

Grain trade fueled Port's growth during Seaway era

Looking back over 50 years of St. Lawrence Seaway service, the grain trade can be seen as perhaps the most significant factor leading to the growth of the Port of Duluth-Superior. The prospect of shipping grain from the fertile fields of the upper Midwest led to the construction of the Duluth's first grain elevator, in 1870. Nearly a century later, in 1959, that same prospect heralded the arrival of the first deep-draft ("deep-draft" for



The Port's Past
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that era) trans-oceanic vessels to arrive in the harbor, christening the Port as a major player in the world's grain trade.

At the end of the Eisenhower era, the Port of Duluth-Superior was home to 15 terminal grain elevators with

an estimated storage capacity of 70 million bushels. In the decade following the opening of the Seaway, the Twin Ports grew in stature as an international export center. The traditional celebration marking the arrival of the season's first ocean vessel that began in the first year of the Seaway continues today, a triumphant reminder of the Port's significance in the global economy.

Over the past half century, the harbor has seen significant growth and change. Nowhere is this change more evident than in the altered

landscape of grain elevators known as "Elevator Row" that once made Duluth's waterfront so easily identifiable. A roll call of companies operating on Elevator Row coincides with some of the biggest names in the business: Cargill, Peavey, General Mills and AGP. Several of these firms, tracing their origins back to the grain trade of the upper Midwest in the late 1880s, have had long associations with Duluth-Superior.

A comparative survey of the ownership and operational aspects, as well as the architectural variety of the elevators themselves, leads to an even greater appreciation of these mammoth structures. Since the mid-1880s, Rice's Point held the concentration of all of Duluth's elevators. In Superior, elevators have existed from one end of the harbor to the other, interspersed among coal docks, a shipyard and iron ore trestles.

All of the elevators operating at the opening of the Seaway have undergone ownership, management or name changes, with the exception of General Mills' Elevator A. Elevator A, which anchors the northern end of Rice's Point, was built in 1908 by the Consolidated Elevator Company of Duluth to replace an original wooden elevator that operated there from 1894 to June 1908.

General Mills purchased the elevator, constructed of ceramic tile and brick, along with several older, wooden elevators, from Consolidated in 1943. The Minneapolis firm was interested in only the newer

elevator, so the following year it sold the aging wooden structures to the Norris Grain Company, reportedly for a figure higher than its original purchase.

Aside from General Mills, only two other elevators are now operated along Rice's Point, compared with seven at the opening of the Seaway. Among the missing are the Peavey Duluth Terminal, the Occident, Capitol No. 4 and No. 5 and Norris Elevators E, H and I.

Peavey was the most historically significant because of the use of concrete in modern elevator construction. The use of concrete in a cylindrical silo, initially dubbed "Peavey's Folly," rapidly became the material of choice following the successful completion of two sets of silos at Duluth in 1900 and 1901.

In 1959, the Peavey Duluth Terminal loaded the *Ramon de Larri-naga*, the first ocean vessel to call on the Twin Ports upon the opening of the Seaway system. Adjacent to its Duluth Terminal, Peavey began active management of the Occident Elevator in 1960. The Occident was built in 1923 by the Russell-Miller Milling Company of Minneapolis. At the time of its completion the structure was the largest single elevator ever built in the harbor. It also featured something unique at the time – an electrical substation. Occident was the first Twin Ports elevator built without its own steam-powered electrical generating plant.

Duluth's AGP Elevator, operated by Ag Processing, Inc., of Omaha

(1991), resides on the site of the Imperial Mill, Duluth's first flour mill. The present day elevator, built in 1917, is descended from the Capitol Elevator Company of Duluth. Capitol operated the elevator into the late 1940s when it was acquired by International Milling, a Minneapolis-based company that later became International Multifoods.

In spite of the ownership changes, the elevator hung on to its original name of Capitol No. 6 — or Cap 6, as it is still often referred to. Two older wooden elevators, dating back to the Imperial Mill era, Elevators 4 and 5, lasted into the late 1970s. Cap 4 holds the dubious distinction of being the last major elevator complex in the harbor to be destroyed by fire (January 1978).

In 1960, Cargill, Inc., the privately held commodities giant headquartered in Minneapolis, purchased the Duluth elevator properties of the Norris Grain Company of Detroit, with the long-term plan of consolidating several operations in Superior into one central location. The evolution of the Cargill operations at the Twin Ports is not without its share of twists and turns.

Long before its acquisition of the Duluth property, Cargill began operating in the East End of Superior in 1893 as the Superior Terminal Elevator Company.

In 1914, Cargill acquired the adjacent property, the Belt Line Elevator and annex, from its rival Peavey. In 1930 Cargill expanded again, purchasing the Itasca Elevator on Alouez Bay, near the Superior entry, from grain magnate Julius Barnes. By the time the Seaway opened, the Itasca Elevator was Cargill's lone

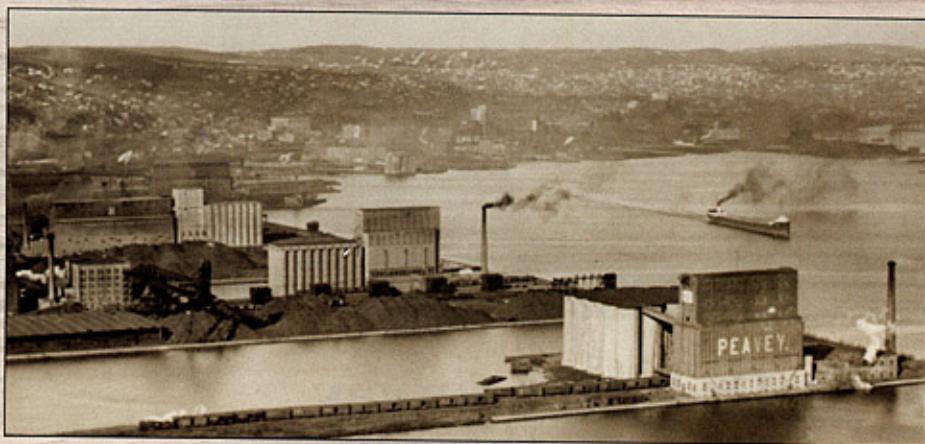
remaining operation on the Superior side of the harbor.

While it continued operating the Itasca Elevator, Cargill began demolishing and renovating the Norris acquisitions on the Duluth waterfront. To go were Elevators F and H, wooden structures built in the 1890s by the Union Improvement and Elevator Company of Duluth. Elevators E and I were updated, while new steel storage tanks were constructed alongside Elevator I.

Operating old elevators was not

The last two decades of the 20th century brought little change to the overall landscape of Rice's Point. The slow, but eventual removal of the old Peavey and Occident elevators left a wide open space between the Port Authority's main dock property (the Clure Public Marine Terminal) and its nearest neighbors. However, as history has proven, stability in the operation of terminal grain elevators is short-lived.

In January 2008, Cargill sold its Duluth business to W. B. Duluth



Peavey was a prominent name on the Port's old "Elevator Row."

an efficient way to conduct business, and with increasing concerns about the structural integrity of its older elevators (Itasca, Elevator E), Cargill soon found itself planning the construction of a new, state-of-the-art facility.

As an interim step, Cargill bought the old Occident and Peavey Terminals, operating them as Cargill C and D, closed the doors to the Itasca Elevator and commenced demolition of Elevator E.

In 1976, the new 2.5 million bushel elevator (Cargill B2) was operational. Within a few years Cargill closed the doors on Cargill C and D; the consolidation was complete.

Storage LLC, a subsidiary of Whitebox Advisors LLC. Changes in elevator operations have continued to evolve on the Superior side of the harbor, too. Meanwhile, in early April, ConAgra announced its intention to sell its elevators in Superior to a New York City investment group, Ospraie Management LLC. The elevator is expected to continue operation under the Peavey name while managed by Gavilon LLC, a subsidiary of Ospraie.

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