

H97-175-11

George Preston

History of the NC Company in Fairbanks

George Preston said he tried to get out of making a presentation. He had prepared a manuscript for an autobiographical essay that was published in the NC company paper. He read from the essay. He was nineteen when he heard about the gold discoveries in the Klondike in 1897. He was working at an office of engineering works in Scotland. He reached Dawson City at the end of May in 1900. The chairman of the board of the engineering company where he worked was also the chairman of board of two Klondike gold companies. He was offered the position of mine clerk and bookkeeper for a Klondike government concession at Honker Creek about fourteen miles from Dawson. This was the beginning of his great adventure. The journey to the Klondike started at the port of Liverpool. He came over on the SS Tunisia. He had a delightful trip. They stopped at Quebec and on to Montreal. He took the train to Vancouver and took a steamship to Skagway. His fellow passengers were an interesting group. There were great crowds trying to get to Dawson. The English companies operating in the Klondike at the beginning of the century were not very successful. Mining in frozen ground was new to all of them. It presented many difficulties. Only very rich ground could be mined using sinking shafts and drift mining. It was before the days of heavy machinery. He stayed in Dawson until the fall of 1902. He moved to Vancouver until 1903. He joined a friend for a trip to Valdez. His friend was headed to the new discoveries of the Kennecott Mine. He joined up with several other men for the trip to Fairbanks. There had been news of the gold discoveries in Fairbanks. It was a rough trip over unbroken trail. They arrived on January 4, 1904. Fairbanks wasn't much at that time. In addition to the NC store there was one other small store east of it. There were a few saloons. On Cushman there was a tent restaurant run by Tom Pierce. This was the days before electric lights so they used kerosene lamps and candles. It could not be said that Fairbanks was a cheerful place at that time. There were little or no complaints. By the latter part of that first winter supplies were running short. There were a number of men who made long trips to other places on the Yukon such as Circle, Rampart and Tanana by dog team to pick up needed food supplies. George and his partners brought their own supplies from Valdez so they made out until spring. They prospected in a small tributary of Fairbanks Creek about fifty miles from town. He was out of money in the spring and came to town to get a job. He had met Judge Wickersham in Valdez. When Judge Wickersham was in town George went to visit him. Judge Wickersham wrote a letter to the agent of the NC Company and George got a job. He worked until his retirement until 1947. At the time of his retirement he was 70 years old. The staff of the store at that time consisted of three other people, Hyrum ^{Howard} Turner, storekeeper, Jack Healy, and Dick Wood. George was assistant storekeeper and delivery person. He made his deliveries by hand basket. The supplies in the store were a mere handful of groceries. None of it was fresh. The entire stock was delivered the previous season. He talked about the sale of the few potatoes in the cellar. The potatoes were to be sold only to people with scurvy. He talked about the simple staples they carried. The fresh supplies came in with the first boats of the season via Whitehorse and Dawson. He is amazed at the difference in the standard of living between then and now. Shortly after George joined the NC Company Dick Wood left and started up the

Fairbanks Banking Company with E.T. Barnette. Good spring clean ups were being made. There was a new rush to Fairbanks. Several thousand new people came into Fairbanks by the summer of 1904. The NC Company was doing a good business. For the next ten years there was a lot of activity. The company constructed a power plant on the edge of town to supply electricity, steam heat and water. The company had a twenty-five year franchise. Frankie Grace joined the Fairbanks store and was the cashier and bookkeeper. J.W. Jim Hill also joined the company. Turner took a lease on a claim on Cleary Creek with two partners one of which was "Swiftwater" Bill Gates. Turner left for S.F. in 1905. Arnie Richland was at Bettles and moved over to Fairbanks to run the company. Joe Matthews came with him and ran the power plant. Joe was later chief engineer on the steamer Yukon. He died at Fort Yukon. George describes the going away party for the Turners.

For the first year or two many of the miners paid their store accounts with gold dust. The rate was sixteen dollars per troy ounce. There were no safe means of transporting the gold dust to San Francisco in 1904-05. That spring there was more than 400,000 dollars worth of gold. The company safe couldn't hold all the gold dust so they stored it at the bank. When it was received in the San Francisco mint they found that they made a gain of 40,000 dollars. There was a difference in the actual value of the gold. They couldn't begin to reimburse the miners but they didn't charge interest on the accounts. By 1906 the banks were buying gold dust and the company didn't have to trade with it.

George said that the year of 1906 Richland's bride arrived. They couldn't navigate up the Chena because of low water so the passengers were transferred onto the Tanana Valley Railroad at Chena to finish the trip to Fairbanks. The train blew its whistle most of the way to town. So the whole town showed up to see the bride.

In the fall of 1906 one of their co-workers, Fred ? drowned at the dock in front of the store during the unloading of a barge. There was always a big rush to get cargo in before freeze up. It was always an anxious time of year.

Frank Grace married Rose Chatel in 1906. M.L. Washburn was in town at the time. Grace was assigned to be the agent at Circle so they had a hastily arranged wedding the night before they left. After Grace left Fairbanks George was assigned the position of cashier and bookkeeper. Harry Turner was his assistant.

In 1906 they received the news that there had been an earthquake in San Francisco. The NC Company's headquarters had been destroyed in the fire that followed the earthquake. The headquarters was moved to Oakland. One month after that news there was the fire in Fairbanks that destroyed the business district between Cushman and Lacey up the Third. The fire started at First and Cushman in a dentist's office. It was all daylight at that time of year and rebuilding started immediately. The Company property was not touched by the fire and they had a very busy year.

When Richland went away for the 1907 fall and winter George was appointed acting agent until the following spring. There was a bank panic in the states that started in New York and spread to the other states. George was on the trustee committees of all three banks in Fairbanks. They used script until currency payments resumed.

Jack Healy was the grocery manager of the Company and married in the winter of 1907-08. They threw a reception for him. It was a close knit community and everyone was invited.

In midsummer of 1908 Richland's sister, Kathleen Emile, came for a visit.

In 1909 George took a leave of absence and traveled to Scotland for a visit with his family. He passed through San Francisco and met the office staff. He married Kathleen that year and they both went to Scotland. They returned to Fairbanks in June 1910. During WWI Fairbanks wasn't affected too much. Some young men went off to war and never returned. Business was quiet at that time. Gold mining wasn't as active as before. About this time surveying was started for the railroad. The Alaska Railroad was officially opened in 1923 with service from Seward to Fairbanks. Richland was assigned superintendent of the company and moved to San Francisco. George Coorman was appointed agent of the company. In the fall of 1915 George and his wife visited California with their two children.

He went on an inspection of the company stations with Richland. The company was preparing to close down the stage line. The railroad was supposed to take over the mail contracts.

George Coorman was drowned on a launch traveling from Nenana to Fairbanks in 1918. All eight or nine people also drowned. Many of the people that expressed their sympathies to George were later drowned on the S.S. Princess Sophia. The Sophia sunk shortly after it left Skagway. Some of the victims were the crew of the steamer Yukon. It was the worst sea disaster in Alaska history.

George was appointed agent for the company after George Coorman was drowned. Near the close of the winter of 1920 the world flu epidemic hit Fairbanks. There were a number of deaths among the young people in Fairbanks and Nenana. The Nenana agent and his assistant died within a day of each other. The Nenana store had to be supplied with temporary staff from Fairbanks.

In 1921 the heads of the old company decided to close out their business in Alaska and the Yukon. The new company was organized in 1922 and the headquarters were located in Seattle. Richland was president of the company. The headquarters were moved to Seattle. The agents assumed the new title of manager. The depression that hit the rest of the U.S. in 1929 more or less came to Alaska. The company continued to change and acquired a new station in Anchorage and extended business in Alaska.

George was thanked for his talk.

Question or comment from the audience and reply could not be heard.

Feedback from microphone is very loud at this point.

Question from the audience about an employee of the NC Company. Answer could not be heard.

Business meeting commences with unidentified person leading the discussion about lending the recorded tapes and appointing a committee. Most of the questions and comments from the audience can't be heard. Unidentified person talks about the difficulty of transcribing recorded tapes. Comments follow about preserving the tapes. Someone from the audience (Harrie Hughes?) talked about the difficulties of recording some of the old timers because other people have recorded them for commercial purposes.