

An Historical Note for the Hecla Consolidated Mining Company

“The Hecla Consolidated Mining Company was organized in January, 1877, at Indianapolis, Indiana. The company then bought mining property at Glendale, Montana, in Beaverhead County, and involved itself in the smelting and reduction of gold, silver, lead, and copper. The first mine manager was Noah Armstrong, a local Glendale speculator, who was responsible for the company's formation. His tenure lasted two years until he was replaced in 1879 by E. C. Atkins, founder of an Indianapolis saw works. Atkins served only two years in the post. During his management the company's smelter burned and a new structure had to be erected at a cost of \$20,000. This calamity, coupled with poor management, led the concern into a debt of \$77,000. A change in management was promptly called for by the stockholders. Henry Knippenberg, at that time managing director of the Atkins Saw Works, was offered the position as Hecla's general manager. His decision to accept the job came in March, 1881, but only after an on-the-spot tour of company property the month before. Following the inspection Knippenberg's report to the Board of Directors was not an optimistic one. Despite this report and his initial reservations, Knippenberg believed he could make the Hecla properties turn a profit--thus he accepted the position. He based his decision on fifteen years experience in the manufacturing business and his five years as a Pennsylvania coal mine manager. Knippenberg immediately obtained financing to correct the company's unstable condition. After getting \$95,000 from New York backers he wasted no time in getting to Glendale in April, 1881. Within three months the firm's debt had been repaid and a ten percent monthly dividend was returned to the stockholders. By 1886 the Hecla Mercantile and Banking Company, a separate subsidiary of the mining company, was organized with capital stock of \$100,000. The company was a consolidation of Gaffney and Purdam of Melrose; Armstrong-and Losee, and Noah Armstrong and Company of Glendale, and Wilson, Rote and Company of Hecla. These represented three mercantile firms and one bank. Henry Knippenberg also served as the concern's president during its twelve years of business. He also involved himself in local politics, serving for a time as a Beaverhead County Commissioner, a state representative, and a member of Montana's 1889 Constitutional Convention. Through the 1880s and early 1890s the Hecla Consolidated continued to prosper, and the Sherman Silver Purchase Act of 1890 encouraged the production of silver. The repeal of the act, though, in 1893, ended the federal government's required monthly purchases of this precious metal. The company's yearly reports reflected the loss. Along with an accompanying decline in available ore of all kinds, the Hecla's small profit soon turned into a deficit. The mining firm ceased operations in 1904. Henry Knippenberg purchased the Hecla properties for \$28,000 and soon after disposed of them himself. A syndicate of Philadelphia investors bought the mining interests and organized a new Hecla Consolidated Mining Company.”

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