

Craig Family Documents

It has been suggested by my good friend Albert B. Craig, and, in fact, it was more of a request than a suggestion, that I compile a record of my connection with the Craig family which has extended over the greater part of a long lifetime. It had never occurred to me that such a history would be of interest to anyone, as, apart from its long duration, my experiences were not of a nature to increase the knowledge or cause a thrill to the general reader. But if it can give any pleasure to my family and intimate friends I am glad to undertake it, for it is at all times a pleasure to me to recall the associations and events of even a rather ineventful career. No brother could have taken a more lively interest in or do more to further my welfare and happiness than Joe Craig, and the generous gifts he made to me at Christmas times was the foundation upon which has been built whatever financial success I have achieved.

During the last quarter of the Nineteenth Century the outstanding feature of the oil industry, or perhaps I should say the branch of the business which attracted the most widespread interest, was the speculation in oil certificates on the several exchanges in Western Pennsylvania and New York City. I had joined the New York Petroleum Exchange in 1882 shortly before it was merged into the Consolidated Stock & Petroleum Exchange. After one or two years of indifferent success as a broker on my own account I was made the representative on the New York Exchange of the Pittsburgh firm of J. C. Fisher & Co. who were prominent oil brokers at that time, and consisted of Henry, Fred and John C. Fisher. Joseph W. Craig was employed by them, executing orders on the Pittsburgh Exchange, and to the best of my recollection Arthur L. Lowrie was their representative in Oil City and William C. Lowry operated for them in Bradford. Henry and Fred Fisher eventually retired from the business and John C. Fisher and Joe Craig formed a partnership continuing the old style and business of the firm. Mr. Fisher being a careful and conservative man soon became alarmed at the daring operations, although generally successful, of his young partner and dissolved the partnership. A new partnership was then formed between Joe and Arthur Lowrie, known as Craig & Lowrie, with Will Lowrie representing them in Oil City and myself in New York.

Joe was a fearless though shrewd operator and almost constantly in and out of the market. This business, together with the many commission accounts and the "picking" or buying in one exchange and selling in another when prices varied on the different exchanges during an active market, resulted in the firm being among the largest operators in oil certificates and always bore a reputation for fair, square and liberal dealing.

Recollections of Charles Baker, Secretary & Treasurer of The Chartiers Oil Company

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An incident which occurred on the old New York Exchange during my early connection with J. C. Fisher & Co. seems to have made a lasting impression as I recall it most vividly.

Mr. Patterson, a large pompous individual, was a member of both the New York and Consolidated Exchanges, and principally engaged in an arbitrage business between the two boards. He was much given to loud expressions of his opinion on the trend of the market, often accompanying his remarks by bids or offers for large blocks of certificates, which, in those days, were beyond the reach of all but a few of the brokers, the transactions being mostly in from one to ten thousand barrels. One day while indulging in his favorite pastime, the market at the time being rather quiet, I wired Pittsburgh that Patterson was wildly bidding for a hundred (meaning one hundred thousand barrels) and received a reply that if he made the bid again to let him have it. He did, and when I cried "Sold" the ensuing excitement among the assembled brokers and especially the consternation of Mr. Patterson and his hurried efforts to order his representative on the Consolidated Exchange to sell as much as possible was very amusing and gave me a decided thrill to be able to call the gentleman's "bluff". The fact that so prominent a firm as J. C. Fisher & Co. sold such a large block of certificates broke the market temporarily and consequently Mr. Patterson paid dearly for his "bluff", as, notwithstanding his bullish sentiments, he did not dare to hold on to such a large investment. I understood that my employers made a profit on their sale which was a pure speculation.

While the firm of Craig & Lowrie was conducting the brokerage business, Joe became interested in a number of oil producing properties, and in partnership with Joe Cappeau, a former "oil scout", they started to develop a large prospective territory in McKean County, Pa. In those days the oil market was influenced by the reports of new wells, "gushers" or "dry holes" carrying it up or down, sometimes violently. Frequently, and especially in new territory, the owners of drilling wells made "mysteries" of them by boarding them up so that the public could not learn their probabilities of success or failure. The large operators on the oil exchanges employed scouts to give them advance information on these new wells and conducted their dealings accordingly.

While the first well Craig & Cappeau was being drilled on their property, the banking and stock brokerage houses of New York had become largely interested in oil speculation, and just before the well was completed were "bulling" the market aggressively. Joe, of course, was well and quickly informed of the prospects of the well

and for several days was a large seller and in fact about the only seller of certificates on the New York Exchange. The Wall St. crowd took much pleasure in boasting about what they with their strong financial backing would do to a young operator who had the daring to oppose them. Consequently I was frequently treated to their jeers and "wise cracks". The well was finally drilled in and proved a very good producer besides opening up a large prospective territory. This result caused a sudden and very decided break in the certificate market, and a lively panic on the part of the Wall St. operators to unload. When the price had reached a figure showing a very satisfactory profit to Joe, he began covering his short contracts. Purchasing orders poured in on me and as soon as one order to buy 100,000 barrels was filled I would receive another order of like amount, and with such a vast array of sellers my orders were quickly executed. I have forgotten the price which I paid for the oil, but whenever I received a telegram a score of brokers would beg me to take their offerings, and being about the only buyer on the floor I could have named almost any price which would have been gladly accepted. I implored Joe to hold off for a while or remove the price limit on my purchases, but his reply was "Execute your orders". Like the "boy who stood on the burning deck" I could only obey even if it did hurt. It was evident that the losers in that fight appreciated Joe's leniency in being satisfied with a reasonable profit instead of taking advantage of such a patent opportunity to squeeze them to the limit.

It was at this time or during the year 1885 that I met other members of the Craig family. Joe was a member of the Exchange and occasionally visited New York; at one time bringing his two brothers, George and Percy, both young boys, and at another time he brought his sister, Daisie, and all of whom it was my pleasure to entertain at my home in White Plains, N. Y. I believe I also met Joe's father and mother when they visited the New York exchange.

The brokerage business never appealed strongly to me, for while the associations, many resulting in firm friendships, and the exciting nature of the business were pleasant, there was always the fear of failure during a wild market if one was on the wrong side of it and even if one was on the right side the possible failure of others with whom one had contracts was an ever present menace. The oil market was prone to frequent violent fluctuations so that the consequent strain on the nerves seemed to me anything but conducive to a long and healthy life.

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During a month in the summer of 1885, Joe took my place on the New York exchange while I enjoyed a vacation. Part of the time I chartered a forty-foot sloop yacht from a friend which I kept at a port on Long Island Sound nearest to my home and Joe spent a weekend on board with me which, being a new experience for him, I think he greatly enjoyed.

The flood tide of success soon turned to the ebb of misfortune, when in the spring of 1886 the oil market broke and caught Joe on the wrong side of it, and being unable to quickly convert his property into cash to protect his holdings he was compelled to suspend payment, and his contracts had to be liquidated by the several exchanges. It was this unhappy event which disclosed the esteem in which Joe and Arthur Lowrie were held by the trade in its many offerings of sympathy and help. Only one firm on the New York exchange availed itself of the privilege accorded to a resident of the state to attach the property of a foreigner doing business within the state.

The result of this failure was that the firm of Craig & Lowrie retired from the brokerage business and devoted themselves to the production of oil. In less than sixty days after the suspension on the Exchange, Joe had liquidated all of his obligations in New York at one hundred cents on the dollar, and shortly thereafter paid every debt in full to the members of the other exchanges. This was an unusual occurrence as previously, so far as I knew, all settlements of failures had been compromised.

Now, your humble servant was faced with the prospect of being out of a job, but while winding up our affairs in New York, Joe had offered to take me with him in the producing business in case I failed to secure a position in New York. This kindly offer brought before me I think the most momentous question I ever had to decide. Moving to Pittsburgh meant for both Mrs. Baker and myself the severing of frequent intercourse with our relatives with whom we both had practically lived and had our being. In fact when it appeared that there was no alternative I had almost to promise Mrs. Baker that we would be so successful that we could return to New York probably in five years, which of course did not happen, and while with her contented disposition she was never unhappy, she always looked forward to the possible time when she might return.

About July 1, 1886, I came to Pittsburgh to join Joe and, being alone, he took me in to live with him at the Duquesne Hotel. Our constant companionship during that summer gave me an insight to his noble character, his efficiency, honesty, fidelity and above all pure unselfishness and generosity, and was the beginning of a sincere friend-

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ship which endured for the remaining twenty-six years of his life.

Our life at the hotel was never dull as every evening and often at dinner some of Joe's intimate friends, all jolly young bachelors, would join us and pass the time in card playing and discussing daily events. It was the invariable custom of Joe and myself to spend every Sunday afternoon and take supper with the Craig family at the home on Church Dr. in the then City of Allegheny. It was then that I first met Mr. and Mrs. Brace and their infant daughter Florence, Will, Edwin and Pressly, the latter a schoolboy, and renewed the acquaintance with others of the family whom I had previously met. I think all were living at the home with the exception of George who was located at Kane, Pa. with Craig & Cappeau, and Percy with the New Castle Gas Co. at New Castle, Pa. At every opportunity Joe made me acquainted with his social and business friends. On one occasion I accompanied him and James M. Guffey and Andrew W. Mellon to Sandickley where they were to attend a directors meeting of the Ohio Valley Gas Company, and while they were so engaged Mr. Halsey Williams, another officer of the Gas Company who resided in Edgeworth, had his coachman drive me around the borough much to my pleasure for it was then as it is now the most beautiful suburb of Pittsburgh. In those early days I had frequent intercourse especially business relations with both Mr. Mellon and Mr. Guffey, and I certainly never suspected that I had met one who was eventually to attain such an exalted position of international prominence as the Secretary of the Treasury of the United States.

Appreciating the cordial welcome, hospitality and evident friendship of each and all of the Craig family extended to me, a stranger, I was perfectly reconciled to make my future home in Pittsburgh and in October, 1886, brought my family over from White Plains, N. Y. Our party consisted of Mrs. Baker, three children, Miss Ida Mitchell, a second cousin of Mrs. Baker, and myself. We arrived in Pittsburgh on a Sunday morning, was met by Joe and taken to the hotel and there treated to a surprise which has always been a memorable occasion. Joe had invited several of our boyfriends to welcome us at a breakfast and nothing could have been more successful towards initiating us in our new home than the gaiety and hospitality of that party. Mr. Henry Fisher and family were living in a rented furnished house in the Oakland district of Pittsburgh and as he wished to spend the coming winter in California I had arranged to take the house off his hands, so that in the afternoon of that never to be forgotten Sunday we settled ourselves there for the new adventure.

The Chartiers Oil Co. was organized in August 1886, taking over the properties in Washington County, Pa. of Craig & Co. which consisted of Joe, Arthur Lowrie and Sam'l Watson. Joe was president, Mr. Lowrie, Treasurer and myself Secretary. Within a year,

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I think, Mr. Lowrie resigned and I was appointed Treasurer as well as Secretary, which positions over a period of more than 43 years I am still holding. I realize that on account of my advanced age this fact is due more to the friendship of the Craig family than to any special ability I may now have.

Our first office, as I recall it, was at 102 Fourth Ave. which number at that time was between Wood and Smithfield Streets. We furnished it with two walnut roll-top desks, one of which I still occupy, a standing desk, chairs, iron safe and wall clock, the two latter articles also still in use. We soon moved to the second floor of 415 Wood Street where we remained until the building was so badly damaged by a fire in the neighborhood that we had to vacate.

The following spring of 1887 I rented a house on Highland Avenue, Pittsburgh to which I moved my household effects from White Plains, N. Y. and which we occupied for the next three years. During these years many events both social and commercial occurred, and I recall a birthday on which Joe and Mrs. Baker conspired to give me a surprise dinner party and "the boys", as we called our friends, amused themselves by tossing me in a blanket. It was also at this time that Joe with Widmer and Elkins of Philadelphia and D. P. Reighard, an oil refiner of Pittsburgh, organized the Globe Refining Co. and Western & Atlantic Pipe Lines. Joe supervised the construction and management of the Pipe Lines and this in addition to The Chartiers Oil Co.'s. producing business made a very active period for us. George Craig was the pipe line agent at Washington, Pa. and I was the agent in the Pittsburgh office. Presely Craig began his business career with us in the Pittsburgh office. These enterprises were a success from the start and had a very promising future. It was Joe's ambition to combine all the phases of the oil industry, from production to distribution of the refined products, in a corporation or affiliated corporations, and it seemed as if his hopes were to be realized, but he was to be sadly disappointed. In the latter part of 1889, after an existence of only about two years, his partners in the Globe Refining Co. and Western & Atlantic Pipe Lines secretly sold out to the Standard Oil Co. and as he refused to include his interests in the sale or to enter into partnership with the Standard, he was compelled to sell his stock to his former partners.

Although this transaction resulted in a handsome profit, it did not reconcile Joe to the loss of the business which he had so much at heart. But reverses never seemed to discourage him or affect his even disposition for before the sale was finally closed he had negotiated for the purchase of land and the erection of an oil refinery at Toledo, Ohio, for The Craig Oil Company, and also interested himself with A. J. Minke

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in The Freedom Oil Works Co. at Freedom, Pa. Thomas D. Watson had the management of the Toledo Works and Pressly Craig at the beginning was the sole office man. It was my privilege and pleasure to assist in the organization of the office work in both of these enterprises.

Early in the year 1888 Joe married Miss Ida Mitchell and bought his home in Sewickley at the same time. This union was a delight to my family as Ida was a great favorite of us all and we were happy in having one so dear near us. Joe added to this happiness when in the spring of 1890 he offered to buy any place which I might select in Sewickley if we would move from the East End. Nothing could have pleased both his wife and my family more than to do just that. We selected the Van Smith property on Graham Street and moved into it in the spring of 1890. I paid rent for the place at the rate of \$400. a year, which was little enough even for that day, but it was all I could afford, and in 1902 Joe deeded the property to me as a Christmas gift, and about the same time presented the adjoining vacant lot to his sister Daisie, who had previously married Mr. Heck. Will Lowrie and his family settled in Sewickley about the same time that we did, and Arthur Lowrie married in 1893 and also lived in Sewickley.

Many were the happy days we all had together during the "gay nineties", marred only by the deaths of old Mr. and Mrs. Craig. The loss of Mrs. Craig especially was keenly felt for she had endeared herself to us all by her lovable motherly character. Then in 1899, what I am pleased to call our family circle, was sadly broken by the death of Ida Craig. This was a severe blow especially to Joe, from which I think he never recovered. While it did not change his kindly disposition and he continued to keep in close touch with his various business interests, he seemed to have lost much of that eager ambition for advancement which he formerly had, and took but little interest either in his own welfare or in the social life about him.

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In 1902 George Craig, who had been Secretary and Treasurer of the Greensboro Natural Gas Co. since its organization in the latter '90's, resigned to associate himself with the Crescent Pipe Line Co. as General Manager, and I succeeded to his offices in the Gas Company which I held until 1924.

Charles W. Baker
Secretary and Treasurer
CHARTIERS OIL COMPANY

N.B. The name "Crescent Pipe Line Company" is in error, as it was the "J. M. Guffey Petroleum Company".