

MEMORANDUMS

1826 Copartnership formed between S. W. Collins, D. C. Collins and William Wells of Hartford, under the firm name of Collins & Company, for making axes and other edge tools. They purchase a saw-mill and grist-mill and water privilege and a few acres of land on the East bank of the Farmington River in the town of Canton.

David Collins had a shop at that time in Hartford where he employed men in making axes by hand but had no water power.

Not much done at Canton this year, not being able to obtain all the land they wanted on equitable terms.

1827 (An Irishman by the name of Lawler killed by a quarry blast.)

Commenced quarrying stone for a two-story stone building and for a heavy stone wall West of said building to prevent the river from running through that channel. What is now our canal and raceway was formerly a branch of the main river. There was a log dam where the wall stands and a saw-mill where the upper stone building stands. A grist-mill stood where the upper polishing shop now stands. A saw-mill was removed this year. The grist-mill remained a year or two longer.

Two black men, brothers named Quincy quarried all the stone and laid our foundation and heavy stone walls for several years. They employed a stout gang of good steady black men. The stone building above foundations was laid by two white masons from Hartford, Gurley and Kelly. The stone came from the spot where Collins Company office now stands. That spot was then very picturesque covered with high rocks and trees, extending as far East as Doctor Tiffany's front yard, and South into the Barber yard.

Built a new forging shop for charcoal fires and a building for storing charcoal. Built three dwelling houses on Front Street facing West, South of Collins Company office. One now owned by Barber; one by Collins Company and occupied now by Mr. Albert Williams; the other occupied many years by S. W. Collins and now owned by the Marcy Estate. Store built corner Main and Front Streets by Orlow Brown on land that we gave to him.

While boarding with Mr. Theodore Pettibone this year, three-fourths of a mile up the river, S. W. Collins was prevented from coming to the shops by a flood which covered the bridge over Ned's Brook and the road South of the bridge for a long distance. He had to go up the Atwater road until he crossed Ned's Brook and then across lots on higher ground.

1828 S. W. Collins having spent most of his time here the past year, boarding with Mr. Theodore Pettibone about a mile up the river, going to Hartford to spend Sundays with his family, now sold out his interest in the concern of Watkinson and Collins at Hartford and moved his family out here in the month of April, into the house (near the shops and the railroad) now owned (1866) and occupied, by the Marcys, where he resided twenty-two years.

All our grinding, polishing, blacking and boxing done in the stone building.

Offered to give Dr. Freeman the lot now owned (1866) and occupied by James Spencer, but he decided to build at Canton Village.

Contracted with Oliver Couch to take his four-horse stage coach off the Albany Turnpike and run through Collinsville and Farmington to Hartford. By this means we finally got a Post-office established here.

There was as great a rush to see the stage as there was to see the railroad cars when they first reach here in 1850.

Built the first trip-hammer shop, an undershot float wheel to each hammer, located close to the stone building on the East (now a grind shop).

In September soon after the trip-hammer shop was completed, a high flood carried away the flume, the water running over the walls each side of the stone building and into the upper windows filling the upper story to the windowsills. This flood carried off a large quantity of timber collected to build a dam, and looked so formidable that we changed our plans, believing it would not do to build a dam unless in connection with an extensive and expensive stone breastwork to protect our Works, and this was never undertaken until 1837 when the present dam (1855) was built and the high and long stone wall in connection with wooden bulkhead at the gates, which bulkhead was removed and stone substituted in 1849.

Commenced drawing out patterns this year, and making broad axes with trip hammers; had previously made axes from thin 5/8" Hassia iron, sometimes putting a slug in the head as well as the bit. Each man tempered his own axes, forging and tempering eight axes per day, light Yankee. Had not yet made any Kentucky or heavy heads.

Built two boarding houses on Front Street, North of Main Street.

1829 Built first shop for Lehigh fires.

Built a large cylinder bellows standing on and over the water-wheel, the plunger and rod being attached to a crop head moving up and down in slides at each end and driven by long pitmans attached to cranks on the gudgeon of the water-wheel. The air carried under ground through middle of the shop under the forge in hollow chestnut logs. No trip-hammer in this shop.

The men took patterns plated under trip-hammers (iron and steel) welded up and hammered off to a good shape for tempering.

Ten axes a day's work for foreman and striker, tempered before grinding.

Commenced making Kentucky axes with heavy heads.

Removed the grist-mill this year and built a grinding shop on that spot, (it being the same now occupied, 1866, by the upper polishing shop, with room for handling machetes in the upper story. Also built two forging shops above last-named shop. (North, where blacking room is) and for forging axes, the other for repair shop. The wheel for forcing air being in the same race under grind shop and the air conveyed in chestnut logs under ground.

B. T. Wingate commenced work this year; a very good workman who worked a year making broad axes by hand without losing a single day, and was considered overseer of the forging and tempering for many years until he died in 1858.

Altered the bell hours from twelve to ten hours, and gave out some piece work. We had previously worked evenings in winter months. We found the men did just as much work in a day and burnt less coal.

Did not venture this year to make any Yankee axes with Lehigh coal but used charcoal both for forging and tempering.

1830 Put up our office on corner of Main and Front Sts. The South part below was first occupied as a school for children and for some time was the only school for children. The upper story was for many years the only public hall in the Village, and on Sundays was used as a Chapel, (until the church was built in 1835), and many years subsequent by other denominations. Previous to this year the Company had need a small room on the opposite corner of Main Street over Brown's store as an office.

Thomas H. Wells commenced work this year, a very superior man who was the overseer of the grinding until he died in 1846.

Paid premiums this year to the best men in each branch of the business. The premiums graduated from \$50.00 down to \$20.00, amounting to \$150.00.

John Barlow came at this time ad bookkeeper and office clerk, was known here for many years as "Honest John". He was part of the time out as traveling agent for us in the Southern and Western States and was for a time clerk in our office at New York. He finally located in business for himself at Newark, N.J.

Forged some Yankee axes this year in Lehigh fires and putting a mark on them, packed a very few in each case, but did not discover that any greater portion of them failed than of axes made exclusively from charcoal.

1831 Having taken unbounded care to make a superior quality of work without reference to cost, the demand increased rapidly. The greatest obstacle to a large increase of production was a want of houses to accommodate and board our men. The country about us was more barren than usual of farmers and population, we were compelled to build houses.

Put up this year twenty-one double dwelling houses on the East side of the river, all one size and plan. Rented them several years at \$25.00 a tenement, wages being very low and the price of board \$1.50 per week, it was desirable that rents should be correspondingly low.

Build bridges across the canal and across the main river at our own expense to open building ground for houses near the shops. Subsequently gave the town of Canton a deed of the highways and bridges without charge.

Paid premiums this year to the best men amounting to three hundred and twenty dollars.

William Wells, a partner in our Firm of Collins & Company, died in September at Boston where he had gone for the best medical advice. He had been declining in health for more than a year which ended with consumption.

Raised the price of our axes to \$20.00 per dozen, ten per cent off to the trade, which did not check the demand at all but quickened competition and raised up competitors to bid for out workmen. It is a disputed question whether we gained or lost eventually by advance of price, but I believe it is generally thought to have been a bad move. The public however could not see and appreciate the whole question pro and con.

The paying of premiums to the best men which we tried two years proved a failure. "It didn't pay".

Mr. Charles Blair came into our employment this year.

1832 In May of this year John F. Wells became a partner in the firm of Collins & Co. taking the place of this brother who died in 1831.

The hardware trade in the cities manifesting in a strong disposition to push other axes against ours we sent out several traveling agents this year to show samples of our work and circulate hand bills to the Southern and Western States.

By a liberal discount from regular rates we made a sale of axes to Sampson & Tisdale of New York amounting to \$30,000, which is the largest sale we ever made at one time to any firm. Samuel T. Tisdale was at that time in his prime; a bold operator doing a very large business and supposed to be rich, but he failed subsequently. He was a Director on The Collins Company after they incorporated. Also George Handy, the largest and best known hardware merchant of Philadelphia, and a leading Director in the United States Bank, was our friend and was our first President, but he subsequently lost his property and failed.

Those men wanted to make arrangements with us to take our whole production, showing their confidence in our business, but it was never our policy to make "entangling alliances", and we have never in our whole business been embarrassed by the failure of others.

Built 24 double dwelling houses this year on the West side of the river of the same size and pattern as the 21 built the previous year on the East side of the river. Also built two cottages on the hill West of Cemetery, the South one has always been occupied as a Parsonage house.

Contracted with David Hinman to build machines for shaping and welding axe polls.

E. K. Root commenced work this year as a journeyman machinist in our machine repair shop. He was subsequently our Superintendent for several years and left us in 1849 to take charge of Colt's Armory, and after Col. Colt's death was president of The Colt's Arms Company. He died in Hartford in 1865.

1833 This was an eventful year. The panic in consequence of the Asiatic Cholera disarranged business and checked sales of our goods. Workmen were dissatisfied with our attempts to organize the business more economically and we found it impossible to make sales and collections fast enough to meet our payments, especially at the Hartford Bank, and was disposed to curtail the loans made to us on accommodation paper. D. C. Collins was a Director in the Phoenix Bank but our loans there were not large.

As much had been said about our stringent and illiberal contracts with workmen in the first years of business, the "temperance principals" and rigid rates, I will transcribe here a copy of a correspondence with them which took place in April of this year, the first time there ever was a combination among them and a refusal to work. At that time we employed none but Americans and we had been able to select our men, consequently there were a pattern of order and sobriety. The objectionable feature was that in retaining a portion of wages and paying at long intervals, then bringing them as apprentices learning a trade, we became largely indebted to them.

S. W. Collins to the workmen in Collinsville:

"I have received through your highly respectable committee, a very respectful remonstrance against our alteration of piece prices, and I am particularly pleased with the candid manly course which you have pursued at this crisis. It is worthy of yourselves and the high character you have always sustained as a community. It is credible to you as American citizens and speaks well for Universal Suffrage and the prospects of our Republic. I am personally peculiarly gratified as it confirms me in the policy I have always adopted and advocated, viz: to employ no foreigners; none but Americans, believing them to be not only more ingenious and

industrious than foreigners, but more enlightened and consequently more rational and reasonable. The character which this Village has sustained has demonstrated the theory to be correct, and I am proud of the fact that we are mentioned far and near as a sample of what manufacturing communities may be in this country. Thus it has been in times past and it only needed a fluctuation in price of wages (which is sure to come sooner or later in all kinds of business owing to over-production and a variety of causes) to test the experiment fully. That time has arrived and what is the result? Instead of such disorderly and disgraceful conduct as we hear of in manufacturing communities in other countries on similar occasions and which has prejudiced some against manufacturing in this country, and to question the policy and expediency of allowing the right of freemen at the polls, we find them here assembled quietly by the hundreds. Not at a Tavern to heat their blood and warp their judgement with grog, but in the cool open air in front of temperance store where pen and ink and paper can be procured and business conducted in a truly Republican town-meeting style. That the assembly was composed of cool dispassionate reasonable men I want no better proof that I have in the appearance and character of the men who waited on me this morning as your committee. They would do a credit to any community and I am proud to claim them as my fellow citizens, as such permit me to address you all and I am glad to have this opportunity to rectify some wrong impressions which I am informed exist (though I cannot believe it is the case to any extent), viz: that I am myself an avaricious, hard-hearted man, selfish and unreasonable, without patriotism and public spirit and caring for nothing but my own selfish gratification. I trust that many in this community know me better, but perhaps it is not strange that some who have not been here long and with whom I have not had much personal intercourse should entertain such ideas and suppose that I wish to oppress them, whereas nothing can be further from the thoughts and intent of my heart. If there is one truth more fully impressed on my mind than another it is that 'the rich and poor will meet together; the Lord is the Maker of them all'.

I have been less inclined to mingle in religious or political strife that I may be more impartially discriminate and deal more justly with the members of the community, but I have feelings as well as other men, and I would rather a man would suspect my pecuniary credit than my patriotism or generosity. If there is a favorite subject or pursuit with me it is the welfare and happiness of the inhabitants of this village, and that can only be prompted effectually and permanently by such prudent and judicious management of our business as will enable us to meet all our engagements.

I have addressed you personally instead of using the name of our Company, that I might address you more familiarly for I consider my personal reputation involved. I am no aware that I have ever forfeited my character for veracity and I expect that you will believe me when I say that we cannot afford to pay such prices as we have paid. Although we

keep up the retail prices of our axes we have been obliged to make heavy discounts on our larger sales. We had hoped the business would be such that we could afford to pay you higher wages.

You will readily believe me when you take into consideration the course we have pursued in times past. When we first commenced business, wages were very low (much lower than we now offer to pay) and many of you contracted with us for five years at those low rates. Afterwards when wages advanced instead of exacting labor of you at those low rates we increased your wages giving you work by the piece at prices that enabled you to double the money you contracted to work for, and we released many of you from the last two years of you contract, and when we found that the axes were costing us nearly as much as we got for them we raised the price of the axes instead of reducing wages, and so long as we were able to get the advanced price, so long we have paid you liberally, and now we have made no more reduction than we consider absolutely necessary. We have not decided on this change hastily but after much delay and mature consideration. We are truly sorry that we cannot do better you. The only proof that we can give you now of our disposition to be liberal with you and take no advantage of the circumstances is by assuring you that as your time of settlement comes around every man shall have the opportunity to pocket his contract and go free unless he prefers to stay.

If you think you can commence work under this new tariff with better courage after a holiday and a game of ball you can take next Monday and enjoy yourselves.

Resp'y Your friend
Sam'l W. Collins."

This reply was received from the workmen:

"The Committee to whom your Communication was addressed respecting reduction of wages are directed by the unanimous vote of the meeting before whom it was read to express to you their entire satisfaction with the views therein contained, and their resolution to go on cheerfully in the discharge of their duties. While they do this the Committee in the name of the meeting would assure you that they are happy to find the course which they have pursued has met with your approbation, and has been treated with such frankness and good feeling. We have no doubt of the correctness of the statements in you communication and our entire confidence in our employer will not allow the supposition that he could do anything unreasonable.

In the welfare of our village and in the prosperity of the manufacturing interest our Country we as residents here and as American Citizens feel a deep interest and hope to do all in our power to promote our common welfare.

With respect and esteem,

Yours
Signed by Charles Blair, Henry D. Rogers and others."

It was a critical time with us, as we could not sustain our prices of axes we were obliged to reduce the cost.

The contracts with the workmen rather complicated matters, and the workmen combining to quit made it look rather squally, especially as there was a large amount due to them.

As there was but a few axe makers in the Country we was obliged to take common blacksmiths and learn them to make axes, as they could utterly spoil some of the iron and steel and make a large quantity of poor work that could not receive our stamp and must be sold cheap, we bound them to work for several years paying but once a year and then retaining a part of their wages until a equal amount was earned on the following year. We had no difficulty in finding men to sign the contracts. Usually \$14.00 and board the 1st year, \$16.00 2nd year, \$18.00 third, \$20.00 the fourth year, \$26.00 the fifth year, though some of the contracts were only for three years.

The trouble with them arose after they had got to be good workmen and could get high wages elsewhere. Some run off, forfeiting their wages. To obviate this we gave piece work by which all who could make good work got good wages, but we lost money on all the inferior work done by new hands. It was only our rigid inspection and putting our name on none but good work that enabled the establishment to survive all the vicissitudes encountered.

In the month of September the Hartford Bank having fallen into the hands of a new set of Directors turning out of the Presidency our friend Gen'l Terry and electing Gov. Trumbull, we were notified to pay up which we could not do in the time specified, and concluded to suspend payment and assign our property to Trustees for the benefit of our Creditors. The property being previously under heavy mortgages to James H. Wells (father of Wm. And John) for advances in money and endorsements. Mr. Wells took possession by consent of the Trustees and run the Works about a year, working up stocks on hand and selling axes until he got pay in December 1834 when the Trustees came in possession, they sold it at auction with what stock and other personal property remained, for the benefit of our Creditors, they having obtained an Act of incorporation (or we had got it for them, the Trustees being named as the Corporation), took pay in stock for their claims against us and thus releases us from our debts.

1834 This year the Works were run in the name of James H. Wells, by understanding between him and the Trustees acting for the Creditors which prevented a sacrifice of the property. If Mr. Wells had sued for a foreclosure on his mortgage the result would have teen disastrous for all concerned but himself as his claims amounted to \$100,000. But the management was highly honorable and successful. Collins & Co. gave up every dollar of property they possessed, and with it of course went all their "great expectations", but they had the satisfaction of paying their debts in full and receiving an honorable discharge from every creditor. Some few sold out early at a discount but those who took stock in the new concern not only got their pay but many of them sold out at 50 percent advance. None were obliged to take stock. Some refused and those were paid in full principal and interest, we taking the stock assigned to them and selling it to procure the funds to pay them.

During the year that Mr. James H. Wells run the Works, his nephew Wm. Henry Wells was his agent at Collinsville. He had been in our employment a year or two and was familiar with the routine of business.

The failure of Collins & Co., and some doubt whether the Works would run again, occasioned a speculative demand for their axes and although the markets were supposed to be overstocked they were bought up on speculation and hold at an advance.

As the production was lessened Mr. Wells averaged only 400 per day, he found a ready sale for them at good prices.

Within a week after C. & Co. suspended the Hinman machines went into operation for forming and welding the heads, which made a great savings in the cost so that the profits of the business for the year it was in the hands of Mr. Wells amounted to \$30,000. If the Hinman machines had been in operation six months earlier, as they should have been, it might have prevented our suspension.

The old firm of Collins & Co. having turned a somerset and retired, and a new Company having been organized to carry on the business, the old Company are entitled an Obituary notice.

They were very young and inexperienced for such an undertaking. Though Samuel Watkinson Collins was 24 years of age and had been brought up to business, David Chittenden Collins was only just of age having served as a clerk in the iron business, he had good mental ability, but was too sanguine to be cautious and prudent. He originated the concern and being the financial manager was really the chief of the concern up to the time of the failure in 1833.

The other partner, Wm. Wells, was a young man of superior education, a student disinclined to business, but desirable as a partner for the sake of the pecuniary aid expected from his father.

Each partner put up \$5000. into the business which was all they had, the two junior partners in fact borrowing some to make up their proportion. When more Capital was needed we expected to borrow with the endorsement of James H. Wells at the Hartford Bank where he was an old Stockholder and Director, in those days the Banks loaned large amounts on accommodation paper and Mr. Wells being a man of known wealth, a prudent retired merchant, we considered such a resource almost as good and certain as Capital paid in, but our base of supplies that was to be inexhaustible as soon as we could get into full operation, was to be the sale of the axes and the fortune that we should soon receive and which would enable us to pay all indebtedness and operate on our own resources.

When the copartnership was first formed S. W. Collins did not expect to leave the business he was engaged in at Hartford, under the firm of Watkinson & Collins, which was a prosperous concern, but finding that his new partners were spreading wider than he had contemplated and were not either of them willing to live a Canton and devote their whole time to the business, he spent all his week days at Canton in 1827 and in April of 1828 moved his family to Canton occupying a house build for one of the workmen and which was subsequently enlarged.

So entirely was S. W. Collins absorbed in building houses and shops and attending to the details of manufacture that sometimes six months passed without going to Hartford, and several years without going to New York, the whole of the business away from the Works being managed by D. C. Collins.

When they first commenced the business all the axes in the Northern States were being made by the blacksmiths who shod the horses, and chiefly with blistered steel. Each farmer ground his own axe which took him the better part of half a day and then he frequently found a flaw in the steel that made it worthless. The Southern States were supplied with a cheap unground axe imported from England.

We found a ready demand for our ground and polished axes wherever they were known but we had not capital sufficient to make them and consign them for sale in advance of orders, so we sent Agents to the Southern States with samples of our work to show to the planters that they might order them of the hardware merchants. We found that the South were always in debt to Northern merchants, they had no money and their cotton was always pledged to pay old debts, they must continue to buy on credit and we could not deal with them except through the merchant who took their cotton and these merchants were accustomed to make 33 1/3 percent on axes as well as other imported hardware. In dealing with them we were obliged to allow them a profit that materially lessened our expected gains, but we enlarged our works hoping to make up the deficiency by selling a large quantity and we incurred large expense to put up machinery to shape and weld the axe polls and so expedite business and lessen the cost, but that way attended as usual in such cases with unexpected delay and did not get into operation before the pressure of our indebtedness compelled us to suspend payment. The whole amount of debts was \$250,000. say \$150,000 after James H. Wells' mortgage was paid.

Time has shown that we were not mistaken as to the utility and permanent nature of the business, but we found it impossible with the means at our command to break fresh ground and build the necessary shops and houses and make the goods and dispose of them and get our pay for them in time to meet our payments. The want of good workmen and the time it took to learn them was a bar to success as we had counted upon.

We were soon overtaken by a competition that hired our workmen, raising the price of wages and reducing the market price for axes.

Although at the time of suspension there was a considerable amount due to workmen, which it was not on our power to pay, as it took every dollar to meet the notes falling due each day, we received a communication signed by more than 100 men expressing sympathy for our misfortune and confidence in our integrity and their willingness to wait for their pay if they could have employment, which under the arrangements was accomplished for the men with families and some of them are here to this day (1866).

In August of this year the creditors organized under a new Charter and took possession of the Works in December. As a number of the largest Stockholders resided in New York and Philadelphia it was decided to hold the meeting at New York and they continued to be held there until the stock changed hands and a majority in interest resided in Connecticut, since which time the meetings have been held in Hartford.

The new Company organized by Geo. Handy (of Philadelphia) President, Thos. C. Perkins of Hartford, Secretary, David C. Collins, Agent and Treasurer, Samuel W. Collins, Supt.

1835 This was the first year that the Works were run by the incorporated Company.

By the original terms of subscription to the stock the creditors agreed to give up their claims against the old firm of Collins & Co. and we gave them the right to stamp the name

of Collins & Co. on their axes but did not contract never to use the name and stamp for ourselves.

Soon after they organized they appointed a committee to bargain with S. W. Collins and D. C. Collins for the exclusive right to use their name binding us never to use the name of Collins on Edge tools except for their benefit. The result of the negotiations was that we sold them the exclusive right for the sum of \$50,000. taking Collins stock at par, half the amount being transferred to S. W. Collins and half to D. C. Collins, and we bound ourselves to serve them five years for a salary of \$1500. each annum. It was unquestionably a good arrangement for the Company as their stock rose rapidly to 50 percent above par as soon as the arrangement was consummated.

This issue of stock to the Messrs. Collins made the Capital stock stand at \$200,000. at which sum it remained until 1837 when they created and sold additional stock to the amount of \$50,000. Subsequently, in 1838, the Banks having suspended specie payments and money being hard to get, \$50,000. more of stock was created and sold to raise money to sustain the concern (divided among the Stockholders as a dividend - the money being really earned, but needed), which filled the Capital stock up to \$300,000. the amount to which we were limited by our Charter.

Expended nothing this year on repairs or new buildings.

Divided to the Stockholders \$30,000. on a Capital of \$200,000. and had \$8000. surplus.

The Directors voted an appropriation of \$4000. to build a church

Chester Weed, a Collinsville boy, 16 years of age, came into the office as clerk and remained five years until he was of age when he went to Iowa. Also, Mr. Hillos, an elderly man, came as bookkeeper and remained two or three years.

1836 The business of the Country being good and large, demand for our axes at prices not yet reduced to what they were subsequently, and our machinery for shaping and welding giving us facilities for making increased quantities at less cost, we made money rapidly this year.

Divided \$50,000. to our Stockholders, it being 27 1/2 percent on our capital of \$200,000, leaving us a surplus of \$3000, and we charged to profit and loss \$14,000. expended in improvements, having built the Church voted last year, also a large grinding shop on West side of upper race with three breast water wheels running twenty-four grind stones, (we hesitated to build a shop for want of water the dam across the river not being built until 1837).

Bought the old Case Tavern standing near the river and the Case farm East of the Tavern, since mostly covered with houses. This purchase of the Tavern was desirable to suppress gambling and drinking and to enable us to raise our dam and pond the following year. The stock of the Company sold freely this year at 150 and 160 early in the year, and later some sales were made at 175 and one sale at 200, or \$20. per share, the par value being \$10. per share.

In December of this year money grew tight and Banks began to draw in. D.C. Collins to S. W. Collins:

"Hartford Bank wants to have us reduce our account to \$50,000. It is now about \$80,000. We ought not to make another dividend until we have accumulated \$100,000. to render us independent of the cursed Banks."

Again he writes:

"For want of cash capital I think we shall have to shorten the time of credit to our customers which will check sales of our axes and give others advantage over us. We are at short quarters for money, the stream being troubled with anchor ice much as it is with you. The Bank yesterday refused to discount a dollar for us; we only offered one note, a very good one for \$800. for four months. In anticipation of its being discounted I checked out \$500. which I now send you and make some other necessary checks so that our Bank account is now overdrawn about \$800. I have charged the Bank with a want of good faith, but I suppose they will not consider my charge against them as an offset to their charge of \$872. cash against us, but they will have to 'til tomorrow."

1837 In January not able to do much work for want of water.

D. C. Collins resigned as Treasurer on account of his health and Alfred Smith, Esq., President of Conn. River Bank, was appointed Treasurer.

The panic which had been increasing several months culminated in May by all the Banks in the U.S. stopping specie payment (including the U.S. Bank).

It now became painfully evident that we had made a great mistake the previous year in paying such large dividends to Stockholders as we now needed the funds to sustain the Concern.

We showed a prosperous business in the semi-annual meeting in April, but instead of a dividend, created and sold in May, at par, \$50,000. new stock to raise money. (In 1838 made stock dividend of \$50,000. This last creation of stock raised the amount to \$300,000. which was the limit assigned by our Charter).

The financial embarrassments of the Country and general prostration of business found us with all our sales spread, having large stocks of raw material on hand and with large contracts for iron to be delivered. We had notes to pay and not much to pay with, our sales were small and we had very little cash Capital, instead of providing capital as we should have done in 1836 when money was easy and our profits large.

The large Stockholders and directors residing in New York and Philadelphia pursued a different policy. They made large dividends and sold out when the stock brought high prices. The Concern was now in a critical situation and the Treasurer Mr. Smith called the Directors together frequently. At one time they had daily sittings adjourning from day to day, debating financial expedients and trying to negotiate with some of the Banks for aid.

Notwithstanding our financial embarrassments with the Banks suspended in May of this year (as recorded on a previous page) we expended some money in improvements at the Works that appeared to be indispensable. It appeared to be the very time to build a dam across the river which was so much needed. Heretofore we had in summer turned the water into our canal by a ridge of loose stone between the upper islands at the head of our fall which of course did not stop all the water, and were moved out of place by the ice in winter when the anchor ice would fill our canal and the water would flow the main channel of the river.

The dam was a heavy job and we could not do it when there was a good demand for axes. We now suspended work entirely at the shops for five months and built a log dam

across the river, filled it with stone and planked over, and a heavy stone breast work parallel with it crossing the canal to protect our Works from floods. The bulkheads at the gates on the canal were put in of heavy timber and planked, (stone was substituted in 1849). The dam and the stone breast work was all put down onto the rock all the way, the logs being bolted to the rock. The bottom of the gates is formed of chestnut timber close together running up and down stream and bolted to the rock. Of course it never will decay but the action of running water and sand will in time wear it out. The stone breast work is only about half of it visible, there being about half of it below the surface and the walls much heavier at the bottom. To a stranger it looks unnecessarily heavy and high but not to those who have seen the high floods that sometime occur on this river. By building the dam we got sixteen feet head and fall on our water wheels. The former owners never got more than 12 feet for their saw-mill and grist-mill. (In 1849 we put two feet more on our log dam, giving is 17 to 18 feet head and fall on upper wheels, the channel and lower wheels not yet built).

Bought the old Correll Humphrey house and land this year and fitted it up for two tenants.

Road open down to Unionville on West side of river Dec. 2nd.

Barber's store burnt down, corner of Main and South Sts., the buildings next East on Main Street rented for offices and owned by the Collins Co. caught fire and burnt down, both wooden buildings.

1838 Voted to hold our annual meetings in January instead of October and the semi-annual in July instead of April.

The Banks attempted to resume specie payments, but all of them located South of New York soon suspended again which compelled us to lose heavily on Exchange on all our business South of New York.

Reduced wages, and for two months during the summer, we shut down the gates.

A mile of new road opened shortening the distance to Canton Village, starting at this village and following the valley of Ned's Brook, coming out on the old Litchfield road.

Town clerks office burnt (in Canton) with all the town records and many deeds. Our deeds were mostly in our possession and when new records were opened we sent thirty-three deeds to be recorded.

We found the dam built the previous year a great improvement to our water power obviating all necessity for any more night-work.

Last year the assessors for the town of Canton assessed us \$5000. on our faculty but the Board of Relief abated it to \$1500. This year the assessors put it up to \$12,500. The Board of Relief abated it to \$3700. Made a stock divided of \$50,000. on the old surplus.

Not being able to sell goods enough to meet our payments, Mr. Smith has succeeded in getting accommodation paper discounted endorsed by himself and the best names in Hartford, including Daniel Wadsworth, Joseph Trumbull and Wm. H. Imlay to amount to \$50,000. He had got \$25,000. from the Conn. River Bank of which he was President, but he expected that the Banks would resume and business revive before long, when we should have large sales again and be all right. He did not foresee that we were to have five years of such entire prostration of business and he finally got discouraged and wanted to resign.

Financial matters dragged heavy all through the year. In January, Mr. Smith writes to S. W. Collins:

"Last week the Hartford Bank refused to renew a \$5000. accommodation note secured by Wm. H. Imlay's acceptance. The cashier told me 'they did not expect to keep doing accommodation paper'. Very well, I sent Mr. Cashier a letter to-day requesting him to tell the Directors sundry things, and that we could not do without it, so they renewed the \$5000. accommodation note to-day and \$2000. of other paper."

Again he writes in a letter to S. W. Collins:

"I have been to see the Directors of Hartford Bank and have been denied further help. I know that the President and the Cashier favored us but there was two votes against us which throws us out. I think I can get \$5000. for you on Monday. I shall call our Directors together on Tuesday or Wednesday.

It strikes me that I have used up my influence and resources and that a new man may find something new. I shall therefore hold myself ready to resign, and indeed should be greatly pleased to do so. That is the best course if we can find the right man."

The following week he writes:

"I offered at Hartford Bank to-day 2 drafts on T. S. Tisdale for \$3000. each, and 2 for same amount on Geo. Handy, and endorsed them myself, \$12,000. in the whole. The Bank refused to do them for The Collins Company but rather doggedly did them for me individually declaring it must be considered a part of Collins Co. account as soon as the account falls to \$50,000., it now being somewhat over \$50,000. Counting this \$12,000. it is \$64,000. I would pay a round sum to get money enough this year without going to the Banks. I never knew before what a great man a Bank Director could be. I must look elsewhere for our future wants. Sales are very light, the amount was only \$145,000. last year, and I don't believe they will exceed \$100,000 this year. We can't make money in these times, but we must save the credit of the concern and keep the works in order."

Again he writes:

"I have just returned from New York and Philadelphia. You must have a new hand to make sales. I accomplished nothing. I wish you would come to Hartford early on Monday and look over our prospects. I wish you had a man in my place of thorough mercantile education and habits."

In September and October of this year there was a temporary revival of business and we had not axes enough to meet the demand but it did not last and we found ourselves hampered with fresh contracts for iron etc. etc.

1839 Great flood in January. Large cakes of ice came over the flume into long grinding shop. To prevent a recurrence we built a heavy stone wall on the river side of the shop 231 feet long, costing \$1000.

Bridge rebuilt across the river by the town on a plan of Mr. E. K. Root. Two men fell through bridge, one of them by name of Wilcox drowned.

Town assessors put us on the list at \$9000. for our faculty. As faculties go in at one percent and other property at only three percent it is a great hardship, and we pay the taxes under protest. We can't learn of any other instance in the State of a faculty assessed higher than \$450. We are so much dissatisfied with this and other management of town authorities that we proposed to them to join us in a petition to the Legislature to incorporate us as a Borough that we may be independent of the town, but they won't do that.

Appointed E. K. Root overseer of all the shops which ended the quarrel between him and B. T. Wingate which had lasted more than a year to our detriment.

Our financial troubles don't lessen. Hartford Bank required us to reduce our account to \$20,000. and refused all but short paper, from Smith's Connecticut River Bank and some from Exchange Bank, but we came very near suspending payment. We got released from contracts for iron, etc. to the amount of \$70,000. on the plea that we could not pay for them.

Our Stockholders were so dissatisfied and the market price of the stock down to 75 and 80, and the credit of the Company suffering, that an attempt was made to pay a dividend. Six percent was declared giving the notes of the Company, but when the notes became due Smith could not raise funds to pay them which was disgraceful.

He writes to S. W. Collins:

"A note falls due to-day at Phoenix Bank that you gave a Canaan man for iron. I shall try to have the Bank renew it."

I find some of the Stockholders think they should be paid for endorsing our paper and I have agreed to pay them one percent for four months.

Mr. Smith now regrets that we expended so much money at the Works in 1837 for the dam, etc. etc.

Our financial troubles increased. The Banks considered the special loans on accommodation paper as temporary, and they would have been had business revived so that we could avail ourselves of the credit system to raise capital, a system which answers only in times of prosperity. It does better for individuals than for corporations as the individual sometimes accumulates profits enough to sustain him when the crisis comes, but as the corporation divide their profits they are pretty sure to break when the crisis comes unless they have adequate capital paid in, and when they have that they seldom get the benefit of such services as a man gives to a business of his own that he has built up himself.

When Collins & Co. failed much was said of the folly of attempting to do business on borrowed capital, that they should not have contracted for so much raw material and owed so much money, especially to workmen.

We had now a Board of Directors among them such names as Gov. Ellsworth, Gov. Trumbull, James H. Wells, Alfred Smith, Wm. H. Imlay, Warburton, and Alouro S. Beekwith. There was not at this time in the city of Hartford seven men with as much wealth as those above named, and yet at this time the concern is in as bad a condition as Collins & Co. were when they failed, and Mr. Smith had written to S. W. Collins and discussed the

question of paying the workmen only once in six months, which, if adopted would have made us largely indebted to them without the same excuse that Collins & Co. had of binding them to fulfill their engagements. Mr. Smith was considered one of the most able men and best financiers in the city of Hartford.

Collins & Co. suspended when they were pushed by the Banks and the corporation under Smith's management came very near it as will be seen by the following extracts from Smith's letters to S. W. Collins.

Collins & Co. had been blamed for giving their notes to Collinsville merchants. Under date of 12th November, 1839, Mr. Smith writes to S. W. Collins:

"six months pay day would give us a better chance, a larger share of earnings might go into the stores and if you could give notes to the stores for orders therein would be more extension beyond six months. You shall have the money due if in my power to procure it."

Mr. Smith writes to S. W. Collins in November of this year:

"I have thought of asking for an extension of all our creditors, (Sanderson has already given us an extension on \$24,000.) but after considering how much of our suspended paper would fall on the Hartford Bank in case of our stopping general payments, how unable a good many of our endorsers would be to make good at present our short comings; how much would be the general discredit and doubt about us resulting from such a course, and furthermore considering that the very Directors of the Hartford Bank would distrust us while standing in this position and probably refuse to let us have anything even to pay our workmen. I have concluded that I am taking the right course, viz: to give new paper for half whenever I can, to pay the other half as long as I can, and submit to whatever is in store for us, and their consequences. Indeed I am not sure that asking for a general extension would not weaken us more than we should gain. With a full knowledge that a long cessation of sales and tightness of money may at last bring us to a dead stand I incline to think that we are now taking what is on the whole probably our best course as far as I can judge.

It will be of great service if we can go on without being pronounced a failure which I think would be the case if we insist on a general extension. It is important to decide this right and I want the benefit of your opinion. A general extension is not to be thought of unless we had credit enough left at Hartford Bank to get funds to pay workmen, and the confidence of our Stockholders sufficient to get their endorsements. I know that postponement is not payment and we certainly have got to reduce the amount of bank accommodation considerably below what we shall need.

With sales stopped as they are now and poor prospects for the winter I ask myself how and when are we to reduce.

Our debts are maturing and our sales are not nearly equal to our payments. Then those divided notes for \$18,000, are the most hateful debts that we owe."

Under date of 29th November he writes:

"I wish Mr. D. C. Collins could be persuaded to take the situation and go through this pinch."

1840 Mr. Smith writes under date of 8th February:

"We must not attempt to make more than 300 axes per day. There is now less confidence and credit in this Country than at the worst time in 1837 after the suspension. There was hope then, strong hope. That hope has been so disappointed that it is pretty much extinguished, and there seems to be no ground for active trade. I don't believe the very best management of the financial affairs by the Government can restore specie payments in two years from this time. A quantity of some kinds of goods must be had, such as broadcloths, cotton goods and some axes, but I am not confident that any past experiences has shown how small a quantity the Country can get along with for a year or two, nor how long they can shift to make old clothes and old axes answer.

Our sales last year were only \$114,000. and have no reason to expect any larger this year. Our sales for four months since the last suspension of U. S. Bank amount to only \$28,000.

What do you think of giving eight or nine months credit if we can make any sales? and say give 15 percent discount?"

Mr. Smith on returning from New York and Philadelphia writes that he was not able to make sales and markets are so overstocked with other axes.

While absent he met with an accident. Fell into a cellar-way and was much bruised and laid up in New York.

During his absence Mr. Hillyes the Secretary writes to S. W. Collins after having been down to New York to see Mr. Smith:

" I was detained by fog on the sound and came home by cars, but in the evening after Bank hours it was of course too late to make any arrangements for money and I found Mr. Perkins very crabbed and cross. He sent two drafts on us that came through the Phoenix Bank to a Notary for protest though he knew the circumstances and that I had gone to see Mr. Smith and make arrangements for paying them.

I have not yet succeeded in making arrangements with either Bank to discount for us and I am going to find Mr. D. C. Collins and consult with him."

The price of our Stock had now got down to 75 and 80.

We were assessed this year \$5000. on our faculty for doing business on the assumption of great business and great profits, though everybody knows we are not making anything.
Amount of sales this year \$105,000.

1841 Alfred Smith resigned in January and D. C. Collins was appointed Treasurer having spent some time in Europe and recovered his health.

In February the Philadelphia U. S. Bank suspended again and others with them South of New York, and business continued dull and consequently our financial affairs did not improve much.

D. C. Collins writes to S. W. Collins:

"I have made up my mind that we ought not to submit any longer to the loss and risque on Philadelphia currency. No one knows what it will be six months hence. I propose to give notice that after next month we shall sell only for New York funds or Specie currency. This will, of course, include Baltimore and all South and West. Others do it or get higher prices for sales to Philadelphia and we must do it. They will fret some and try to bully us but they will cone into it and buy just as much as now which is as little as possible. Some will have our axes and for those the trade must get them. This is an important point and I want your opinion. Smith thought it would not do at all, but I don't agree with him for it is playing the devil with our interests and profits and should be changed immediately.

You ask how many axes you ought to make. Now one knows how business will be the coming year. The Country is in a very bad unsettled state and is likely to be for some time to come. I think you ought not to make less than 500 per day and if you make more I shall try to sell them. I do not see any good reason to expect better business than last year except as we make more exertion to sell. I expect to push them and make more of the coming year than the last, but how much more no one can foresee. Give us the axes good and cheap and I will see what I can do."

Aetna Fire Insurance Co. made a donation of \$100. to our Village Library.

Changed time of our meetings back to April and October.

Assessed \$6000. on our faculty this year which was abated to \$3,625. Having paid our taxes several years under protest we this year commenced a suit against the town to recover, but before it came to trial it was compromised, the town passed a vote that hereafter it should not exceed \$1500. per year.

Sales this year were \$165,000.

1842 Having entered on these pages so much about our financial troubles while Mr. Smith was Treasurer I ought to have recorded on the previous page under the date of 1841 a letter from D. C. Collins written one month after he took Smith's place. It was due to Mr. Smith that the reasons why he could not pay a dividend during the four years of his administration should be fully explained, and I will now record some extracts from the letter of D. C. Collins alluded to showing somewhat the condition of the Treasury when he took possession. He writes in February 1841:

"You will read in the newspapers about Bank suspensions, I will not trouble you with the long elaborate dispositions on the subject. The Philadelphia and other Southern Banks which had attempted resumption with the U. S. Bank go with her again and I much fear that 'their last state will be worse than their first.' It is all very bad for us in all its aspects and effects. We lose on exchange and also by the discouraging influence on the minds of buyers and the Banks generally, but I trust we shall live through it.

The late Treasurer of our Company left me a 'rather beggarly account of empty boxes' as Shakespeare says. I found only about \$100. in cash and \$500 in notes (and that is in Philadelphia paper.)

Our account with the Hartford Bank, the only one I can go to for this discount, is up to \$53,000. being \$3000. above their limit for this Company. All we have had at other Banks has been only special loans with an endorser in some shape.

I find Judge Smith had given Mr. Imlay the key of the storehouse where we have axes to the value of \$20,000. to secure Imlay for the endorsements to amount of \$15,000. Mr. Smith declines to give us his name any further as to endorse any renewals and from what he says his friend Gov. Trumbull will not aid any further, and probably I shall find Imlay ditto, but I don't intend to ask them at present. I think I shall continue to get along without their help.

Judge Smith paid himself between \$2000. and \$3000. the day he left. I will tell you more about my plans when I see you."

1843 The year 1842 proved to be the dullest year for business since the Banks first suspended in 1837, but business began to revive in August 1843 which was very generally attributed to an encouraging influence of the highly protective tariff act enacted in 1842.

Our Superintendent Mr. E. K. Root, not having much to do at home, we sent him out to England in 1842 to pick up information especially about manufacture of cast-steel, intending to manufacture our own steel whenever circumstances favored it. He reported very favorably respecting steel and had no doubts of our success, but with the revival of trade in August of this year we had full occupation again to meet the demand for our Edge Tools and spread ourselves in that direction postponing the matter of making cast-steel.

Our old friend Samuel T. Tisdale finally succumbed to the hard times and suspended payment this year.

Our Charter was altered by the Legislature this year authorizing us to make iron and steel as well as tools, and our Corporate name was changed from The Collins Manufacturing Co. to The Collins Company.

1844 Manufactured an average of 549 axes per day this year.

Divided ten percent to the Stockholders.

Amount of sales this year \$194,982.14.

We had made but few axes for several years and had a choice of workmen. We had reduced the cost to \$8.50 per dozen which is as low as we ever got the cost. We had greatly

improved the quality but we lost it all before long by rust, bad shaving, bad heating and bad management.

Cracked the Church bell in consequence of shortening the tongue when repairing it. A very superior bell weighing 1025 lbs. cast by Doolittle of Hartford. It was replaced by a very poor ball of Ames of Springfield, which was lost when the Church was burnt in January 1857.

Hung steel bell at the shops in February 1857.

1845 In July D. C. Collins resigned as treasurer and S. W. Collins was appointed Treasurer. Mr. E. K. Root being appointed Supt.

At the October meeting the By-laws were revised. The office of Treasurer abolished. The duties devolving upon the President in place of Gov. Ellsworth and his duties called him to Hartford frequently. He thought of residing there instead of in Collinsville. Our letters coming to Hartford and our correspondence being conducted there, but an arrangement was made with D. C. Collins to sell our goods on commission at New York which lessened the correspondence at our Hartford office.

At this time much damage was done us by spurious Collins axes. There was one concern near Philadelphia, one on the North river at Napawoch and one at Humphreysville in Connecticut, that stamps all their axes "H. Collins", though there was never no such person in the business and never was. The merchants who bought them sold them as "Hartford Collins" axes. Able lawyers gave it as their opinion that we having adopted the word Hartford as our trade mark we could not interfere unless they used that word on their work.

Our Spanish trade for machetes and Spanish axes heretofore small was increasing and gave indications of a large trade hereafter.

We averaged only 673 tools per day this year because we could not get them ground, and yet our facilities for grinding were equal to 1000 axes per day with good grinders but they were not to be had. There had been so many deaths among the grinders that no Yankee would grind, and the Irish were so awkward and stupid that we did not get the quantity needed even by having extra men working at night. This of course limited the forging.

Mr. Root invented a process for shaving the axes as a substitute for grinding but it was not put into operation in time to aid us much this year.

We put up a carpenter shop this year with water wheel on the island between the bridges. It had previously been where blacking and boxing has been

We also rebuilt and enlarged the polishing shop and wheel.

A. R. Flint our bookkeeper for six years left us for South America, and Mr. John Barlow come in again having been several years in Indiana.

Divided ten percent to Stockholders this year.

1846 The drought last summer (1845) was such that we could not run the works more than half the time but as this occurs only occasionally we decided to build a canal to give room for more shops and we built in connection with it a three-story stone building and two large iron breast wheels, that we might put in operation Mr. Root's machinery for punching heads of axes, shaving them and tempering them in ovens without disturbing or interfering with the present manufacturing business, the demand both last year and this year being larger than we could supply.

On digging for foundations of stone building we found quicksand which made it necessary to drive piling for all except the North side. This was attended with great delay and great expense. The soil was so sandy and unsuitable for foundations on the North side that we dug it out sixteen feet deep and put in heavy stone without piling. The foundation of the large chimneys is down about twelve foot and laid with stone in water lime (grouted) but not piled. The North foundation wall of the building was laid dry.

Winter came early. We had a great snow storm 25th of November, the snow being 12 inches deep on a level which hindered work on the buildings and some men quit. We consider it necessary to shut up the building to protect and enable us to go on with the work inside, but the weather was severe and stormy and the roof was raised during a severe snow-storm in December. The gable ends were carried up after that, the mortar freezing, and the roof was tinned in very severe winter weather. When we commenced we expected to complete it before cold weather.

The river was very low in October for not having had the usual September rains.

A grinder by the name of Cowdry was killed by a grindstone falling over onto him while moving it outside of the shop.

They took up the flume of the upper stone building to stop leaks, and built on West side of the building an additional stone wall to support the previous wall, and grouted it with water lime (200 barrels) to stop leaks.

The demand for axes the past year has quickened the competition and many of our men having been bribed to leave us we advertised in 40 newspapers in different sections of the country for workmen to fill our new stone building.

We divided 10 percent to our Stockholders this year, our extra expenditures being carried to a "Building Account" contrary to our previous custom which had been to pay them from profits.

The effect of running our grinding with green Irishmen now became visible by the increase "wear and tear" of machinery. The three breast wheels failed one after the other though they had been running but ten years and with care might have run twenty years. The pine shaft of one of them broke, the life of the wood being destroyed by allowing the gudgeons to heat. Grindstone dust fills the holes for oiling unless watched with care. We could not possibly suspend our business to build wood wheels which would delay several months so we put in cast iron breast wheels. The aproning, gearing and large wheels or drums for bolting being all ready for that kind of wheel but they did not live much longer than the wood wheels and we finally put in iron turbine wheels which cost much less though they don't run as steady and we have more accidents by the bursting of stones.

Mr. Collins left our office and went to New York to help D. C. Collins who was out of health, and Orlow Brown came into the office for a time.

The demand for axe makers and our advertising extensively for men had the effect to make our workmen discontented and they petitioned for an increase of wages just at a time when it was becoming evident that the "heated term" or season of prosperity was over and was to be succeeded by hard times in the axe business, if not business generally. Of course I was not willing to accede to their request. I record my reply as I think it contains some ideas that may aid some future manager. I bestowed some thought upon it and it is very unlike the ad captanderun spread eagle reply to a similar application in 1833, which was written off hand in a short time while the men who brought the position and those who signed it were waiting for my reply. I must confess, however, that the first one, though less

argumentative, was the most effective, but the circumstances and the men were different. At this time though the men continued at work but they were not satisfied and before long one and another left.

Reply of S. W. Collins to a petition for higher wages:

"To Mr. Jason Luce and others:-

Gentlemen:- I have taken time since the receipt of your petition to bestow upon it much thought and consideration. Before I enter upon the discussion of its merits I wish to say a few words respecting myself and my own feelings and views lest you should misunderstand and misapprehend me. The most unpleasant feature of my situation here is that I am in the midst of a community who think I am getting rich from the proceeds of their labor without allowing them a fair compensation for it. It is perhaps natural that you should suppose just that at this time that the large and expensive addition that we are making to our establishment is not only an indication of the prosperity of the business but also is proof that we have accumulated a large amount of profits to be able to expend so much money, the fact is we have not accumulated any profits but are spending our original Capital paid in by the Stockholders, and we are borrowing, looking to future profits to refund it.

Neither is the business very profitable. On the contrary competition is so close and the price of axes constantly falling that we are obliged to enlarge our business and make a "nimble ninepence of it". In looking at the future we feel compelled to do more business and economize the cost as much as possible in order to save for our stockholders fair interest in their money invested here. I presume that no laboring man would expect that those who have money would lend it to furnish him with stock and tools to work with for less than six to seven percent per annum. The legal interest in this State is six percent but many of our stockholders reside in New York where the legal interest is seven percent. You could not borrow the money yourselves for six or seven percent without good security for the payment of it. If you did not give good security you would have to pay more than six to seven percent, probably as much as eight, ten or twelve percent for the use of the money.

Those who find the money to furnish you with stock and tools here have run the risk of losing the money by fire and by flood, by bad debts and bad management and by deterioration in value from wear and tear and natural decay. All these risks put together amount to considerable, and all the profits or interest on their money they have received since the origin of this Company amounts on an average to but little over seven percent.

You may say that they have expended considerable of their profits here, but they are obliged to keep up the establishment in order to save what they had previously invested here, and not let it run down.

The village would not sell now for what it cost, and their stock is not selling any higher than it did ten years ago, and no long since it was 20 percent below par.

I mention these facts to show you that they are not getting rich, or receiving great interest on their money. As for myself I have not added a dollar to my property during the last ten years, not that I could not have done it by using more economy but I have not much desire to accumulate property. I mention it to prove to you that I am not greedy of gain. And here I will just say that I do not find any difficulty in spending all my income, and I believe that habits of strict economy are of more importance to accumulation than the amount that a man receives.

I wish myself that property was more equitably distributed than it is, and that all might be obliged to labor in some way. It would be best for the good of all and I would favor any course of legislature that would have a tendency gradually to equalize property without destroying the inducements to industry and enterprise. Much has been accomplished by our laws and institutions in this Country towards producing this result. I suppose that we are all of us in pursuit of happiness but I do not believe myself that it is to be found in the accumulation of wealth. We are apt to think that others are happier than we are but I am inclined to think that happiness is more equally distributed than is generally supposed. I would myself cheerfully give you all I am worth for the health and strength that some of you possess, but to come back to the point, although self interest is apt to blind us all and warp our judgement I fancy that in this case I can see the truth clearly and render impartial judgement.

It is written in Scripture that 'the laborer is worthy of his hire', and were it not written there common sense would teach it to us.

That you should have a living is more of a consequence than that the capitalist should get interest on his money, and your wages are paid to you monthly in good times and bad times. Whether the Company are making or losing money your wages are paid first. That is all as it should be, so far. A living is the basis of your rights. Six percent the base of his (after he has paid you enough to live on) then comes the question of whether the surplus over and above your living and his six percent has been equitably divided between you and those who own the property and furnish the necessary capital. I think it has been.

There have been times when the owners were not getting one percent for their money and you was getting a living. That was divided right at that time for you are to have a living at all times, but when the good times come you must allow the owners to take enough to pay them fair interest on their money for the whole time or it will be withdrawn and invested in property that will do it. As I said before they have received a little more than simple interest for the use of their money, and the workmen in this establishment have on the long run received a little more than a living. I do not say that every individual has saved money any more than I have myself and in many cases for the same reason that I have not, because they were not economical. In other cases they may have been unfortunate; they may have been sick or their families may have been sick or they may be feeble men and not able to do a full days work, but those are the

exceptions. It is well known that a considerable amount of money is saved by the workmen as a whole every year. The last year was an unfortunate one on account of drought, and the interests of both Stockholders and workmen suffered, but let us take another view of this question. The farming interest of this Country is the great paramount laboring interest and must ever on the long run regulate the price of that is called common labor. Now what wages do farmers pay a man who furnishes nothing but his time and strength? I suppose it will not average more than \$12.00. per month and his board the year round and probably not so much as that taking one year with another. They pay more than that in the summer and not so much as that in the winter.

Those of you who have saved money enough to pay for a farm can do better than that at farming but then you will be furnishing the money to do the business upon and will be receiving the income due to that as well as pay for your labor.

Next comes the question - is the labor here more severe than farming and does it require ingenuity? I believe I hazard nothing in saying that the most feeble man in our employ can earn every month in the year \$12.00 to \$14.00 easier than he can do it at farming if he will take the same number of hours to do it in that a farmer would require of him.

Many of our men quit work in the shops by half past two or by three o'clock, and they have plenty of time and strength left for a game of ball, and I am glad to see it, but they ought not to expect us to pay for time spent at play. I have never yet seen a farming village where the men were in the habit of playing ball when they got through their days work. The fact is they are too tired and exhausted to feel like play.

Now for the question of whether the work here requires more ingenuity than farming and whether it should therefore receive more compensation than mere common farm labor. Where men study a profession and have to support themselves for several years without immediate remuneration it seems to be right and just that their income in after years should refund to them what they previously sacrificed, and the same rule holds good where men to learn a trade work several years for an employer as an apprentice with little or no remuneration, but nothing of that kind is the case here. Some few among you acquired the blacksmith's trade before you came here, and to such the wages probably seemed rather small and I think myself that you may be able to find employment in forging machinery or on carriage work which requires more experience and ingenuity than axe-making. The fact is that axe-making has become so simplified that any Yankee farmer boy of average ingenuity and strength can, as soon as he is of age and starts for himself, soon get hold of any branch of the business with very little practice, and as New England is full of such young men who desire to avail themselves of such advantages where they can work the year round and have a chance to work by the piece and by a little extra exertion earn more than they can on a farm, that I cannot see any probability of wages advancing here unless farm wages advance.

Now let us look at the wages pay in the branch that you specially allude to. You say that you consider "60 per day at hammering off a days work." It may be perhaps for some of you but I do not think it is for a good smart ablebodied man. Such men I think can do 70 and keep it up to that without injury and this is the opinion of others who are good judges in such matters, but I will not dispute with you about that. Seventy per day will pay the foreman \$1.61 and the striker \$1.05. Sixty per day will pay the foreman \$1.38 and the striker .90, it being for the foreman something like \$1.00 per day and his board and for the striker about \$15.00 per month and his board. Now for those wages I can hire a regiment of country blacksmiths and set them to work by the day without any piece price, and working ten hours per day they will turn out sixty axes per day. The truth of the matter is that your judgement has become gradually warped on this subject without intending to do anything wrong or to ask anything wrong. You have got to that point where without being aware of it you are expecting what is impossible. You work about half the day and wonder that you don't got a full day's pay. Others do a very moderate day's work and expect to get as much as some other men who do a great day's work here and elsewhere. It is summer now and you forget that you was very glad of a place here during the winter.

As to wages being higher in other factories I do not think they are for if the advantages were greater our men would leave us as certainly as that water will run down hill, and about as fast. Were it not for this fact I should feel more apprehensive that I may be mistaken and might possible be doing an injustice, but I thank God that the demand for labor is such in this Country that we employers cannot do you and great wrong if we were disposed to

I do not question that in some small factories some men may be doing better than he could do here, and in some larger shops they have their favorites who are considered better workmen and get an extra good chance, but I do not think any axe-maker can pay higher average wages than we do and get a living by axe-making.

From the above you will perceive that I do not agree to what you say about your "wages being too low when compared with wages elsewhere throughout the Country and in other establishments of this kind."

As to what you say about house rent I have never heard of a city or village where rent was lower than it is here. Occasionally in the Country where there is no business a house can be hired very cheap.

You say that many articles of living are higher. I suppose that is true but the important article to us, viz. Axes, is lower. If they advance the price we might then be able to talk about higher wages, but we must at present keep the cost down to be able to sell at present market prices.

I have then given my reasons for not complying with your request. I suppose some will leave and perhaps it is best that some should go, certainly it is best if you can do better elsewhere or if you cannot be tolerably happy and contented here. Some of you who have been here a

great while I should be very sorry to have go, and others I should not consider any great loss. Indeed some will have to go unless they work more steadily.

I have treated this matter as fairly as I am able to. I have been perfectly frank and openhearted about it and have said just what I think without intending to be personal or unkind and I hope it will be received with the same spirit.

Yours respectfully,
(Signed) S. W. Collins"

1847 It took the greater part of this year to get the machinery and tools into the new stone building ready for business and by that time the great demand for our goods had subsided.

Wages and materials advanced without our being able to get more for our goods and we make but very little profit.

We begin to feel greatly the want of Capital expended on the Canal and stone building; the "Building or Construction Account" having run up to \$80,000. The expense exceeding the estimates more than \$60,000.

We now commenced receiving money on deposit, being prompted whereto by some bad investments made by men in the village by which they were swindled out of their money.

We suffered greatly by having large numbers of cracked axes attributed by Mr. Root to bad heating of the steel, and by Mr. Wingate to bad uneven shaving. To encourage men to make more and better work and make good workmen better satisfied, we graduate the prices paying more in summer when men are tempted out to haying and other jobs, and paying less in winter, and paying a premium for a large quantity of work in a month.

Mr. S. P. Horton comes as bookkeeper in April.

Mr. Root's punching machines requiring a better quality of iron, Camp & Manchester are induced to put up a puddling furnace at New Hartford, four miles from our shops. They find wood cheap but have a long cartage on Salisbury pig iron. We take considerable iron from them for several years.

A high dam built this year on the river at New Hartford by The Greenwoods Company giving them a large pond which aids them materially in dry weather and is also a help to us.

Deacon Nelson Rust died, one of the oldest workmen and one of our very best men.

Notwithstanding the unfavorable aspect of business, ten percent was voted and paid to the Stockholders, it being the fourth year in succession that we have paid ten percent, and the Directors are very unwilling to believe that we cannot always do as well as that.

1848 This was not a very prosperous year as will be seen by the records. We divided five percent instead of ten percent. It had been ten percent for several years.

We discovered our whole stock of axes to be very rusty and had many complaints from our customers and lost many sales in consequence. Two thousand dozen came back from New York which had not only to be ground and polished and blacked and packed in new boxes, but we had to swab the eye of every axe with oil, and all the axes on hand here had to be treated the same way. The labor expended on them amounted to \$6000. besides the damage to our reputation, loss of sales, etc. etc. This trouble of rust was caused by the change from grinding to shaving, and grinding and shaving before they are tempered, not washing the tempering salt all out of the eyes of the axes. Dampness caused it to spread

until it reached the paper when it soon spread over the whole surface. It is necessary to wash them thoroughly in fresh water after they are tempered.

Sent some Machetes to market this year with malleable iron handles which did not give satisfaction. We had previously tried India rubber and Gutta Percha without any better success.

We had great complaints of bad welds and large quantity of second quality work from that cause owing to iron from Pennsylvania not suitable for axes. Most Pennsylvania iron is not fit for our use.

Many axes are shaved too thin and flat on the steel and failed in consequence. These troubles greatly injured the reputation and sale of our axes and gave our competitors a great advantage which in some markets they have held.

We made up a large lot of Planter's Hoes, which owing to the incapacity and neglect of the overseer were of inferior quality and bad shape and which put us back years in the hoe business.

We closed our Hartford office this year and sent our goods direct from Collinsville to New York.

Passed a By-law authorizing meeting of Board of Directors at Collinsville.

Fifty men emigrated from here to California about this time and the demand for our kind of goods from California begins to be felt here.

New road opened West side of river over the hill Northwest through Collin's farm, and the river road through said farm discontinued by County Commissioners. A new bridge built over the river by the "town's" plan, by the town of Canton, placed on the old abutments which were built in 1839.

We had great financial trouble this year and money was very tight. There was many failures which made the Banks very distrustful. We could not have paid even five percent dividend if we had not obtained a loan from "Hartford Savings Bank." This was a loan for \$30,000. at six percent, on a joint note signed by S. W. Collins, James Goodwin, John Olmsted and John Warburton. The Collins Company's name was not used but they passed a vote agreeing to assume the debt. This loan was continued fourteen years, not being paid until the flush time of the Great War, before the loan was negotiated with the Savings Society.

S. W. Collins made an appeal to the Hartford Bank, a copy of which is here recorded. He has good reasons for believing that this appeal was the means of obtaining the loan from the Savings Bank as several of the Hartford Bank Directors were Directors of the Savings Bank, and the suggestion was made and carried out by them. One of them being also a Director in our Company. As the loan was of vital importance at the time I record the particulars:

"To the Directors of the Hartford Bank:

The undersigned in behalf of The Collins Company begs leave to offer the following for your consideration.

Although the Capital of The Collins Company may be considered large, their business is heavy and somewhat peculiar involving the necessity for large stocks of manufactured goods on hand and heavy contracts for raw materials which cannot be curtailed suddenly whenever trade languishes and the money market becomes stringent. At such times when sales cannot

be made for cash it sometimes becomes necessary for the company to realize funds to a large amount on the notes of their customers by getting them discounted, say to the amount of \$20,000. per month, and of course involving a line of discount up to \$80,000. and possibly sometimes at certain seasons of the year as high as \$100,000.

We have in former times been accommodated at your Bank and we are credibly informed that such accounts are not unknown at the present time at some other Banks in the city and to concerns not doing more business than we are, not having any more responsibility. This is not mentioned as any rule to you, but as an apology for asking a similar indulgence.

We always have done our business at your bank and have always been emphatically "Hartford Bank men" believing it to be the best and safest banking institution in the city or State and the most fair in their dealings and uniform in the treatment of their customers, and thus believing we are not willing to take up changing our account or any part of it to some other bank without first having drawn your attention to our affairs and soliciting your Board to accommodate us.

I would respectfully draw your attention to the fact that we are not doing a speculative business, but a regular manufacturing business that has for twenty years been growing up as it were under your fostering care, once for the want of adequate means obliged to suspend, but resuming again with increased strength and vigor, proving it to have in the nature of the business inherent vitality and since that time having had \$100,000. added to their Capital they have gone on successfully and steadily until they have become firmly established.

I further draw you attention to the fact that this Company has a large number of men in their employment who are dependent on the business of this Company, so well as others not immediately in their employment, including several stores in the village, and further that the Stock of the Company is held by two hundred different persons, mostly residing in the city and County, and whose interests I now represent in addressing you. Allow me to say that I cannot see the justice or prosperity of restricting such a concern with so much Capital and representing so many interests to the same line of discount as that of a mercantile individual possessing not more than one-third of the Capital and not involving so many different interests, nor can I see that any indulgence or extend of the discounts to such a Company ought to form any precedent or ground of claim for ordinary applicants.

The soundness of the paper which your Bank has discounted for our Company during the past twenty years, and a part of the time being the most disastrous to the commercial interests that this Country has ever seen, is some guarantee for the future, added to which being an open Corporation, their situation can at any time be ascertained through numerous Stockholders and Directors who have free access to the books of the Company, and some one of them is generally a member of the Board, it

is believed that such opportunities seldom exist for ascertaining the solvency of individuals.

Respectfully yours,
(Signed) S. W. Collins President"

One of our troubles this year was a panic in the Commercial Community from fear of Asiatic Cholera which checked business.

My experience with the Bank has led me to the conclusion that although their petitions for a Charter, they generally, if not invariably, claim that it is to accommodate the public; in practice no regard whatever is had to that in distributing their favors, and therefore it is not good policy to make any such appeal to them as that recorded above. If you are very urgent they will suspect you are weak and perhaps unsound and not worthy of credit. They will insist on shorter paper and more premium and if your urgent needs continue they will probably cut you off entirely. The best way is to keep very still, calm and quiet, saying but little and appearing indifferent. This inspires confidence in your petition and your ability to manage affairs; it shows that you have confidence yourself. Of course one should be good-natured and compliant making friends with the Directors especially with the Bank Officers. It is not well to attract much attention to your case or attempt to make explanations, it leads them to surmise and criticize. Then loans in hard times are very much a matter of favoritism.

The old firm of Collins & Company had the benefit for five years of said favoritism, if benefit it can be called, when brought up at last "with a round turn."

1849 The change last year from grinding to shaving which gave us rusty axes, and work shaved too fast and thin on the steel; the difficulty of bad welds which arose partly from bed iron and partly from poor borax, together with very flawed steel, compelled us to stamp a large portion of our axes second quality which were slow of sale and at less than cost. Has we kept our quality up and our reputation where it had been for seven years we could always have got \$1.00. to \$2.00. per dozen more than other axes. It took us several years to recover our good name. In the meantime other axes gave satisfaction and were considered in many markets to be equal to ours.

This year we raised our dam two feet paying the owner of land above for the right to flood their land to that extent, (amounting to about \$3000.) We fastened an iron bolt into the ledge of rocks near the South outlet of the waste-way which marks our rights that spot being 18" higher than the top of our dam after raising it two feet. We also took out the gates and timber bulkhead put in when the dam was built in 1837 and substituted stone placed on logs at the bottom which are close together running up and down stream and bolted to the rocks and covered with 3" plank.

Closed our Hartford office 1848.

D. C. Collins who is selling our goods at New York, took Harris Colt as a partner under the firm of Collins & Co. Mr. Colt had previously been in business in New Orleans under the firm of "Walter & Colt."

We had paid D. C. Collins five percent commission for selling which was now reduced to four percent by a vote of Collins Company Directors.

E. K. Root who was our Superintendent left us in March of this year and took charge of Col. Samuel Colt's Works for making revolvers.

Commenced using Firth's steel, preferring it to Sanderson's, and obtained it at less price.
Sold 200 dozen light Yankee axes to go to Georgia for Yankees to chop timber, -
(Maine Pattern.)

Made eight percent dividend this year.

Two men killed in raising the railroad bridge at this place.

1850 Our chief object is now to raise the quality of our work and we are very critical with the inspection which gives us a large quantity of second quality work which sells slow and at small profits

We have a heavy interest account against us owing to the expenditures for canal, stone building, etc., which were not paid from profits according to our previous custom but went to a "Building Account", and amounts to about \$80,000.

As axes are quoted in California at \$90.00 per dozen we expect a demand from there but refuse to send any there on consignment.

Divided eight percent to our Stockholders this year.

Railroad cars came through the Village in February bringing freight and passengers. We all stared at the cars like "greenhorns" who never saw cars before, but they have since become as familiar a sight as our grindstones.

Our freight as well as passengers has been carted for some time to meet the cars, first to Farmington station, then to Unionville and subsequently to Barnes' station and the "Sand Bank."

The Collins Company gave right of way and use of land for depot and other business and a bonus of \$3,000. cash (see copy of deed and map.)

The house heretofore occupied by S. W. Collins being so near the railroad and the new shops as to trouble him by noise and smoke, he bought land on West side of the river and built a house this year to which he moved in February 1851.

1851 The Annual Report for this year cannot be found and the statistics embodied in that cannot be recorded.

We now begin to feel the stimulating effect of California gold on business and some demand from there for axes and pick-axes and other axes being less abundant in market we have a better chance to introduce our once more where they might have been thrown out on account of rust and poor quality.

Had it not been for our growing foreign business we should have been doing but little the past two years. It taught us that if "vigilance is the price of liberty", it is quite as necessary to succeed in our business.

There were many large failures this year, among others the great carpet concern of Thompsons at Tariffville and Thompsonville. As usual this created a panic at Hartford and they were distrustful of manufacturing, the Banks acting just as though they wanted to break more of them.

Being snubbed at Hartford Bank we opened an account with the Phoenix Bank through influence of some of our Directors who are "Phoenix Bank men". The truth is many of the Bank Directors are very small Stockholders and attend to the duties for the facilities it affords them of helping themselves and their friends when money is tight. At such time they are beset and dogged everyday by neighbors and friends, men who belong to their clique and go to the same Church and are political friends. The Banks being short of funds

and more paper being offered than they can discount, they all agree to cut down the large accounts, especially Corporations, they stand very little chance, and the Agent or Manager is not heard with the same attention he would be if the case was his own. He is told "you have rich owners, let them help you." But the fact is these owners have as much as they can do to take care of themselves and they consider that their paid Agent must attend to the business of the Corporation, that is his business.

To keep from breaking we had to pay one-half percent on 60 day drafts, say nine percent per annum. Our drafts on Collins & Co. amounting to \$75,000. and at one time up to \$100,000. Under these circumstances our Directors did what ought to have been done before, carried \$25,000. of their profits to "Building Account" and divided only four percent this year to Stockholders.

Deeded land this year for a Catholic Church.

1852 Great demand this year from California for axes and especially for pick-axes. To increase our trip-hammer facilities put up a long shop next West of railroad bridge (240 feet long) fourteen trip-hammers driven by cast-iron breast wheel 22 feet in diameter, 8 foot buckets.

Our paying one-half percent on 60 day drafts at any Bank that would give us the money placed our reputation among the "shorts", and the Banks where we had opened accounts did not wish any longer to discount our four-months paper, but tried to get 60 day paper out of us, which would shorten us up very soon where we could not move at all on our remonstrating. They seemed to consider that we were lame ducks to be shot at, and the Hartford Bank required as a condition of doing business with is a bond from our Stockholders pledging themselves individually. So a bond was given for one year signed by S. W. Collins, James Goodwin, James B. Hosmer, S. S. Ward and John Olmsted. I don't record this with pleasure but with mingled feelings of mortification and indignation I place it on record for the benefit of my successors as a caution to them not to rely on the caprice of Bank Directors.

The Collins Company were not in failing circumstances which was demonstrated to them, but were five times as strong as many individuals to whom they loaned as much as we asked for without requiring any more than the usual endorsement to make paper negotiable. Had the circumstances of the bond been generally known other Banks would have required the same and we should soon have had no credit, not even to purchase our materials. Of course, under these circumstances, although we were doing a good business, we made no dividend this year but very wisely carried our profits, amounting to \$30,000. to "Building Account."

Made application to Patent Office for renewal of Patent for punching eyes out of axes but was refused on the ground that it would not benefit the inventor, Mr. E. K. Root.

During the financial panic early in the year, \$15,000. of deposits were withdrawn from us in six months, (only thirty days notice being required.) Such deposits were not reliable in time of need.

If our quality had been sustained the enlargement of our Works by the stone building etc. would have proved to be all right and we could have sold every axe we could make at a good profit. Mr. Root's attention were more on the new improvements than the daily routine of manufacture, and Mr. Wingate who was relied on to watch the quality was hostile to Mr. Root and the proposed changes and we suffered tremendously for want of their

attention and cooperation. If they had been men of less experience and ability we should not have relied on them so implicitly.

S. W. Collins was more discouraged by this failure in our quality than he was by the suspension of payment in 1833, for then our reputation was high, and was a handsome Capital of itself to start business on.

In addition to his trouble the attempt to break us down by the Hartford Bank, for I consider it nothing less than that, and I have never doubted that it was done by the President, ~~Mr. D. F. Robinson~~. I could give my reasons for thinking so, and might state how he got his dislike and hostility and why he owed us a grudge, but that is not worth while now. These troubles both with the quality and finances were so disheartening that I should probably have resigned my place if I had not planted myself here by purchasing a farm and expended a good deal of money on it in building and other improvements. Instead of going I asked for more salary as a panacea, by addressing the Executive Committee:

"To J. B. Hosmer and James Goodwin, Executive Committee.

Gentlemen: You will perhaps remember that I intimated to you six months ago my unwillingness to serve The Collins Company in my present responsible and arduous position heretofore allowed me.

Mr. Hosmer expressed some surprise and said that he supposed the arrangement was a permanent one.

I think it not improbable that many of the Stockholders have the same impression. Some may think well of it and others might consider a permanent arrangement with anyone undesirable.

It is impossible for me to hold communication with all of them, or to have free interchange of views with our twelve Directors. All that I can do in the way of consulting my employers is to have frequent communication with their Executive Committee and endeavor to keep them fully informed and leave it for them to consult others when they deem it necessary or expedient.

Now as to my own services and the amount of compensation to be allowed me. I have served The Collins Company more than seventeen years on a salary of \$1,500. per year. I am not surprised that some have thought it to be a permanent arrangement especially as fifteen years of undisputed possession gives a legal right to Real Estate.

When the Corporate Company organized I contracted to serve them five years for \$1,500. per year but was under no further obligation. The transfer of stock was for the exclusive right to use my name on Edge Tools and I have bound myself never to engage in making Edge Tools except for this Company.

I left a business worth \$3,000 a year to me when I went into this business and have had several offers within a few years equal to that, but I have not seen the time when I thought this Company could spare me without detriment to their business, although the time has seemed to me not far distant, so I have remained up to this time working with just as much interest as I did before the Concern was Incorporated. In the

meantime my duties have nearly if not quite doubled. They were formerly specified and were confined to the manufacture which was about half as extensive as it is now. Neither the finances nor the purchases nor sales nor the correspondence devolved upon me.

The Stockholders will not like the idea of paying more salary when they are not getting dividends but the very difficulties that prevent the payment of dividends add greatly to my care and labor and I think they ought to allow me Two Thousand Dollars per annum, but I must decline even for that salary to manage their finances unless the Concern is strengthened by additional Capital and relieved of pecuniary embarrassment.

(Signed) S. W. Collins

(The salary was raised to \$2000.)

1853 Some Corporations always copy on their Record Book the Annual Report of their condition but it has not been the practice of this Company. Only two reports have ever been recorded, viz:- One of Alfred Smith when he retired and one of D. C. Collins when he retired, both by the special request of the writers. These Annual Reports are all valuable as they contain information that is not recorded elsewhere and could not again be collected except by laborious investigation of the books that never will be made. It has been my intention to preserve them but some of them are lost; they were probably mislaid and have disappeared with old papers considered of no value.

It would be a great labor for me to record them all now but I will record the report made for the Annual Meeting of the Stockholders of this year as it is about twenty years since they were Incorporated and it is well to make a record of their situation in some more permanent form than it now exists on a loose sheet of paper:

"To the Directors and Stockholders of The Collins Company.

The accounts exhibited are made up to the first of Sept. according to our usual custom. They show that we have manufactured during the year an average of 1195 tools per day which is 150 per day than the average any previous year. About two-thirds of the quantity has been the usual American Chopping axe, and one-third, say about 400 per day, of other tools.

Our sales for the year amount to \$367,000. which is \$117,000. more than the sales of any previous year. We have sold during the year more than we have manufactured. Our stock of goods on hand being much less than it was last year at this time, but our inventory exceeds in amount the inventory of last year by about \$2,000. owing to a large amount of unmanufactured materials on hand laid in with reference to the increased amount of business.

Our Profit and Loss account shows a profit for the year of \$32,705.08.

We divided to our Stockholders \$16,000. last April and there remains at this time a balance undivided of \$17,305.50.

The profits this year do not show a proportional increase to the amount of sales which is owing in part to the fact that a portion of the foods sold were of the old stock and have been inventoried at prices above the present cost. The inventory prices this year have been reduced and the two causes combined have produced the apparent discrepancy.

We owe \$55,000. more than we did at our last annual meeting and we have \$70,000. more due to us and no bad debts to report.

Some of our oldest shops are now being repaired with some enlargement and some of the other shops will require repairs next summer, but after that we shall be exempt from any considerable amount of such repairs for several years.

Our prospects for the future are very favorable and we have every reason to believe that our dividends hereafter will be regular.

I subjoin a condensed statement of our condition at this time.

Respectfully,

(Signed) S. W. Collins

STATEMENT

Inventory	Sept. 1, 1853	\$206,293.33
Due to us	" " "	\$85,806.53
Cash on hand	" " "	<u>\$5,623.80</u>
Total of personal property	.....	\$297,723.66
Deduct our indebtedness	.....	<u>\$184,437.82</u>
		\$113,285.84
Real Estate	.....	<u>\$204,019.66</u>
Whole amount of property	.....	<u>\$317,305.50</u>
Amount of Capital Stock	.....	<u>\$300,000.00</u>
Surplus	.....	\$17,305.50

On the strength of the above report a dividend of five percent was declared making 10 percent (\$30,000.) divided during the year.

Our condition was considered good and prospects bright, and yet within one month we were required by two out of three of the Banks where we got discounts to reduce our accounts. One of them reads thus: "We return the paper as you have as much as we are willing to give you, and we notify you that the account must be reduced to \$25,000."

The notice from the other Bank read thus; in reply to my enquires: There is but little chance of your getting anything at this Bank at present although your account is already "so much reduced." We are declining everything offered when we think the party can obtain the money elsewhere or get along anyhow without breaking.

You are strong and you paper will sell, and if either you or we are to go into the street to borrow money we prefer it should not be us.

These "lines of discount" are rather imaginary in such times as these: "every man for himself now."

This came upon us suddenly just after we had used all our means to pay a dividend and our current expenses were very heavy to pay workmen etc. and the goods in brisk demand.

It was a critical time with us and we came very near suspension.

We were met at the Banks with the reply "you are flush, you have just paid out \$15,000. to your Stockholders. There are others need our funds more than you do."

I record these facts to show that there is no dependence to be placed on Banks.

We bought of E. K. Root this year the water privilege on the river next below our property extending a mile down the river. It will probably be worth more to us to keep others from ponding up to us than to use it as a water privilege, as it would at some season of the year pond the water back on to our present water-wheels.

This year we deeded land next West of the Church for a school house, receiving \$300. for the lot.

S. W. Collins was authorized by vote of Directors to prosecute for any infringement of the terms and restrictions contained in the Deeds of land conveyed by us.

1854 During the last four years the earnings of the Company have averaged about 15 percent per annum but we have divided only an average of 6 percent during that time having carried \$68,000. to permanent Capital, and expended about \$32,000. on a new trip-hammer shop etc. Under these circumstances the Stockholders insisted on dividends and divided 10 percent this year, although the Hartford Bank gave us notice to reduce our account and the Phoenix Bank insisted on our reducing still further, thus all the Banks where we had accounts were cutting us down but fortunately they did not strike all together. They found they could do better with their money than to let us have it at legal interest.

The Annual Report shows that we manufactured an average of 1312 tools per day, and our sales amounted to \$319,558.84. The sales being \$50,000. less than the previous year while we had made 100 tools per day more than the pervious year, giving us a large inventory and heavy interest account against us, (\$4000. more than last year) carrying us into the next year in rather poor condition.

A grinding shop took fire very early in the morning of 22nd February and burnt down. It stood East of Upper stone building and took fire by carelessness of watchmen in piling wood too near the stove. It was insured at Aetna office for nearly the amount of the damage. It is the only shop we ever lost by fire, the general process having been to pull them down and build larger. There being no wind the fire did not spread but it was considered a very narrow escape from a great conflagration. The force pump attached to water wheel near by did good service.

Deeded all the highways in the Village to the Town of Canton, the previous Deeds having been destroyed with the records which burnt the house of the Town Clerk.

Great flood this year.

1855 This was not a prosperous year and we divided but five percent.

We manufactured an average of 1288 axes and other tools per day and our sales for the year (ending first of September) was 329,000.

The Profit and Loss account showed a surplus of only \$18,419.73.

Southern trade was very light. Their rivers were very low which prevented them in the interior from getting cotton to market and getting up their usual supplies, and we lost interest on a large stock adapted to their wants. The balance of interest against us was more than \$18,000. Such periods will occur in every business and we should have surplus capital to enable us to pass such dead points without missing a dividend.

Having been curtailed in amount of discounts at each of the three banks where we have open accounts, we succeeded in opening an account at the Farmers & Mechanics Bank through the influence of some of our Stockholders who are Directors there and who do not need the accommodation themselves.

S. W. Collins is authorized by vote of Directors to prosecute for any infringements of our trade marks by other parties using them. I have said on a previous page that the President of the Hartford Bank was not our friend, but other causes should be considered and remembered, viz: In October 1851 we made no dividend, but we had done a good business and we carried \$25,000. of profits to the "Building Account" to strengthen the concern and free ourselves of pecuniary embarrassment. All this was understood by our Stockholders and was satisfactory, but outsiders knew only that the concern was "embarrassed." The very moment that we made to strengthen the concern damaged our credit and the Hartford Bank soon after required a bond from some of our wealthy Stockholders to guarantee the payment of any paper they discounted for us, and the other banks also seemed to doubt our responsibility. We made no dividend the following year (1852) but earned \$30,000. of profits to "Building Account." This course ought to have helped our credit with the banks but it did not. They did not get over their suspicions until we resumed dividends in 1856. If a concern in failing circumstances will make large dividends the banks will trust them, although it is desirable that Stockholders should be informed precisely how their affairs stand, and not be allowed to divide funds that are necessary to sustain the concern. The manager must be very careful what he says about debts and embarrassment and endeavor always to give a bright and hopeful look to affairs. It is very difficult to do this and be perfectly truthful, but Stockholders and especially outsiders assume that you put the best face on everything.

1856 As the Annual Report in October this year states somewhat at length what our experience has been in selling our goods I copy the whole report:

"We have manufactured the past year an average of 1402 tools per day, being about 100 per day more than any previous year.

Our sales have largely exceeded quantity manufactured, amounting to \$469,3999.00, reducing our previous stock on hand by about \$60,000. To sustain our present amount of sales we must increase our production to 1600 or 1700 tools per day. Our works are adequate to the increase if we can keep them manned with the requisite number of men. This increase of business may not at present find us a corresponding increase of profit as the risk of dept is increased and some concessions are sometimes made in sales and the reputation of our goods and great advantages must accrue to us from it in the future.

Our profit & loss account shows a balance of profit amounting to \$22,716.89 of which \$3,419.73 is a surplus from the previous year. As we have charged this year to profit & loss suspended paper that has been accumulating for several years to amount of \$7,172.60 and we divided \$15,000. to our Stockholders last April, it follows that the profits of our manufacturing business for the year amounted to more than thirteen percent on our capital stock and if we include the amount received for rents

which went to the credit of construction on "Building Account" then the nominal profits of the years' business has been equal to the 15 percent on our capital stock. As the "Building Account" is now reduced to \$4,000. the rents of the coming year will wipe it out entirely.

As some of our Stockholders have alluded to the amount of commission paid for selling our goods and have inquired of me if I have made any effort to get the business done cheaper, I wish to explain at this time what my experience has been and what are my present views on the subject.

I have heard manufacturers say that "goods well made are half sold." It is true that more than half the manual labor has been expended upon them but it has been expended in vain unless they can be sold and the sales and collections well looked after. I have known more manufacturers and mechanics ruined by want of skill and prudence in the sale of their goods than by any want of skill and ingenuity in their manufacture.

When I first went into the business thirty years ago we thought the demand would be very large for our goods. We did not overestimate the quantity needed but we were not ware of the immense gulfs between us and the consumers. Not distance alone intervened between us, but the Credit system.

Where axes are most used the population is sparse and capital scarce. The wood-chopper is generally poor and must take and use such axes as he can get. The merchant who sells to him generally buys on longer credit than we can give and he is disposed to buy cheaper axes than ours as he can generally make more profit on them. To overcome that difficulty we formerly sent our traveling men to see the choppers and show them samples of our axes, and we made several attempts at different times and places to establish small agencies and get nearer to the consumer and we sent out our peddlers with our goods, but we found it like many other things, good in theory, but bad in practice or rather it was impractical on a large scale, and if we had continued that policy we should have made shipwreck much after the manner of some of the clock companies.

We then for some time confined our business almost entirely to the hardware merchants for the larger cities and supplied them direct ourselves without the aid of a commission merchant, but after a while we found those large hardware houses were undermining our business by introducing axes stamped with their own names; they furnishing the iron and steel themselves to make them, thus securing a double profit. As that kind of competition increased we were obliged to look further for our customers and we consigned our goods for sale sometimes to drygoods merchants like Warburton & King of St. Louis who did not deal in Iron and Steel. We tried consigning them for some time with different commission houses sometimes paying seven percent commission and guarantee (which we tried with Boorman & Johnson of New York) and sometimes five percent without guarantee, but the business was never done to our satisfaction by any of them. Most of them would keep other axes and felt as much interest

in them as in ours especially if the other axe-makers would buy iron and steel of them.

We found our property was scattered and often we could not ascertain when it was sold and our interests generally were not faithfully served by those to whom our property was consigned.

It was under these circumstances and with this experience that we finally opened up a depot office at New York ourselves and discontinued our Hartford office. That was a move in the right direction as New York is the great center of business for the whole Country, but it became obvious that our business was not pushed with as much vigor and customers looked up with that untiring industry that men use in their own business, and with the hope of securing more of that which is called self-interest we discontinued the salaries and agreed to pay 5 percent commission, stipulating that they should sell no Edge Tool but ours. (The commission has since been reduced to four percent.)

The arrangement has worked well for us. There has been more exertions and it has resulted in improvement and growth, and a good foreign business has been cultivated owing much to the kind of attention that has been bestowed upon it.

We opened our office in New York in an upper story on a rent of \$600. per year (afterwards increased to \$800.) Our agents now occupy the whole of a large and very strong building at a rent of \$2,500. per year.

As to the rate of commission that we ought to pay or that will best promote our interests, we certainly cannot get it well done for any length of time at the rate usually paid for selling domestic cotton goods, as our business is more complicated and requires much more labor and attention.

The usual commission for selling domestic hardware is seven percent without guarantee but for a business as large as ours, five percent is usual, and certainly no good responsible house would devote their whole time to our business and do it in a way we require it to be done for a less compensation than four percent commission on the sales, charging nothing for rent or storage, employing several expensive clerks, and frequently under high acceptance of our paper for large amounts (sometimes as high as \$100,000.) for which commission merchants usually make an extra charge, making large and frequent purchases of raw material for us and paying our notes to other parties without any charge.

When we voted that we would not pay more than four percent commission for doing the business I know that it came very near breaking us up with our present agents, but we promised them an increased amount of goods and they have consoled themselves by bestowing more attention on their steel business which pays them five percent without any guarantee and without making any advance or acceptances.

They sell steel to other Edge Tool makers who would pay them 5 percent to sell their tools and the tools would be security for the steel sold to them, but we made it a sine qua non that our agents shall sell no tools but ours. They are dissatisfied with the restrictions and have thought they

could do as well and probably better to drop our business. Perhaps some of our Stockholders would be willing to dispense with the restriction if the rate of commission could thereby be reduced but that would be a great mistake. It is indispensable to our success that we have at New York an establishment thoroughly identified with us in interest and feeling and it is important that it be as permanent as possible. I do not allude now simply to the pecuniary responsibility and freedom from other engagements that may lead to pecuniary embarrassments thought that is highly important, but I mean by permanency that we secure for our benefit a great amount of experience and knowledge of our business and customers that is a valuable kind of property and which ought to benefit us but which is very much of it lost by changing agents and might much of it go to the benefit of our competitors.

Our present agents will not do our business for less than four percent and therefore it would become a question of change. It is my opinion that our interests would suffer greatly by a change and by the time valuable experience was acquired and the services of new agents become valuable to us they might advance their charge to four percent and perhaps five percent unless they were more stupid or disinterested than the average of men, and if they were they would not be suitable agents for us. The fact is we need a selling establishment wholly devoted to our interests about as much as we do a manufacturing establishment.

If we consign our goods in the usual way to general commission merchants we have found their attention is divided between our goods and other tools and they fail to become thoroughly imbued with the belief that the Collins tools are superior to all others, and therefore they do not impress their customers with that belief.

If we employ men on a salary to sell our goods they will not act with that untiring efficiency that men work in their own business. They may be good trusty men and faithful, but self-interest quickens the sagacity of men in trade. A Banking or insurance business is of a stereotyped character and is conducted on certain well known and established principals that may be carried out successfully by men on a salary, but the selling of goods on a salary stands poor chance in competition with individual enterprise (as has been demonstrated by numerous stock companies for trade about the country.)

We need at New York a house of established character and reputation that we can draw upon for large amounts of time. The house now selling our goods has acquired a good reputation and a responsible position. They are identified with us by name and they are popular with our customers and we should damage ourselves by breaking up our relations with them.

This matter of agents and compensation is a troublesome one to all manufacturers. I have often conversed on the subject with those of large experience and I know that the most successful are not those that have haggled for the smallest commissions and as a matter of course often changed their agents. The most successful have generally patronized

enterprising young men of industry and ability and shared with them liberally the results of their mutual labor for a long course of years.

These views may not coincide with those entertained by some of the Stockholders but I am quite confident that if they had my experience in the business they would come to the same conclusion that I have.

I have no doubt that our largest Stockholders and those best informed on the subject are entirely satisfied with the present arrangement for the sale of our goods. I make these statements for those who have not had the opportunity for obtaining the necessary information."

A letter received from Mr. Colt of the firm of Collins & Co., New York, and he records it here as the question is of course an open one and may come up at any time, but ought not to be agitated on our past without fully comprehending the whole question:

"I received your relating to dissatisfaction of some of you Stockholders with amount of your commissions. It is of course desirable for The Collins Company to save what they can in any way not affecting their future interests, but as we are not working here for the sake of obliging them we must be governed by our own interests.

It certainly seems as if they viewed our earnest and increased efforts to swell the amount of sales only as so much more commission paid us, and if by extra efforts we should add \$100,000. more to our sales they will still feel as if it was so much more incurred to transact the business.

If you paid 2 1/2 percent and customary charges for storage, labor, accepting drafts, etc. etc. it would cost you more than you now pay.

We make many purchases for you now and do many errands constantly without any charge.

As for the steel you get it as low of us as you could import it and without paying for it when due. When the notes mature they have been charged in account against six months sales, which is equal to twelve months credit, which has been a great accommodation to you. If you import your own steel you will not ask us to enter it at Custom House and pay your duties and ship it for you and do all the work without pay for our trouble. These expenses and our commissions are paid by Firths and not by you.

I know that your Company ought to be satisfied with the way their business is done here and I think they would be if they understood all about it"

Lawsuit to eject Bradford Marcy from our land occupied by him was decided this year in our favor.

Lawsuit against Bradford Marcy for violation of the condition in deed of land prohibiting sale of ardent spirits decided against us. Judge Seymour sustained the legality of the Deed but the Jury decided that we had not given him sufficient and timely warning that his tenant was selling liquor and that we should prosecute.

We could not well have been more thorough or given more adequate notice but the Jury were not temperence men and were not disposed to give a verdict in our favor.

- 1857** Received a present from Naylor and Co. of a cast-bell and hung it up in February.
Great financial distress this year. And the Banks stopped specie payments in the Fall
We opened up an account for the Middletown Bank and they discounted for us freely for about five years until the Civil War broke up the credit system and we no longer needed to get paper discounts.
We manufactured an average of 1718 tools per day through the year, it being 300 per day more than ever before.
The amount of sales was also larger, amounting to \$473,132.12.
We paid a dividend in April of \$16,000. (five percent) but at the annual meeting in October, although we showed a surplus of \$30,717.27. we could not raise money to pay a dividend.
Our earnings during the year amounted to 16 percent on our Capital stock. The demand was good and we had not many goods on hand.
Sales in August amounted to \$52,000., being larger than ever before, but we hesitated to keep on manufacturing and it seemed next to impossible to get funds to pay the men.
We this year prosecuted thirty manufacturers in England for using our name and brands on their tools. They claimed in defense that the time they had done it and the extent, showed that the name had become common property.
The Lord Chancellor was very severe on them in his decision and readily granted injunctions against them. We let them off easily in the settlement as we should have been obliged to sue them at Common Law for damages. Our expenses were heavy but we had about \$1,000. over after paying all our expenses.
Voted \$6,000. toward building another Church (\$4,000. of the money was received from insurance on the one that burnt.) Church burnt January 18th of this year.
During the financial panic this year the Hartford Savings Bank urged us to pay a part of their loan to us of \$30,000., but we was not able to comply with their request so they got what they needed from other parties.
The financial panic caught us with all our sales spread for a large business. It stopped pretty much all business. We had our notes out for a large amount and we were under contract for large quantities of raw materials. We did very little work in the shops for two months but continued to meet our payments and avoid protests, but it was a narrow escape.
Great ice flood covering the river road North of the Village, East side of the river with ice which obstructed travel after the flood subsided. This flood was followed by much fatal sickness in February and March in that part of the Village nearest to the large deposit of ice.

- 1858** The suspension of specie payments upset commercial affairs.
We did not average so many tools per day by 500 as we did the year before the suspension, and amount of sales for the year was less by \$140,000., but as money could be had this year we divided ten percent to our Stockholders and looked forward to better times.
We felt so much the want of more Capital that a vote was passed that "we will hereafter transfer all surplus remaining after making semi-annual dividends of five percent to 'Real Estate Account' until said account is reduced to \$150,000." to which an amendment was added as follows: "Provided that the dividend omitted last October be paid next January"

which was agreed to. The Directors professing to be satisfied with a uniform 10 percent, and the managers believing that the business will hereafter pay more than that and enable us to accumulate a surplus which they wished to incorporate into the business by transferring it to Real Estate Account to prevent its being divided and paid out to the Stockholders.

Mr. S. P. Horton was unofficially appointed Agent with power to endorse and sign checks in 1858. He was not officially appointed by the Directors until 1860.

Mr. Osgood was appointed Superintendent at the shops.

Telegraph wires were erected this year which put us in connection with Hartford by way of Plainville and New Britain.

We put up this year a small chimney and a few fires for melting our scrap in crucibles, and made more anvils, sledges, etc. for our own use and we cast some axes and hatchets.

Completed the new Church building. Dedicated 26th February.

1859 An extra meeting of Directors was held in January and an extra dividend declared of five percent in accordance with a vote passed at the last annual meeting.

Not having triphammers enough to enable us to rest the demand for Planter's Hoes, we this year built a triphammer shop 100 by 50 feet close to the three-story stone building, the East side of said building and the hammers operating by shafting connected with the breast water wheel in said stone building.

Business is now recovering from the commercial panic of 1857.

We made this year an average of 245 tools per day more than the previous year, and our sales were \$85,000. more, but neither production nor sales are equal to 1856 and 1857, but we have reduced the cost and improved the quality.

Our earnings for the year showed equal to 14 percent on our Capital Stock. We made the usual 10 percent dividend for the year (5 percent semi-annually) besides the extra 5 percent from previous earnings which had been previously omitted, and we transferred a surplus of \$22,250.83 to the credit of Real Estate Account in accordance with the vote passed the previous year in connection with the vote to make an extra dividend. This reduced the Real Estate Account to \$160,000. - and it makes up a little over \$100,000. added to our cash capital from our profits since 1851, as we had then a "Building Account" of \$80,000. which has been wiped out and we have now transferred \$22,000. to Real Estate Account.

1860 Our production and our sales were a very little larger this year than 1859, but not equal to 1856 and 1857, (the panic occurred late in 1857.)

Our profits this year over and above all expenditures was equal to 15 percent (\$45,000.) on our Capital Stock.

We divided this year 10 percent to our Stockholders leaving a surplus of \$15,431.59.

The Annual Report says: "We are not aware of having made any bad debts. Since the panic of 1857, but some accounts opened previous to that time have proved to be worse than we supposed at the time of my last report. We hold suspended paper to the amount of \$14,000. on which it is doubtful whether it will pay on an average note more than 20 cents on the dollar."

Though we have suppressed the use of our trade marks in England we now hear that they are used extensively in Germany and shipped at Hamburg.

A patent was obtained this year (in name of S. W. Collins and transferred to The Collins Company) for making, axes, hatchets and other implements by melting and pouring into molds.

Contracted with F. F. Smith to make cast steel plows under his patent, half of which is owned by us, and commenced making them.

Received letters from some of our customers in Southern States inquiring whether we made the "John Brown" pikes.

Our Superintendent Mr. Osgood built a house for himself at our expense costing we suppose about \$5,000. (perhaps more than that) instead of \$2500. which was sum agreed upon.

Mr. Osgood contracted to build a lot of patent grass mowers on which we lost about \$4000. These expenditures came out of the profits for this year.

Mr. S. P. Norton who has been in our office thirteen years was at the Annual Meeting of Directors, in October of this year, appointed Agent with the power to sign checks, notes, etc. (Mr. Norton died in October 1867.)

1861 This was a very poor year for our business.

All Southern business was suspended by the War and our sales were greatly reduced, and having large stocks on hand and a large indebtedness interest paid was large amounting to \$15,000.

We found ourselves with \$50,000. of suspended paper owing to us by Southern men and New York men trading with the South.

We divided 5 percent at our April meeting before the attack on Fort Sumpter, and before we knew what was coming. Of course that was all we divided this year.

The Annual Report says: "Our gains have not been as small as our profit and loss account indicates. Our sales have been about two-thirds our usual amount though we have manufactured only about half our usual quantity. We have just commenced the manufacture of swords and bayonets to keep our men employed and expecting to get a fair profit on them. This has required some expenditure (which was carried to Profit & Loss Account.) Our resumption of dividends may depend somewhat on the loss incurred by our Southern Debts."

We had a large quantity of plows returned this year from Chicago and elsewhere, being deficient in strength and many of them too soft. The damage of loss estimated to be about \$20,000.

We had a correspondence with Henry Bessemer in London with reference to using his patent process for making steel.

S. W. Collins went to Nassau and Havana in February for his health and returned in May.

Isaac Osgood, Supt. was discharged in October and the salaries of President and Agent were reduced to meet the times.

D. C. Collins died in New Haven in August of this year.

1862 We did a good business this year, the profits amounting to 16 percent on our Capital stock but we divided only six percent (two dividends of three percent) reserving the balance towards covering the loss expected to accrue on Southern debts.

We contracted with Colt's Arms Company to make 100,000 bayonets.

S. W. Collins went to England in May and returned in August. Had interview with Bessemer and saw his process of making steel.

The Annual Report says: "The total amount of our sales exceeds any previous year (\$485,000.) and our profits are equal to 16 percent on our Capital Stock. We have charged Profit & Loss Account bad debts amount of \$13,522.36."

We had a surplus of \$20,000. after paying the dividends. The Report says:

"The Rebellion has done our business all the damage it can ever do. Notwithstanding the loss of Southern trade. The commercial industry of the North is now in a healthy condition there being much less indebtedness than usual and business being done more for cash or short credits. Though we have so large an amount locked up on suspended paper our financial condition had improved. We sell more for cash and have less paper under discount. Our indebtedness is less and our stocks on hand are less. We are paying less interest and will pay much less the coming year. We shall pay higher taxes and get more for our goods."

Our foreign business is increasing.

Our cast-steel plows now give satisfaction and the demand for them is increasing.

1863 At the semi-annual meeting in April a vote was passed authorizing the President to enlarge the Works with reference to making steel and plows; also to petition the Legislature for permission to increase our Capital Stock to \$500,000. (it is now \$300,000.)

The April meeting declared a dividend of only three percent, in view of the amount of suspended paper, but in October business looked so well they divided seven percent, making ten percent for the year.

The Annual Report says:

"We have manufactured during the past year 1452 tools per day including plows and bayonets.

The total amount of sales was \$637,194.41.

The Profit & Loss account shows a surplus of \$109,733.47. Of this surplus \$20,078. is a balance from previous year and we paid dividend of \$9,000. in April.

The profits of this year appear to have been \$98,707.03. If we deduct from that \$40,000. for bad debts it leaves a clear surplus of \$69,785.47."

A vote was passed at the October meeting appropriating \$20,000. to build tenements for workmen. Also a vote authorizing the Executive Officers of the Company to take measures to improve our Water Power.

The Legislature having authorized us to increase our Capitol a vote was passed at the October meeting creating \$100,000. additional stock which was distributed to the Stockholders in proportion to what they held of old Stock, and was transferred to them on their paying the par value of \$10.00 per share.

We commenced building shops for making steel and plows and built one block of tenements for workmen.

The loan of \$30,000. obtained from Hartford Savings Society in March 1848 was paid in full this year in April. The interest on this loan was paid semi-annually but not in advance. Commenced using steel for edge of tools shaped according to Harvey Mann's patent.

1864 Put up furnace (old English plan) for making Blistered steel and completed the shops commenced last year for making steel and plows, putting in a steam engine and two boilers, steam hammers and rolls.

Built a block of six tenements for workmen of same plan as those put up last year, also a double dwelling house of concrete.

Completed delivery of 200,000 bayonets to Colt's Arms Co. besides what we sold to Sharpe's Rifle Co. and to the Springfield Armory.

Added \$100,000. to our Capital Stock, which fills it up to \$500,000. the full amount allowed by our Charter.

The Annual Report says:

"Our profits last year amounted to \$126,292.99. The surplus after charging all our suspended paper to Profit & Loss stands now at \$145,277.89.

The inventory is low as values are reckoned at the present time.

The raw materials are entered at cost which is almost invariably lower than present rates. The goods finished and those in process of manufacture are entered at the same rates as previous inventories before the great advance in prices. If the inventory had been based on present value it would have been about \$75,000. larger.

We had several reasons for making a low inventory. One was that prices may decline. Our selling prices fluctuate with the price of gold but we did not think it prudent to assume that we shall realize the top of the gold market for our stocks on hand. As the inventory of last year was made up in the same way it gives a fair representation of the actual profits independent of any advance in the price of stocks on hand.

The amount of suspended paper has not increased since our last meeting. We then called it \$50,000. and estimated the probable loss at \$40,000 We have charged it to Profit & Loss though we expect to get a small percentage on some of it.

Owing to advancement of materials and labor and enlargement of our plans the new shops have cost more than was anticipated, (we call the amount \$75,000.) and have charged it to Real Estate account bringing that account up to \$235,000.

Our indebtedness showed that our Capital is not adequate to the business we are now doing. We formerly had six months credit on our steel. Now we pay cash for iron to make steel. It seems to be necessary to add another \$100,000. to our Capital filling it up to the full amount allowed by our Charter.

We made an average of 1720 tools per day including plows and bayonets.

Our sales amounted to \$855,988.

We divided twelve percent (5 in April and 7 in October.)"

1865 This year we pulled down the one-story polishing shop built in 1845. Took out the old wooden breast wheel put in at the time, and put up a two-story building on the same spot and put in an iron turbine wheel. The lower story is for polishing, the upper story for handling machetes.

Put up a large roof covered with tar and gravel to protect our anthracite coal from the weather.

Put up a building with tall chimney and two steam boilers to get more steam for rolling and hammering steel

Put up a large steam hammer called a ton hammer.

Built (with some aid from others) a reservoir at Otis to improve our water power.

Our Annual Report says:

"Our low appraisal of our stock on hand last year has enabled us to meet the great fall of gold without great apparent loss. When gold fell from 250 to 150, we had to reduce our prices about \$2.00 per dozen which gives small profit on goods made from stock bought at high prices.

Iron and steel fell about fifty percent and the market value of our goods made for exportation rises and falls with the price of gold. Under these circumstances I am very well satisfied with our showing of profit at this time. Since the great fall in gold, prices in our line having fallen so much that we have felt justified in taking present prices for our inventory.

We show a profit for the year of \$90,387.19, to which is added \$9,193.85, part of which was received for suspended paper charged last year to Profit & Loss and part for draw-back on goods exported, making a total gain for the year of about \$100,000. and increasing our surplus to \$191,858.91.

The amount of sales has been \$856,000. The amount would have been larger if we had had water to enable us to supply Southern orders for our axes which were very much larger than we could execute.

The Real Estate account is increased to \$250,000. by carrying \$15,000. to that account expended in completing erections commenced last year and for new polishing shop, two steam boilers, etc."

Built a large store-house for plows near the railroad depot, two stories besides basement. Size on ground 40 feet by 120 feet.

Build large reservoir at Otis.

Description of Reservoir built at Otis:

The original pond covered 318 acres. The reservoir when full covers 1,050 acres and is then (when full) 26 feet above the level of the old pond. The average available depth that we can draw down is equal to 17 1/2 feet deep on 1,050 acres. The dam at the outlet is composed of two walls filled with earth between which is used and accepted by the town of Otis as a

public highway. The locality of the old highway and bridge being under water when the reservoir is full.

The lower wall is 133 feet long on the top, 32 feet 4 inches high from the rock in the natural bed of the stream where the sluices from the reservoir discharge.

The bottom or bed of the gully is 60 feet wide and 10 feet deep. That bottom part of the lower wall was laid up with heavy cut stone to the height of 16 feet 9 inches and cemented, the bottom being 13 feet broad and the top 10 feet. Above that a dry wall of rough stone is laid 15 feet 7 inches high 4 1/2 feet thick at the top, which is covered by coping of stone 3 feet wide. One hundred feet of the whole length of the lower wall is either laid in cement or grouted.

The upper wall next to the water is 60 feet long, crossing the gully or natural bed of the stream from rock to rock, the banks being of rock as well as the bottom. This upper wall is 19 feet high and 8 feet broad on the bottom, 18 feet of the height being laid with cut stone and grouted. The upper part being rough dry wall 8 feet high and 4 1/2 feet wide at the top.

The earth slope from top of the road-way to top of the upper wall is covered with loose stone to prevent the earth from washing off.

At each end of the upper main walls there is a wing wall of 20 feet to support the base of the earth embankment at either end and keep it from the gates. There are two sluices from the upper to the lower wall. On the rock at the bottom. They are 56 feet long, 2 1/2 feet square inside, laid with heavy cut stone dowelled together with iron bolts.

The gates are at the upper end of the sluices. They are of cast iron with rough iron stems, 29 feet long 3 inches diameter.

The earth embankment of filling between the walls is 30 feet wide on the top which forms the road-way.

The roll-way or waste-way for carrying off the surplus water is 30 feet wide and 4 feet deep, having increased in 1871 the roll-way by raising of the bridge over the roll-way; the bottom being 3 feet below the top of the lower wall of the dam. The water of the roll-way when full being only 12 inches lower than the highest part of the dam, consequently during the high floods when the reservoir is full it will be necessary to raise one of the gates as the roll-way is not adequate to pass all the water at such times, (contrary to our expectations.) That it is adequate has been proved by actual experiment in the Spring of 1867, when it was necessary to raise the gates to prevent the water from running over the road and dam. With both gates raised 15 inches it continued to run over the roll-way by 5 inches deep. One gate raised to full height in flood time will probably carry off all the surplus water without raising the other gate at all. The reservoir is so large that it rises slow and will not therefore be likely to overflow before the gates are raised.

There is a plank partition in the earth parallel with the walls and the whole job being done in the best manner, there is no danger of any break or failure.

Besides the present reservoir "Farmington River Water Power Co." own the outlet of Great Pond, so called, which now covers a surface of 350 acres. This pond discharges into our reservoir, it being 50 feet higher and only about a quarter of a mile distant it affords good mill privileges by using the water several times.

At the outlet owned by The Reservoir Company there is a dilapidated grist-mill and saw-mill neither of which can run without considerable repairs. There is a dwelling house in tolerable repair which is rented. Immediately below ours there is a new saw-mill in good condition and doing a good business.

The banks of the upper pond are not high, the present low dam holding back only 3 feet of water on 350 acres. A dam 12 feet high would cover about 1,000 acres making a reservoir as large as the present one, but not so deep. The land damages would be about the same the other expense much less, as the stone quarry is only a mile distant and we had to draw them three miles to build dam to present reservoir.

It was our intention when the property was purchased to build a dam 10 or 12 feet at the outlet of each pond but subsequently surveys demonstrated that the banks of the lower pond were so much higher and the outlet so narrow that it would be best to build that first end much higher than our original intention, although it was much further from the stone quarry.

There is not probably a better quality of granite in the U. S. but there is very little demand for want of means to transport them. We paid \$80.00 for all we can get away in five years.

To secure the outlet to the present reservoir we had to buy the farm, some 75 acres of which is not flooded, and has an old house and barn near the gates which can be occupied by the man who has charge of the gates. This outlet and gates are two miles from habitation, but the outlet of Great Pond and the water privileges there are directly in the village of East Otis.

At Great Pond near the village of East Otis, our surveyor, Mr. Chamberlin, put an iron bolt onto a large rock (about 20 rods West from the mill pond.)

A dam at the outlet 12 feet high would raise the water about 10 feet and the surface of the water will then be 2 feet below the iron bolt. The surplus water must not run off the dam but go over the waste-way.

As near as we can estimate the Works of The Collins Company when in full operation, use 12 millions of cubic feet of water in ten hours.

The capacity of the Otis reservoir is equal to a discharge of eight millions of cubic feet in twenty-four hours for three months (97 days), which, admitting that half of it runs past us during the night, we believe will enable us to run our works through the draughts of summer without hindrance or delay.

The water running at night must first fill out ponds above us that they have been drawn down during the day including our own pond, before it runs past us.

The capacity of the reservoir is estimated to be eight hundred millions, four hundred and fifteen thousand cubic feet, sixty percent of which is estimated to be available; equal to 6,255,242,187 gallons.

Our inventory is \$100,000. larger than last year, mostly in plows, which absorbed a large amount of Capital.

We have paid \$9,000. for interest on borrowed money this year, which is sufficient evidence that we need more Capital and ought to accumulate a large surplus.

We made an average of 1790 tools per day this year.

We divided 12 percent (5 percent in April, 7 percent in Oct.)

Our former superintendent, Mr. E. K. Root, dies at Hartford in August of this year.

1866 (May 19th) It being forty years since S. W. Collins first engaged in this business and broke ground at this place, now called Collinsville, and being nearly 64 years of age and pretty much incapacitated for business by his infirmities; and having been twenty years the superintendent and for the last twenty years President of The Collins Company, he considers it an epoch that justifies him in putting on the record a kind of Valedictory:

"I have for several years regretted that I have not kept a memorandum book from the beginning to record passing events in the history and progress of the Village and business, as I have lived to feel the want of such a record and I can see that it would be valuable to my successors and promote the interests of the Company.

I have found that new-comers suggest and recommend change and experiments that have been tried here and discarded years ago. Especially was this noticeable in a superintendent employed here not long since. This experience has induced me to think that an inferior man who has been brought up here may be better for us than a man educated to some other branch of business through of superior attainments. It was noticeable that the superintendent alluded to had but little faith in axes, but was inclined to build machinery (that having been his former business) and to branch out into other than our legitimate business to which our Works are adapted and in which we have acquired a reputation that it would take years to acquire in a new business.

To remedy this want of an early record as far as practicable and with the hope that it will be continued by my successors, I have at this late day undertaken to record from memory and from papers in my possession, some facts that occurred in the past history of the concern.

Like an old soldier likes to fight his battles over again with his "long yarns" I have no doubt recorded many things that will neither interest nor be useful to others, yet I am confident that some of my successors may gather useful information, and in times of business depression and financial troubles (which are certain to come in the future as they have in the past) they may get some ideas which will be suggestive to them, and they may perhaps gather fresh courage and patience to encounter their

difficulties when they see what the Concern has previously encountered successfully.

The business has been extended faster than Capital has been provided, and though \$200,000 has been added within two or three years, we shall find it inadequate when the Banks resume Specie payments.

I think the letters of Alfred Smith to me when he was our financial manager are worth reading and should be preserved. Mr. Smith was an able man and had much experience as a lawyer and bank manager in other financial operations.

D. C. Collins was also very capable but he had not the requisite health and did not feel competent to meet the crises of 1837, nor do I think we could have weathered that storm with him at the helm. He was better qualified than Smith so long as axes could raise money, but business being entirely prostrate the Banks were our only resource and Bank managers considered him enterprising and capable but too sanguine and venturesome. They had not forgotten our previous career and suspension in 1833, but they had entire confidence in the prudence and sagacity of "Judge Smith". He was President of the Connecticut River Bank and one of themselves.

When in times of trouble in the financial world the Bank officers met for Council and consultation, they were accustomed to listen to his words of wisdom. He was, therefore, the best man for us at that crisis. He not only endorsed our paper himself but he obtained the endorsement of Gov. Trumbull and Daniel Wadsworth, men of large wealth and whose names were not in the Banks, and could not very well be thrown out when offered, they being large Stockholders in the Banks we could not have obtained those names.

Mr. Smith was also able to get money at his Connecticut River Bank when we could not. It was an unfortunate time for Mr. Smith to take charge of our business, (just before the banks suspended) but no one foresaw that the business of the Country would be suspended for so long.

During the whole four years that he was Treasurer he was not able to pay a cash dividend. He made a Stock dividend soon after he came in predicated on money previously earned, and towards the end of his administration, thinking he saw daylight ahead, he declared a dividend of six percent and gave the notes of the Company for it to the Stockholders which notes he could not meet when they matured, which was disgraceful.

The Stock which was selling at 160 when he came in was knocked down to par almost immediately by creating \$50,000 of new stock which was sold to raise money. It was taken chiefly by himself and a few of his friends who had money, very few of the old Stockholders could raise the money. Some of them would have preferred suspension rather than make such sacrifices but Mr. Smith was right not to suspend as suspension would have been a greater calamity. Many of the Stockholders however were much dissatisfied, and finding that his election would be contested at the annual meeting in 1841, he resigned. Though I was not one of the original

conspirators I finally threw my influence into the scale against him and in favor of D. C. Collins sending the following circular to the principal Stockholders:

"Collinsville, Conn. Jan. 19, 1841.

Dear, Sir: I observe that you are a considerable Stockholder in The Collins Manufacturing Co. and being myself the largest Stockholder in the concern I take the liberty of addressing you at this time to say that the annual meeting of the Company will be held at Hartford on the last Wednesday of the month.

It is highly desirable that there should be a general attendance of the Stockholders, especially those of the larger class.

There will probably be no dividend but plenty of good reasons for not dividing anything, and for thinking favorable of our future prospects, and truly it would seem that nothing but good management is required to make it a lucrative concern in future as it has been in times past.

We have no bad debts or suspended paper, of any amount, nor old cancers of any sort.

The addition of \$100,000. to the Capital Stock of the Company since the Bank suspension of 1837 has none of it been expended in fixtures, and it affords adequate means (with good management) for carrying on successfully the business of the concern in times to come.

Our Works, water-wheels, etc. have been chiefly built anew; with machinery and a new improved mode of manufacture, peculiar to ourselves has been introduced which enables us to produce our goods at 12 percent less cost than ever before.

I am curtailing every expense as far as possible and by the best of my ability exercising the strictest economy in the business here. I am so large a Stockholder in the concern that my interest in the value and productiveness of the stock of course leads me to wish that everything in relation to the business and interests of the Company should be put upon the best possible footing.

A very important question will come up for decision at the Company's Annual Meeting which you will notice is now close at hand. Many of the principal and best informed Stockholders are desirous to reinstate at that time their former mercantile and financial manager who retired three or four years since, as you are probably aware, on account of impaired health, which has now been fully restored. He originated the Concern; for many years conducted its business, both before and since it became Incorporated, is still a large Stockholder as well as a Director and one of the Executive Committee, is perfectly familiar with the business and affairs of the Company and is unquestionably better qualified than any other man to manage it successfully.

Believing that your views will accord with mine and hoping that you will attend the meeting in person if possible, otherwise by proxy I am, Respectfully yours, Sam'l W. Collins.

Of course D. C. Collins came in again as Treasurer.

Though accommodation paper that the Bank was Necessary to us in 1837, and it was necessary to have it renewed much longer than the Bank desired, the time came when it was best to force the axes off and get money for them on some terms, and make more of them or we should be crowded out of the market by axe-makers that were obliged to sell.

Mr. Smith was so conservative in his temperament that he was always disposed to hold on to a good thing. This trait which makes him rich when dealing in Real Estate is ruinous when the property is in Axes. They are never too good to sell.

I was sorry to have any difficulty with Mr. Smith but it seemed to be unavoidable. I was tired of hearing him say that he wished D. C. Collins had the care and trouble and I was perhaps less reluctant to make the change on that account. I have never had difficulty with any other officers or Stockholders except Governor Ellsworth and as I treated him very uncivilly I am disposed to record my motives for doing so, as it was done intentionally and not in the excitement of passion.

He had been President of the Company eight or ten years and was the most troublesome man at the Board without being useful, until in 1845, I made up my mind that I would not only turn him out but take the place myself or quit the Concern. I felt obliged to turn him out and I could not accomplish that without making it a sine qua non that he or I must go, my reasons for doing it was that I found his influence with his fellow citizens acquired as a Lawyer, a Judge and a Legislator, gave him as our President and presiding officer, an influence that he as a business man was not entitled to. I felt that in my line of business I was his superior and yet his opinion and his influence pitted against me at our Board was sometimes too much for me (though his attempts to reduce my salary below \$1500. was not successful.)

When the time came for voting and I announced myself as a candidate for President it took the Directors by surprise as I had not mentioned my intention to anyone. Some of them, shocked I presume at my word of reverence for the Governor prepared their votes for him as they had always done at the ballot box. Seeing how it was going I remarked to them that I was quite earnest that either he or I must leave. The Governor then enquired if I could not wait until the votes were counted, to which I replied that I would wait just so long and no longer. Some of the gentlemen that had voted for him then changed their votes and I was elected.

I did not want the office and would have preferred not to have it, but I felt that if I had accomplished anything in life it was position and influence in this Concern and I was disposed to test the question as between me and the Governor.

On the whole the result was quite satisfactory, though of course my reputation for good manners and reverence for those in authority must have suffered, it proved that my industry and application to business was not

entirely without its reward. (Perhaps it may be considered only another illustration that an inferior Cock will fight on his own dunghill.)

Gov Ellsworth had urged me to take a son of his into our business, which for good reasons I considered my duty to refuse, and from that time he manifested personal hostility which culminated in his being turned out of the office of President of the Company. I have suggested that Mr. Smith's letters to me respecting our affairs should be preserved and I would say the same of his Annual Reports

I have never been conversant with the management of any other incorporated Company but I have an impression, indeed I am very confident, that Companies whose affairs are of much importance always record the Annual Report stating their condition, but it has never been our practice. The Record Book at Hartford simply records the fact of the organization at each meeting of the Directors.

When Mr. Smith retired he requested that his last report be copied on the records which was done, and when D. C. Collins retired some years afterwards he followed Mr. Smith's example and had his farewell report copied.

I have not called this a "Record Book" as that would seem to indicate a more general record of our matters than I suppose. I have copied several of my reports, but to copy all of them now seemed too formidable but I think it should be the practice hereafter to enter on this book the leading statistics and statements of the Annual Report if it is not copied in extense, and the book should be kept with other books in the fire-proof safe, as these reports contain facts and statements that are not to be found anywhere else in an accessible form. We found in the progress of one of our two law-suits that we have had that the record book kept at Hartford was indispensable to us, meager as it is.

A record or memorandum book like this will probably contain facts that in such a contest might be very important.

I am aware that protestations of disinterestedness are generally received with many grains of allowance but I believe that those who have had the best opportunity for judging must have seen that I have always felt as much interest in the affairs of the Collins Company as though I was the sole owner, my name being identified with it has probably intensified the interest.

It is well for a corporation if they can secure the services of a man who can thus become identified with their interests. I had that in mind in my endeavors to have H. S. Collins brought up in the business by first placing him in the office at Hartford and afterwards when the Hartford office was closed bringing him into the office at Collinsville and subsequently in 1853 I favored his going in as a partner with Collins & Co. at New York when there was a vacancy occasioned by a man breaking his copartnership and leaving just as he was becoming useful, which made them feel how very desirable a permanent man would be, and we hoped H. S. C. might be such, but his health failed and he was obliged to relinquish the idea of

residing at New York, but the capital he put in was never withdrawn and three years afterward in November 1856 I became a partner there and have continued to be a partner there up to this time. I am aware that some of our Stockholders have been inclined to be jealous lest my interest there should warp my judgement, and prevent my doing justice to the interest of The Collins Company, but I believe the circumstances are more likely to influence me the other way; to prevent the appearance of partiality, and there is some obvious advantages to The Collins Company, in my being a partner at New York with Collins & Co. as I am entitled to know what to do if I was not a partner.

My views respecting the selling of our goods and of agencies and commissions and of our relations to Collins & Co. of New York are embodied in my Annual Report of 1856 and recorded in this book.

There was one matter between me and the Company that may have been misunderstood by some as it as never recorded as it should have been. The house and grounds occupied by me previous to 1851 belonged to the Company but were not only kept in repair at my expense including large additions to both house and barn, numerous fruit trees, etc. The Directors when here and all gentlemen coming here on business with us were always entertained at my house. In those days before the railroad was made we used iron from Litchfield, Canaan, Salisbury, Great Barrington, Otis and other places in that region and we had to visit them to contract and urge more prompt delivery to require better quality or different size etc. I went up there often and always with my own horses and entirely at my own private expense for tavern bills, gate fees, etc., and of course our intercourse with Hartford by horse power was constant, certainly averaging not less than every fortnight, occasionally to New Haven, Middletown or Providence, and considerable local travel about home. I proposed to the Executive Committee that as it was some trouble for me to keep an account of all my expenses. And as I did not quite like to be making petty charges for the use of my horses, the house rent should be set off against all such expense, and I never made the Company any charges of that description, nor for my travelling expenses until since we have had a railroad and travelled by cars. It was a fair agreement between us and all right enough except that it should have been either voted by the Directors and gone on the Record Book at Hartford, or have been entered on a memorandum book like this, at Collinsville. No man in the employment of the Company ever worked on the place while I occupied it without his time was charged to me. I have been reminded of it by seeing a late Superintendent constantly employ workmen of the Company he occupied and entirely at the expense of the Company.

I have never speculated in the Stock of the Collins Company, there is of course no law against it, and I have no doubt a right to do so, but a manager will be suspected who is engaged in buying when the Stock and selling when he had managed to get the Stock up. I sold about half my Stock at par in 1850, to raise the funds to build the house where I have

since resided. Part of the proceeds went into the business of C. & Co. at New York, and those investments have continued to swallow my funds from that day to this.

I have always discouraged the organization of more than one Church in the Village considering it better to have one that is well sustained than to have several feeble ones. If the majority of the people had been Methodists or Baptists I would have favored that and no other. For some time I thought the Methodists would predominate and that we should have a Methodist Church, but subsequently the Congregationalists predominated.

The first church building was build entirely at the expense of the Collins Company and I paid from my private purse for the organ, cushions, carpets, hymn books, communion service, etc. at a cost of \$1,000. When the Church was burnt The Collins Company had an insurance on it for \$4,000. The following year the Company voted \$6,000. to build an new church. I contributed one thousand dollars and others in the village contributed to the amount of \$2,000. making in the whole \$9,000. I am particular to state the fact that individuals gave only half as much as the company because some persons claim now that individuals gave more than half and wished to have it deeded to them; they seemed to think the \$4,000. insurance money belonged to them and they therefore gave that to the new Church, and the Company gave only \$2,000. whereas the Company think it best for all concerned that they should hold the property. They now lease the Slips annually and collect the rents deducting them from the bills of workmen (as they have now a legal right to do) and the proceeds credited to the treasurer of the Ecclesiastical Society. If they did not own the Church the pew rents would not be paid so promptly and some would never be collected. The Collins Company made no charge for use of the Church nor for their services. They only required the Society to keep the building insured and in repair.

I think all such things should be recorded that those who succeed us may know what has been done in times past and how such matters were managed.

The present church organ is a better and more expensive instrument than the one that was burnt, and was paid for by a general subscription to which I contributed only \$100. Many other individuals gave as much as that or more.

It may be supposed by some that the village was named Collinsville by me or at my suggestion but that is not so. The name has always been distasteful to me and my family. If I had been consulted and had consented to have my name used it would not have had any ville attached to it or been Frenchified at all. I would have had it Collinsford, like Toringford and Ashford, which are good Saxon names. The name of Collinsville was fixed on us this way. When we first applied for a Post Office here we called this place South Canton. We dated our letters South Canton and applied for a Post Office supposing it would be called the

South Canton Post Office, but the old Canton Postmaster canvassed the town with a remonstrance obtaining all the old well known administrative names. Of course we were defeated and continued to send two miles for our letters although this had become a mail route with a four-horse stage running through here and Farmington to Hartford.

After a while when our business increased and our mail matter became larger than all the other mails in town, some who signed the remonstrance became ashamed of it and moved of their own accord to have the decision reversed. One of the objections named in the remonstrance was that there was already a Canton Post Office and a North Canton Post Office, and that a South Canton Post Office would create confusion in the direction of letters. To obviate that they proposed to call it Collinsville inasmuch as many of the letters were coming direct to "Collins Axe Factory". My preference would have been to call it "Valley Forge" but we were too well pleased with the convenience of a Post Office to quarrel about the name and so of course it has been called Collinsville to this day, but if it is ever incorporated as a "Borough" or a separate town that will be a good time to change the name.

This long preachment seems quite out of place in a memorandum book which is supposed to be short and concise. I would presume my successors will not follow by example. It would not have occurred with me if events had been recorded as they occurred, but in speaking of the past I have been led into long explanations, many of them no doubt superfluous.

S. W. Collins."

(Aug. 27th) On reviewing what I wrote here several months since my judgement disapproves of what is said of Governor Ellsworth. Though strictly true it is in bad taste for me to have made a record of it, and it cannot serve any useful purpose.

Following is a copy of the trial and decision of the suits instituted against several English Manufacturers for counterfeiting or imitating our labels and trade marks. This is copied from the "London Times." The suits were tried in the years 1857 and 1858:

(Before Vice Chancellor Sir W. P. Wood)

The Collins Company vs. Cohen:

This case came on by way of demurrer to the bill for want of equity.

The Plaintiffs were members of a Company formed in Connecticut in North America, for manufacturing edge-tools.

The Defendant was a Merchant at Birmingham.

The Bill prayed an account of the profits made by the manufacture, sale exportation or consignment of tools having the Company's marks or labels, or marks or labels similar to or colourably differing from their own. It asked payment of all profits so made and that such tools and instruments having such marks or labels might be given up to have the marks and

labels effaced and destroyed, and also asked that all such blocks, stamps, plates and labels might be delivered up for like purpose. It also sought to restrain the Defendant from stamping, cutting or engraving any tools made by him with the words "Collins & Co. - Hartford - Cast-steel - Warranted" or other words leading to the belief that such tools or instruments were made by the Company.

Mr. Root and Mr. Eddis were for the Plaintiffs.

Mr. Cairns and Mr. C. Swanton, in support of the demurrer, contended that as the Plaintiffs were aliens their right could not be recognized in this Country to any exclusive marks or designation giving them privilege similar to those of copyright or patent. If there was any case of fraud it was not pretended that such fraud was perpetrated here, but in America, when the jurisprudence of the Country would doubtless be found adequate to the repression of an attempt to injure the Plaintiffs. No injury could result to the Company in America from the refusal of an English Court or equity to interfere, the case being out of English jurisdiction.

The Vice Chancellor said that he had no doubt whatever in the case. The remarks of Lord Langsdale in the case of Perry V. Truefitt (S. Beavan, 73) upon an infringement of the description were precise and clear: "I think (said Lord Langdale) that the principle on which both the courts of law and equity proceed in granting relief and protection in cases of this sort is very well understood. A man is not to sell his own goods under the pretence that they are the goods of another man; he cannot be permitted to practice such a deception, nor to use the means which contribute to that end. He cannot therefore be allowed to use such names, marks, letters or other indicia by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another person.

I own that it does not seem to me that a man can acquire a property merely in a name or a mark, but, whether he has or not a property in the name or the mark, I have no doubt that another person has not a right to use that name or mark for the purpose of deception and in order to attract to himself that course of trade or that custom which without that improper Act would have flowed to the person who first used or was along in the habit of using the particular name or mark."

Our Charter was altered by the Legislature in May authorizing us to increase our Capital Stock to One Million of Dollars.

Broke up the rock between our office and the railroad depot and built heavy stone wall in front of our offices.

Walled up about 600 feet of our canal bank and put buildings on the wall about 300 feet long for foundry and machine shop and patterns (intending also to make crucibles for melting steel.) Also another building on the wall for light forging.

Put in new head gates and tubular flumes to carry water in East wheel pit of stone building and put in a turbine.

Commenced quarrying stone at Canton Village for a new dam across the river.

Moved two tenement houses from Main to Market Street.

In December added \$100,000. to our Capital Stock by creating 10,000 shares of new stock and selling it to our Stockholders at par, it being 30 to 35 percent above par in market.

Sales for the year ending 1st September as reported at the annual meeting of Stockholders in October amounted to a fraction over One Million of Dollars.

Average number of tools made per day was 2466.

Profit & Loss account showed about \$83,000. gain.

The heavy expenditures mentioned above having been paid from our profits and nothing carried to Real Estate this year.

Paid dividends this year of 12 percent leaving a surplus of \$185,000. This makes three years in succession that we have divided 12 percent to the Stockholders.

The taxes we paid this year amounted to \$62,781.86, the internal Revenue Tax being about \$52,000. for the year ending 1st September.

We had 638 men in our employment on 1st September 1866.

1867 The Legislature of Massachusetts at its Annual Session in 1867 granted a Charter to the "Farmington River Water Power Company" with Capital of \$100,000. in shares of \$100.00 each.

The first meeting of the Corporators and Stockholders was held at New Boston, Mass., August 14, 1867.

The Stock of the Company was divided to parties as nearly as possible in proportion to their subscriptions toward the building of the reservoir as follows:

Wm. J. Canfield, of Cannan	125	shares
Greenwoods Company	100	"
Darius B. Smith	25	"
La Presse & Company	25	"
Hartford Carpet Company	50	"
Lewis E. Cowles	50	"
Albert Hull	8	"
Delos Stephens	3	"
L. Brainard & Company	16	"
H. S. Sawyer	6	"
E. D. Parsons	3	"
Wm. L. Gilbert	2	"
Springfield Paper Company	8	"
Philip E. Chapin	2	"
G. L. Hodge	16	"
H. Chapin & Sons	1	"
S. P. Norton (this subscription being for The Collins Company)		
		<u>500</u> shares
Total	1000	shares

S. P Norton)
Wm. J. Canfield)
Darius B. Smith) were chosen Directors
Lewis E. Cowles)
Albert Hull)

S. P. Norton was chosen President
Albert Hull was chosen Clerk and Treasurer

The following By-laws were adopted for the government of the Company:

Section 1.

The Stock, property and business of this Company shall be under the care of, and managed by five Directors, who shall be chosen annually at a meeting of the Stockholders, to be held at the office of Clerk of the Company, of the first Wednesday of August in each year.

Section 2.

The officers of the Company shall be a President, Clerk and Treasurer. The President shall be chosen by the Directors and one of their number, and the Clerk and Treasurer shall be chosen annually at a meeting of the Stockholders, as provided in the preceding section for the election of Directors and all other officers and agents shall be chosen by the Directors. All of said officers to hold their respective office until others are chosen in their stead.

Section 3.

A majority of the Directors of the Corporation convened according to the By-laws, shall constitute a quorum for the transaction of business, and a majority in interest of the Stockholders present at any legal meeting shall constitute a quorum and be capable of transacting business of that meeting, and at all meetings of the Stockholders each share shall entitle the holder thereof to one vote.

Section 4.

Stockholders Meetings shall be called by written order of a majority of the Directors, and the Clerk shall give notice to each Stockholder of the time and place of the meeting, and of the business to be acted upon at said meeting., by sending him a written or printed notice thereof by mail or otherwise, not less than six days before the day of meeting, and the Clerk shall without special order from the Directors send in the same manner, written or printed notices to each Stockholder, of the annual meeting not less than six days prior to such meeting.

Section 5.

A Stockholders meeting shall be called by the Clerk on the written application of one-tenth in interest of the Stockholders, the call specifying the business to be acted upon, and the Stockholders to be notified as provided in Section 4, of these By-laws.

Section 6.

The Capital Stock of this Company shall be divided into shares of one hundred dollars each and shall be regularly numbered, and the certificate of such Stock sealed with the seal of the Corporation and signed by the President and Clerk, and the Treasurer shall keep an account record of all Stock certificates and to whom issued, and of all transfers in a Stock Book, and no Stock shall be transferred except upon the book aforesaid or without the return of the old certificate and the issue of a new one to the purchaser, and the Clerk shall furnish to each purchaser a certificate of transfer, signed and recorded as provided in Section 13, Chapter 60 of the General Statutes of the State of Massachusetts.

Section 7.

No assessment beyond the forty percent, already expended, shall be made, except at a regular meeting of the Directors duly called for that purpose, nor shall such assessments be enforced until they have been approved at a Stockholders meeting by a majority vote of the entire company.

Section 8.

At all meetings of the Company absent Stockholders may vote by proxy, authorized in writing, but no proxy shall be valid unless executed and dated within six months previous to the meeting at which it is used.

Section 9.

If the proprietor of any share or shares neglects or refuses to pay a sum duly assessed thereon, with such approval as it provided in Section 7 of these By-laws, for the space of thirty days after notice, the Treasurer of the Company may sell same as provided in Sections 15 and 16 of Chapter 60 of the General Statutes of Massachusetts.

Section 10.

The President shall have the management and control of the gates of the Reservoir and the amount of water to be drawn from the Reservoir, but he shall order the gates to be raised upon the request of the Stockholders owning one-tenth of the Capital Stock of the Company.

Section 11.

No amendment or alteration of the By-laws shall be made, except at an annual meeting, nor then unless the purpose to amend or alter be specified in the notice calling the meeting.

Section 12.

Vacancies in the Board of Directors or of any of the officers, occasioned by death or resignation or otherwise, shall be filled by the Directors, and the persons appointed shall hold and perform the duties of the office to which they are appointed until the next annual meeting of the Stockholders.

Section 13.

Should the Company, through inadvertency or any other cause, fail to hold its annual meeting as it provided in these By-laws, the Company shall not thereby lose its organization, but it shall be the duty of any three of the Stockholders or Directors to warn a meeting of the Company for the choice of officers, and the officers so appointed shall have and exercise all the duties and powers to as full extent as if they had received their appointment at the regular annual meeting.

ALBERT HULL, Clerk

Added \$100,000. to our Capital Stock in April by creating 10,000 shares of new Stock and selling it to our Shareholders at par. The Stock being 30 percent above par in the selling market. This makes our Capital \$700,000.

Built a new charcoal house in the bank North side of the canal.

S. P. Norton dies 29th October 1867

Wm. J. Wood came 2nd December 1867.

Moved our old office building and fitted it up for two tenants.

Build a one-story building with basement (near the railroad turn table) 100 feet long, 25 feet wide, intended eventually to store axes, etc. when ready to send off by rail.

Paid dividend of six percent to Stockholders in April, 6 percent in October.

A new road build this year from Collinsville to Unionville on East side of the river.

Put up a three-story building on the site of the old office with concrete pressed brick. Also on Main Street a brick building for a hotel and stores.

Sold more land this year for individuals to build on than ever before in any year.

Built a stone dam across the river one foot higher than the old dam. Not being able to agree with the landholders above the dam we applied to Court for commission to access damages under the flowage law. The commission authorized us to raise our dam one foot and use a 9 inch flash board in Summer. They gave damages to:

Davis	750.
Tiffany	750.
Ackart	750.
Brown	225.
I. E. Case	600.
Silas Case	75.
Mills	30.

W. J. Wood appointed Vice President and Charles Blair Superintendent by the Executive Committee.

We had previously agreed with Mrs. Harrington to give her a building lot on higher ground and move her house to it.

Fire in rolling mill 8th December. Damages paid by Insurance Co.

Reduced wages and curtailed business.