At no time in its history has the Black Hills region of South Dakota and Wyoming been considered a citadel of America's organized labor movement. Even though labor unions have long had a presence in the area, they rarely strike fear into the hearts of management. Leading the fight against organized labor has been the Homestake Mining Company, but the battles fought between this giant and the unions were often of more financial consequence to the small mines in the Black Hills than to the Homestake itself. For operations like the Portland Mining Company, which mined Deadwood-formation ores in the Bald Mountain and Ruby Basin districts, a small rise in the cost of labor meant the margin between success and failure.

In 1907, Homestake acceded to demands of strikers and instituted an eight-hour day at its Black Hills mine, forcing smaller companies to negotiate with their union workers for similar concessions. The union success emboldened the Western Federation of Miners (WFM), the premier labor union of western hardrock miners, to demand that the Homestake adopt a closed shop and exclude nonunion workers from its payroll. The outcome of the war between these two titans, remembered as the Home-
Homes-take Lockout of 1909-1910, was never really in doubt. Wealthy and well prepared, the Homestake had only to accept short-term losses and wait out the courageous but hopelessly out-gunned union. Labor history records that the Homestake broke the local organizations, and labor unions did not return to Black Hills gold mines until the days of President Lyndon Johnson. From the perspective of the smaller mining companies, Homestake’s victory meant the opportunity to control their own labor costs, allowing them to survive into the mid-twentieth century.

In 1909-1910, six significant companies, each employing forty or more men, mined in the Bald Mountain and Ruby Basin districts west of the Homestake workings at Lead. While the big company overshadowed its smaller neighbors in size and notoriety, the battle with the union was their war, too. All these operations had workers who belonged to the WFM, and most closed down in accordance with the Homestake action. For the smaller operations, still feeling the sting of the 1907 workday reduction, the WFM demands and the ensuing lockout threatened financial disaster. In the long run, however, the action would eliminate the need for future concessions to union demands.

Organized labor represented but one more in a long line of challenges that Bald Mountain and Ruby Basin mines like the Portland Mining Company had faced since the location of the first hardrock claims in the districts in 1877 and 1878. The geology of gold deposits in the area

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2. The six companies were the Portland Mining Company, the Horseshoe-Mogul Mining Company, the Golden Reward Mining Company, Lundberg, Dorr and Wilson Mining and Milling Company, the Wasp No. 2 Mining Company, and the Imperial Mining Company. A map of the major mines in the districts appears in Joel K. Waterland, Gold and Silver or Sweat and Tears: The History of the Bald Mountain, Ruby Basin and Garden City Mining Districts (Lead, S.Dak.: By the Author, 1988), p. 43.
differed vastly from the Homestake-formation ores of the Lead-Deadwood belt, which were well suited to the tried-and-proven method of stamp-mill crushing and mercury refining. Early hardrock locations in the Bald Mountain and Ruby Basin districts showed promising assay results for gold and silver—a few as high as eight hundred dollars per ton—but miners soon discovered that finding gold and recovering it were entirely different matters. These gold deposits were located in the Deadwood formation, a Cambrian sandstone rock strata totally unlike the much older Homestake formation. The extremely high temperatures used to assay small samples could separate gold in the ore, but large-scale mercury refining produced low rates of recovery, usually no more than thirty percent of the gold present. At least half of the silver was also lost.\(^3\)

Black Hills mining developers spent years solving the riddle of how to recover gold from the Deadwood formation, first shipping small quantities of high-grade ore to distant smelters by wagon. Narrow-gauge railroad spurs to the mines and the construction of smelters in Deadwood in the 1890s increased production in the Bald Mountain and Ruby Basin districts, but metallurgical problems and freight rates made local smelting a less-than-satisfactory solution. In 1903, the Lundberg, Dorr and Wilson cyanide mill began operating at Terry, South Dakota. Designed by John Van Nostrand Dorr, who would become renowned in mining circles for developing the Dorr classifier and Dorr separator, the mill used fine crushing and cyanide refining to recover significant percentages of gold and sil-

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ver at acceptable milling costs. The Golden Reward Mining Company and other concerns had also experimented with cyanide milling, and during the early 1900s, the process created the potential for significant expansion in the number of mines working Deadwood-formation ores.

Among the companies expanding operations in the district was the Portland Mining Company. Named for the original claim purchased in the spring of 1879 by Dr. O. P. Ankeny of Clinton, Iowa, the Portland organized as an Iowa corporation in early 1880. Shortly thereafter, investors

built a twenty-stamp amalgamation mill at the Portland mine (present-day Trojan, South Dakota) and went into production. Recovering less than thirty percent of gold and fifty percent of silver in the ore it processed, the mill was not profitable. During the balance of the 1880s, the Portland purchased nearby claims and shipped small quantities of high-grade ore elsewhere for refining. When railroads and local smelters arrived in the 1890s, the Portland's production increased, more claims were purchased, and the company experimented with roasting and other ore-treatment processes. By 1898, production and recovery were still insufficient to cover expenses and retire debts. Foreclosure proceedings began, and the mine closed, but the stalwart circle of Iowa investors came to the rescue. Reorganized with a new infusion of capital, the Portland com-
pany struggled into the twentieth century—not yet profitable, but not quite defunct. The leadership of the reorganized Portland Mining Company comprised an interesting cast of characters. George M. Curtis, a prominent Clinton lumber dealer, was company president and principal investor. Other Clinton investors

5. Waterland, Gold and Silver, pp. 18, 57, 77; U.S., Bureau of Mines, Black Hills Mineral Atlas, South Dakota, Information Circular No. 7688 (Washington, D.C., 1954), pt. 1, pp. 1, 48-49; Stanley F. Nelson, "The Saga of a Mine" (typescript), n. d., pp. 1-5. In compiling this typescript draft of what was apparently intended to be a history of the Trojan Mining Company (the Portland company's successor), Nelson cites the private papers of Carl E. Dawson as his primary source of information. Dawson was a Trojan Mining Company employee who became mine superintendent following Vincent's death in 1922. Dawson stayed on as superintendent for the Trojan company's successor, the Bald Mountain Mining Company, before retiring in 1943. The statistics and other details cited in the manuscript are generally consistent with those in the Trojan Mining Company papers held by the Leland D. Case Library for Western Historical Studies, Black Hills State University, Spearfish, S.Dak.
included his son Charles F. Curtis, A. R. Olney, Henry S. Towle, W. F. Coan, and Artemus Lamb. Investors from Boston, Massachusetts, and Jackson, Michigan, also held small interests. Company secretary Halleck W. Seaman handled the day-to-day management of the Clinton home office. Seaman would gradually acquire a major interest in the company and serve as president of the American Mining Congress in the early 1920s. From an office in Deadwood, Hobart S. Vincent supervised the actual mining activities. An experienced engineer, Vincent had worked for two decades in the West, mainly on Black Hills mining projects. Seaman and Vincent corresponded frequently and, for all practical purposes, constituted the active management of the Fortland Mining Company and its other properties.

The newly reinvigorated Portland management eagerly embraced new technologies and in 1899 leased the fifty-ton cyanide treatment plant of the Boston and South Dakota Mining Company, shipping ore via the Fremont, Elkhorn & Missouri Valley Railroad to the facility near Gayville at the mouth of Blacktail Gulch. When the Lundberg, Dorr and Wilson mill opened in Terry in 1903, the company shipped most of its ore by rail to that facility. Some high-grade refractory blue ores, for which no local refining process had ever been developed, continued to be shipped to smelters in Omaha and Denver. By the end of 1906, operations at the Portland and its associated properties were active and profitable. Ore production averaged fifteen hundred tons per month, and the company employed forty-one men full-time and almost as many temporary workers during the months when snow did not interfere with out-

6. Nelson, "Saga of a Mine," p. 4; Memorandum, "Clean up for the 1st to the 15th," 19 Jan. 1901, and Griffin Wheel Company to N. W. Chapman, 5 Jan. 1901, both in Mines-Portland Mining Company-Correspondence File, Box 6, Series VI (Research Notes), Mildred Fielder Papers, Devereaux Library, South Dakota School of Mines and Technology, Rapid City, S.Dak.
door work. Most machinery in the mine had been electrified after the Consolidated Power and Light Company built a transmission line into the Bald Mountain district.7

Nevertheless, the technological achievements of the Portland Mining Company masked serious problems that threatened its future. Although the company had acquired some adjacent claims between 1898 and 1906, the overall quality of its ore had not improved. Transportation costs remained high since all ore mined had to travel by rail to the mill. Because gold and silver prices were stable, the company could not pass increases in production costs on to consumers. One other factor greatly influenced the company’s future prospects as well—the cost of labor.

To some extent, all major companies working mines in the Deadwood formation shared the same problems. From their perspective, the Homestake Mining Company could be viewed as fortunate, indeed. Its capital resources were vast. It worked richer ore bodies, and its mills sat on top of that ore. Company sawmills produced mine timbers at cost. The Homestake had all the water it could use and was beginning to produce its own hydroelectric power. While it also had to deal with labor costs, the fact that Homestake employed over half of the miners and mill men in the Black Hills made it the key player in labor negotiations. If labor unions in the Black Hills became well organized and militant, the Homestake could afford to make concessions that would break most companies working ore from the Deadwood formation.8

Labor unions had existed almost as long as there had been mining in the region. Workers organized the Lead City Miners’ Union in 1877, and many miners employed in the northern Black Hills had joined it or other unions in surrounding communities by the early 1890s. The Miners’

A giant among Black Hills mines, the Homestake commanded vast resources that enabled it to weather challenges posed by men and materials. Pictured here is the Ellison hoist over one of the mine's several main shafts.

Union Hall, opened in Lead in December 1894, was an impressive structure. Constructed at a cost of seventy thousand dollars, it included the Hearst Free Library and the finest opera house in the Black Hills. Up to that time, there had been no major labor conflict between the union and Homestake Mining Company, and the hall was an important center for union and nonunion community activities. In his book *Working the Homestake*, Joseph H. Cash underscores the conservative nature of the Lead union and the essentially peaceful union-company relations in the years before 1909.\(^9\)

\(^9\) Ibid., pp. 37-41, 71.
The smaller Black Hills mines and unions, by contrast, had not always enjoyed peaceful relations. In 1894, the Terry Miners’ Union organized a strike that temporarily closed a number of Bald Mountain and Ruby Basin operations. The striking miners demanded that only union members be allowed to work in the district and that no miner work for less than $3.50 per day, fifty cents over the standard daily wage. Even though the workers’ demands were not met and most mines eventually reopened, the strike caused Bald Mountain and Ruby Basin operators to take the potential of union power seriously.¹⁰

Causing part of their concern were the ties between the Terry union and other miners’ unions in the Black Hills and the more radical Western Federation of Miners. Organized in 1893, the WFM drew strength from the thousands of miners in the rich copper districts of Butte, Montana. Nevertheless, from the beginning, the larger union recognized the Black Hills groups as important to its organization. Five delegates from Lead traveled to Butte to attend the meeting establishing the WFM, and the Lead group became Local 2 in the original organization. Unions in other Black Hills camps quickly affiliated with the WFM.¹¹

The association of the union with the Butte district was a particular source of concern for small Black Hills operators. In the era before World War I, Butte copper mines were profitable beyond the wildest dreams of most Black Hills gold operators. As a result, Butte operators often granted wage and hour concessions that Black Hills mines could not afford. The peculiar nature of Montana politics also contributed to the union’s power. Before the rush of homesteaders into eastern Montana beginning in 1909, Butte and its surrounding camps contained half of the state’s popula-

10. Waterland, *Gold and Silver*, p. 84.
tion. Financial and political struggles involving Montana’s “Copper Kings” (Marcus Daly, William Andrews Clark, and F. Augustus Heinze) often were decided by who controlled Butte. Companies frequently granted union demands, which translated into workers’ votes, with limited concern for the financial consequences. In the heat of the hard-fought Montana campaign of 1900, Heinze and Clark, temporary political allies, announced that they would immediately grant miners an eight-hour day. The Daly interests quickly followed suit, and, almost as an afterthought, the Montana legislature passed a law mandating an eight-hour day in 1901.

As a result of the Montana action, union interest in an eight-hour day intensified in the Black Hills. The issue was largely decided for the region in late 1906, when a Lead City Miners’ Union delegation presented Homestake manager Thomas J. Grier with a request that the company grant underground miners an eight-hour day. Grier responded simply that he would consider the matter. Then, on 12 December 1906, the mine manager abruptly announced that Homestake would introduce an eight-hour day for all workers, both above and below ground.

The Homestake concession, which Joe Cash has termed “not so much a victory as a gift” for the unions, sparked similar demands for eight-hour days at the Bald Mountain and Ruby Basin mines. When the smaller mines refused


to comply, the Terry Miners’ Union called a strike on 31 December 1907. Lasting five months, the action idled six hundred men and closed eight mines and seven mills. Union members agreed to resume working after a compromise that instituted the eight-hour day immediately but cut wages by twenty-five cents per hour for ninety days, at which time the prevailing wage of $3.50 per day for miners and $3.00 for muckers would be restored. This settlement promised increased production costs, and the Portland mine remained closed until superintendent Hobart S. Vincent was able to negotiate reduced freight rates for Portland ore. Vincent also undertook a search for higher grade ore, beginning a tunnel in the Portland that was intended
to drive completely through the Deadwood formation to its quartzite base.\textsuperscript{14}

The union’s limited victories in the 1907 strike created a good deal of concern for the future of the Portland and other small mines. The Butte mines had recently increased their daily pay for miners to four dollars, a wage that Portland superintendent Vincent believed would “put all [Black Hills mines] out of business except the Homestake.”\textsuperscript{15} Vincent had other reasons to worry. In 1909, veteran WFM organizer William Tracy and a team arrived in the Black Hills with the announced goal of one hundred percent unionization for the region’s miners. By that fall, the organizers believed they were near their objective. Union publications such as the \textit{Miner’s Magazine} and the local pro-union press, especially Deadwood socialist Freeman T. Knowles’s \textit{The Lantern}, pressured remaining holdouts to join at once. On 24 October 1909, union members attending a WFM meeting in Lead resolved to refuse to work with anyone who was not a union member beginning 25 November 1909. In effect, the WFM was demanding a closed shop in Black Hills mines.\textsuperscript{16}

Portland superintendent Vincent correctly surmised that these demands marked the beginning of a fight to the finish between the union and mining companies in the Black Hills. Vincent was convinced that the WFM membership campaign constituted the first step in a drive to institute the Butte wage in Black Hills mines. In a long letter written 30 October 1909 to Seaman, now president of the Portland company, Vincent voiced his fears that Homestake might not fight the four-dollar wage, thereby dooming the smaller Black Hills mines. “If it is left to Mr. Grier,” Vincent wrote, “I believe he will fight it success-

\textsuperscript{14} Waterland, \textit{Gold and Silver}, pp. 75, 81.
\textsuperscript{16} Cash, \textit{Working the Homestake}, pp. 81-82.
fully but I am inclined to think it will be taken out of his hands as we all believe was the case during the last trouble they had there. W. R. Hearst, whose mother is probably the largest Homestake stockholder, is in politics and makes a business of catering to the labor vote and it wouldn’t look well for Homestake to oppose union labor.” Vincent noted that the union leaders were “wise to the situation and are inclined to make the most of a favorable condition.” However the conflict went, Vincent knew that it meant trouble for his operation. “The miners at Portland,” he reported, “are considerably exercised over the matter and are not slow to say that they are satisfied with existing conditions and would refuse to strike for $4 even would withdraw from the Federation if it came to a pinch, etc. but if it came to a show down I think they would have to walk out if ordered to do so.” As far as Vincent was concerned, fighting the union offered the only sensible course for Black Hills mines, whether large or small. “My acquaintance with [Homestake superintendent Grier] is limited,” he told Seaman, “but if I can make a chance I shall take the matter up with him and assure him that the Portland Company, tho [sic] small, is with him in any fight he may decide to put up.”

For the time being Grier kept his own counsel, to the aggravation of Vincent, who reported on 4 November 1909 that “Mr. Grier sits on his throne in Lead like a wooden Indian tobacco sign and says nothing.”18 Vincent was convinced that a strong statement from Grier announcing that the company intended to employ nonunion workers could force the union to abandon its position. Through his friend Chambers Kellar, Homestake chief counsel and Grier’s key advisor in the union fight, Vincent learned that Grier did in-

The decisions of Superintendent Thomas J. Grier concerning labor issues at the Homestake impacted mining operations throughout the northern Black Hills.

tend to refuse the union's demands and take any steps necessary to see that the mine's position prevailed.19

The Black Hills community learned of Homestake's intentions on 17 November, when the *Lead Daily Call* published the following announcement over Grier's signature: "Notice is hereby given that the Homestake Mining Company will employ only nonunion men after January 1st, 1910."20 True to its word, the Homestake quickly followed its threats with action and shut out union workers. The WFM leadership responded by voting on 23 November 1909 to authorize a strike. The next day, Grier published

another brief notice in the *Lead Daily Call*: “The Homestake will cease operating its property this evening.” At 6:00 P.M. on 24 November, the Homestake officially closed and locked its workers out of the mine. The battle had begun in earnest.

Now that the fight was on, the Portland superintendent determined that the Bald Mountain and Ruby Basin mines should close in order to help present a united front to the union. Company president Seaman had apparently given Vincent authority to handle the situation according to his best judgment. “I rather enjoy the game,” Vincent told Seaman, “and I shall play it to the best of my ability.” While the Homestake, armed with vast economic resources and a unified command structure, could make a decision and proceed at once to implement it, such was not the case with the various Bald Mountain and Ruby Basin mines, whose control was scattered from Deadwood to Denver and beyond. Moreover, the interdependence of the smaller mines due to their custom milling and railroad transportation arrangements meant that one company’s decisions might affect other mines or mills, who then had no recourse in changing the decisions. Nevertheless, the location of some mines and mills moved managers to consider closing ranks against the union. Managers believed the union at Terry to be the most radical and dangerous in the Black Hills and the adjacent properties the most vulnerable to possible sabotage and violence. In early November 1909, for example, Vincent wrote to Seaman that he was “hurrying [in] my water plant [for fire protection] for if it is to be a fight it is liable to be bad one and the destruction of property is the federation’s chief weapon.”

21. Ibid., 24 Nov. 1909.
23. Vincent to Seaman, 4 Nov. 1909.
Following the Homestake announcement, confusion intensified among managers of the Bald Mountain and Ruby Basin mines. Vincent continued to favor closing but when he discovered that not all operators would agree to shut down, he wrote to Seaman on 26 November that “the time don’t [sic] seem to be right to make a move.” William McLaughlin, manager of the Mogul mine, saw a lockout as an opportunity to cut workers’ wages and thus extend the life of the districts’ mines, which McLaughlin believed could not continue to operate for more than three years at existing wage scales. Following events closely from Denver, John V. N. Dorr opposed shutting down the Lundberg, Dorr and Wilson mill and encouraged Vincent not to close
the Portland mine. Both companies depended upon each other's services to make their operations profitable. Finally, Vincent received a frantic letter from Walter T. Page of the American Smelting and Refining Company in Omaha, asking for his assessment of prospects for continued ore shipments from the Black Hills mines. By early January 1910, the Bald Mountain and Ruby Basin mine operators had conducted extended negotiations over the issue of closing and agreed to shut down, with one exception. Frustrated with the group's early indecision, John Gray, maverick manager of the Wasp No. 2 mine, vowed to stay open. Because the mine operated largely with steam shovels in open-pit workings, thus employing fewer men, labor costs were less a consideration for the Wasp No. 2 than for the other Bald Mountain and Ruby Basin mines.

Vincent announced to Portland employees on 11 January 1910 that the mine would close. "I gave the word to the boys today," he told Seaman, "and tonight I have a blue bunch of men on my hands. I go up tomorrow morning and shall stay all day and personally supervise the closing operations. It is a hard jolt but I believe the men realize that their Federation is wholly [sic] to blame for the fix in which they find themselves." Reflecting on the last day of work at the Portland, Vincent wrote: "I was at the mine all day yesterday and looked after the closing. Every thing went along smoothly, the men worked as usual up to quitting time and we scattered with apparently no ill feelings."

At the beginning of the lockout, Vincent had resisted William McLaughlin's suggestion that smaller mines also exploit the situation to reduce wages, commenting, "I hardly think
that advisable for I would like to work it so that the old men would stay without their union and be contented.”

As the action continued, however, Vincent’s attitude toward the Portland work force hardened significantly. By February 1910, he had decided to wipe the slate clean of the old labor force. “Some of the mines hope to save a few of their old men,” he informed the company president, “but for me I want them all to go as I would rather start with a new slate and a new crew. The Homestake Co. have started a stream of new men toward this country and I think it will be easy to pick up a crew when you are ready to start.”

As for the Homestake, much of its old labor force had left for other western mines shortly after the lockout began, and Grier had hired an assortment of Pinkerton and other detectives to protect the company’s operations. Although Vincent had criticized Grier for turning Lead into an armed camp, complete with “500 riot shotguns . . . carrying nine buckshot to the charge,” he soon armed the Portland with two riot shotguns, three Colt automatic pistols, and twenty-five grenades. His chief ally in defending the mine against potential violence, however, was deep snow, which he refused to plow.

As the shutdown dragged into early March, Vincent grew convinced that ethnic solidarity played a major role in the miners’ refusal to renounce the WFM. On 6 March 1910, he wrote Seaman, “Our camp is made up mostly of Italians . . . and they are all standing pat for the Union.”

On a similar note, he told John V. N. Dorr that “we have about all Black Italians in our camp and they are standing pat in a bunch, being held no doubt by their Chris-

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30. Cash, Working the Homestake, p. 86.
terforOColombo [sic] society rather than by the Federation.” Despite Vincent’s displeasure over the situation, the area’s Italian families provided a significant proportion of the work force for the Portland and its successors, the Trojan and Bald Mountain mining companies, until the end of underground mining at the site in 1959.

Vincent was more successful in meeting his objective of ridding the Portland Mining Company of union influences. Although WFM money poured into the Black Hills throughout the winter to help the union keep its workers in the area, Homestake had recruited enough nonunion labor to resume operating in January 1910. Over the next few months, the Bald Mountain and Ruby Basin mines followed suit. When the Portland reopened on 1 May 1910, Vincent ordered mine foreman Hope Slaughter to begin keeping a record book with information on job applicants’ nationalities and employment histories. Most importantly, each applicant was required to sign a card stating that he was “not a member of any labor union, nor will he become such while in the employ of the company.” Vincent underscored the company’s position for Slaughter, writing, “Any man who cannot consistently, or who is unwilling to make such a statement over his signature, we do not want in our employ, for the Portland operations of the future are going to be carried on under non-union conditions.” And so they were. Until the Bald Mountain Mining Company ended underground operations in 1959, no successful union organization ever appeared among company employees.

The suspension of work at the Portland from January to May 1910 had significant impacts on the mine’s future operations. The successful effort to destroy the union insured that labor costs would remain under control for the

34. Cash, Working the Homestake, pp. 89, 94-95.
foreseeable future. The “down time” also allowed the Portland’s officers to appraise the mine’s existing condition and reflect on its future, free from the daily pressures of regular mining operations. During this period, Vincent spent much of his time at the mine working with his “crew”—mine foreman Hope Slaughter and chemist N. P. Weigand. Together, the three explored underground to determine the mine’s future prospects and worked to identify water sources that would allow the Portland to operate its own cyanide mill.36

36. Vincent to Seaman, 2 Apr. 1910, ibid.
Reorganized and reinvigorated after the 1910 lockout, the Trojan Mining Company built a large cyanide mill at the Portland mine site.

After the lockout, the company undertook major reorganization and expansion. Renamed the Trojan Mining Company, it began almost a decade of profitable operation in 1912. Rising production costs and declining ore quality closed the mine again in 1923. With an infusion of new capital and reorganization as the Bald Mountain Mining Company, it briefly reopened in 1928, only to close again two years later when attempts to develop new ore bodies failed. America’s retreat from the gold standard and gold prices of thirty-five dollars per ounce prompted another opening of the mine in 1934. During World War II, the War Production Board deemed the mine nonessen-
tial, closing it in 1943. It opened again with the end of the war, operating until rising production costs and declining ore quality halted activity in 1959. In 1980, rising gold prices and new open-pit and cyanide heap-leach technology allowed the mine to reopen as an operation of Wharf Resources, which still works the site today.

In the final analysis, the Homestake Lockout of 1909-1910 represented only one of the many times the old Portland Company and its successors faced circumstances likely to put them out of business. Begun as a life-or-death struggle to survive, the Portland’s role in the lockout episode ended with the mine and its management solidly organized and facing the future with confidence.