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FRANK BOND: GENTLEMAN SHEEPHERDER  
OF NORTHERN NEW MEXICO, 1883-1915

By FRANK H. GRUBBS

*L. A. MacArthur Company*

FRANK Bond had arrived in the Territory of New Mexico as an alien, holding Canadian citizenship. Grateful to the country that had rewarded his diligence with generous success, he promptly applied for United States citizenship. In the due course of time his final admission papers were issued, and he became a full citizen, appropriately enough, in August, 1890,<sup>1</sup> just about the time that he and George Bond were beginning to explore the possibility of establishing the first branch of G. W. Bond & Bro.

At this time, John Justus Schmidt was operating a general store in Wagon Mound, New Mexico. A German immigrant who had arrived in the Territory in 1870, Schmidt had also operated a store in Watrous, New Mexico. He had developed a highly successful merchandise business in Wagon Mound, built a large store building and warehouse, and was considered one of the foremost merchants in that area. In addition to the merchandise business, Schmidt traded in sheep and wool and kept some sheep on rent. Among his renters was a *partidario* named J. D. Gallegos who thought he might better his position by very quietly moving to Raton and taking the Schmidt sheep along with him. In order to prevent the loss of his sheep, Schmidt obtained a restraining order from the court in Las Vegas, much to the chagrin of Gallegos who followed the Schmidt family on July 1, 1892, as they drove out to inspect some wells in which they had an interest. Threatened with a rifle, Schmidt jumped from the buggy and Gallegos shot him. The buggy team ran away with Mrs. Schmidt who in her panic threw the baby out. Before expiring, Schmidt shot the unruly sheep renter with a derringer.<sup>2</sup>

1. Certificate of Admission to Citizenship, Terr. of N. Mex., First Judicial District, County of Santa Fe, August 14, 1890, Bond Papers, *loc. cit.* Bond's residence and moral character witnesses were E. N. Reaser and Pedro Y. Jaramillo.

2. Interview with E. W. Howe, Wagon Mound, New Mexico, April 27, 1957; Helen

Thus the first branch of G. W. Bond & Bro. began in truly western fashion, for the widowed Mrs. Schmidt sold the entire business to the Bonds later that same year.<sup>3</sup>

The new Wagon Mound business was also called G. W. Bond & Bro. and was located in the store building at the corner of Catron Avenue and Railroad in Wagon Mound, New Mexico, the property being purchased in the names of G. W. Bond and Frank Bond and their wives, Agnes D. Bond and May Anna Bond.<sup>4</sup>

No record now exists of the exact price paid for the Schmidt business, but the original price paid for the property appears to have been \$3,000 or \$3,500. The total initial investment in the venture was about \$40,000, the major portion of the capital being supplied by the Espanola firm, lesser sums being invested personally by the brothers as equal partners. In addition to the direct loan from Espanola, the elder Mr. Bond in Canada invested \$8,000 in the business, receiving a note from his sons.<sup>5</sup> At the end of 1893, the first year of business, the Bond investments before distribution of profits appeared as shown in Table 17.

TABLE 17  
BOND INVESTMENTS IN WAGON MOUND

	Amount
G. W. Bond & Bro., Espanola .....	\$26,919.29
G. W. Bond .....	1,676.12
Frank Bond .....	2,556.77
G. W. Bond, Canada .....	8,000.00
Total	<u>\$39,152.18</u>

The history of the Wagon Mound store is interwoven with two men of considerable executive ability who exerted important influences on the company through the years.

Haines, *History of New Mexico* (New York: New Mexico Historical Publishing Co., 1891), p. 455; *An Illustrated History of New Mexico* (Chicago: The Lewis Publishing Co., 1895), pp. 373-374. Versions of this story vary slightly in details, and since Howe's recollection of the event is recorded nowhere else in the literature of New Mexico history, that is the one recited here.

3. E. W. Howe, personal letter, May 8, 1957.

4. Warranty Deed, August 13, 1903 (in files of Vorenberg Bros., Wagon Mound, New Mexico).

5. *Records, loc. cit.*

These were Archibald (Archie) MacArthur and Manuel Paltenghe.<sup>6</sup> MacArthur was an old friend of the Bond family and came down from Quebec during the second year of operation, in 1894, to work in the Wagon Mound store.<sup>7</sup> He later became a principal stockholder, and the business, still bearing his name, is presently operated by his son, Archibald Stuart.

Manuel Paltenghe was a native of Wagon Mound and the son of a local butcher, Alex Paltenghe. Born in 1873, he worked for J. J. Schmidt beginning in about 1888, carried over to work for the new owners, and later rose to become an active partner in the business.<sup>8</sup>

Management of the new Wagon Mound store was taken over by G. W. Bond who moved to Wagon Mound from Espanola, leaving Frank to manage the firm there. A partnership organization until it was incorporated in 1904, no trace of a written partnership agreement has been found, and it is highly unlikely that one did in fact exist. The individual investment accounts varied widely during the eleven years of partnership existence, but profits were always divided evenly between the partners at the end of each year. As a general rule, however, Frank Bond left his profits in the business and let them accumulate; George, on the other hand, had occasion from time to time to withdraw large sums from his account, replacing them in whole or in part as the needs of the business demanded. Table 18 reflects the partnership investment before distribution of profits at the end of the years indicated.

TABLE 18  
WAGON MOUND INVESTMENT ACCOUNTS  
(dollars in thousands)

End of Year	G. W. Bond	F. Bond
1893	\$ 1.7	\$ 2.6
1894	4.5	5.6
1895	12.6	14.0

6. Pronounced "pat-ten-gay."

7. Interview with Stuart MacArthur. But cf., Davis, *op. cit.*, p. 1870, recording MacArthur's arrival in Wagon Mound in 1890. Since the store was not operated by the Bonds until 1893, serious doubt is cast upon the 1890 date.

8. Interview with E. W. Howe.

End of Year	G. W. Bond	F. Bond
1896	12.1	20.1
1897	5.2	23.6
1898	23.6	38.9
1899	19.2	42.6
1900	28.0	52.1
1901	.....	.....
1902	.....	.....
1903	20.4	53.5

During this period a continuing necessity existed for capital support of the Wagon Mound store by the Espanola business as well as through short term cash borrowings from the bank and also from George William Bond in Canada, as shown in Table 19. The note in favor of G. W. Bond in Canada was carried through the years as an investment by the elder Mr. Bond rather than through any real requirement of the business. The note carried interest at 4 per cent and seems to have been finally paid in 1914, although the records are not perfectly clear on this point.

The principal activity at Wagon Mound was the sale of general merchandise, but sheep were traded by the Bonds at least as early as 1894, there being \$3,300 worth of sheep in feed lots in Fort Collins, Colorado, during the winter of 1894-1895. A significant investment in sheep continued throughout

TABLE 19  
MAJOR LIABILITIES AT WAGON MOUND  
(dollars in thousands)

End of Year	G. W. Bond & Bro. Espanola	G. Wm. Bond Canada	Other Bills
1893	\$26.2	\$8.0	\$ 0.0
1894	32.8	5.0	3.0
1895	40.4	5.8	5.0
1896	47.0	5.0	.0
1897	47.0	5.5	.0
1898	48.4	5.0	10.0
1899	48.3	5.0	14.5
1900	47.2	5.0	30.0
1901	47.4	.....	.....
1902	50.0	.....	.....
1903	53.2	5.0	.0

the period under study, ranging from a low of \$20 at the end of 1893 to a high of more than \$46,000 at the end of 1898. The year-end investment in sheep fluctuated due to variations in the flocks and the delivery schedule of sheep sold, but the year-end balances largely reflect the extent of feeding operations undertaken in the winter. The sheep investment during the eleven years of the partnership reflected a steady growth throughout the period, but when the business was incorporated in 1904, the sheep account was transferred completely out, possibly to Roy, New Mexico. However, after that time, the Wagon Mound sheep investment account began to grow steadily again, and by 1914 it was more than it had been at the end of the partnership in 1904.<sup>9</sup>

Detailed profit data for the years prior to 1912 are not available, but a comparison of profits on merchandise, sheep, and wool for the years as indicated in Table 20 reveals that profits from sheep did not exceed the profits from the mercantile business until 1914, and it is highly probable that the earlier years reflected the same condition.

TABLE 20  
WAGON MOUND NET PROFIT FOR SELECTED YEARS

Year	On Merchandise	On Sheep
1912	\$18,104.61	\$ 4,098.83
1913	26,925.83	4,269.40
1914	5,624.06	13,028.55
1915	11,152.56	15,604.66

The precise way in which the Wagon Mound sheep business was carried on is not known since the sheep on hand and those rented out were generally combined, and due to early profit data being unavailable the exact extent of trading is unknown. However, it is fairly clear that flocks were not rented out to *partidarios* to any significant extent until about 1895. Some notion as to the size of the rented flocks can be gained from Table 21. Data for other years are unavailable.

<sup>9</sup> *Records, loc. cit.*

TABLE 21  
WAGON MOUND *PARTIDA* FOR SELECTED YEARS

Year	Sheep
1900 .....	30,000
1903 .....	20,000
1913 .....	12,000 <sup>a</sup>
1915 .....	10,654

a. Rented at 20 lambs per 100 ewes. *Letter Book No. 6*, January 10, 1914.

Trading in wool by the Wagon Mound store continued to be of a relatively minor nature. George got off to an inauspicious start in 1895 when he wrote off to profit and loss "over \$2,000.00 for wool as we are doubtful of getting anything further out of consignment of last August. We are sure not to unless the tariff bill passes."<sup>10</sup> Profits on the sale of wool during the years from 1912 to 1915 averaged about \$3,500 a year. Wagon Mound wool was generally marketed in Boston, but some was also shipped to the scouring mill in Trinidad, Colorado.<sup>11</sup>

The mercantile business flourished, however, and it accounted for the major portion of the profits, exhibiting a steady and healthy growth. The only available profit data on this activity are presented in Table 20, *supra*, but the year-end investment in merchandise inventory is noteworthy and is presented in Table 22.

No absolute reason can be advanced as to why the merchandise inventory was valued at zero at the end of 1903, but it may have been due to a fire loss suffered in that year. It is interesting to note that the merchandise inventories were valued at ninety cents on the dollar in 1897, seventy-five cents in 1898, and ninety cents in 1899. That portion of the merchandise inventory that may have been on consignment was usually reflected as a liability.

Conservatism in asset valuation is further indicated by the fact that open accounts receivable were usually valued at seventy-five cents as were bills receivable, except that prior to 1900 bills were examined individually and only those considered to be actually collectible were reported as a receivable.

10. *Ibid.*

11. *Ibid.*; *Infra*, chap. viii.

In later years, beginning about 1912, the value placed on bills and accounts was increased to ninety cents on the dollar. After 1912, real estate and merchandise inventories were valued at seventy-five per cent of book cost.

TABLE 22  
INVESTMENT IN MERCHANDISE INVENTORY,  
WAGON MOUND  
(dollars in thousands)

End of Year	Amount
1893 .....	\$17.9
1894 .....	19.5
1895 .....	21.6
1896 .....	16.8
1897 .....	27.4
1898 .....	28.9
1899 .....	33.8
1900 .....	28.9
1901 .....	...
1902 .....	...
1903 .....	.0
1904 .....	17.1
1905 .....	22.3
1906 .....	28.6
1907 .....	33.4
1908 .....	35.7
1909 .....	34.3
1910 .....	31.4
1911 .....	30.5
1912 .....	32.9
1913 .....	40.6
1914 .....	43.7
1915 .....	46.0

Activity at Wagon Mound was by no means limited to merchandise, sheep, and wool. No respectable opportunity that promised a return of profit was denied so long as the risk was reasonable and the expected return was commensurate with the risk. The regular mercantile lines were supplemented with lumber, hay, wagons, and beans, there being almost \$3,000 in beans on hand at the end of 1911. Investments were made intermittently, but frequently, in horses, mules, and cattle as well as hides and pelts beginning in 1914. These inventory figures are typical and are quoted in Table

23 for comparison with those of the regular mercantile line. In 1914 a profit of \$69.50 was realized from the sale of cream and \$253.00 from the sale of bones; the previous year saw \$890.00 made on the sale of rams.<sup>12</sup>

TABLE 23  
COMMODITY INVESTMENT, WAGON MOUND\*

Item	Amount
Lumber .....	\$1,500
Hay .....	2,500
Beans .....	3,000
Hides .....	150

a. No specific years are represented. These are typical amounts.

In accordance with Bond's general policy, cash balances on hand were maintained at a low level, year-end balances rarely exceeding \$1,200 and more frequently being in the \$500-\$750 range. Cash deposits were initially maintained in the San Miguel National Bank, but this account was closed in 1894. Thereafter, the depository bank was the First National Bank in Las Vegas, New Mexico. Overdrafts in the bank account were not uncommon, ranging as high as \$4,000 in early 1900.<sup>13</sup>

The real estate account included the store buildings and was not depreciated during the twenty-three years under study except that in 1912, 1913, and 1914, the investment was valued at 75 per cent of cost. The same is true of the store and warehouse furniture account. Initial investment in store property was \$3,976, and additional costs of about \$1,600 were capitalized the following year, 1894. By 1898 the account had increased to nearly \$8,000 and \$3,000 more was added in 1899. Just what this additional investment represented is unknown. However, the investment in store buildings and furniture was completely written off in 1903, presumably due to the fire. After the business was incorporated, the new investment was \$4,721 in real estate and \$1,357 in furniture, increasing gradually through the following years but never exceeding about \$11,000 for both accounts.<sup>14</sup> In 1913, the directors authorized Andy Wiest to

12. *Ibid.*

13. *Ibid.*

14. *Ibid.*

proceed with the erection of an addition to the main store building, and this accounted for an increase of about \$2,500 in that year.<sup>15</sup>

Investments in outside real estate were not to be ignored. Some real estate possibly was acquired in connection with the settlement of accounts in the store since by far the largest part of sales were on credit, and the collection of some accounts occasionally forced the owners to take over ranch property although it was usually done unwillingly due not only to the risk involved and the time and effort necessary to sell it, but also to the Bonds' reluctance to take such drastic steps against their customers and friends. Instances are cited elsewhere to illustrate the endless patience yet dogged persistence exercised in connection with credit problems.

Investment in property by G. W. Bond & Bro., Wagon Mound, included about \$300 in the Trujillo Ranch from 1896 to 1899 and the Mogote and Vermejo Ranches during the same period for approximately \$1,000 each.

A larger investment was made about the turn of the century in the eastern plains region when the Esteros Ranch was purchased for \$6,800. This ranch, lying near Esteros Lake, was about fifteen miles northwest of Santa Rosa, in Leonard Wood County.<sup>16</sup> Whether the Esteros Ranch was situated wholly within the Anton Chico Grant or the Preston Beck Grant is not clear, but the entire area was of growing interest to George and Frank Bond for in 1900 they made an important addition to their holdings by purchasing the Preston Beck Grant.

The grant had been officially designated as the *Hacienda of San Juan Bautista del Ojito del Rio de las Gallines* when it was made to Juan Estevan Pino in 1823. His heirs sold the grant to Preston Beck, and it was confirmed to Preston Beck, Jr., in 1860.<sup>17</sup> The Bonds bought the grant, however, from some unidentified parties in California, working through Hugh Loudon who was at the time manager of the Scottish

15. Minutes of Regular Annual Meeting, March 1, 1913 (in the files of the A. MacArthur Company, Wagon Mound, New Mexico).

16. The present Guadalupe County was formerly known as Leonard Wood County.

17. *History of New Mexico, Its Resources and People* (Los Angeles: Pacific States Publishing Company, 1907), II, 176.

Mortgage and Land Investment Company of New Mexico, in Las Vegas.<sup>18</sup> The property purchased consisted of 62,901 acres of land lying partly in Leonard Wood County and partly in San Miguel County, directly north of Santa Rosa.

The Bonds paid \$43,000 for the grant property and expected that the proceeds from its resale would more than cover their anticipated losses on the Esteros Ranch which they did not consider to be worth its cost.<sup>19</sup> The Esteros Ranch and the Beck Grant investments were therefore combined,<sup>20</sup> representing a total investment of \$49,933.38, and when the Wagon Mound store was reorganized in 1904 and G. W. Bond moved to Trinidad, this investment was transferred from the Wagon Mound investment to the Trinidad books of G. W. Bond & Bro. The grant was rented to J. D. Hand who was given an option to buy the grant at \$1.60 per acre, to be paid \$10,000 down, \$15,000 on delivery, and the balance at 6 per cent interest.<sup>21</sup> The Bonds wanted to net \$1.50 per acre on the grant, but when it was finally sold in 1907, their hopes were not realized and they profited only \$20,680.

In 1899 G. W. Bond & Bro., Wagon Mound, invested in a new business venture to be known initially as G. W. Bond & Bro. (later as Bond & Wiest) and located at Cabra Springs, New Mexico, on the Beck Grant discussed above.<sup>22</sup> This branch, in partnership with A. W. Wiest, is examined in detail elsewhere,<sup>23</sup> but like the Beck Grant, this store investment was transferred from the Wagon Mound books at the time of reorganization in 1904, being moved directly to the capital structure of the Bond & Wiest Company. Thus, from the first expansion of the Bond interests in Espanola to the Wagon Mound area, there arose the third G. W. Bond & Bro. store in New Mexico.

The fourth G. W. Bond & Bro. establishment also evolved

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18. Letter of Hugh Loudon to G. W. Bond & Bro., February 3, 1900, Bond Papers, *loc. cit.*

19. *Records, loc. cit.*

20. *Ibid.*

21. *Copy Book*, February 10, 1906, p. 550 (in the files of Bond & Wiest, Cuervo, New Mexico).

22. *Records, loc. cit.*

23. *Infra*, chap v.

directly from the Wagon Mound business and was located in Roy, New Mexico, a village of about 300 inhabitants in Mora County on the Dawson Railway running between Dawson, New Mexico, and Tucumcari.<sup>24</sup> This branch was put in sometime between 1900 and 1903, the exact date being undetermined. However, since the town was established by Frank and William Roy in 1902,<sup>25</sup> the Bonds must have opened up there either late in 1902 or early in 1903, and at the end of 1903 the accounts reflect an investment in buildings at Roy in the amount of \$6,537.24. This investment, along with the sheep, Cabra store, and the Beck Grant were transferred from the Wagon Mound books during the 1904 reorganization, and no further trace of the Roy property has been found. However, it was not, like the other G. W. Bond & Bro. establishments, a mercantile store. Rather it appears to have included only sheep facilities and range, there being some 2,854 sheep on rent there to George Gonzales from 1907 through 1910.<sup>26</sup>

During this era an unsolved mystery appears among the Bond records. It is in the form of a statement of the Dozier Curio business for the year 1903 which is presented in Table 24 and leaves many questions completely unanswered. Whether the Bonds owned a half interest in this store with C. L. Pollard or whether the Bonds were simply a creditor is uncertain. The implication, however, is that they had a definite interest in the business. No receivable is shown on the books of any other Bond store in existence at the time, nor as a matter of fact is the Dozier Curio business mentioned or even implied anywhere in the records. No one interviewed had ever heard of it, and indeed even its very location is unknown. The physical position and appearance of this statement, however, strongly suggests that this was a business in

24. Max Frost and Paul A. F. Walter (eds.). *The Land of Sunshine* (Santa Fe: New Mexican Printing Company, 1904), p. 207.

25. New Mexico Folklore Society, *New Mexico Place-Name Dictionary*, First Collection-Committee Report, May 14, 1949, p. 23.

26. *Records, loc. cit.* Not solved is the question of why there would be over \$6,000 in a buildings account if there were no store. The records are extremely vague on the point, and while the preponderance of evidence seems to indicate that there was no mercantile establishment at Roy, there is some justification for suspecting that there may have been some kind of commissary facilities at least.

which the Bonds did in fact own an interest and concerning which they received financial data. We therefore put it down as being a part of the Bond system which, like the Bond Sheep Commission Company and the Roy branch, have all but faded into a forgotten past.

TABLE 24

STATEMENT OF THE DOZIER CURIO BUSINESS FOR 1903<sup>a</sup>

Assets			
Mdse on hand Dec. 31, 1903	\$799.09		
Book A/c s.	344.61		
Cash on hand	3.99	\$1147.69	
Liabilities			
Due G. W. Bond & Bro.	\$282.45		
Due C. L. Pollard & Co.	487.74		
Due other parties	52.05		
Undivided Profits	325.45	\$1147.69	

a. The statement is given in the table in exactly the same form as the original.

By 1903, the Wagon Mound partnership had grown to encompass not only the original store site but also three warehouse buildings located across the street on right-of-way property belonging to the Santa Fe Railroad. These three buildings were leased from the railroad, and the two which are still standing today are still under such a lease arrangement.<sup>27</sup> On August 3, 1903, the store buildings were sold on a Warranty Deed to Simon Vorenberg, and the warehouses were vacated on a Quit-Claim Deed in favor of Vorenberg.<sup>28</sup> The business was moved a short distance to the north into a building purchased from the Romero family at a cost of approximately \$4,700.<sup>29</sup>

Shortly after moving in, the new store building burned to the ground in the first of several serious fires the Bonds were to suffer and which served to make them highly conscious of adequate fire insurance coverage on their buildings, stock,

27. Interview with Walter Vorenberg, Wagon Mound, New Mexico, April 27, 1957.

28. Deeds dated August 3, 1903 (in the files of Vorenberg Bros., Wagon Mound, New Mexico).

In his biography of Simon Vorenberg, Coan (*loc. cit.*, p. 205) writes: "He purchased the C. [sic] W. Bond general store at Wagon Mound," implying that the Bonds sold the stock as well as the store buildings to Vorenberg. This detail is unresolved.

29. Interview with Stuart MacArthur.

and wool investments.<sup>30</sup> No evidence is available that would show whether or not this fire was adequately covered by insurance. However, since the real estate and merchandise investments do not appear in the accounts at the beginning of 1904, it can at least be assumed that the loss was sufficiently serious as to justify their write-off.

The increasing confidence which the Bonds placed in MacArthur is indicated by an arrangement that was made with him in 1898 whereby he was to receive 3 per cent of the annual profit. In that year this amounted to \$228.23, and the following year his participation in earnings was increased to 5 per cent, resulting in credits to him of \$997.02 in 1899 and \$678.60 in 1900. This confidence in MacArthur was climaxed when the fire loss occasioned the major reorganization mentioned above and which was marked by the establishment of a corporate structure to replace the partnership. The new company was capitalized at \$30,000 under the laws of the Territory of New Mexico on June 16, 1904, with 30,000 shares of one-dollar stock authorized and issued. Archie MacArthur and Manuel Paltenghe were admitted to the business, the former becoming the principal stockholder. Table 25 gives the respective interests of the incorporators at that time.

TABLE 25

## A. MACARTHUR COMPANY ORIGINAL STOCKHOLDERS

Name	Shares
A. MacArthur .....	12,000
Manuel Paltenghe .....	9,000
G. W. Bond .....	4,500
Frank Bond .....	4,500
Total	30,000

G. W. Bond was elected president of the A. MacArthur Company, as the new business was called, with Manuel Paltenghe as vice-president and A. MacArthur as secretary, treasurer, and general manager. This organization continued unchanged for the next seven and a half years. As general manager, MacArthur was to be paid a salary of \$1,400 per year and had "full authority to engage help and discharge

<sup>30.</sup> *Ibid.*

same, sign checks, and do all business that would naturally fall to the manager and secretary.”<sup>31</sup> G. W. Bond, who had been at Wagon Mound since the business was started, now turned over active management of the store to MacArthur and moved to Trinidad, Colorado, where he continued his partnership relation with his brother and also entered into the investment and real estate business. From this time onward, although he retained an active interest in the various Bond enterprises, his influence was felt largely through Frank and from afar. Archie MacArthur remained at Wagon Mound in active control of the business.

In July, 1911, MacArthur became sick and required major surgery. Through Dr. Northwood, G. W. Bond proposed that the Bonds pay for the operation and all the attendant expenses, to which Frank readily agreed, pointing out that the expense should not be charged against the business but should be borne fully by themselves on a personal basis.<sup>32</sup>

In order to fill the vacancy left by MacArthur, Frank Bond brought in a temporary dry goods manager by the name of Flack from Colorado Springs, and herein lies another illustration of the Bond readiness to extend special consideration to those who merited extra help. Flack's wife was “kind of a damned fool—never wants Flack to be out of her sight”<sup>33</sup> and so in order to get Flack, Bond paid the travel and living expenses of Flack's wife to and from Colorado Springs while he was on the assignment.

MacArthur's incapacitation, of course, demanded a permanent replacement with not only a sound background in mercantile store management but also a thorough knowledge of sheep and wool husbandry. Such a replacement was found in the person of A. W. Wiest who had been actively managing the Bond & Wiest store at Cuervo, so it was decided that he would move to Wagon Mound, take over the management of the business there, and at the same time retain control of the Cuervo store.<sup>34</sup> Accordingly, for some time Andy Wiest

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31. Minutes of Board of Directors' Meeting, June 16, 1904 (in the files of the A. MacArthur Company, Wagon Mound, New Mexico).

32. *Letter Book No. 6*, July 3, 1911.

33. *Ibid.*, July 8, 1911.

34. *Ibid.*

shuttled between the two stores at frequent intervals, managing both.<sup>35</sup>

A. MacArthur died in February, 1912,<sup>36</sup> just a few days after stock transfers were effected to bring A. W. Wiest formally into the business. No positive proof exists, but correspondence between Frank and George Bond in 1914 indicates that the funds for Wiest's stockholdings were loaned by the Bonds who took Wiest's note for the \$7,000, secured by the stock certificates and that later, in 1914, Andy Wiest proposed to declare a \$35,000 dividend in order to take up his indebtedness, even if it became necessary to borrow money in order to do it.<sup>37</sup>

Stock ownership now stood as displayed in Table 26, and except for shifts necessary to transfer MacArthur's interest to his heirs, no further changes were made during the period through 1915. MacArthur left behind him a widow and four children, Mary Catherine, Helen Elizabeth, Monica Louise, and A. Stuart.<sup>38</sup> The latter now operates the business in Wagon Mound.

TABLE 26  
A. MACARTHUR COMPANY STOCKHOLDERS AS OF  
JANUARY, 1912

Name	Shares
A. MacArthur .....	9,000
M. Paltenghe .....	7,000
G. W. Bond .....	3,500
Frank Bond .....	3,500
A. W. Wiest .....	7,000 <sup>a</sup>
Total	30,000

a. Three thousand shares were transferred from MacArthur, 2,000 from Paltenghe, 1,000 from G. W. Bond, and 1,000 from Frank Bond.

At a special stockholders' meeting held in January, 1912, just before MacArthur's death, A. W. Wiest was elected secretary, treasurer, and general manager while MacArthur was made second vice-president. Paltenghe, MacArthur, and Wiest were authorized salaries of \$1,800 per year, G. W.

35. *Letter Book No. 57*, April 26, 1915, p. 650.

36. Interview with Stuart MacArthur.

37. *Letter Book No. 6*, January 10, 1914; *Letter Book No. 51*, January 28, 1914, p. 59.

38. Stock Certificate No. 11 (in the files of the A. MacArthur Company, Wagon Mound, New Mexico).

Bond receiving nothing as president since he was now living in Boise, Idaho.<sup>39</sup>

The combination of Andy Wiest and Manuel Paltenghe raised some personnel problems which became serious enough in early 1914 to motivate Wiest's suggestion that Paltenghe be removed.<sup>40</sup> The seat of the difficulty is not clear but it seems to have stemmed from ill feelings between them of long standing. That Frank Bond found it necessary on at least one occasion to extract from Andy a promise to leave whiskey alone implies part of the difficulty;<sup>41</sup> on the other hand, Frank Bond considered him a particularly good financier<sup>42</sup> and after receipt of his 1914 statement he was well pleased with Wiest's performance.<sup>43</sup> Neither was Paltenghe without fault. An occasion arose in September, 1914, whereby Frank Bond sold some 2,500 ewes at Encino which had previously been mouthed by Paltenghe and were pronounced to be young ewes. Examination later revealed that 706 head were old ewes, including 150 gummurs. Bond was highly critical of Paltenghe, saying:

I have always regarded him as a very trustworthy and honorable man, but I must say that I don't believe that any man could have mouthed that stuff and left in so many old ewes and which would be known as old ewes to any man who knew anything at all about sheep.<sup>44</sup>

Since in Bond's opinion both men had shortcomings as well as strong points, the difficulty, while serious, was probably one of personality conflict.

Frank Bond felt that all stockholders must be subordinated to the consideration that there must be harmony at Wagon Mound, and he seriously considered the possibility of a separate sheep company, not handling lambs or wool, with himself, George, and Manuel Paltenghe as partners, that would net about 12 per cent on their investment. This would

39. Minutes of Special Stockholders' Meeting, January 24, 1912 (in the files of the A. MacArthur Company, Wagon Mound, New Mexico).

40. *Letter Book No. 6*, January 10, 1914.

41. *Ibid.*, February 23, 1914.

42. *Letter Book No. 51*, January 28, 1914, p. 59.

43. *Letter Book No. 56*, January 19, 1915, p. 533.

44. *Letter Book No. 55*, September 30, 1914, p. 346.

have had the effect of separating Paltenghe from the Wagon Mound business and at the same time make room for Joe Holbrook to come into Wagon Mound from the Bond & Wiest store at Cuervo, a move recommended by Wiest.<sup>45</sup> It was suggested that Manuel Paltenghe could live somewhere else and visit the sheep camps once a month or so,<sup>46</sup> but none of these arrangements materialized and Paltenghe continued to hold his 7,000 shares of stock for another twenty-five years. However, it was undoubtedly from these considerations that the Bond Sheep Commission Company developed and came into existence.

The Bond Sheep Commission Company was set up as a joint venture of the A. MacArthur Company, Wagon Mound, and the G. W. Bond & Bro. Mercantile Company of Encino, New Mexico. Since G. W. Bond and Frank Bond were the major stockholders in the store at Encino (L. F. Nohl held only one share), the parties at interest in the Bond Sheep Commission Company were G. W. Bond, Frank Bond, A. W. Wiest, and Manuel Paltenghe. It was organized in 1913 for the purpose of buying a large herd of sheep as an investment. In June, 1914, Frank Bond wrote to Will McClure in Antonito, Colorado, saying that they had bred these particular sheep for a year "and are now cleaning up and dividing the profits."<sup>47</sup> At the time of writing the flock amounted to 4,000 ewes and 3,200 lambs, a total of 7,200 sheep.<sup>48</sup> It was from this herd that the 2,500 sheep were mouthed by Paltenghe and sold at Encino.<sup>49</sup> After the venture was completed sometime in 1914, the company ceased to exist and passed into history along with the Dozier Curio business as one of the shortest-lived and least known of the Bond enterprises. It was probably a profitable one, but no record remains to show its overall result.

Profitwise, the Wagon Mound business was successful right from the very start in 1893, realizing a profit of \$6,-123.64 during the very first year of operation, representing

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45. *Letter Book No. 6*, January 10, 1914; *ibid.*, January 20, 1914.

46. *Ibid.*, January 20, 1914.

47. *Letter Book No. 53*, June 12, 1914, p. 41.

48. *Ibid.*

49. *Letter Book No. 55*, September 30, 1914, p. 355.

a return of about 20 per cent on the total family interest.<sup>50</sup> During ten of the eleven years of partnership, the business earned for the two brothers a total of \$168,000, an average of \$8,400 per year to each of the partners from this one store alone.

Even though capital investments in the Wagon Mound venture came from three sources and in varying amounts, profits were divided evenly and credited to George and Frank Bond, none flowing back through the parent business to be reflected as income from an investment by the Espanola firm.

Table 27 compares the investment the Bonds had in the business from 1893 through 1903 both in terms of their partnership account and in terms of total investment including the capital support supplied from Espanola. Profits and profit relationships to financial interest are shown, both with respect to the proprietary accounts and to the total capital structure.

The profit picture after incorporation is unfortunately not so clear because profits for all years are not available. Table 28 shows the undivided profits for each of the twelve years from 1904 through 1915, but since the stockholders distributed profits to themselves in undetermined amounts, the data presented do not reflect earnings. Even disregarding the profit distributions that must have taken place from time to time, the increase in undivided profits during this period indicates an average increase of \$11,500 annually. However, it must be borne in mind that after 1904, the Bonds only received roughly one-fourth of the dividends. The profits for some years are known, however, and they provide an indication that the corporate period under MacArthur and Wiest was every bit as successful as was the previous period under the managership of G. W. Bond. The available data are also included in Table 28.

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50. *Records, loc. cit.*

TABLE 27  
 COMPARISON OF WAGON MOUND INVESTMENT AND PROFITS  
 (dollars in thousands)

Year	Bond Investment			Due Espanola	Total Investment	Net Profit	Return on Investment	
	George	Frank	Total				Partners'	Total
1893	\$ 1.7	\$ 2.6	\$ 4.3	\$26.2	\$ 30.5	\$ 6.1	141.9%	20.0%
1894	4.5	5.6	10.1	32.8	42.9	16.9	167.3%	39.4%
1895	12.6	14.0	26.6	40.4	67.0	12.2	45.9%	18.2%
1896	12.1	20.1	32.2	47.0	79.2	7.0	21.7%	8.8%
1897	5.2	23.6	28.8	47.0	75.8	30.6	106.2%	40.3%
1898	23.6	38.9	62.5	48.4	110.9	7.6	12.2%	6.9%
1899	19.2	42.6	61.8	48.3	110.1	19.9	32.2%	18.1%
1900	28.0	52.1	80.1	47.2	127.3	13.6	17.0%	10.7%
1901	...	...	...	47.4	...	...	...	...
1902	...	...	...	50.0	...	...	...	...
1903	28.0	53.5	81.5	53.2	134.7	54.0 <sup>a</sup>	66.3% <sup>a</sup>	40.1% <sup>a</sup>

a. Represents two years—1902 and 1903.

TABLE 28  
EARNINGS AND UNDIVIDED PROFITS  
AT WAGON MOUND, 1904-1915

(dollars in thousands)

Year	Undivided Profit at End of Year	Profit for Year
1904	\$ 9.9	\$. . .
1905	23.3	. . .
1906	39.8	. . .
1907	53.8	. . .
1908	66.3	12.3
1909	86.7	. . .
1910	69.8	. . .
1911	84.1	. . .
1912	115.8	31.7
1913	117.7	39.7
1914	138.2	26.3
1915	138.4	34.3

None of the profit figures shown in Table 28 include allowances for bad debts or for depreciation since it was not until 1913 that refinements in the bookkeeping system provided for these expenses on a formal basis. Beginning in 1913, these reserve accounts were referred to as "Sinking Funds . . . deducted and set to one side to protect any depreciation and loss that may occur."<sup>51</sup> They amounted to \$12,254.41 by the end of 1915.

Table 29 tabulates the profits for the years 1912 through 1915 by type of activity and presents an outline of the type of business activities carried on during those years and the relative importance of each.

51. *Ibid.*

TABLE 29  
WAGON MOUND PROFITS BY ACTIVITY

(dollars in thousands)

Activity	1912	1913	1914	1915
Wool	\$ 4.2	\$ 3.4	\$ 2.7	\$ 3.1
Sheep	4.1	4.3	13.3	15.6
Cattle	.2	.7	.4	.1
Hides & Pelts	.2	.3	.3	.3
Interest	3.2	2.0	2.5	1.6
Discounts	1.7	1.3	1.2	1.4
Merchandise	18.1	26.9	5.6	11.2
Miscellaneous <sup>a</sup>	. . .	.8	.3	1.0
Total	\$31.7	\$39.7	\$26.3	\$34.3

a. Includes profit on rams, cream, and bones.

Just prior to the close of the period with which we are here concerned, the Bond-Connell Sheep and Wool Company in Albuquerque became the next enterprise to spring, at least partially, from the fertile loins of the Wagon Mound business, for in 1914 the A. MacArthur Company invested \$5,000 in the stock of the new venture along with several others. The Bond-Connell Sheep and Wool Company is treated separately and in more detail elsewhere in this paper.<sup>52</sup>

52. *Infra*, chap. xiii.