

Forest History Foundation, Inc.
St. Paul, Minn.

ORAL HISTORY INTERVIEW

with Mr. Hugo Schlenk
at his home
Cloquet, Minnesota
September 16, 1955

by Helen McCann White

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DATA SHEET ORAL HISTORY INTERVIEW

FOREST HISTORY FOUNDATION, INC.
2706 West Seventh Boulevard
St. Paul, Minnesota

THE INTERVIEW

Date: September 16, 1955

Interviewer: Helen McCann White

Persons Interviewed: Mr. Hugo Schlenk

Place: At his home in Cloquet

Other persons present: Mrs. Schlenk

Remarks: 2 reels.

THE TRANSCRIPTION

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HUGO SCHLENK

August 13, 1955

Dear Bob Slaughter,

I expect to be in Stillwater on Monday, but only for a short interview with Karl Neumeier and then go on to St. Paul. I think it would be fine to get together for a longer session with you when I could talk about old times in Stillwater, bank history and Schulenburg and Boeckeler. In regard to the latter, I think it would be a waste of time to try to find any record. I believe they are no longer in existence. I could give you an outline of their history. They date back to the 1840s. My grandfather entered their employ in 1848 and the Stillwater branch dates back to 1854, when the sawmill was built and timber purchased. My grandfather became a partner and came to Stillwater in October 1854 as resident partner. In St. Louis it was Schulenburg & Boeckeler and in Stillwater - Schulenburg Boeckeler & Company. I do not think grandfather supplied any of the capital but had a share in the profits which must have been considerable at that time. He retired in about 1876. They incorporated about that time and my Uncle Ernest became an officer then. Remember I was born in 1862 and was only a small kid during those years (but) as such I heard and saw a lot of what was going on. Between 1875 and 1880 I lived in St. Louis. Knew both the Schulenburgs & Boeckeler families intimately. Know of quite a lot of interesting incidents which might be interesting. The concern was one of the big items in lumber business on the Mississippi in its early days but came to an untimely end in 1894 which might have been avoided.

It seems sad that an industry that had an early start to end as this one did, while later comers should have had such a phenomenal success in the same industry later on.

Boeckeler had 3 sons, William, Henry and Adolph. They operated a lumber business in St. Louis in years after the old concern failed. But were not its successor or had any connection with it. I had a visit with William I think in 1916. Their business deteriorated during the late depression and they sold to another concern in St. Louis. Most of them undoubtedly are dead by this time. William was older than I am and the other two a little younger.

The lumber sawed in Stillwater all was rafted and went down river to the St. Louis yards, floated in early years and towed in later years. They had three boats - Helen Schulenburg, Charlotte Boeckeler and Robert Dodds. A raft contained 3 million feet. The Stillwater mill sawed around 30 million annually. At one time they also operated a sawmill in St. Louis, beside their St. Croix timber, they had shares in the Mississippi River Logging and got logs from the Chippewa from Beef Slough.

The original mill in Stillwater burned about 1876 and was replaced by a modern saw mill at that time, two gangs, two circulars, the latter replaced by band saws. That mill burned in later years and the St. Louis mill was moved up to replace it.

I can remember many of the personal and other incidents.

If you can read this and is of interest to you, will you please have your stenographer make a copy and send me one.

Truly,

Hugo Schlenk

(Enclosed in R. E. Slaughter letter to Elwood Maunder, August 15, 1955.)

C O P Y

THE NORTHERN LUMBER COMPANY
Cloquet, Minnesota

November 14, 1955

Dear Bob Slaughter:

We exchanged letters in the middle of August. I expected at that time to be down your way and perhaps see you, but that was not to be, one thing or other prevented. Spells of indigestion and other ills and now a very severe attack of sinusitis and my poor old legs will hardly carry me.

Mrs. Helen White of the Forest History Foundation was here with her tape recorder looking for further information in regard to Schulenburg and Boeckeler and other lumber concerns. As to S & B I could not add to what appeared in my letter to you dated August 13th. I could give her what I think was a pretty fair account of C. N. Nelson's career first in the bank, then in Lakeland and Stillwater, St. Paul and here in Cloquet. She promised me copies but they are not here yet. I also gave her a copy of a memo I had prepared of "The origin of the lumber industry at Cloquet." Referring again to S & B. They failed in 1894. Mr. Boeckeler died the year before. The country was in a state of depression. The failure could have been avoided if Mr. B. had lived a year longer.

There was an incident which perhaps should be preserved. I knew of it from my Stillwater family connection but the story was told to me later by Mr. Frederick Weyerhaeuser himself as follows: --

S & B owned some land bordering on the river in the north part of St. Louis. The Burlington RR wanted it for railroad purposes. They got Mr. Weyerhaeuser to act as their emissary to go to St. Louis and offer Mr. B. \$1,000,000 -- yes, one million dollars -- for that land. He told me he saw Mr. B. He, B, sat there. He did not say yes, he did not say no, he said nothing at all. The railroad then found other land for their purpose. That \$1,000,000 would have paid all the S & B indebtedness left them with a large balance of cash and their lumber business intact. The land later was taken by the bank in the winding up of the concern. They, the bank, finally got tired of paying taxes and let it go. That was the fate of a million being reduced to nothingness.

The receivership was in St. Louis. The Stillwater proceeding was an assignment. I knew at the time that David Bronson was selected as assignee and knew why he was chosen. That, however, would lead to other matters.

Very truly,

Hugo Schlenk

P. S. Mrs. White's visit has led to other matters. I have just received a letter from Mr. James Taylor Dunn, Librarian, asking for the early history of my father, Joseph E. Schlenk, who operated a clothing store in Stillwater from about 1855 or 6 until his death in 1874.

Mr. Dunn presents various data principally from memo found among the papers of Gold E. Curtiss. These are somewhat in garbled shape based on gossip, etc. Nearly everything I had in written form, my father's original German passport when he left and later American passport and other papers, were destroyed in the Cloquet fire.

I have a family register giving his birthday and parentage, also duplicate wedding certificate, judge A. von Voorhees, witnesses, Ferdinand Schultz and Charles Scheffer.

I will try to cull the truth out of what Mr. Dunn has sent me.

I hope you can read this.

Truly,

HS

Father applied for American citizenship in 1856 (court record Washington County), perhaps in that year marked his arrival in Stillwater. It may have been late 1855.

N. B. Ten days ago I completed my 93 year and now am beginning on my 94th. My sister at St. Paul 95 after 2 falls and the greater part of the year in the hospital, just now in an old people's home in St. Paul. Mrs. Schlenk at 86 still holding out well but age is beginning to tell.

HUGO SCHLENK

My name is Hugo Schlenk. I was born in Stillwater, Minnesota, on the 4th of November, 1862. I lived there as a small boy until 1875 when my father ^{had} died in 1874 and my mother took me and my sister to St. Louis where we thought the schools would be better.

(Your mother's name was - -?)

Hospes. She was the daughter of Louis Hospes who was the resident manager of the Schulenberg & Boeckeler Company in Stillwater. My father was in the retail store business. He died in 1874. Then we moved to St. Louis and remained there until 1880 when my sister and I graduated from high school there and then we returned to Minnesota and located in St. Paul. In the spring of 1883 we broke up housekeeping. My mother and sister went to Europe and remained there for all of 1883 and 1884. I was employed during the summer of 1883 by my uncle Adolph C. Hospes who was then secretary of the St. Croix Boom Corporation and also secretary of a building society in Stillwater. That fall I joined my mother and sister in Europe and we spent all that winter and the following spring in travelling, but I returned to Stillwater in July, 1884, and immediately went to work for my uncle again. In 1885 he was appointed Surveyor General of Logs and Lumber and I continued in his employ during the years of 1885 and 1886 when I found employment in St. Paul and joined my mother and sister there where we jointly kept house together until I was married in 1896.

For five years I was in the employ of Albert Scheffer who then was active in the banking business and insurance business. His bank and insurance business failed in 1892. After that for a number of years I was employed by the E. F. Drake estate. Then for a while I was in business for myself.

(What was your business?)

A cold storage business and that ended in a fire which put me out of business and then I tried to found another business of my own - an wholesale bread bakery - but that didn't go so well. I traded off what I had and looked for a job which I finally succeeded in getting with Mr. Frederick Weyerhaeuser and from that time, from December, 1903, until the present time I have considered myself a part of the Weyerhaeuser organization although I have retired since about 1940.

(What was your first job with Weyerhaeuser?)

My first job with Mr. Weyerhaeuser was as an auditor. Mr. Weyerhaeuser was at that time about at the zenith of his business career. He

was interested in a very large number of lumber concerns in Minnesota, Wisconsin, the old original concern in Rock Island was still in operation, there was a business in Stillwater, and some more down in Arkansas, and the western concerns were just about beginning, both in the inland empire and on the Pacific.

I continued circulating around among these concerns for over two years and was out in the west and I received a telegram from Mr. Weyerhaeuser in July, 1906, instructing me to report at Cloquet at once. Which I did and I think I arrived here on the 17th or 18th of July in that year and I'm here now. I moved my family to Cloquet in September, 1906, which is just now 49 years ago. I became very active in the affairs of the Northern Lumber Company at first, later on became Secretary also of the Cloquet Lumber Company, Northwest Paper Company, the Johnson Wentworth Company and quite a long roll of subsidiaries.

(You had a lot of responsibility.)

I was not a policy maker by any means. I was a detail man who carried out a whole lot of the transactions that the superior officers had made.

(You're not living in the same house you came to in Cloquet?)

I live in the same place that I lived in when I came to Cloquet but the house I lived in at that time was destroyed in the fire of 1918 and I am still living in the house that was built at that time to replace the old one. Officially, I am still the trustee and liquidating agent of the Northern Lumber Company which went into voluntary liquidation in 1945. As such I have a right to take possession of any property that might be found belonging to that company and dispose of it but the proceeds belong to the stockholders which number 95 but that is pretty near all in the past because there's nothing left at the present time to liquidate.

(You said that when the fire came to Cloquet everything was burned. Was the company property all burned?)

The Northern Lumber Company had two sawmills and a planing mill and a large lumber yard. It was all destroyed. All the houses and outlying property was all destroyed - there wasn't anything left. When that fire took place my job was cut out for me. I had placed the insurance and it was my job to adjust the loss. The Northern Lumber Company was well insured and the people concerned were very well satisfied with the job I had done.

(Did you have insurance on your house too?)

Well, that was the funny part of it. Personally I wasn't well insured

at all. I never had any idea that my household goods would be destroyed by fire. I carried very light insurance but that was all taken care of afterward by our dear Uncle Sam. In litigation which took place after the fire it was determined that the Railroad Administration was responsible for the fire. After a whole lot of maneuvering they agreed to settle all losses at fifty cents on the dollar. I received payment from the Railroad Administration at that time. Later in 1935, Congress passed a law to reimburse those who lost property in that fire and I received another payment from the government for the remainder of my loss. So in spite of the fact that I had only a little insurance I came out pretty well in the end.

(You said that you lost some early family records in that fire.)

I lost a lot of records I had, yes. I had some early family records there.

(Did they go back to the Stillwater days?)

Yes, even beyond that. I had the original passport that my father had when he left Germany way back one hundred years ago, and papers in regard to that and other papers I had at that time as well as a whole pile of accounts prior to that time.

(To go back to Stillwater and your early life there. Do you remember very much about your early school days there?)

I remember a whole lot of things. I remember the life in Stillwater as it was then. Stillwater grew from that time - my original recollection there was only three saw mills there and I think at the zenith of the lumber business in Stillwater there must have been about nine. It grew to have about 16 thousand inhabitants but that has been reduced to about seven at the present time.

(What was the population in your early days?)

Way back in the early days I think it was only a few thousand.

(You said that you were born in a house near where the Lowell Inn now is.)

Right opposite the post office at the corner of Myrtle Street and Union in a little one-story cottage there. I was born there and I think I was six months old when we moved to a house on 3rd and Olive Street. That house is standing today. The original house must have been built around 1860 or maybe before and it was rebuilt about 1870 when we lived there but it's there now very much in the shape it was when we lived there. Stillwater physically has changed a whole lot. A lot of the hills have been pulled down; a lot of the ravines have been filled up, but in the main it's the same old Stillwater.

(Did you live in the same home as your grandfather?)

Oh no, my grandfather lived way up in the north end and that's where he originally lived when he came to Stillwater, but afterwards when the railroad came in in 1870 they built a great big embankment in front of his house and spoiled that as a place to live in, and he then built a new house on the top of the hill - a great big house. He used to entertain there - lots of company and one thing or other.

(Is the house still standing?)

No, that's been wrecked. But that house had the most magnificent view. You could look down the lake all the way down to Hudson and up river far beyond the boom. My early recollection is that the old original waterpower McKusick sawmill was still there but was no longer used as a sawmill, but there was a grist mill there and the mill race came down from McKusick Lake was still there. The mill was operated by water power.

(This was in the 1870s?)

This might have been as early even as the 1860s. I know when we drove north we'd drive, that mill race was overhead where it crossed Main Street. Then the saw mill - the old mill that had been built by Sawyer - was still at the north end of Main Street, was in operation. We called it Sawyer's Mill and later Clay's Mill, and in the early 1870s Isaac Staples bought it and operated it as long as he operated in Stillwater. Then the Schulenberg mill had been built in 1854 and I think soon after that the Hersey and Bean mill at the south end of Stillwater was built and we generally called that Staples Mill because at that time Staples and Hersey were operating it in partnership, but when they parted Staples withdrew and bought Clay Mill. Then there was an old partly erected sawmill down at Bayport, stood there unfinished. That was later bought by Mr. Torinus for the St. Croix Lumber Company and operated by that company until they had sawed out on the St. Croix and moved their operations to Winton and the Arrowhead country here.

(When you went with your mother and sister to St. Louis to school do you remember the trip?)

I remember my first trip down the Mississippi was in 1870 and I can remember that. I remember on the trip back home our boat ran onto a rock at the upper rapids near Rock Island and afterwards by some form of manipulation they got off. Then that trip down to St. Louis in 1875 - I was a boy of 12 years old then and I remember that very well. That's

quite a long trip - I think we were two weeks on the way. The water was very low and we got down to a place called Montrose in Iowa and the boats tied up and freight and passengers all were loaded on cars and taken to Keokuk where there was another boat awaiting us and took us down to St. Louis. Then when we returned in 1880 we made that trip by boat. Of course, I was 17 - 18 years at that time and I remember that very well. I made one other trip on the Mississippi. That was in 1916 when the man by the name of Streckfuss was reviving the passenger traffic on the Mississippi. I loaded my car on the boat at St. Paul and went to St. Louis. At that time we took an automobile trip down to southwest Missouri to look up the cabin in the Ozark region where my mother had spent her early childhood.

(That is the one pictured on the wall here?)

Yes.

HUGO SCHLENK
The C. N. Nelson Company

In regard to the Nelson Lumber Company and its history considering my early residence in Stillwater and my connections with the First National Bank there and my later activity in Cloquet, I think I can give a fairly good history of Mr. Nelson's activity in the lumber business.

(What was his full name?)

Charles N. Nelson.

To get the proper background it is perhaps necessary to give some data in regard to the First National Bank in Stillwater. That bank was organized in 1856 by Charles Scheffer of a private banking house of Darling and Scheffer, which later became the bank of Stillwater and then in 1865 became the First National Bank and it is still in existence. Mr. Nelson, sometime during the 1860s, became cashier of that bank. Mr. Scheffer, the organizer of that bank and its president during the rest of his lifetime, was elected State Treasurer in 1860 and held that office for eight years. He also became an official in the First National Bank of St. Paul and during those years he was not only President of the First National Bank of Stillwater, but an officer of the First National Bank of St. Paul and State Treasurer as well. He and Nelson married sisters and it was perhaps because of that connection that Nelson came to Stillwater as cashier of Scheffer's bank. One of Scheffer's successors as Treasurer of the State of Minnesota became a defaulter to quite a large amount and Scheffer and some of the other officers of the First National of St. Paul were sureties on this treasurer's bond and had to make good the deficiency. The defaulting treasurer and his family turned over a sawmill property in Lakeland, just out of Stillwater, and Nelson then retired as cashier of the bank and was given the job of liquidating this lumber concern in Lakeland, which he did. When that was done he took over the sawmill personally. That put him into the lumber business. This took place sometime in the 1870s.

(He had never had experience in the lumber business before - as far as you know?)

As far as I know, no. Then you mentioned a Seymour-Sabin mill located in Stillwater. D. M. Sabin was the principal member of that firm. They were the prison contractors and operated a manufacturing plant with prison labor. Sabin personally went into partnership with Nelson and turned over the Seymour-Sabin mill as his part of the concern. Under the name of C. N. Nelson and Company and later incorporated as the C. N. Nelson Lumber Company they conducted their lumber business there, operating both at Lakeland and at Stillwater. There was no piling room

adjacent to the Stillwater mill, so they acquired land in St. Paul out on Arcade Street where the Seeger Manufacturing Company and the 3M people are now located, erected a planing mill there and used that as their lumber yard.

The lumber produced by that mill was shipped green to St. Paul and yarded there. They continued this operation until 1886.

In the meantime in 1880 the Nelson Company contracted with the St. Paul and Duluth Railroad to erect a mill in Cloquet, the railroad at the same time agreeing to run a spur track from what was then NP junction in Cloquet to serve the mill there. Nelson had acquired a large area of timber from the St. Paul and Duluth Railroad and also during the years following 1880 continued to buy timber in the territory tributary to Cloquet. Among the lands acquired were lands in the neighborhood of Eveleth and Virginia and before he knew it the concern was in possession of valuable iron mines. In 1896 a man in the iron business contacted Mr. Nelson with a desire to buy his mineral rights. But Nelson declined saying he wanted to sell everything he had or nothing. This resulted in the Weyerhaeusers being contacted with the idea that they would take the lumber end of the business and the other man would take the iron. The deal with Mr. Weyerhaeuser and his associates was completed in 1896 but by that time the iron man had dropped out of the picture. However, Nelson incorporated his iron interests as the Northern Development Company and sold the stock of that company to the Oliver Mining Company somewhere about 1896. The lumber business was incorporated by Mr. Weyerhaeuser and his associates as the Northern Lumber Company and operated here from that time, 1896 to 1945. I became an employee of Mr. Weyerhaeuser in 1903 and came to Cloquet in 1906 and am now in possession of all the records of that company.

In regard to the Nelson records, I have been told on good authority that Captain Allen, who was the Resident Manager here in Cloquet, took the remaining records of the Nelson Company to St. Paul and stored them in his basement. He was troubled more or less by people coming to him for information and finally made the remark, "To Hell with them all. I don't want to be digging in these any more," so he took them all down into his cellar and threw them in the furnace and they all went up in smoke.

The original contract between the St. Paul and Duluth and Mr. Nelson in 1880 was left behind in Cloquet and was in my possession until just a few years ago. Thinking they were of historical value and should be preserved, I turned them over to Mr. F. K. Weyerhaeuser in St. Paul. I think he must still have them. There were two contracts, one covering the operation between Stillwater and St. Paul and another one concerning the Cloquet end of the business.

Mr. Nelson was a Dane - his father was a sea captain. Nelson was over six feet tall.

(You say his wife was a sister of Scheffer?)

His first wife was a sister of Mrs. Charles Scheffer and I believe that is how Nelson happened to come over to Stillwater and become the cashier of the First National Bank there.

(He came from St. Paul?)

I've got some kind of an idea that he lived in Mankato at one time. Do you know Stanley Hawks?

(Stanley Hawks? I've talked to him on the telephone.)

He's a grandson of C. N. Nelson.

(Yes, he says he's the last of the Mohicans - the last of the Nelsons.)

Well, I think so. I've been asked about something in regard to their family affairs too. There were two daughters and two sons, but the sons never got into business in any way. Nelson afterwards lived - -. First he lived in Port Washington on Long Island and then his last home was in Santa Barbara but he spent a whole lot of his time in southern France. He went into all kinds of business deals and became quite wealthy but when my grandfather died in 1888 Nelson became President of the First National Bank of Stillwater. Scheffer had died in 1875 and was succeeded by my grandfather, Louis Hospes, who had been the representative of Schulenberg and Boeckeler in Stillwater.

(You say Nelson retired from the lumber business in 1896 - and he had no part in lumbering after that?)

1896. Not that I know of. I think he furnished the money in various deals. Some of them may have been lumbering deals. I think he and Billy O'Brien had some lumber interest in the West Indies and had lumber yards in Cuba and some of the West Indies islands. But I don't know anything about that. He wasn't active. He lived the life of Riley after that. He was fixed and he didn't want to be active in business after that.

(Another question I wanted to ask - when he first organized C. N. Nelson and Company, who were his associates?)

Well, I don't know, except that D. M. Sabin was in it, but I think that the time that the Sabin industries failed in Stillwater in 1884, the Sabin interest was sold to, I think, C. D. Gilfillan of St. Paul or elsewhere because from that time on Sabin disappeared entirely. As far as the active running of the business, he had Captain Allen here as a kind of a resident manager.

(What was his first name? Do you remember?) (William P. Allen)

It's down in the vault somewhere.

(Oh, we can look it up.)

I've forgotten what it is but I've got a bushel basket full of deeds down there that have his name on them.

(Did you ever hear that C. N. Nelson had a farm at Mankato?)

I heard something about that. I think my uncle once made the remark to me about Nelson that Nelson couldn't look a sheep in the face because he'd lost a lot of money on it - raising sheep - something of that sort. But that I wouldn't know anything about - just a casual remark I picked up somewhere.

(I heard from a man in Stillwater that his father once looked after the farm for C. N. Nelson in Mankato and looked after the horses they used in the winter for logging. I wondered if you had heard about that.)

I don't know whether that was correct or not but I get an idea that he was in some kind of activity in Mankato. You know his wife, his first wife, and the first Mrs. Scheffer and Mrs. Ed Staples were three sisters. They were all Finches. Now there was a Finch family you know in the wholesale drygoods house, the Finch, Van Slyke and Company in St. Paul. That was George Finch. He was the brother of those three girls, and then there was another one, Dudley Finch, too. He was in Lampere, Finch & Skinner. They were wholesale hats and furs, but I don't know anything at all about his activities before he came to Stillwater. Then I was only a small boy at that time. I was less than ten years old, but I can remember him being there in the bank.

(Do you remember when he died?)

No. I think he was 90 years old. It isn't so very long ago.

(I heard that too.)

After he sold out to the Weyerhaeusers here in Cloquet, he never came back until some time just prior to the Cloquet fire. He came up with the two Princes - Frank Prince, who was the President of the First National of Minneapolis, and George, who was President of the First National of St. Paul. They were well acquainted with Mr. Nelson. In fact, they had been at one time both employees of the First National of Stillwater. That's where they got their first banking experience and they were interested, the two Princes and I guess Mr. Nelson to some small extent, were interested in this bank here in Cloquet at that time. They induced him to come up

here one time and he visited here. I remember when he was there in the hotel.

Nelson was one of the executors of the Charles Scheffer estate. The other executors were Albert Scheffer, a brother of Charles, and George Finch. Albert Scheffer had a bank in St. Paul and for five years I was his - you might say lackey - I was his assistant as the President of the bank. That thing went, in 1892, it went bust and the Scheffer estate got into very bad shape. That was when he was the executor. Albert Scheffer, when his bank failed, was wiped out and George Finch didn't have much of anything. So it devolved upon Mr. Nelson to clean up that mess and he did. He came right up to the scratch and he took care of everything very nicely. At that time he was probably able to do so, but he wasn't as well off as he afterward became. There were some very nice things that he did. Among others - there were two daughters in the Scheffer family. He took them into his family and promised to maintain them all their lives. One of them is dead now; the other one is still alive I am told and she is living on an annuity given to her out of the Nelson estate.

(Then he had the right to live the life of Riley after that?)