

# Cargill spans the years

## Editor's note:

With this article we begin a series of historical stories on grain operations in the Twin Ports.

The grain export interests of the Cargill family and its predecessors have been present in the Twin Ports since 1893, a history that now links three centuries. Cargill is the largest privately held corporation in the U.S., with annual sales in excess of \$50 billion, and it continues to grow at an exhilarating pace. But the process of turning a small country elevator business into a global corporation didn't happen overnight.



## The Port's Past Cargill

By Patrick Lapinski

Following the end of the Civil War, the nation expanded west as entrepreneurs and pioneers, dreamchasers if you will, men and women alike, inched their way to the end of rail lines and spread further beyond the edge

of civilization to pursue their dreams and destinies.

The nation reverberated with every rail spike that was driven, with each plow blade that cut a furrow across the earth and with every axe blade that rang through the forest. Man and beast sought to tame a wilderness, harness the power of its timber, water and mineral resources and plant the fertile seeds that would feed a growing nation and provide sustenance to those who would follow.

The vast expanses of the Upper Midwest were ripe for growth and provided the fuel for the dreams of men like William and Samuel Cargill. The brothers, sons of a Scottish sea captain, sought their dreams as proprietors of a grain "flat house" in 1865. This single warehouse, located at the end of the line for the McGregor & Western Railroad in Conover, Iowa, became the launching point for one of the most successful companies in American history.

The family business, under the auspices of W.W. Cargill, quickly expanded

into southern Minnesota, building flat houses and country elevators along vital rail lines. By 1875, Cargill moved its headquarters to LaCrosse, Wisc., where it built its first terminal elevator. The company grew quickly and, by 1890, Cargill operations included 71 grains elevators or flat houses, with additional interests in coal and flour milling. That same year the Cargills moved their operation from LaCrosse to Minneapolis, in closer proximity to the regional grain exchange. The core business interests were incorporated as the Cargill Elevator Company.

In 1892 the Cargill Elevator Company reached northward to the Twin Ports with the establishment of the Cargill Commission Company in Duluth. A year later, Cargill formed the Superior Terminal Elevator Company, building a 2.3 million bushel elevator in the East End of Superior, establishing its presence as a major player in the Port's grain export market.

The next three decades brought continued growth and expansion for Cargill, including operations in Montreal, Canada, and offices in Chicago, New York, London and Argentina. Cargill's





presence in Superior continued to grow and evolve during this time as well. The acquisition of the Belt Line Elevator Company from Peavey and the Itasca Elevator expanded Cargill's grain handling capacity at Superior to 7.2 million bushels. In 1936, after merging the Cargill Elevator Company assets along with the other Cargill business interests into one large organization headquartered in Minneapolis, the business simply became Cargill, Incorporated.

Cargill emerged from the shadow of World War II by entering new markets in soybean and corn processing and animal feed. During the 1950s Cargill became a major trading partner in the growing European grain market.

The development of the St. Lawrence Seaway System in North America brought about changes closer to home for Cargill in the Twin Ports, beginning with the sale of its elevators in Superior and the purchase and renovation of several aging elevators in Duluth. The Duluth acquisition gave Cargill the much-needed room to plan a major expansion that would consolidate all of its grain handling to one

location in the harbor. Cargill moved its grain export operations into its new state of the art facility in 1978.

Cargill's network of grain elevators, including the Duluth terminal, is operated under the auspices of Cargill AgHorizons, a business whose mission states "helping farmers prosper." In 1999 Cargill made headlines with the purchase of Continental Grain of New York. Cargill is considered the leading grain producer in the United States and, through its Horizon Milling joint venture with Cenex Harvest States, the nation's largest flour miller.

Expansion and diversity became the hallmark of Cargill over the second half of the 20th century with the firm establishing its commodity trading prowess in markets such as sugar and molasses and by moving into new markets such as coal, steel, scrap metal processing, turkey, beef and salt production.

Today, Cargill has established business operations in 59 countries with 97,000 employees worldwide, and it continues to develop its business interests in established as well as new areas such as biotechnology.

## Cargill in the Twin Ports

- 1893** The Cargill Elevator Company forms the Superior Terminal Elevator Company and constructs Elevators K & L in Superior, Wisconsin.
- 1914** The Cargill Elevator Company purchases the Belt Line Elevator at Superior from F. H. Peavey. Elevators M & N have a capacity of 2.5 million bushels. In April, 1914 Elevator M is destroyed by fire. Cargill rebuilds Elevator M in 1914 on the same site.
- 1930** The Cargill Elevator Company purchases the Itasca Elevator at Superior from the Itasca Elevator Company.
- 1952** Cargill, Incorporated sells Elevators M & N in Superior to Osborne-McMillan.
- 1954** Cargill, Incorporated sells Elevators K & L in Superior to Osborne-McMillan.
- 1960** Cargill, Incorporated acquires Elevators E, F, H & I in Duluth from the Norris Grain Company.
- 1961-62** Cargill demolished Elevators F & H, renovates E and I and builds new steel storage tanks at Duluth.
- 1962** Itasca Elevator is closed at Superior.
- 1970** Cargill purchases the Occident Terminal Elevator (Elevator C) and the Peavey Duluth Terminal Elevator (Elevator D) from Peavey.
- 1973** Elevator E is demolished at Duluth.
- 1977** Cargill completes construction of its new terminal elevator system at Duluth.
- 1979** Cargill expands its Duluth Elevator B with addition of concrete silos.
- 1980** Cargill closes Elevators C and D.

