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

By FRANK H. GRUBBS

11. *Espanola Milling and Elevator Company*

THE earliest record of the Espanola Milling and Elevator Company is a \$64,102.91 investment on the books of the Bond & Nohl Company as of January 30, 1910.¹ Since this is an ending balance, it is likely that the mill was acquired sometime earlier, probably late in 1909. The mill was an old one which had been running in Espanola for a number of years, and it was considered to be a desirable and logical adjunct to the general merchandise business of Bond & Nohl. A great deal of wheat growing was beginning to develop in the country around Espanola, and in 1910 Frank Bond opined that there would be twice as much sown in that year as previously.²

The purchase price, paid to unknown owners, was \$82,784 for the mill and wheat inventory. However, the mill engine was worn out and had to be replaced; this was done with Allis-Chalmers equipment.³ Some difficulty was experienced with the original installation, and Bond estimated that the investment would run to \$85,000 before the new engine was in place and the mill operating.⁴ That the trouble was cleared up satisfactorily is attested by the fact that the engine is still running today in Espanola, operating a sawmill.⁵

The Espanola M. & E. Company, as it was called, was capitalized for \$20,000 but the holders of the stock are unknown. For two reasons it is strongly suspected that all of the mill stock was held by Bond & Nohl. First, the mill is not listed among Frank Bond's assets along with his interest in

1. *Records, loc. cit.*

2. *Letter Book No. 6*, March 16, 1910.

3. *Ibid.*

4. *Ibid.*

5. Interview with David C. Hake, Albuquerque, February 1, 1957.

the other stores nor are any profits or losses on the mill reflected in any identifiable manner in the profits and losses that accrued to him individually. Second, a receivable, identified only as "Espanola Milling & Elevator Company," is carried on the books of Bond & Nohl from January 30, 1910, through the end of 1915.⁶

This receivable on the Bond & Nohl books is identical to a corresponding liability carried by the Espanola Milling & Elevator Company and appears to have been in fact a transfer account through which Bond & Nohl operated the mill as a branch. Its operation in this manner is in some degree confirmed by the notable absence of a cash account in the records of the Espanola Milling & Elevator Company. It is concluded, therefore, that Bond & Nohl paid all expenses of the mill and received all payments, charging and crediting them to a separate set of books through this transfer account.

Through the end of 1915 the Espanola Milling & Elevator Company carried an unexplained asset variously entitled, "Stock Certificates," and "Bond & Nohl Co. stock."⁷ This item amounted to \$15,000 at the end of 1910. At the end of 1911 it is shown as \$14,997 but at the same time three items of one dollar each appear, entitled, "Frank Bond, Stock," "G. W. Bond, Stock," and "L. F. Nohl, Stock."⁸ At the end of 1912 and all subsequent years the balance of this stock certificate account is \$18,000.⁹ The corporate records of the Bond & Nohl Company reveal no ownership of Bond & Nohl stock by the Espanola Milling & Elevator Company at any time, but unfortunately the corporate records of the mill, which might possibly contain the solution to this puzzling account, have not as yet been located. No solution has been found, and no supportable theory can be advanced,¹⁰ so the matter remains a mystery.

6. *Records, loc. cit.*

7. *Ibid.*

8. *Ibid.*

9. *Ibid.*

10. One hypothesis is that Frank Bond, George Bond, and Louis Nohl each put up \$5,000 of their Bond & Nohl stock, a note for \$3,000, and various supplies and materials from the store amounting to \$2,000 in payment for the \$20,000 mill stock. This would account for the presence of the Bond & Nohl stock in the mill accounts even though no formal transfer was made, but it would not explain how the former owners of the mill were paid.

Louis T. Hardy, an old English miller and a friend of the Bonds was brought into Espanola to operate the mill, which he did for a number of years,¹¹ producing a fine flour under the trade name of *Rosalinda*.¹² In the off season, when there was no wheat to be ground, Bond demonstrated an awareness of cyclical production by grinding local chili into powder.¹³ As a result, Bond & Nohl frequently quoted prices to out-of-town customers on "genuine Mexican ground chili."¹⁴ In so doing, they always enclosed a sample of the product, and in mid-1915 chili gave rise to one of the rare bits of state business enjoyed by the Bonds when they successfully bid to sell the State Penitentiary one hundred pounds of ground chili.¹⁵

The first years of operation were singularly unimpressive. The cumulative loss at the end of the first year, 1910, amounted to \$20,012.06, and the only profitable transaction was the sale of four hogs at a profit of \$180.03. Mill expenses during that first year were heavy, and large sums were expended for interest, insurance, oil and packing, coal, sacks, and twine. All expenses were drastically reduced in 1911, and the profit on wheat and flour operations amounted to \$2,-842.24.¹⁶ This profit, however, was insufficient to cover the accumulated losses, and so Bond & Nohl charged \$15,000 off to their own expense, crediting the mill through the transfer account, and reducing the deficit to just over \$2,000.¹⁷

Income and expenses for 1912 do not accurately reflect the operation for that year. Gross income from wheat and flour amounted to slightly more than \$5,000, but large write-offs were made to expense that resulted in an apparent net loss of almost \$18,000. These write-offs included a \$5,000 reduction in real estate, a \$1,500 reduction in the value of the power house, and a write-down of machinery of more than \$11,000. Again it became necessary for Bond & Nohl to charge part of the mill costs against their own expense, and \$20,000 was written off. This \$20,000 contributed by Bond &

11. Interview with J. E. Davenport.

12. Interview with D. C. Hake.

13. *Ibid.*

14. *Letter Book No. 58, passim.*

15. *Ibid.*, June 7, 1915, p. 425; *ibid.*, June 14, 1915, p. 490.

16. *Records, loc. cit.*

17. *Ibid.*

Nohl plus the income from wheat and flour were just sufficient to cover the charges to expense in that year and to liquidate the remaining deficit from previous years.¹⁸

The following years through 1915 were also disappointing, and by the end of 1915 the cumulative profits only amounted to slightly more than \$100.¹⁹ Frank Bond had written \$35,000 off to expense through Bond & Nohl and was discouraged enough with the mill that he offered the entire plant, excluding the engine, boiler, and buildings, to William A. Stafford in Pocatello, Idaho, for \$15,000.²⁰ He wrote Stafford:

We are sorry to have to give up this mill here but on account of so little wheat being raised in this vicinity it does not justify the investment. We are obliged to ship in wheat and do not find it profitable to do this on account of the high freight rates.²¹

In 1915 Frank Bond discussed the possibility of organizing a stock company with Andy Wiest.²² The plan was to include all the merchants in the area in the new company and move the mill to Roy, New Mexico. However, at the end of 1915 the mill was still operating under Bond auspices in Espanola.

12. *Rosa Mercantile Company*

THE Rosa Mercantile Company was organized on March 13, 1912, by Frank Bond, Edward Sargent, A. H. Long, and B. A. Candelaria. It was located at Rosa, New Mexico, in Rio Arriba County, twenty-nine miles west of Lumberton, New Mexico, and just 1½ miles from the Colorado state line.¹

18. *Ibid.*

19. *Ibid.*

20. *Letter Book No. 56*, February 1, 1915, p. 654; *ibid.*, February 6, 1915, p. 654.

21. *Letter Book No. 57*, February 17, 1916, p. 155.

22. *Letter Book No. 58*, May 7, 1915, p. 76.

1. U.S. Department of the Interior, G.L.O., *Map of Territory of New Mexico*, 1903.

An 1882 business directory of New Mexico mentions Espanola and reports its population at the time as 150 persons, but it does not list Rosa among the towns in New Mexico. However, by 1904 Rosa was large enough to boast a post office. *A Complete Business Directory and Gazetteer of the Territory for 1882* (Santa Fe: New Mexican Printing and Publishing Co., 1882); Max. Frost and Paul A. F. Walter (eds.), *The Land of Sunshine* (Santa Fe: New Mexican Printing Co., 1904), p. 219.

The company was capitalized at \$16,000, each of the four stockholders holding an equal interest of 4,000 shares. Alfred H. Long was appointed general manager, and his salary was fixed at \$100 a month.² The principal purpose of the new business was to sell general merchandise, but like the other stores, trading in hides, pelts, sheep, and wool was common to the operation which lasted for twelve years until it was discontinued on December 31, 1923, and subsequently liquidated.³

Long's interest in the new store was financed by Frank Bond on the strength of a \$4,000 unsecured personal note signed by Long and dated March 12, 1912, payable in two years. In addition, 500 more shares were actually owned by Long, but they were issued to Frank Bond so that a personal note for them was unnecessary. However, Long paid interest on the \$500 to Bond regularly,⁴ and finally in 1916 the shareholdings of Bond and Sargent were reduced to 3,500 shares each and the remaining 1,000 were transferred to Long.⁵

Although Edward Sargent had long been a friend and associate of Frank Bond, and A. H. Long had managed the G. W. Bond & Bro. store at Cabra just before the turn of the century,⁶ the fourth stockholder, B. A. Candelaria, is not mentioned at any other point. It is probable that he was in the nature of an outside man, or general foreman of sheep and wool operations at the Rosa location. Indeed, liaison with his counterpart at Espanola, Leandro Martinez, is indicated by the fact that Candelaria endorsed his Rosa Mercantile Company stock certificates for 4,000 shares over to Martinez in 1913 as collateral to protect a note of \$2,115.50 which he signed at 10 per cent interest in favor of Martinez. This met with something less than hearty approval from the other

2. Records of Minutes (in the files of Frank Bond & Son, Inc., Albuquerque).

3. *Ibid.*

4. *Letter Book No. 51*, March 20, 1914, p. 487; *Letter Book No. 53*, August 3, 1914, p. 520; *ibid.*, August 10, 1914, p. 579.

5. Stock Certificate Book (in the files of Frank Bond & Son, Inc., Albuquerque).

6. *Supra*, chap. v. Alfred H. Long was the son of Judge Elisha Van Buren Long, a prominent district judge in Las Vegas for many years and senior member of the Las Vegas law firm of Long & Fort. *An Illustrated History of New Mexico* (Chicago: The Lewis Publishing Co., 1895), pp. 255-257; *History of New Mexico, Its Resources and People* (Los Angeles: Pacific States Publishing Company, 1907), II, 314.

three stockholders who promptly took action as corporation directors to provide that should Candelaria die before the note was paid, the other stockholders would buy the stock and pay the note. They further agreed, on the record, that should any of them wish to sell his stock he would sell it to the other stockholders.⁷

At the end of 1912, the first year, Long turned in a net profit of \$8,421.15, about two-thirds of which had been made on the sale of merchandise and somewhat less than a third on sheep.⁸ Since profits were not to be distributed for some time, interest on the investment was included as an expense. At the end of 1912, the building was valued at about \$1,500 with over \$1,700 in furniture and fixtures. There was more than \$15,000 in merchandise inventory, and Long had almost \$9,500 in accounts receivable with about one-third of that amount in bills receivable.⁹

At the end of the second year of operation Long had a somewhat lesser showing, turning in a profit for the year of just under \$4,000. His sales for 1913 totaled \$44,373.01, a gain of more than \$10,000 over the previous year, but credit sales amounted to over \$38,000 of the \$44,000, and so Frank Bond was constrained to give him some firm advice on credit policy.¹⁰

Bond's efforts to convince Long to be more careful of his credit line produced little effect however. At the end of the

7. Record of Minutes, *loc. cit.*

8. *Records, loc. cit.*

9. *Ibid.*

10. Bond advised:

"There is no question in my mind but you will have to be more conservative in your credit, or your business there will be a failure. You will be unable to meet your obligations when they become due and there will be trouble ahead for all of us. Neither Mr. Sargent or I have any intention of putting any more money into that business. It will have to stand or fall on its own merits, and it is up to you to make a success of it. If your accounts had been good, you should have collected in enough so that you would not have had to go into debt before you were really out of debt, the only way you got out of debt was by using the Bond & Sargent lambs, and then had to borrow to pay us back.

"Mr. Sargent writes me that you have had to borrow money from him, perhaps it sounds better to call it an advance on the wool, but it means the same thing.

"I wrote you the other day about your employees being more than we considered necessary. I haven't changed my mind a particle in this matter, although you have not seen fit to answer my letter. I don't wish to criticize, but surely if you wish to make a success it is absolutely necessary to keep down your expenses, and you must be extremely careful when you credit and at the same time keep down your stock. I know you can run that business and make a success of it." *Letter Book No. 51*, February 20, 1914, p. 245.

following year, 1914, the Rosa Mercantile Company reported total sales of \$41,201.07, of which 89 per cent were on credit. Profits in this third year were up, and almost \$5,500 was credited to the surplus account so that there was almost \$18,000 in surplus at the end of the third year.

In mid-1915 the bills receivable on the books of the Rosa Mercantile Company amounted to close to \$35,000 which Frank Bond felt was altogether out of proportion to the volume of business involved.¹¹ They were promptly reduced, and at the end of the year only \$10,668.99 remained.

The sheep account had been growing during all this time, beginning at the end of 1912 with a modest \$1,800. By the end of 1915 the investment amounted to \$6,767.65, representing 2,935 head of ewes, all of them leased out.

Among Long's renters was a *partidario* named Porfirio Gallegos. Since Gallegos had been trading with a competitor, Long had threatened to take his sheep away from him. The information came back to Frank Bond through Edward Sargent and resulted in the following advice from Frank Bond that exemplifies his philosophy:

[Ed Sargent] says you are going to take away . . . Gallegos' sheep and give them to another fellow. I don't believe much in trying to get even. I understand this man is a good man, quite responsible. I feel satisfied that in time you will get his business. I would strongly advise letting him keep those sheep, and continuing to try and get him to trade with you.¹²

I don't believe it pays to remind customers continually of the many favors we do them, neither does it pay to threaten them that these favors will be withdrawn unless they do so and so.

We have to live up to our promises, but don't expect that from all your customers as that is too much to expect of human beings. Some of them just can't do it.

When you come to talk with Porfirio think of the syrup and vinegar and fly story, and I will guarantee you better success with him than by telling him that you will take away the sheep unless he does so and so.¹³

The Rosa Mercantile Company was in the usual short-of-

11. *Letter Book No. 58*, May 5, 1915, p. 50.

12. *Ibid.*, June 24, 1915, p. 590.

13. *Ibid.*, June 29, 1915, p. 652.

cash position about this time and found it necessary to call on the Santa Fe bank for short term loans. Frank Bond acquiesced and authorized R. J. Palen to advance Long the \$4,500, indicating a willingness to go as high as \$10,500 if necessary. Such notes would be protected by the personal notes of Bond and Edward Sargent. At this time Bond indicated that he felt that the main trouble with the Rosa company was that it was not capitalized for enough at the start, but that it would eventually get on its feet.¹⁴ At the same time, however, he wrote Long at Rosa expressing alarm that business was falling 25 per cent below that of the previous year.¹⁵

The year 1915 ended with a net profit of \$6,400.76, bringing the undivided profits to almost \$25,000. This was earned on sales of only \$33,146.54. It was now possible for Long to pay for his share of the business out of the earnings on his stock, and the following year his holdings were increased to 5,000 shares which he held until the firm was moved to Albuquerque in 1920 and dissolved three years later.

13. *Bond-Connell Sheep and Wool Company*

IN July of 1914 Frank Bond made a trip to Albuquerque and met with Andy Wiest and R. C. Dillon. While there, the three associates decided to organize a new company and expand the sheep and wool coverage of the Bond organization, penetrating the central part of New Mexico.¹ Sheep and wool activity had, of course, been under way for some time in Cuervo with Andy Wiest and in Encino with Dick Dillon, but this was the first move into the middle Rio Grande valley. The new company was to differ with other elements of the Bond system in that there was to be no general merchandise operation at all. Rather, the activity was to concern itself mainly with sheep and wool trading.

The problem of whom to bring into the company to manage the new business was solved in short order by the First

14. *Letter Book No. 59*, August 13, 1915, p. 395.

15. *Ibid.*, August 23, 1915, p. 468.

1. *Letter Book No. 53*, July 17, 1914, p. 371.

National Bank in Albuquerque which recommended Mr. Walter M. Connell for the position.²

Walter Connell, who had been educated at Fordham University and had been employed for two years by the National City Bank of New York, came to Albuquerque from his New York birthplace in 1900. In 1904 he went to Los Lunas where he was associated with Fred D. Huning in the firm of Huning and Connell, Incorporated, dealers in general merchandise, hay, grain, alfalfa, wool, hides, and pelts. Although he retained his interest in Huning and Connell until 1920, he returned to Albuquerque in 1912 where he, with Charles Wade and J. M. Raynolds, was elected a member of the first Albuquerque City Commission on which he served until 1922.³ Since he had also been a wool buyer throughout New Mexico and Colorado for Hallowell, Jones, and Donald, his qualifications for the position were not lacking.

The stock of the new firm, to be capitalized at \$25,000, was held equally by Bond & Nohl Company, Espanola; Bond, McCarthy Company, Taos; G. W. Bond & Bro. Mercantile Company, Encino; A. MacArthur Company, Wagon Mound; and Walter M. Connell.⁴ Connell's 5,000-share interest was paid for in cash by Frank Bond in return for Connell's personal note for \$5,000 which was in turn secured to Bond by the deposit of Connell's stock.⁵

It is a significant indication of Bond's consideration that while Justin McCarthy was not present at the Albuquerque meeting and had not previously been consulted at all on the matter, it was taken for granted that he would want to be in on the new company, and it was thus arranged.⁶ So once more Frank Bond remembered those with whom he was associated and gave them no cause to grumble about being left out of a new venture.

It was not customary for stock companies to appear on

2. *Ibid.*

3. Davis, *op. cit.*, p. 1000; Gladys Neel, "History of Albuquerque" (unpublished Master's thesis, University of New Mexico, 1928), p. 68, citing Albuquerque Board of Councilmen, *Records* XVIII, p. 325.

4. *Letter Book No. 53*, July 17, 1914, p. 371.

5. *Ibid.*, p. 374.

6. *Ibid.*, p. 371.

original incorporation papers,⁷ and so on August 6, 1914, stock certificates were issued to Frank Bond, R. C. Dillon, A. W. Wiest, J. H. McCarthy, and Walter Connell.⁸ Two days later, on August 8, 1914, these 5,000-share blocks were transferred to Bond & Nohl, G. W. Bond & Bro. Mercantile Company, A. MacArthur Company, and Bond, McCarthy Company, respectively. Connell retained his as such and, except that Frank Bond sold one-half of his interest to George W. Bond four years later, the organization's ownership remained constant until the company was finally dissolved in 1926,⁹ becoming the present-day firm of Frank Bond & Son, Incorporated.

Frank Bond was elected president with R. C. Dillon serving in the capacity of vice-president, and Walter Connell was posted to the general managership¹⁰ at a salary of \$75.00 per month.¹¹ Offices for the new company were established in Room 3 of the old Cromwell Building at the corner of Second Street and Gold Avenue in Albuquerque,¹² and to get the offices started they estimated that the office expenses would amount to about \$12.50 per month plus a stenographer at \$25.00 per month.¹³

Sheep trading started promptly, in fact it began even before the corporate organization formalities were completed, for in late July Connell bought 6,800 sheep¹⁴ on which they expected to make twenty cents a head by selling them to sheep feeders.¹⁵ By the end of September, Bond estimated that they had already made a profit of \$5,000 on their sheep pur-

7. *Ibid.*

8. Stock Certificate Book (in the files of Frank Bond & Son, Inc., Albuquerque).

9. Record of Minutes (in the files of Frank Bond & Son, Inc., Albuquerque).

10. Record of Minutes, *loc. cit.*

11. *Letter Book No. 53*, July 17, 1914, p. 382. Upon dissolution of the corporation in 1926, Frank Bond suggested a retroactive adjustment of Connell's salary to \$300 per month from 1914 to 1923, and he was paid \$5,883.06, representing back salary, with interest, adjusted for a profit distribution made to him in 1919. Record of Minutes, *loc. cit.*

12. Record of Minutes, *loc. cit.*; *Letter Book No. 55*, September 7, 1914, p. 128.

13. *Letter Book No. 53*, July 17, 1914, p. 382.

14. Bond wrote:

"Our new company at Albuquerque has just closed a deal with Mr. Bursum for 6000 lambs at \$5.25 and 700 old ewes at 2½¢, 50¢ advance per head. This is the highest price that has been paid in that country that we know of, in fact it is about the first price that has been made." *Ibid.*

15. *Ibid.*, July 23, 1914, p. 439.

chases,¹⁶ and indeed the profits for the six months ended December 31, 1914, amounted to \$5,229.32.¹⁷ The income was all from sheep.

At this time the major assets were represented by \$18,000 in cash and 3,414 ewes valued at \$12,000. Liabilities amounted to only \$132 owing to F. A. Hubbell, and so the company was in a highly favorable current position after such a short period of operation.¹⁸ In fact, the cash position was such that Frank Bond took time out on New Year's Day of 1915 to write Walter Connell suggesting that Bond & Nohl borrow the excess cash reserves of Bond-Connell at 6 per cent interest until Bond & Nohl turned their sheep the following March. At the same time he suggested that Bond-Connell declare a dividend, leaving enough profit to cover expenses to the beginning of the next year so as not to use any of the capital.¹⁹

Walter Connell replied and suggested a 10 per cent dividend,²⁰ but Bond felt satisfied that the stockholders wanted 15 per cent instead of 10 per cent, and so he promptly ordered Connell to remit the 15 per cent dividend without waiting for further authority.²¹ Since no stockholders' or directors' meetings were held between August 8, 1914, and February 12, 1916, no confirmation of such a dividend distribution was made in 1915, and by the following year the matter was apparently overlooked.²² However, there was a meeting of all the store managers at Espanola on January 28, 1915, and the matter was undoubtedly discussed, with Bond's action being accepted without question even though it was never officially recorded.

The prime topic of conversation at this managers' meeting was the proposition that they get together and start a new bank in Albuquerque.²³ The suggestion met with a favorable reception from all the managers, and Frank Bond him-

16. *Letter Book No. 55*, September 22, 1914, p. 296.

17. *Records, loc. cit.*

18. *Ibid.*

19. *Letter Book No. 56*, January 1, 1915, p. 412.

20. *Ibid.*, January 6, 1915, p. 455.

21. *Ibid.*, January 18, 1915, p. 524.

22. *Record of Minutes, loc. cit.*

23. *Letter Book No. 56*, January 30, 1915, p. 642.

self was all in favor of branching out of the traditional sheep, wool, and merchandise fields into this new and enticing area of activity in Albuquerque. His view may have been influenced to some degree by the fact that he was at the time seriously considering buying more of the Bond-Connell stock and moving his residence to Albuquerque,²⁴ and this thought may have made the idea of opening a new bank sound rather attractive. However, they decided to put the matter up to G. W. Bond for his advice and final decision.

George Bond returned a careful and considered evaluation of the banking proposition in Albuquerque, pointing out that no one in the Bond organization had banking experience or training and that he would not wish to invest in the stock of a bank that was not well established, particularly where strong institutions already existed. He felt that it might be a good investment to acquire some stock in such an institution as the First National Bank in Albuquerque if it were possible to do so and still be able to benefit themselves by conducting their financial transactions through it, but he noted that bank examiners would probably view such loans to stockholders with suspicion. He asserted that it took a good strong bank to be able to take care of even one of their stores and that all the stores were well lined up for credit at very reasonable rates. He also mentioned that in the light of current experience the stores were paying better return on invested money than were the banks, remarking at the same time that since the stores didn't have cash available to pay out dividends it didn't look as though they would have the money to put into bank stock.²⁵

The banking project was dropped.

The second result of the January 28 managers' meeting was a decision that Bond-Connell should go into the hide and pelt business. Actually, this had been included in the original organization plans, but Connell had not thought there would be enough profit in it to justify the operation. Since that time, however, Connell and Dillon had studied the matter further and now recommended a trial, so it was determined that an

24. *Ibid.*, January 19, 1915, p. 530.

25. *Letter Book No. 57*, February 9, 1915, p. 44.

attempt would be made for perhaps a year since it wouldn't require any extra capital.²⁶

Justin McCarthy was somewhat hesitant about going into hides and pelts in the Taos area until the wool season was over due to his feeling that if they did, Charles Friend and Company might interfere with their wool activities through George Anton who was their representative in the territory.²⁷ Friend and Company was at that time competitively engaged in buying wool in New Mexico and consigning it to the Boston markets in the same manner as Bond.²⁸ However, Frank Bond told Connell to go ahead because if they should "allow anything like Geo. Anton to scare us out of doing anything, we should be out of business entirely."²⁹

Upon his return to Albuquerque, Connell promptly began looking for a hide and pelt warehouse and employed a Mr. Thomas to handle this end of the business, paying him \$125 per month and 10 per cent of the net profits.³⁰ By April he had bought his first carload of pelts and had completed arrangements for their disposal through the Norton Tanning Company.³¹ Bond meanwhile overcame some reluctance on the part of some of the other stores to deal through Bond-Connell by pointing out to one of the managers that Bond-Connell had a right to expect business from all the stores even if they should not always get the very top prices.³² Thus by the end of 1915 the Bond-Connell Sheep and Wool Company had handled almost 305,000 pounds of hides and pelts, representing a dollar volume of more than \$48,000, and returning a profit to the company of \$2,889.74.³³ However, for some reason not now apparent the directors decided at their meeting of February 12, 1916, that the company should immediately discontinue all hide and pelt business.³⁴

26. *Letter Book No. 56*, January 30, 1915, p. 642.

27. *Ibid.*, February 2, 1915, p. 664.

28. *Letter Book No. 58*, June 30, 1915, p. 667.

29. *Letter Book No. 57*, February 8, 1915, p. 11.

30. *Ibid.*, February 20, 1915, p. 164. Presumably this applied to profits realized from the sale of hides and pelts only.

31. *Ibid.*, April 26, 1915, p. 653.

32. *Letter Book No. 58*, May 5, 1915, p. 52.

33. *Records, loc. cit.*

34. *Record of Minutes, loc. cit.*

In April, 1915, Frank Bond was optimistically expecting that the Albuquerque business would be about double, and in August he predicted that the company would make a profit of not less than \$20,000 that year.³⁵ He underestimated by just \$136.64.

At the time of this prediction around 23,000 head of ewes had been purchased at Albuquerque at prices ranging from \$4.50 to \$5.00 per head which were being turned at from \$.50 to \$1.00 per head profit. Bond felt that their past policy of keeping scarce ewes in the country should be continued by not buying any from their customers except when they insisted on selling.³⁶ The following month, September, Bond-Connell bought 25,000 more lambs from Ilfeld and Garcia at \$6.75. On this purchase of \$168,750 they anticipated a profit of about \$3,500, and the Albuquerque business now owned 50,000 head of sheep.³⁷

In 1915 Bond-Connell handled sheep, wool, hides, and pelts in the quantities listed in Table 55 which represented a total dollar volume of more than \$734,000.³⁸

TABLE 55
BOND-CONNELL SALES FOR 1915

Item	Quantity
Sheep	150,572 head
Wool	454,753 pounds
Hides & Pelts	304,730 pounds

The net profit for the year was \$20,136.64, not including unrealized profit on \$92,000 worth of wool³⁹ which was in the Boston warehouses, sold but not yet collected. There were more than \$36,000 worth of sheep on hand at the end of the year along with \$7,500 in hides, pelts, and wool in the Albuquerque warehouse. Accounts payable were less than \$100, and although there was \$84,000 owing to Hallowell, Jones,

35. *Letter Book No. 59*, August 27, 1915, p. 523.

36. *Ibid.*, August 21, 1915, p. 453.

37. *Ibid.*, September 14, 1915, p. 686.

38. *Records, loc. cit.*

39. Valued at cost.

and Donald from wool advances, this was more than amply covered by the wool in Boston.⁴⁰

After just eighteen months of operation the new Albuquerque venture, started with just \$25,000 in cash, had returned \$25,366 in profit of which \$21,600 still remained in surplus.⁴¹

14. *Bond-Sargent Company*

LESS than two weeks after George Bond advised so strongly against the suggestion that the Bond stores join in a banking venture in Albuquerque, Frank Bond began thinking about the possibility of broadening the coverage of their system to include the west central part of the state, and he first mentioned this possibility to his brother on April 17, 1915.¹

At this time George Bond, who was living in Boise, Idaho, planned to move back to New Mexico, and the original thought was that he and his brother would join with a new manager to open a new store and sheep business in Grants, New Mexico, about sixty miles west of Albuquerque, on the railroad, and proximate to the vast Navaho Indian Reservation lying to the north. Frank Bond wrote:

We will all be glad to have you back in New Mexico again, as it will add very materially to our weight in the business of the state among business men. . . . You know that you and I don't know any other pleasure except our business. I think it is a great misfortune that we should be so, and especially so when we pretend to cut adrift from business, but it can't be helped, so the only thing for us to do is to stay with the business as long as our health is good; and I believe if we can bring in and associate young men with us, we will continue to be successful. I think we are remarkably good men physically for our age.²

40. *Records, loc. cit.*

41. *Ibid.*

1. *Letter Book No. 57*, April 17, 1915, p. 612.

2. *Ibid.*, April 26, 1915, p. 650. Although troubled somewhat with rheumatism after he passed fifty, Frank Bond remained in remarkably good health and continued to be very active, enjoying fishing trips to his favorite spot in Santa Clara Canyon as frequently as he could manage it, taking his young son, Franklin, with him when possible. *Letter Book No. 57*, April 28, 1915, p. 683; *Letter Book No. 58*, June 29, 1915, p. 658; *Letter Book No. 59*, July 9, 1915, p. 83.

Both Frank Bond and Ed Sargent must have been basking in the pleasant reflection of the success they were having in Albuquerque for just a few days later they met, quite by accident, on the train going to Denver. While discussing business, Ed Sargent through pure coincidence suggested that in his opinion Grants appeared to be a good place to open a new store, and after further discussion he offered to go in on such a venture if George Bond did not care to. Frank Bond thought very highly of Sargent and suggested to George that Sargent be brought into the new business anyway,³ expressing a willingness to share some of his own stock with Sargent.

Several people were being considered as possible candidates for store manager at Grants. Among them were William McDougall from Carthage, New Mexico, and one of Justin McCarthy's employees named Beery.⁴ Accordingly, an interview was arranged in Albuquerque for McDougall and, having made a favorable impression, he was offered the job.⁵ However, he turned it down, and Beery, whom George favored, became the major candidate.⁶ This too came to naught when Justin McCarthy refused to make him available.⁷

Meanwhile, other negotiations were under way to acquire a site in Grants for the new business. One possibility of a location there was a store operated at the time by Emil Bibo. The Bernalillo Mercantile Company, Bernalillo, New Mexico, made a proposition to Frank Bond in May, 1915, under the terms of which they would agree to stay out of Grants provided that the Bonds buy out Bibo's stock and also buy the

3. Frank Bond wrote: "I think Ed Sargent is as good a sheep man as there is in New Mexico, and is going to be wealthy if he lives." *Ibid.*, April 26, 1915, p. 652.

4. *Ibid.*, p. 650.

5. *Letter Book No. 58*, May 18, 1915, p. 176.

6. *Ibid.*, May 24, 1915, p. 252.

7. Bond grumbled to Sargent:

"We could do nothing with Beery. I never mentioned it to him, for the reason that Mac wants to keep him on. I think Mac is selfish about this, but it is not a matter that we can very well interfere in. Mac will keep him just as long as he possibly can, and will pay him just as little as he has to. This is business, but if we had done that with McCarthy, he would be very poor today. He should be willing to allow the other fellow the opportunity he had." *Ibid.*, June 1, 1915, p. 345.

buildings.⁸ Bond was willing to buy Bibo's stock and thus keep the Bernalillo Mercantile Company out of Grants, but he would not go so far as to buy the buildings.⁹ He informed the Bernalillo Mercantile Company that unless the buildings could be leased, they would build a store of their own.¹⁰ In reply to that, the Bernalillo Mercantile Company bought the Bibo facilities themselves, and so Bond's attention was turned to the possibility of buying some property and building his own store.¹¹ However, Emil Bibo and several members of his family controlled leases on much of the desirable property in Grants, especially one particularly good site owned by the Atchison, Topeka, and Santa Fe Railroad.¹² Through the good offices of F. B. Houghton, Freight and Traffic Agent for the Santa Fe in Chicago, the efforts of the Bibos to keep the new store out of Grants were thwarted, and arrangements were made to acquire Simon Bibo's lease from the Santa Fe when it expired.¹³

During these negotiations, which extended through September, other expansion irons were being put in the fire. Some serious consideration was being given to the possibility of opening a store in Ft. Sumner,¹⁴ the possibility was discussed of moving the flour mill from Espanola to Roy,¹⁵ and a proposition to buy the Cubero Trading Company for \$25,000 was turned down.¹⁶ In addition, rumors were spreading that the Bonds were planning to open a new store, and one individual even offered them free land if they would locate in Bluewater.¹⁷ Just in case the plan to locate in Grants did not work out, alternate locations in Gallup and in Magdalena were

8. *Ibid.*, May 18, 1915, p. 166.

The Bernalillo Mercantile Company was apparently controlled by the Bibo family. The six members of the Bibo family, Simon, Joe, Nathan, Solomon, Emil, and Leopold, operated stores at Bernalillo, Grants, Laguna, Cubero, and Seboyeta. *History of New Mexico, Its Resources and People* (Los Angeles: Pacific States Publishing Company, 1907), II, 610.

9. *Letter Book No. 58*, May 19, 1915, p. 190.

10. *Ibid.*, June 1, 1915, p. 335.

11. *Ibid.*, June 7, 1915, p. 423.

12. *Letter Book No. 59*, August 25, 1915, p. 526.

13. *Ibid.*, September 13, 1915, p. 650; *ibid.*, September 14, 1915, p. 683.

14. *Letter Book No. 58*, April 30, 1915, p. 5; *ibid.*, May 18, 1915, p. 162.

15. *Ibid.*, May 7, 1915, p. 76.

16. *Ibid.*, May 18, 1915, p. 166.

17. *Letter Book No. 59*, August 25, 1915, p. 487.

considered.¹⁸ In general, however, they felt that while the merchandise business would be far better in Magdalena the sheep and wool business, especially sheep renting, would be much better in Grants where the Navaho sheep were to be found,¹⁹ and after all they were principally sheep men.

During these active days the search continued for a manager at Grants as well as for an outside man and a clerk, the three employees that were to staff the Grants business. The manager and outside man were to be selected, but the manager would hire his own clerk. Loudon Mullen was seriously considered for outside man, and a detailed inquiry was made into his character. They wanted a man who was honest, did not drink, and who did not run after women.²⁰ An exhaustive inquiry was made, and it was emphasized that George Bond was "very much opposed to any man who drinks."²¹

Since both McDougall and Beery were no longer candidates for the Grants managership the name of Leonard A. Bond was proposed by Frank.²² Leonard Bond was a cousin of George and Frank who was living in Long Beach, California, at the time.²³ Some difficulty arose over this suggestion due to Leonard Bond's excessively liberal attitude toward liquor. Leonard was, however, directly confronted with the reason for their hesitation to bring him in,²⁴ and he stoutly maintained that he had completely discontinued his intemperance. Because of his strong feelings about alcohol, the decision was left to George Bond who agreed to try Leonard on the job, probably with some misgivings.

By this time, Leonard Bond had accepted a position in Jerome, Arizona, but upon receipt of Frank's notice on July 24, 1915, that he was acceptable and that his cousins were

18. *Ibid.*

19. *Ibid.*, August 28, 1915, p. 525.

20. *Letter Book No. 58*, May 25, 1915, p. 286.

21. *Ibid.*, p. 287. Frank Bond was not the teetotaler that George Bond was, and in fact he used to order a barrel of beer and keep it on ice in the summer, enjoying a pint at noon and again at night. However, it soured on his stomach, and so he quit and thereafter drank very little. (*Letter Book No. 6*, February 23, 1914). He did enjoy smoking good cigars though, and he ordered them from Denver for his personal use. *Letter Book No. 50*, October 29, 1913, p. 161.

22. *Letter Book No. 58*, June 2, 1915, p. 360.

23. *Ibid.*, June 23, 1915, p. 574.

24. *Letter Book No. 59*, July 7, 1915, p. 56.

ready to begin operations in Grants at once,²⁵ Leonard agreed to leave Jerome for Grants. It was arranged that George Bond, Frank Bond, and Ed Sargent would meet Leonard Bond at the Sturges Hotel in Albuquerque on August 2, 1915, and they would all go to Grants and get the business started.²⁶ E. A. Johnston in Santa Fe was commissioned to draw up the Articles of Incorporation,²⁷ and through Ed Sargent, Loudon Mullens was engaged to go down to Grants about September 1 as outside man.²⁸ He was to receive a salary of \$1,000 per year and also the net profit on \$2,000 worth of stock.²⁹

Along toward the end of August, 1915, George Bond decided not to go in with Sargent and Frank Bond on the Grants business after all. Although this meant that Frank Bond and Ed Sargent had to put up more money, they felt that this was probably a better arrangement because they would have to do most of the on-the-spot hustling as George Bond was living in Idaho and was back in the sheep business there.³⁰

Therefore, the Bond-Sargent Company, Grants, New Mexico, was organized on November 20, 1915, with shareholdings as shown in Table 56.

TABLE 56

BOND-SARGENT COMPANY, ORIGINAL ORGANIZATION

Frank Bond	11,250 shares
Edward Sargent	11,250 shares
Leonard A. Bond	7,500 shares
Total	30,000 shares

No financial data are available for the few short months which the Bond-Sargent Company operated before the close of 1915, but that it did develop into one of their successful stores is evident from its continuance to the present time as the Bond-Gunderson Company.

25. *Ibid.*, July 24, 1915, p. 196.

26. *Ibid.*, July 27, 1915, p. 233; *ibid.*, August 7, 1915, p. 385.

27. *Ibid.*, August 2, 1915, p. 294.

28. *Ibid.*, August 14, 1915, p. 447.

29. *Ibid.*, August 27, 1915, p. 518.

30. *Ibid.*, August 31, 1915, p. 539; *ibid.*, p. 540.

15. *The Bond System—Conclusion*

THE individual business entities and major investment transactions of George W. Bond and Frank Bond have been discussed separately in some detail. However, in order to see the Bond system in its entirety, all but the barest essentials must be stripped away, and the general growth pattern may then be observed as the facts are restated in chronological order.

Espanola was from the beginning the headquarters of the Bond interests. The original store, established in 1883 as a mercantile business, soon developed profitable trading activity in sheep and wool. The first move toward expansion was made nine years later at which time a second G. W. Bond & Bro. store was opened at Wagon Mound, New Mexico. The new business was essentially a twin of the old one, dealing similarly in sheep, wool, and merchandise. Although George and Frank Bond subsequently developed a large system of partnerships, they retained sole ownership of their businesses for the first twenty years, and so the firm name of G. W. Bond & Bro. was carried to each different location as the system expanded.

Until just before the turn of the century they were content to operate the two stores—Frank in Espanola and George in Wagon Mound. They prospered during this time, and in the nine years from 1892 through 1900 they earned total net profits of more than \$246,000 which they divided between themselves as equal partners.¹ From the “very small investment in merchandise” they had acquired from Scott and Whitehead, their combined merchandise inventory had grown to about \$60,000,² and they had 48,225 sheep out on rent with *partidarios*.³ Frank Bond, the young man who stepped off the stage before he was old enough to vote, was personally worth more than \$132,000 at the end of 1900.⁴

By this time they had also expanded again—this time into the east central portion of the territory in Leonard Wood

1. Appendix H.

2. Appendix A.

3. Appendix C.

4. Appendix I.

County. This movement developed simultaneously with the Bonds' first venture into land speculation when they bought the 63,000-acre Preston Beck Grant and opened their third store on it at Cabra Springs. Shortly thereafter the fourth G. W. Bond & Bro. business was begun at Roy, New Mexico, and the twentieth century was off to a vigorous start.

The first few years of the new century were probably the most violently active ones in the entire Bond history. The first event was the coming of the railroad into the Tucumcari-Santa Rosa area. Already a prosperous sheep and wool area, the railroad provided the impetus to boost Leonard Wood County into an even more important wool-growing territory than ever before. With the area booming, the Bonds hastened to close their store at Cabra and move it to a location on the railroad at Cuervo.

The system with business locations in Espanola, Wagon Mound, Roy, and Cuervo was beginning to become awkward to manage on a personal basis because of its geographical dispersion, and some delegation of stewardship was inevitable. The Bonds, however, had wisely foreseen this requirement. Archie MacArthur had been working under George at Wagon Mound for about ten years, and he was ready to move into a more responsible position when the opportunity came; Louis F. Nohl had been brought into the parent store at Espanola under the watchful eye of Frank Bond; and Andy Wiest had joined the business at Cabra just before it was moved to Cuervo. MacArthur, Nohl, and Wiest were all participating to various degrees in the profits of their respective stores; the Bonds were already planning their partner-manager system; and the stage was now set for the opening of 1903.

Early in that year Frank and George Bond joined with Fred Warshauer in the Forbes Wool Company, a scouring mill in Trinidad, Colorado, where George was thinking about moving. The Forbes mill was already an operating business and was scouring wool at the rate of about 4,000,000 pounds of wool a year. The Bonds do not seem to have had a controlling interest in this mill, but aside from their esoteric relationship with Warshauer very little is known about the

ownership of the mill. About the middle of 1903 the Bonds became associated with C. L. Pollard in the Espanola merchandise and lumber firm of C. L. Pollard & Company. Here again the Bonds' interest and their entire relationship with Pollard were maintained in the highest degree of secrecy. By virtue of their investment in this firm, the Bonds also became part owners of the Truchas Lumber Company later in that same year. Continuing that busy season, the Bonds purchased the 27,481-acre Trampas Grant east of Espanola as an investment; in that year too the Bond and Jones Lumber Company rose, faltered, and fell.

But 1903 was not yet over. Shortly after moving the Wagon Mound business into another building the store burned to the ground. This fire seems to have been a turning point in the Bond organization, for Frank and George took the opportunity to make a number of sweeping changes.

When the Wagon Mound store was reopened the partnership form of organization was abandoned and the firm was incorporated. Archie MacArthur was brought into the business as the principal stockholder and was made general manager, and Manuel Paltenghe took a third of the stock. Meanwhile, the Cuervo store was also reorganized as a corporation with Andy Wiest in charge and holding one-half the stock. MacArthur and Wiest were now full-fledged owners of large interests in the business as well as being managers.

George Bond, free to leave Wagon Mound in capable hands, moved to Trinidad, Colorado. This affected the G. W. Bond & Bro. partnership in Espanola only to the extent that there were now two parts—one in Espanola and the other in Trinidad. Frank continued to operate the Espanola business, including the store, and George began making investments in land and sheep in Trinidad. Before 1904 closed the Bonds had joined J. H. McCarthy and Gerson Gusdorf in Taos and opened another mercantile establishment there under the name of Bond, Gusdorf, McCarthy Company. A corporation also, the policy at Taos followed the newly adopted practice of dropping the name of G. W. Bond & Bro. in favor of more

descriptive titles as had been done at Wagon Mound and at Cuervo.

In 1905 George Bond returned to New Mexico, at least on a temporary basis, and established the G. W. Bond & Bro. Mercantile Company in Encino with Charles Scheurich to handle the mercantile department. This business was a corporation also even though Frank and George were the only owners. However, Louis Nohl was issued one share in order to satisfy legal requirements.

The next year, 1906, Louis Nohl became a 32 per cent stockholder in the newly organized Bond & Nohl Company at Espanola. Essentially, Bond & Nohl was the mercantile and sheep trading departments of G. W. Bond & Bro. at Espanola and was in most respects simply a continuation of the old business. This relieved Frank Bond from direct management of the Espanola store, freeing him to supervise on an executive level much in the same manner as George had been freed by the reorganization at Wagon Mound. This completed the major expansion phase of the Bond system that had begun with the acquisition of the Forbes Wool Company early in 1903, and at the end of 1906 the Bond enterprises had gross assets of more than \$1,250,000.⁵

The following year Gerson Gusdorf left the Taos store, and the company was reorganized so that George, Frank, and J. H. McCarthy became equal partners in the Bond, McCarthy Company. In 1907 also, the Bonds finally sold the Trampas Grant to the Las Trampas Lumber Company.

In 1908 R. C. Dillon joined the G. W. Bond & Bro. Mercantile Company in Encino, and George Bond was once again at liberty to devote his time to the G. W. Bond & Bro. investments in Trinidad. The next year, 1909, marked the end of the secret but stormy Bond-Pollard association in the C. L. Pollard Company. After Pollard's departure the business was called the Espanola Mercantile Company, and the Bond interest in it remained hidden from the public view.

Another period of expansion activity began in 1910 when the Bond & Nohl Company acquired control of the Espanola

5. Appendix D.

Milling & Elevator Company and began to operate it as a branch.

A major change developed in 1911 when Frank and George Bond decided to terminate their twenty-eight-year partnership and George moved to Idaho. This partnership dissolution was academic in a sense for the partnership assets were equally divided and George Bond's personal shareholdings in the various stores remained unchanged.

In 1912 Frank Bond joined Edward Sargent and A. H. Long to organize the Rosa Mercantile Company in Rosa, New Mexico, a typical Bond store dealing in sheep and wool as well as in merchandise. Archie MacArthur died that year, and the resulting vacancy was filled by Andy Wiest who moved to Wagon Mound, acquired an interest in the business, and became general manager there. Wiest's move, in turn, created a vacancy in Cuervo. Joe Holbrook, Jr., who had been there with Wiest since 1906 and had informally shared in part of Wiest's stock, was named general manager of the Bond & Wiest store, the name of which was not changed.

The Bond Sheep Commission Company was organized the following year for a specific sheep venture involving a large herd of about 30,000 sheep. After a brief but profitable existence it passed into history after having served its particular purpose. In that same year the Trampas Grant was returned to Bond control due to legal complications in the land titles, and Frank Bond became president of the Las Trampas Lumber Company, the same holding company to which he had sold the grant six years previously.

Two more major expansion moves remained to be made before the close of 1915. In 1914 Frank Bond, R. C. Dillon, Andy Wiest, and J. H. McCarthy joined together with Walter Connell to organize the Bond-Connell Sheep and Wool Company in Albuquerque. This new organization was set up for the specific purpose of trading in sheep and wool, but it differed from most of the other enterprises in that there was no mercantile store in connection with it. However, the next expansion move did include a store, for shortly before the close of 1915 Frank Bond and Ed Sargent organized the Bond-Sargent Company in Grants, marking a significant

move into the heretofore almost untouched Navaho lands on the west side of the state.

This, then, fits the major segments of the complex Bond system into their respective places. It was not a simple system. The Bonds' ability and, more importantly, their willingness to shift emphasis, change organization, and try new methods of operation not only contributed to this complexity but also stamped the Bonds indelibly as being thoroughly progressive. As they grew and flexed with the changing times they lost little time bemoaning mistakes of the past; rather, they oriented themselves to the future.

When Frank and George Bond arrived originally in the Territory of New Mexico, they had found an expanding economy of sheep and cattle husbandry that offered opportunities limited only by their own ability and industry, and in neither of these qualities were they lacking. The basic consideration that influenced their choice of an obscure frontier town can only be conjectured, for Espanola was just a year old and could claim a population of only 150 persons. Whatever may have been their primary motivation for settling there, the system of mercantile partnerships and sheep trading combinations which they developed had a profound effect on the economic development of a large part of northern New Mexico.

The last year included in this appraisal of Frank Bond and his associates is 1915, and at the end of this thirty-two year span he had important interests in no less than a dozen major firms, including his own sheep business, with total assets of almost a million and a half dollars. It is possible that he did in fact have interests in other enterprises which have not been detected, and other business ventures had in that time most certainly come and gone, but the outside organizations in which Frank Bond was primarily interested at the close of 1915 were as follows:

A. MacArthur Company
Bond & Wiest Company
Espanola Mercantile Company
Forbes Wool Company

Bond McCarthy Company
G. W. Bond & Bro. Mercantile Company
Bond & Nohl Company
Espanola Milling & Elevator Company
Rosa Mercantile Company
Bond-Connell Sheep & Wool Company
Bond-Sargent Company

The merchandise inventory on the shelves of those firms that handled merchandise totalled almost \$200,000,⁶ and they had collectively earned profits in the years thus far of more than \$1,377,000.⁷ Frank Bond's personal worth at this time is estimated at more than \$541,000 with the stock in the various stores very conservatively valued at par.⁸

The Bond mercantile system was an important source of supply not only to the *partidarios* but also to the general public, and the stores were of course important and steady income producers for the Bonds. However, the Bonds' first love was sheep and wool, and the paucity of data on the numbers of sheep traded, rented, and fed is indeed unfortunate. At the end of 1915 the total investment in sheep was more than \$417,000,⁹ but the sheep investment accounts do not provide an accurate indication of the number of sheep represented. Indeed, it is known that upon occasion the account reflected a zero balance when in fact several thousands of sheep actually were on hand. There appear to have been more than 150,000 sheep under control of the Bond system at the end of 1915,¹⁰ but it is likely that the actual count more nearly approximated twice this number. Certainly to the extent that the early southwestern merchant made his contribution and to the extent that sheep and wool husbandry can be said to have contributed to the economic development of New Mexico, the activities of Frank Bond, his brother, and his associates can properly be credited with having influenced that development.

Of importance was the profit-sharing technique adopted

6. Appendix A.

7. Appendix H.

8. Appendix I.

9. Appendix B.

10. Appendix C.

by the Bonds, a policy that contributed significantly to the success they enjoyed. They literally gave their stores away. Forming business partnerships for the purpose of undertaking some specific or special activity was not an uncommon practice among New Mexico merchants,¹¹ and likewise the practice of sharing profits with managers and others in positions of trust was commonly practiced by others. The Bonds began their association with MacArthur, Wiest, Nohl, and Dillon in this way. However, simple sharing of profits as a form of payment for services did not necessarily imply ownership. The Bonds were probably unique in that they not only brought their managers into actual ownership but also loaned them the money with which to buy their interest in the business. In one case they even arranged to pay 6 per cent dividends every year so that the manager might have the money to pay the 6 per cent interest they charged him on the loan.

No record exists of the exact terms under which these manager-owners were brought into the business nor of the precise agreements that were made. These were undoubtedly private transactions made with the Bonds personally and do not appear to have been made part of the company records in any respect. The best glimpse we have is the arrangement with R. C. Dillon that has been described.¹² It seems to have been fairly typical, but there were certainly other variations.

The scheme they adopted of giving stock in return for a note and then accepting the stock as security for that note was merely a mechanism. More important is the notion that a manager could begin with almost no capital funds of his own and logically aspire to achieve ownership in a very real sense. Spurred by the knowledge that he would emerge as an important owner of the business, the manager was thus constrained to operate the business in the most economical, efficient, and profitable manner possible.

An observation of note in connection with this philosophy is that their manager-owners were not members of the Bond

11. William J. Parish, "Charles Ilfeld, Sedentary Merchant in the Arid Southwest, 1865-1884" (unpublished D. C. S. dissertation Graduate School of Business Administration, Harvard University), p. 124.

12. *Supra*, chap. x.

family. Only one such instance has been noted and even this was a last resort after all other efforts to find the right man had failed.

The success of their philosophy had its foundation in the strong ties of friendship that existed between the Bonds and their managers. Frank Bond's concern for the store managers was illustrated during Archie MacArthur's last illness. After having made arrangements for Andy Wiest to go to Wagon Mound, he wrote to MacArthur:

Take the best possible care of yourself until Andy arrives, and after he arrives, don't do a thing except post him for a few days, then by all means get up and leave, and don't come back and take hold of that business until you know that your health is all right. I know that Andy can swing that business . . . and your health is everything to all of us.

I am not much of a hand to brag, but I have repeatedly said that we have the best men in New Mexico as managers of our stores, and I don't believe they can be beaten anywhere, and we have naturally a very high regard for them. They have made money for us, and have been very loyal to us, and we most certainly appreciate it, and consider their health above any business consideration of any kind.¹³

This arrangement for Wiest to take charge of the Wagon Mound store worried MacArthur because he didn't think he should be entitled to any profits while he was away from the business, yet at the same time he did want to keep an interest in the store. Frank Bond's generosity and affection for his managers again came to the fore on this occasion as expressed by Frank to his brother:

Dr. Northwood told me and Andy that Archie would want to keep an interest in the business even if he shouldn't be able to take charge, and I told them both that in that event if necessary Archie could have my interest, and I would withdraw from the company. I just thought . . . that should Archie not be able to take charge . . . that when a reorganization of the company takes place, there will scarcely be enough stock to go round, and make things satisfactory to Andy, Archie and Manuel, and in order to give Archie a satisfactory deal, it

13. *Letter Book No. 6*, July 9, 1911, p. 153.

might be . . . [better] . . . for me to give up my stock. I didn't say a word to Archie about this nor shall I until it becomes necessary to reorganize, which I hope will not be necessary. . . . Andy expressed himself that as long as he remained in business he wanted both of us to be woth [sic] him, and repeated the conversation he had with you one time at Cuervo, when you mentioned that he didn't need us.¹⁴

Numerous other instances can be cited that similarly express Frank Bond's partnership philosophy. Their summation is a business founded on a bedrock of loyalty and mutual trust.

Recitation of the exploits of many men of far less stature now burden our library shelves with literally tons of paper, but it is not surprising that the Bond name, remembered with respect by their contemporaries, has been thoroughly overlooked in the writing of New Mexico history. They simply were not good "copy." Frank Bond abhorred the limelight and was content to know that while others made noise he made some money. The Bonds unquestionably provided the substantial and solid sort of contribution to the commerce of the prairies that is the very essence of American tradition. Frank wrote on one occasion:

I know you will do the very best you can for us, that is play the game fair so that we will always be able to buy the customers wool another year.¹⁵

14. *Ibid.*, July 8, 1911, p. 149.

15. *Letter Book No. 53*, June 17, 1914, p. 43.