C. C. Wyman and G. F. Ewe.

Although not completed, the new building was occupied on Nov. 3, 1902. The members could wait no longer for a better trading room and as the elevators were in service and most other adjuncts completed, or nearly so, trading was commenced in the new quarters.

The new room was opened by the retiring and incoming presidents—John Washburn, who had served through the two years of building, and James Marshall, who had been vice president and director and who had just been elected to the higher office. Messrs. Washburn and Marshall entered the wheat pit as soon as the gong sounded in the morning, while the traders stood about to witness the baptism of the new room.

"I'll buy five December," said Mr. Marshall.

"Taken at 71," cried Mr. Washburn.

A moment later the pit was crowded with members, shouting offers and acceptances and trading was under way.

THE NEW MINNEAPOLIS CHAMBER OF COMMERCE BUILDING.