

# CHAPTER FIVE

## FUR COMPANIES IN MONTANA

*Five companies, two from Canada and three from the United States, controlled the fur trade in Montana. The rivalry among these companies was enormous. Company owners, employees and free trappers traveled through unknown territory searching for beaver. Although their impact on the land was much less than the gold miners that followed them, they were the first white men to become truly familiar with the land that would become Montana.*

Locate the following on the map at the end of the chapter before reading this chapter.

Canada	Bighorn R.	Clark Fk. of the Columbia R.
Libby, Montana	Three Forks	Green R.
Columbia River	Yellowstone R.	Snake R.
Flathead Lake	Missouri R.	Wind R.
Bear R.	Marias R.	Henry's Fork of The Green
Flathead Valley (Mission Valley)		

### Vocabulary

absorb	engagé	rival	rendezvous
brigade	free trapper	monopoly	transmittal
frontiersmen	caravan	abandon	virus
confluence	designated	profitable	free trapper
disband	distillery	enterprise	smallpox
immune	profit	trade goods	

### The Northwest Company

The Northwest Company, or "Norwesters," was a Canadian company which was controlled by the British government, trapped mainly in Canada. It employed French-Canadian, Scottish and British trappers.

The Northwest Company was the first company to trap in Montana. David Thompson, who worked for the Northwest Company, entered northwest Montana in 1808. He built two trading posts - Kootenai House, near present-day Libby, Montana, in 1808, and Saleesh House on the Clark Fork of the Columbia River near present-day Thompson Falls, Montana in 1809. Thompson and his men traveled the Kootenai, Clark Fork, and Flathead Rivers, establishing a profitable trade with the friendly Nez Perce, Flathead, and Kutenai tribes.

The Northwest Company was absorbed by its rival, the Hudson's Bay Company, in 1821.

## **The Hudson's Bay Company**

The Hudson's Bay Company was a large and successful trapping and trading company in Canada, but got jealous of the success of the Northwest Company and began to move into northwest Montana in the early 1800's to try to establish control the fur trade. In 1810, it built "Howes House," a trading post north of Flathead Lake. The competition between the Hudson's Bay Company and the Northwest Company became very fierce, until in 1821 the Northwest Company was taken over by its rival. The Hudson's Bay Company then moved to strengthen its control over all of the Columbia River Basin, which it shared with several American fur companies.

The Hudson's Bay Company built Fort Vancouver in 1824-1825, but most of its fur trade was concentrated at the old Northwest Company posts - Saleesh House, now called Flathead Post, and Kootenai Post. In 1846-1847, the company built Fort Connah south of Flathead Lake which became the center of their fur business until 1871. The Indians in this area were very loyal to the Hudson's Bay Company and the American fur companies very seldom trapped in this area.

The Hudson's Bay Company was the first to use large brigades of engagés, who were men hired to trap and bring the pelts to the fur posts. They did not, therefore, have to depend solely on the Indians for furs.

## **Missouri Fur Company**

The American fur trade was based in St. Louis, Missouri, and started in earnest after Lewis and Clark reported the large numbers of fur bearing animals in the upper Missouri River drainages.

In 1807 Manuel Lisa led the first fur trapping expedition up the Missouri. He took a keelboat full of supplies and a crew of experienced frontiersmen, including George Drouillard, who had been a member of the Lewis and Clark Expedition. On the way up the Missouri they picked up John Colter, another Lewis and Clark man, who was on his way back from trapping on the Yellowstone.

In November of 1807, Lisa built a fort at the confluence of the Yellowstone and Bighorn Rivers. He named it Fort Remon after his son, but it was better known as "Lisa's Fort" or "Fort Manuel." During the winter of 1807-1808, Lisa and his men traded

with the Crow Indians, who were friendly to the whites because they wanted protection against their enemies, the Blackfeet and Sioux.

Lisa returned to St. Louis in 1808, found partners, and formed the Missouri Fur Company, which was the first major American fur company in the Rocky Mountains. The Missouri Fur Company continued to trade with the Crow Indians on the Yellowstone River. In 1810, it attempted to establish trade with the Blackfeet, building a post between the Madison and Jefferson Rivers near Three Forks. However, a party of hostile Blackfeet and Gros Ventres killed eight of the men, including George Drouilliard, and the post was abandoned.

A fire which destroyed \$20,000 worth of furs and the threat of war between Britain and the United States caused the Missouri Fur Company to end its trade in the Upper Missouri in 1811.

In 1819, Lisa reorganized the Missouri Fur Company, but he died the following year. His partner, Joshua Pilcher, took his place, establishing a new post at the confluence of the Yellowstone and Bighorn Rivers, which he named Fort Benton. Successful trade was reestablished with the Crow Indians. In 1823, the Missouri Fur Company trappers returned to the Three Forks to again try to establish trade with the Blackfeet Indians, but the Blackfeet attacked, killing seven men and causing the company to lose \$15,000 worth of furs. The Missouri Fur Company again gave up the Upper Missouri trade, and in 1830, it disbanded.

### **Rocky Mountain Fur Company**

The next important American fur company was the Rocky Mountain Fur Company. In 1822, two businessmen named William Ashley and Andrew Henry advertised in St. Louis for one hundred young men who wanted to become trappers. They led their first expedition up the Missouri that summer. They built a post at the mouth of the Yellowstone which they named Fort Henry, but problems with the Blackfeet Indians forced them to move and build a second Fort Henry at the mouth of the Bighorn River in 1823, where they established trade with the friendly Crow Indians. They finally gave up their plans to trap the upper Missouri and began to trap the Green, Snake, Wind and Bear Rivers of Wyoming, Idaho, and Utah.

Up to this time, the fur companies had depended on permanent trading posts as the center of their trade. They depended on engages and Indians to bring furs to the trading posts, but this was often not successful. The Indians were unpredictable, and the posts were often attacked or burned down during the winter months.

It was the Rocky Mountain Fur Company that began the rendezvous system of trapping rather than using permanent trading posts. Instead of relying on engages or Indians, the company got its pelts from free trappers, or mountain men, who trapped independently. Each summer the company would bring a supply caravan to a designated place in the mountains, trade with the free trappers for furs, and take the caravan back to St. Louis, where the pelts would be sold at a good profit. The first rendezvous was held in 1825 at Henry's Fork of the Green River in Wyoming. Each year a rendezvous was held at places such as Bear Lake, the Popo Agie, and Cache Valley. The last rendezvous was held on the Green River in 1839. Although the Rocky Mountain Fur Company began the rendezvous, it soon had competition.

Andrew Henry quit the fur trade business in 1824, and William Ashley retired from the fur company in 1826, a rich man. He sold the company to Jed Smith, David Jackson and William Sublette, three experienced trappers, who called it "Smith, Jackson, and Sublette." In 1830, the company was again sold, this time to Thomas Fitzpatrick, Jean Gervais, Jim Bridger, Milton Sublette, and Henry Fraeb. In 1832, the Rocky Mountain Fur Company was bought out by its main rival, the American Fur Company.

### **American Fur Company**

The third major American fur company was the American Fur Company. It was incorporated in 1808 by John Jacob Astor. It centered its earliest operations in the Great Lakes region and at its trading post on the Pacific Ocean, called Astoria. In 1822, Astor formed a Western Division, based in St. Louis and headed by Pierre Chouteau, to begin to compete for the Upper Missouri fur trade.

In 1827, the American Fur Company bought out its only competitor on the Upper Missouri, and established its Upper Missouri Outfit (UMO). In 1828, the UMO of the American Fur Company built Fort Floyd at the mouth of the Yellowstone River, which was later called Fort Union. Fort Union was the headquarters of the American Fur

Company and a major Upper Missouri River trading post. It was run by Kenneth McKenzie, one of the most important and powerful men in the Missouri fur trade.

Because it was illegal to sell liquor to the Indians, McKenzie secretly brought a distillery by steamboat to Fort Union and began to make his own liquor to sell to the Indians, giving him a trading advantage over the other companies. He later lost his job because of this policy.

In 1830 the American Fur Company convinced the Blackfeet Indians to trade with them and in 1831 built Fort Piegan on the mouth of the Marias River. They carried on a very successful trade that summer with the Blackfeet, but when none of the men agreed to stay at the post during the winter, it was abandoned and the Indians burned it down.

In 1832 the American Fur Company sent its own supply caravan to the rendezvous at Pierre's Hole to compete with the Rocky Mountain Fur Company for the business of the free trappers. It paid better prices for pelts to take business away from its rival. Trappers for The American Fur Company sometimes followed men loyal to the Rocky Mountain Fur Company to their trapping grounds, causing some violence between these rival trappers.

Also in 1832 the American Fur Company built another fort on the Marias River, named Fort McKenzie. They also built Fort Cass on the Big Horn. These two posts were subposts of Fort Union. By the mid-1830's, the American Fur Company had a monopoly on the Missouri fur trade.

Also in 1832, the American Fur Company started to use steamboats to bring supplies up the Missouri to Fort Union. This meant they could bring more and better supplies to the Indians and free trappers.

By 1834 Astor saw that the fur trade was starting to decline and sold the American Fur Company to Pierre Choteau and his partners. The company was still called by the same name.

The American Fur Company continued to dominate the Upper Missouri trade out of Fort Union. Fort McKenzie, on the Marias River, was abandoned in 1843 because of troubles between the company and the Blackfeet. In 1845 the company built new Fort Lewis near the old site of Fort McKenzie. The Blackfeet resumed trading with the

company but they did not like the location of this fort, so it was moved a short way downstream on the Missouri in 1846 and was soon renamed Fort Benton. It became the center of the UMO's fur trade.

In 1860 the steamboat "Chippewa," owned by the American Fur Company made it all the way up the Missouri to Fort Benton. After that, steamships were the most important way to carry furs out of Montana and to bring supplies in until the railroad arrived. Fort Benton became a key supply center for the fur trade and later for the gold rush.

The American Fur Company continued to be important in the fur trade until the late 1860's, when beaver was no longer as profitable and gold mining replaced fur trading as the major business enterprise in Montana.

### **The Impact of the Fur Trade on the Native Americans**

The fur trade impacted the Indian tribes of Montana in two major ways. The first was the transmittal of smallpox. While most whites were immune to the smallpox virus, the Indians were not. The virus was carried on trade goods brought upriver to trade with the Indians for furs. In 1837, the smallpox virus was carried up the Missouri on an American Fur Company steamboat, transmitting the disease to the Assiniboines, who spread it to other tribes including the Cree. The virus was then carried on trade goods to Ft. McKenzie, where it infected the Blackfeet. The smallpox epidemic of 1837 killed thousands of Indians, sometimes over half of an entire tribe.

The use of alcohol in the fur trade also had a damaging effect on the Indians. Although trading liquor to the Indians for furs was outlawed in 1832, the companies continued to evade the law as much as possible, since they felt that without alcohol, they would be unable to compete for the Indian fur trade.

Locate the following on the map using the information in the chapter.

**Forts and Posts**

Kootenai House  
Saleesh House (Flathead Post)  
Howes House  
Fort Connah  
Fort Remon (Lisa's Ft., Ft. Manuel)  
Fort Vancouver

Fort Piegan  
Fort Cass  
Fort McKenzie  
Fort Lewis  
Fort Union  
Fort Benton

Astoria

