

PEORIA'S CLARKE BROTHERS & THE WHISKEY TRUST

By Jack Sullivan
Special to Bottles and Extras

In failing health and only three years from his death, Charles C. (for Corning) Clarke, seen here in his late 30s (**Fig. 1**), was summoned in 1899 from his Peoria, Illinois, home to testify to an elite Washington, D.C. investigating commission about one of America's most notorious organizations, known popularly as "The Whiskey Trust." That enterprise bore a reputation for ruthlessly shutting down distilleries throughout the Midwest and beyond, reputedly using dynamite when necessary.

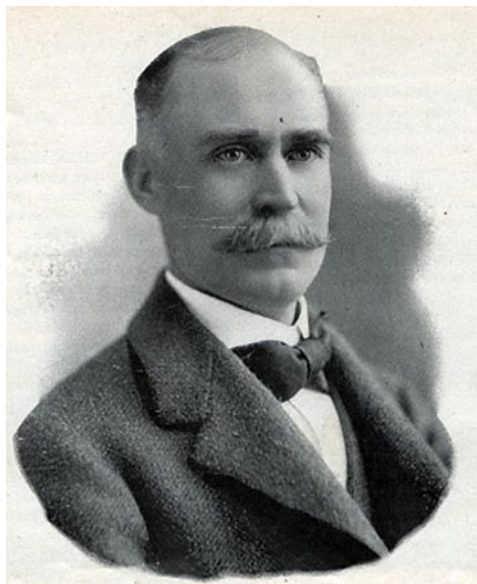


Fig. 1: Portrait of Charles C. Clarke

The Whiskey Trust was headquartered in Peoria (**Fig. 2**) for good reason. When Almiron S. Cole built Peoria's first distillery in 1843 no one could foresee the city would become a world leader in the distilling industry. . River access, good water, an abundance of corn and barley, and ample railroad transportation, however, all contributed to the unprecedented growth of Peoria's alcohol industry. By the 1880's the city boasted 22 distilleries and several breweries.

It is claimed that during this era Peoria produced more whiskey than any city in history. So great was the revenue from the whiskey tax that Peoria's share of taxes paid to the federal government



Fig. 2: Peoria, Ill., in the early 1900s

was larger than any other district in the entire United States. The great wealth enabled Peoria to begin a building boom of magnificent private homes, parks, churches, schools, and municipal buildings.

The Clarkes Come to Peoria

Charles C.'s' father, Charles S. Clarke, was one of Peoria's pioneer distillers. Born in 1821 in Northampton, Massachusetts, the elder Clarke had a natural head for business but a restless nature. It took him first to Illinois in 1841 at the age of 20 and subsequently to Ohio, Mississippi, and Tennessee. In 1849 he showed up in Peoria with a load of dry goods and traded them for a farm at the edge of town. Already prosperous, he settled down, married a local girl named Melissa Randall, and began investing in railroads. After sustaining losses during the Panic of 1857, he sold the farm, moved to the city and started distilling whiskey about 1860 as The Charles S. Clarke Company. His enterprise was assisted by his friendship with Abraham Lincoln and other prominent Republican politicians.

His eldest son, Charles C., was born in 1856 and educated in the Peoria, graduating from the local high school. Early on he began working at his father distillery but his health suffered. As part of his recuperation the young Charles went to Montana for a better climate and got in business raising cattle. Although ranching was physically and financially beneficial to him, his father's retirement brought the young man back to Peoria in 1880.

Taking up his father's distilling

business, he formed a partnership with his youngest brother, Chauncey D. Clarke, and called the firm Clarke Bros. & Co. The distillery stood on Grove Street, at the foot of Persimmon in Peoria. It produced a number of brands, including Castle Rock, Checker Board, Elkhorn Gin, Kickapoo Bourbon, Pearl Spirits, and R.D.C. Bourbon. The flagship brand was Clarke's Pure Rye.

The Nefarious Whiskey Trust

The Clarke Bros. began operating at a tumultuous time in American distilling history. In the 1880s, the average American adult consumed 2.4 gallons of spirits annually. By volume most alcohol was consumed as liquor. Distilleries were opening all over the landscape, increasing competition and generally keeping whiskey prices low. Anxious to insure high profits, a number of Midwest distillers in 1887 organized a monopoly under the name of the Distillers and Cattle Feeders' Trust. It quickly became known as "The Whiskey Trust."

When a distillery joined the Trust its owners received stock but surrendered control of operations to a board of trustees. Of some 86 distilleries that eventually joined (or were forced into) the Trust, only about a dozen were kept operating. The rest were shut down. The idea was to corner an overwhelming market share and fix prices to insure ample profits. At the time such business practices were still barely legal.

Criminal activity often was alleged in the strong arm tactics employed by the Trust against whiskey-makers who refused to join. In February 1888 H. H. Shufeldt, a large Chicago distillery,

reported that an agent for the Trust had been apprehended in its factory. He reportedly confessed in writing to spying. Subsequently, in September a valve on a vat in the same distillery was discovered to have been tampered with in a way that eventually might have caused an explosion.

Three months later at the same site a dynamite explosion did extensive damage to the Shufeldt distillery and blew out windows in the surrounding neighborhood. Strong evidence pointed to the Trust as the perpetrator. Although Federal officials identified an officer of the organization as involved, he was never indicted. The owners of the Chicago distillery subsequently surrendered, joined the Trust, and were promptly shut down.

In and Out of the Trust

No evidence exists that Charles Clarke was involved in this mayhem, but he knew a lot about the Whiskey Trust. The organization headquarters was in Peoria. While not a founding member, early in the existence of the Trust, Charles brought his distillery into its fold. Later on when asked why, he replied: *"I went into the first Trust because I was glamoured with the pictures that were painted of fancy profits, and also because of the intimations that, if I did not go in, the Trust would get after my customers and make life a burden to me....I was quite a*

young man at the time and did not like to go into a combination and lose control of my business, but after some time I agreed to do it. I regretted it from the day I went in, although I secured very good profits for a long time."

The Trust shut Clarke Bros. down, gave them \$100,000 in stock, and put each of the brothers on the payroll for \$5,000 a year, a substantial salary in those days. Charles was sent to California as a "salesman," principally to strong arm recalcitrant distilleries to come into the Trust. His method, he testified, consisted in weaning away the competition's best customers by selling them Trust whiskey at greatly discounted prices. It took only three or four days of such tactics to bring balking distilleries on board, he said.

When the \$5,000 stipend ended as the Trust fell into financial difficulties, Charles broke out of the monopoly in 1885 and began distilling again as independent operator. He continued to be harassed by the monopoly interests but persisted. Amidst the tumult he was married in 1892 to a young widow, Alice (Chandler) Ewing. Charles and Alice would have three children: Alice, born in 1893 who died five years later, Charles C., born 1895; and Margaret, born 1897.

Sometime in the late 1890s, brother Chauncey Clarke decamped for Arizona, ostensibly for his health. With other transplants from Illinois, he founded a new town in the desert and named it "Peoria" after his home town. Out West Chauncey apparently succumbed to "gold fever." A curious letter, dated January 1898, exists on Clark Bros. stationery. In it Charles addresses his brother in Arizona very formally as "Dear Sir," perhaps indicating strained relations between the two (Fig. 3). Charles inquires about whether the "Thorn purchase" was

at last paying off. The Thorne Mine was a huge hoax of the time in which newcomers to the Southwest were convinced they were buying the site of a massive gold deposit found and then lost by a military dentist named Thorne. Most observers believe the gold never existed. Had Chauncey been duped?

The Geezer and the Giveaways

Beginning about in 1889 the revived Clarke Bros. dropped the most of its other brands to concentrate on merchandising Clarke's Pure Rye (Fig. 4). It was sold



Fig. 4: Clarke Bros. ad

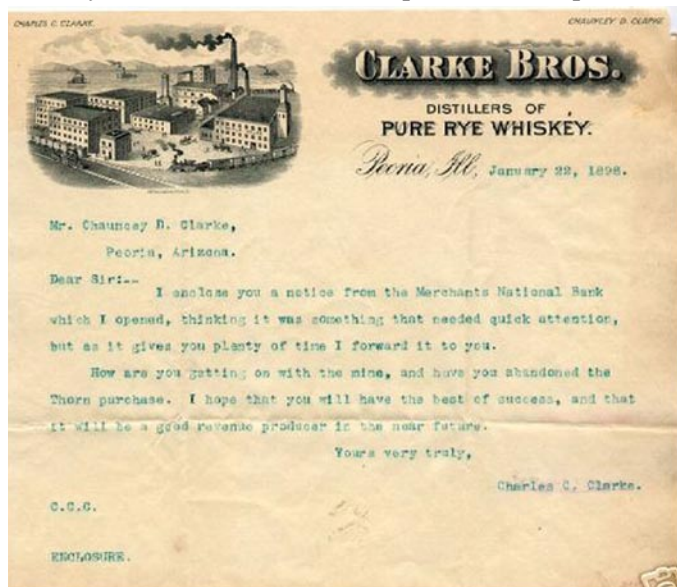


Fig. 3: The 1898 Letter from Charles to Chauncey



Fig. 6: Clarke's Pure Rye pint

Fig. 5: Clarke's Pure Rye quart

in clear glass bottles with little embossing and paper labels in



Fig. 7: Clarke's Pure Rye mini

quart (Fig. 5), pint (Fig. 6) and mini (Fig. 7) sizes. About 1990 Clarke Bros. built a new facility at the foot of Pecan and South Peoria Streets, boasting that it was the "largest whiskey distillery in the world" (Fig. 8). It also incorporated as Clarke Brothers Distillery. Its letterhead and ads stressed its "independent" status -- by inference a jab at the Whiskey Trust.

The most unusual merchandising strategy employed by Clarke Bros. was plastering the face and body of an elderly and sickly looking man on its advertising. This geezer shows up on items from hand mirrors (Fig. 9), to decorative plates (Fig. 10), to both canvas and wooden bar signs (Fig. 11,



Fig. 9: "Old Codger" celluloid mirror



Fig. 10: Old Codger plate

12). He even appears as the joker in a deck of playing cards the distillery issued (Fig. 13). It apparently was an image that sold whiskey because Clarke Bros. Rye soon became a top-selling regional and national brand.

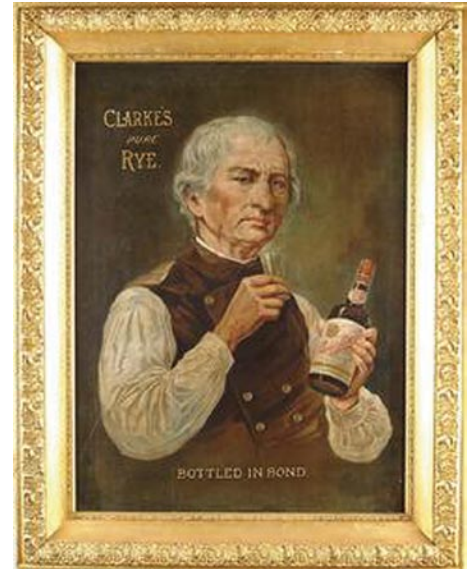


Fig. 11: Old Codger canvas sign

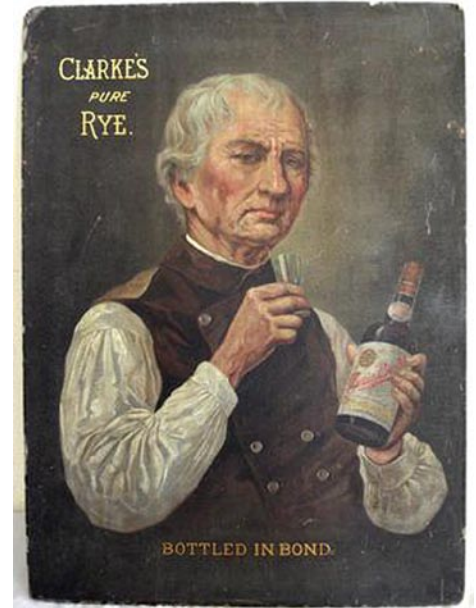


Fig. 12: Old Codger wooden sign

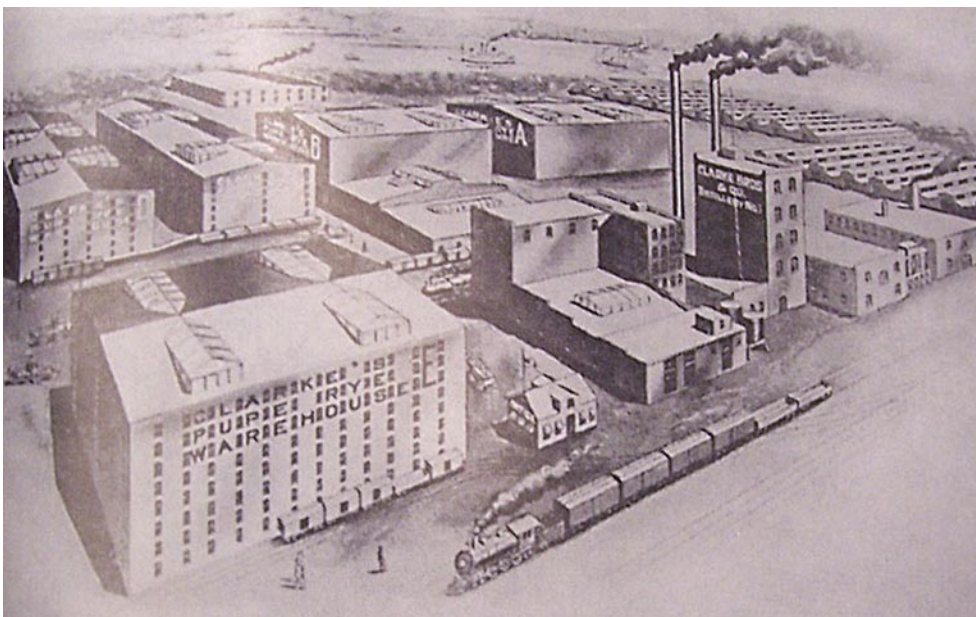


Fig. 8: Clarke Bros. distillery

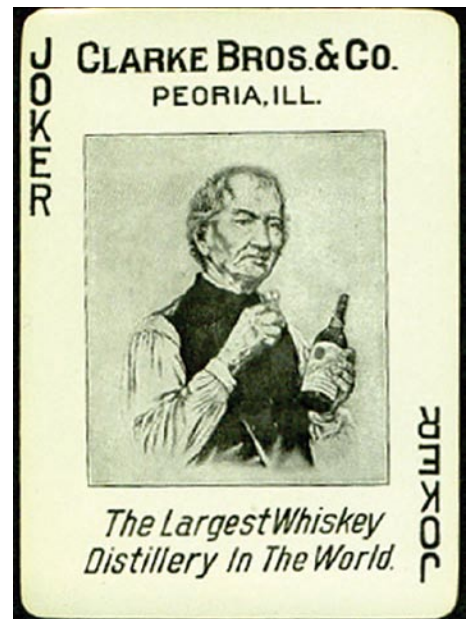


Fig. 13: Playing cards - Joker



Fig. 14: Etched shot glass



Fig. 15: Two-color shot glass

As the company prospered it also became known for its giveaway items. For saloons it provided the traditional shot glasses (Fig. 14, 15), tip trays (Fig. 16) and back of the bar decanters (Fig. 17). For the drinking public it gave away redeemable tokens and watch fobs, seen in my previous articles, and attractive



Fig. 16: Clarke tip tray



Fig. 17: Clarke back-of-the-bar bottle
 "nips." Shown here are two sides of a beautifully glazed and decorated ceramic flask (Fig. 18, 19), probably a product of Germany. Another nip is a hollow dog with a pottery and cork stopper at the rear and Clarke's Pure Rye written across its back (Fig. 20).

Members of Peoria's Unit 20 of the Benevolent Protective Order of Elks (B.P.O.E), went to their 1906 national convention in Denver wearing fancy pin devised by Clarke Bros. & Co. It depicted an elk with a barrel chained



Fig. 18: Clarke nip - eagle side



Fig. 19: Clarke nip - ad side

to it to call attention to "The Revenue City" because Peoria paid \$35 million in federal revenues, which in those long gone days could fund 10% of the entire expenses of the U.S. Government (Fig. 21).

The Trust is Investigated

While Clarke Bros. & Co. were prospering as an independent distillery, Federal authorities were increasingly



Fig. 20: Clark dog nip



Fig. 21: 1906 Elks Badge



Fig. 22: Photo of Andrew L. Harris

becoming concerned about the Whiskey Trust. President William McKinley in 1898 had appointed a special Industrial Commission to investigate monopolistic practices in a wide range of industries. It was chaired by a close friend of the President, Andrew L. Harris, a former Ohio governor and Civil War general (**Fig. 22**). Members were a hand-picked group of prominent and reform-minded Senators and Congressmen.

Federal investigators saw Charles Clarke as a key witness who might, under oath, disclose the full inside story of this secretive organization. Being summoned to Washington by a high-powered investigative panel likely held no fears for Charles. His father had been a well-known figure in the Republic Party both nationally and in Illinois.

Clarke himself, running on the GOP ticket, had been elected twice as mayor of Peoria, the first time when he was only 36. In short, this witness was accustomed to the rough and tumble of politics.

The New York Times of May 14, 1899, headlined his testimony before the Commission. Clarke was cautious. He revealed nothing very new, restating only the obvious. "We thought we could make better profits and create a more stable business by organizing into a trust," he told the Commission. He

added that the Whiskey Trust had been patterned after the Standard Oil Trust. But unlike that monopoly on oil, as soon as the distillers group decided to raise prices, new distilling operations on the outside started up that drove prices down again. Apparently no amount of corporate muscle (or even dynamite) was able to reverse that dynamic.

The Trust was, Clarke testified, "bound to fall of its own weight." He argued against passing new antitrust laws. The Commission, however, did not agree and in concluding its work in 1902 recommended stronger legislation. Teddy Roosevelt, by then President, agreed, ushering in the "Trust Busting Era" in American history (**Fig. 23**).



Fig. 23: Teddy Roosevelt cartoon

By then the Whiskey Trust had disintegrated into several organizations and Charles Clarke was dead, only 46 years of age. He had never been in good health and perhaps the strain of the past several years had taken their toll. One obituary said of him: *Mr. Clarke devoted himself to his business but never allowed it to overmaster him. He was clear-headed, broad-minded, keenly alive to every situation, and ready to adapt himself and his financial interests to constantly changing conditions. Few men in Peoria developed a better capacity for business, and no man had a better reputation for integrity and honor than Charles C. Clarke.*

The Distillery Survives a Death

After Charles' death, the company

remained under guidance by the Clarke family. A 1904 letterhead lists Sumner Clarke as president. Sumner was an uncle of Chauncey and Charles C., who had joined his brother in Peoria some years earlier following a business career in Mississippi. Although listed as vice president, there is scant evidence that Chauncey was involved in the day to day operation of the distillery. He was being kept very busy out West.

Chauncey actually had struck gold in Arizona. Whether or not this was at the elusive Thorne site is not clear. Moreover, one day while riding horseback on his mining property, Chauncey met a woman described as "high spirited" who is said to have been able to ride a horse and shoot as well as Annie Oakley. Her name was Marie Rankin, whose father was a well-known Phoenix mining engineer. They were married in 1894 and settled in Arizona's Peoria, the town Chauncey had founded.

Chauncey's absence from company management appears to have made no difference. Robert D. Clarke, whose relationship to the brothers is unclear, was listed as distillery manager. He was an able businessman who in 1899 with a partner founded a cookie and cake business in Peoria under the name Thomas & Clarke. A Republican delegate to the 1908 and 1912 GOP National Committee, Robert also is remembered for hiring famed American architect Frank Lloyd Wright to design an addition to his stables.

During the early 1900s, the distillery continued to thrive. Billboards and neon signs advertised its whiskey across America, as far west as Denver and Seattle. Company letterheads indicate that sometime between 1905 and 1909, Sumner Clarke, whether by retirement or death, was replaced as president. His successor was Chauncey who appears to have been only a figurehead while others tended to the business.

By 1913, Chauncey had stepped down and Robert Clarke had become both distillery manager and a vice president. A non-family member was listed as president. By 1917 no Clarks were among the officers of Clarke Bros.



Fig. 24: Arrow-Clarke mini

Distillery. Like hundreds of others, the operation was shut down in 1919 because of Prohibition and continued that way until Repeal in 1934.

Meanwhile Chauncey Clarke and wife Marie had moved further West. Shortly after the Clarkes moved into a new home in Santa Fe Springs, California, oil was discovered on their land. Liking the revenue but not the smell, in 1922 the Clarkes began purchasing parcels in the Coachella Valley. About 1926 they reestablished themselves on a new ranch called "Point Happy Date Gardens". They developed the property into one of the finest date plantations in the valley. In addition to farming, Chauncey Clarke raised purebred Arabian horses. . Because of failing health, he was unable to continue the development of Point Happy and sold his horses shortly before his death in 1926.

After Repeal

Ironically, the Whiskey Trust may have had the last laugh on the Clarke family. After Repeal one of its Peoria-



Fig. 25: Arrow-Clarke matches

based remnants called U.S. Industrial Alcohol, Inc., whose beginnings traced back to 1902, bought their Peoria distillery. The company subsequently sold the Clarke Bros. brand name to another Peoria firm called Arrow Distilleries, Inc. This firm, founded in 1933, also had plants in Chicago, St. Louis and Claremont, California. It marketed many brands but featured



Fig. 26: Clarke foam scraper

Clarke's Pure Rye and Bourbon.

Shown here is a mini-bottle from 1937 with the Arrow label (**Fig. 24**). It also cites a location in Dundalk, Maryland, a town near Baltimore. Similar designations appear on a Clarke match cover (**Fig. 25**). As a result of the brand name surviving, some distillery artifacts remain ambiguous in their dating, such as the foam scraper shown here (**Fig. 26**). Arrow Distilleries went out of business in 1943 and with it disappeared the honored Clarke Bros. brand.

Clarke Brothers today chiefly are remembered for their collectible giveaways and containers. While these distillery artifacts may not command the same high prices as Green River items, they continue to draw buyers. A celluloid mirror with the "old man" image recently sold on eBay for \$250 and a wooden sign for \$74. The eagle nip went for \$80 and the dog for \$97.

While the hardworking Charles C. Clarke is largely forgotten, brother Chauncey, who got rich on his gold and oil strikes, is celebrated as a founder of Peoria, Arizona. A suburb of Phoenix, today it boasts a larger population than Peoria, Illinois. The Whiskey Trust is chiefly remembered as part of the bad old days of the monopolistic robber barons, eclipsed in our times by the machinations of Wall Street moguls who use electronic manipulation, not dynamite, to get rich.

Notes: Material for this article has come from a wide number of Internet and reference sources. Of particular help was the Google Book digital rendering of the annals of the U.S. Industrial Commission. It contains the full text of Clarke's testimony about the Whiskey Trust on May 13, 1899. To Robin Preston of the www.pre-pro.com website goes my gratitude for illustrations of Clarke Bros. bottles and giveaways. Very special thanks is owed to Linda Aylward of the Peoria Public Library for the picture of Charles Clarke. Portions of this article previously have appeared in the *Potomac Pontil*, the monthly publication of the Potomac Bottle Club.