

1973

## A Purely Business Motive: German-American Lumber Company, 1901-1918

Edward F. Keuchel



Part of the [American Studies Commons](#), and the [United States History Commons](#)

Find similar works at: <https://stars.library.ucf.edu/fhq>

University of Central Florida Libraries <http://library.ucf.edu>

This Article is brought to you for free and open access by STARS. It has been accepted for inclusion in Florida Historical Quarterly by an authorized editor of STARS. For more information, please contact [STARS@ucf.edu](mailto:STARS@ucf.edu).

---

### Recommended Citation

Keuchel, Edward F. (1973) "A Purely Business Motive: German-American Lumber Company, 1901-1918," *Florida Historical Quarterly*: Vol. 52 : No. 4 , Article 4.

Available at: <https://stars.library.ucf.edu/fhq/vol52/iss4/4>

A PURELY BUSINESS MOTIVE  
GERMAN-AMERICAN LUMBER COMPANY  
1901-1918

by EDWARD F. KEUCHEL\*

"**T**he German-American Lumber Company had no motive except a purely business motive." So stated Gerhard Rolfs, treasurer of the company, as the federal government proceeded to take over this German-owned business during World War I. At issue was the charge that the firm was a front organization for German espionage operations during the war. This, as the evidence revealed, was not the case. Yet the emotional fervors of a nation at war had created suspicions about the alien-owned lumber company which had been an important part of Florida's yellow-pine industry. The German-American Lumber Company was not a subversive organization. To its owners it was no more than a business venture.

At the turn of the century, lumber operations flourished in the great yellow-pine belt extending from southeastern Virginia south and westward to the Trinity River in East Texas.<sup>1</sup> The soils of the Marianna Lowlands and Western Highlands of the Florida Panhandle were well-suited for yellow pine, and numerous lumber companies cut hundreds of thousands of acres of virgin forest for the domestic and export lumber trade. The German-American Lumber Company emerged as one of the largest lumber operations in this area during the early twentieth century. It maintained its offices in Pensacola and its mill on St. Andrew Bay near Panama City. One historian of the area notes that: "This firm exerted such an influence that its name was a byword in the Panhandle."<sup>2</sup>

Although southern yellow pine, or "pitch pine" as the lumber trade frequently designated it, had been marketed before the

---

\* Mr. Keuchel is assistant professor of history, Florida State University, Tallahassee, Florida.

1. Nollie Hickman, *Mississippi Harvest: Lumbering in the Longleaf Pine Belt, 1840-1915* (University, Mississippi, 1962), 1-14.

2. Harold W. Bell, *Glimpses of the Panhandle* (Chicago, 1961), 103.

Civil War, the industry became of far greater importance during the late 1870s.<sup>3</sup> By then yellow pine competed with white pine in the markets of the North. For decades the northern market consumed white pine produced from the states bordering Canada extending from Maine to Minnesota. Northern builders preferred white pine. It was easy to work, strong, light-weight, and overall a very desirable building material. Yellow pine was heavier and harder, causing problems for builders unaccustomed to its qualities. Moreover, in storage or transit, moisture damaged it and mold frequently turned it blue while in ships' hulls or railroad cars. By the late 1870s, however, prejudices against yellow pine diminished, and the low cost and great abundance of the product turned buyers southward. Many northern lumbermen moved into southern yellow pine regions hoping to transform their experiences in white pine into a new bonanza in the South.<sup>4</sup>

During the 1880s and 1890s the yellow pine industry of the Gulf coast grew from small, almost pioneer type operations to big business. Northern lumbermen cast covetous eyes on the great yellow pine forests on flat and rolling land stretching for hundreds of miles. Timber land or stumpage was cheap and in the warm South sawmills could operate year-round.<sup>5</sup> Moreover, by 1900 the markets of the northern and eastern states, western Europe, and Latin America accepted yellow pine. Indeed, the decline of northern white pine largely freed yellow pine from competition in the highly populated northeast market— at least

- 
3. The yellow pine industry was far from insignificant before the Civil War. In his article "Lumber and Trade in Pensacola and West Florida: 1800-1860," *Florida Historical Quarterly*, LI (January, 1973), 267-80, John A. Eisterhold notes the importance of the lumber trade to the Pensacola area before the war. In a national setting, however, it was not until the late 1870s that the yellow pine industry of the South became important.
  4. Hickman, *Mississippi Harvest*, 57-67. For information on the white pine industry, see Robert F. Fries, *Empire in Pine: The Story of Lumbering in Wisconsin, 1830-1900* (Madison, 1951), and Agnes M. Larson, *History of the White Pine Industry in Minnesota* (Minneapolis, 1949). Emory Fiske Skinner, *Reminiscences* (Chicago, 1908), 140-42, describes some of the pitfalls many northern lumbermen encountered when they tried to handle yellow pine the same as white pine.
  5. Lumber companies acquired timber in two principal ways: fee simple timber lands or stumpage. Fee simple conveyed full ownership of the land and timber. Stumpage purchases transferred title to the timber but not the land itself.

until the opening of the Panama Canal in 1914 provided an easy access to Pacific coast timber.

As important as was the domestic market, the export market was of particular importance to Gulf coast operators. Western Europe, especially Germany and Great Britain, favored yellow pine for construction and manufacturing. In 1900 Germany consumed more yellow pine than all other woods combined. In the period from 1890 to 1913, Pensacola, Mobile, Gulfport, and New Orleans ranked as the four largest lumber exporting ports in the world. By 1900 these ports shipped approximately 800,000,000 board feet of lumber annually to foreign markets, while in 1913, the last full year before World War I, the figure reached 1,332,683,000 board feet.<sup>6</sup>

Pensacola enhanced its international flavor from this trade. Ships of many flags and types, sail as well as steam, lined the wharves taking on lumber for European, African, and Latin American markets.<sup>7</sup> Panhandle lumberman Emory Fiske Skinner notes that many of the stevedores in the Pensacola lumber trade came from Quebec where they plied their trade in the summer and worked the Pensacola docks during the winter months.<sup>8</sup>

In this setting Frederick Julius Schreyer entered the pitch pine lumber export business. In Hildesheim, Germany, near Bremen, Schreyer's family operated a lumberyard specializing in Baltic woods. The family sent Schreyer to the United States in the 1880s to learn the pitch pine export business. The European market demanded a superior quality and greater variety of grades than the domestic market so the family carefully prepared for this new business venture. When Schreyer arrived his English was so poor that he first worked in a German-owned store in Milwaukee until he attained sufficient proficiency. From

---

6. Hickman, *Mississippi Harvest*, 184-85.

7. This lumber trade prompted a revival in sailing vessels in the United States which still had 46.5 per cent of its merchant marine tonnage represented in sail in 1900. See U.S. Department of Commerce, Bureau of Foreign and Domestic Commerce, *Statistical Abstract of the United States, 1914*, No. 37 (Washington, 1915), Table No. 217. Great three and four-masted wooden schooners built in Maine and the southern Gulf ports brought heavy yellow pine north and carried coal on the return voyage from Philadelphia or other coal ports. Steam powered vessels were generally used to haul lumber in the trans-Atlantic trade. For more information, see W. J. Lewis, *The Great Coal Schooners of New England 1870-1909* (Mystic, Connecticut, 1948).

8. Skinner, *Reminiscences*, 228.

Milwaukee he went to Moss Point, Mississippi, to learn the inspection of pitch pine. Lumberman Emory Fiske Skinner relates his first meeting with Schreyer at the Escambia railroad station near Pensacola in 1884, describing him as "a tall, athletic looking young man" who was learning sawmill operations in the Pensacola area. Skinner and Schreyer developed a friendship that led a short time later to Skinner and his wife visiting the Schreyer family in Hildesheim. A business agreement was worked out whereby Skinner engaged Schreyer as his agent in Germany.<sup>9</sup>

Skinner's entrance into the German market departed from his previous European thrust-selling in Great Britain through English middlemen. The new arrangement profited both parties for several years; then problems developed. Schreyer sold so much that Skinner had to purchase lumber from other mills to fill orders. Schreyer complained of poor quality, a charge Skinner's son confirmed after sailing to Germany to inspect arriving shipments. Schreyer, in turn, sent his agent H. H. Boyer to Pensacola to inspect all lumber before loading. Still the problems continued, and in 1888 Schreyer wanted Skinner to pay damages on a load of lumber sent to Italy. Skinner refused, claiming that Boyer allowed it to be loaded wet. After considerable litigation Skinner eventually settled with Schreyer for one-half of the claim, but the ill-will ruined future business dealings between the two.<sup>10</sup>

Such problems commonly occurred between manufacturers and exporters. Contracts usually provided that lumber conform to specifications of quality and grade, but the buyer was obligated to accept shipping documents before the cargo reached him. Therefore disputes had to be resolved by arbitration after delivery. Such difficulties led several local lumbermen's associations to form the Southern Lumber Manufacturers' Association in 1890 with Skinner as its first president. The association, which became increasingly important during the early twentieth century, worked out standards for grades and contracts, and attempted to establish uniform prices profitable to producers.<sup>11</sup> Schreyer responded by becoming a producer as well as a middleman. As a lumber manufacturer he could control quality and

9. *Ibid.*, 175-78.

10. *Ibid.*, 189-98, 209-10, 213-16, 227.

11. Hickman, *Mississippi Harvest*, 184-200; Skinner, *Reminiscences*, 227-29.

hopefully profit from all aspects of the operation that transformed southern pine forests into lumber for Europe.

Thus in May 1901 Schreyer organized the German-American Lumber Company in Pensacola. The company, established as a corporation under the laws of Florida, had capital stock of \$100,000. It could acquire a sawmill or sawmills and carry on a general mill business. Schreyer and H. H. Boyer took 450 of the 900 shares of corporation common stock, paying in cash so that there was available cash to acquire and operate the sawmill. Two Americans, B. P. Jones and J. R. Saunders, purchased the remaining 450 shares, payment to be made in stumpage from 86,000 acres of land the Jones-Saunders Company owned in Bay and Calhoun counties. The company agreed to pay Jones and Saunders \$1.50 per 1,000 board feet until \$50,000 worth of lumber was obtained and the stock debt was satisfied. Any additional timber Jones and Saunders wished to sell would be at the \$1.50 per 1,000 board feet price, although the corporation reserved the right to purchase timber from other sources as well. Lands were to be cut clean, and the corporation claimed all logs over eleven inches in diameter and sixteen feet in length.<sup>12</sup>

The first stockholders meeting was held in the new company offices in the Blount Building, corner of Garden and Palafox streets, Pensacola, July 18, 1901. The board of directors consisted of Jones, Saunders, Schreyer, Boyer, and P. Tomasello. Saunders was named president, Schreyer vice-president, and Boyer secretary-treasurer. Schreyer maintained his residence and offices in Bremen, Germany, and allowed Boyer to represent him in Pensacola. Boyer had been Schreyer's agent and had inspected wood for him in Pensacola since the 1880's. Beginning in 1898 he had also served as Imperial German Vice-Consul at Pensacola. Tomasello was to be general manager of the mill. Also present was Gerhard Rolfs, Boyer's secretary at the German Consulate.<sup>13</sup>

12. Memorandum of agreement, May 25, 1901, between B. P. Jones and J. P. Saunders, and F. J. Schreyer, Stockholder Meeting Minutes Book, German-American Lumber Company Papers, Special Collections, Robert Manning Strozier Library, Florida State University, Tallahassee. Hereinafter referred to as GAP.

13. Stockholders Meeting, July 18, 1901, Minutes Book, GAP; S. Fiegel, German Consul General, to H. H. Boyer, June 28, 1898, Gerhard Rolfs Papers, Folder 5, Box 2, Special Collections, John C. Pace Li-

The new company intended to acquire a sawmill as its first order of business. At the July 18 meeting the directors arranged to purchase the plant, mill-site, sawmill, merchandise, machinery, and 30,000 acres of fee simple timber lands of the St. Andrews Lumber Company. This mill had been built in 1898 by Henry Bovis, a French-Canadian interested in Florida timber. It was located at Millville, Bay County, on St. Andrew Bay adjacent to the Jones-Saunders lands. As one of the largest operations in the area, it cut 100,000 board feet per day. When the German-American Lumber Company built another mill of 50,000 board feet per day capacity adjacent to the old mill in 1902, the corporation became the largest lumber manufacturer in the state.<sup>14</sup>

Business was good, and the new company showed a profit of \$32,888 for the first full year's operations. This returned nearly thirty-three per cent on the original \$100,000 investment. The directors decided to expand and increased their capital stock to \$250,000. Schreyer and the Jones-Saunders combine were allowed to subscribe equally. Jones and Saunders paid for their shares by providing an additional 50,000 acres of stumpage in (Calhoun County. They were paid at the rate of \$2.00 an acre rather than the old price of \$1.50 per 1,000 board feet. In 1905 Jones and Saunders agreed to furnish an additional 136,456 acres of stumpage at the rate of \$2.00 an acre subject to turpentine rights (not to be cut during the turpentine season). At the same time Schreyer bought Jones and Saunders's stock, making the operation virtually an all-German concern. Of the 2,500 shares, Schreyer owned 2,496, while Boyer, Rolfs, sawmill manager I. J. Dias and Pensacola attorney W. A. Blount each held one share. Blount represented the First National Bank of Pensacola which handled the company's accounts. Schreyer borrowed close to \$250,000 from the Vereinsbank of Hamburg

---

brary, University of West Florida, Pensacola. Hereinafter referred to as RP. Rolfs was born in Germany in 1871 and came to the United States in 1892 as a representative of Schreyer's Bremen firm. He married Gila Gonzales of Pensacola in 1905. He was secretary-treasurer of the company from 1907 to 1918, and Imperial German Vice-Consul for Florida from 1908 until World War I. He was reappointed consul in 1923, a post he held until his retirement in 1935. Newspaper clippings, Folder 2, Box 1, RP.

14. Stockholders Meeting, July 18, 1901, April 4, 1902, Minutes Book, GAP; Bell, *Glimpses of the Panhandle*, 103-04.

to make the stock purchase, securing the mortgage with the company's property and mill.<sup>15</sup>

The company grew steadily from 1905 until World War I. It increased capitalization to \$500,000, with Schreyer owning 4,996 of the 5,000 shares of stock issued. German banks provided most of the financing. The Vereinsbank of Hamburg held a mortgage for \$990,000 while the Fürstlich Schaumburg-Lippische Hofkammer of Bückeburg had mortgages totalling \$1,720,000. A private note of \$48,000 was held by Hinrich Waeten and Hermann Langrehr of Bremen, while Schreyer, himself, owned a note for \$50,000. Before the war the only American financing of any significance was a \$100,000 eight per cent note held by the First National Bank of Pensacola.<sup>16</sup>

During these years the company increased its timber and land holdings considerably. When Jones and Saunders sold out in 1905 the company had approximately 135,000 acres of stumpage and 30,000 acres in fee simple title for total timber holdings of about 165,000 acres. The company then purchased the L. M. Ware mill and stumpage. Ware had acquired about 15,000 acres of stumpage from L. C. Gay of Panama City, but could not cut it as fast as his contract with Gay specified, so he sold it to the German-American Lumber Company. Next the company purchased the Yawkey tract of about 25,000 acres of fee simple timber lands. In 1911 the company purchased the Knowles fee simple timber lands and Betts fee simple timber lands in Washington County at \$11.00 an acre. The Knowles land comprised 10,000 acres while the Betts tract totaled about 65,000 acres. The last purchases made before the war were the Drummond tracts of about 35,000 acres of fee simple timber lands in Jackson and Bay counties. So, by 1914 the company had made total purchases of some 165,000 acres of fee simple timber lands, some 150,000 acres of stumpage, and some 10,000 additional stumpage acres in small offerings. These lands were principally in Washington, Calhoun, Bay, and Jackson counties. Moreover, the company had the mill to handle these vast hold-

---

15. Stockholders Meeting, April 14, 1904, April 12, 1905, November 17, 1905, Minutes Book, GAP.

16. Stockholders Meeting, August 2, 1907, April 7, 1908, March 26, 1909, April 21, 1910, March 18, 1911; Directors Meeting, December 29, 1915, Minutes Book, GAP.

ings. When the original double mill burned in December 1906, the corporation built a new and much larger mill on the same site at Millville. When it was ready for operation by September 1907, it constituted the largest and finest mill of its type in the state.<sup>17</sup>

Although the company paid sizable interest payments on the money borrowed for expansion, the European market for yellow pine remained strong and the company prospered. Moreover, from Schreyer's position company profits were his profits since he held virtually all of the stock. In 1912 and 1913, the last two years before the war, the company recorded profits of \$64,038 and \$85,105. The entire profits were distributed to the stockholders.<sup>18</sup>

The outbreak of war in the summer of 1914 virtually ended the Gulf coast export business. Lumber at the docks was returned to the mills, and vessels ready to sail unloaded their cargoes. Prices on the export market dropped as much as twenty-five per cent below domestic prices as European demand decreased fifty-eight per cent.<sup>19</sup> This seriously challenged the German-American Lumber Company which almost exclusively exported its product. Moreover, as Rolfs noted, the company had always specialized in the high grade pitch pine demanded in Europe and had never developed any Latin American trade in low grade lumber, nor any American market. By early 1915 the French and British placed heavy orders for American pine, and the company developed a limited Latin American trade as well. The really big push for the company started in 1917 when war preparations in the United States called for vast quantities of pine for army camp construction. Seventy-six per cent of the wood used by the government for the construction of contonments, hospitals, warehouses, and other buildings were southern yellow pine.<sup>20</sup> The company showed a profit of

---

17. Stockholders Meeting, March 18, 1911; Directors Meeting, December 29, 1913, Minutes Book, GAP; Lists of lands conveyed in fee simple; Book of timber leases; Typed statement of Gerhard Rolfs, Folder 6, Box 3, RP.

18. Stockholders Meeting, April 10, 1912, March 14, 1913, Minutes Book, GAP.

19. Hickman, *Mississippi Harvest*, 194-95, 294n.

20. U.S. War Industries Board, *American Industry in the War* (New York, 1941), 224.

\$62,712 for the first six months of 1917— a figure close to the yearly average of the period before the war. Schreyer anticipated a new bonanza as well when the possibility of oil on company lands was brought up at the directors meeting in Bremen.<sup>21</sup>

Financing, however, proved to be a serious problem since the war eliminated the company's main source of capital. While the French and British governments secured major loans from American bankers the German government attempted to finance the war domestically, so no German capital was allowed abroad during the war. In November 1915 Schreyer came to the United States and met with Hermann G. Kulenkampff who had replaced Boyer as Schreyer's principal agent in Pensacola and had served as president of the company since September 1913. Schreyer and Kulenkampff obtained a \$200,000 six per cent loan from Otto Mars and Company, Birmingham, Alabama, bankers, using the Yawkey tract valued at \$666,000 as security. The principal was to be repaid in four years in installments of \$25,000 yearly for the first two years and \$75,000 yearly for the last two. In December 1916 Kulenkampff arranged a loan of \$50,000 from the American National Bank of Pensacola using the mill valued at \$200,000 as security. Prior to this, in October, 1916, Schreyer met with officials of the Fürstlich Schaumburg-Lippische Hofkammer to get the lending institution to yield its first mortgage position on company lands. This was undoubtedly necessary before American banks would make the necessary loans. After the United States declared war on Germany in April 1917 the Hofkammer revised its interest rates on loans made to the company in 1914. The six per cent rate was reduced to four per cent as of August 1, 1914. The difference already paid applied to future payments at the new rate until the end of the war. The Hofkammer obviously juggled its books to show interest payments during the war years and thereby keep its mortgage operative.<sup>22</sup>

As tensions between the United States and Germany

21. Typed statement of Gerhard Rolfs; Statement of the German-American Lumber Company, June 30, 1917, Folder 6, Box 3, RP; Directors Meeting, Minutes Book, GAP.

22. Stockholders Meeting, November 24, 1915, December 4, 1916, Directors Meeting, September 22, 1913, October 19, 1916, July 20, 1917, Minutes Book, GAP; Statement of the German-American Lumber Company, June 30, 1917, Folder 6, Box 3, RP.

heightened, the position of the company became precarious. On January 31, 1917, Germany announced that after February 1, submarines would sink without warning all belligerent and neutral ships in a broad war zone around Great Britain, France, Italy, and in the eastern Mediterranean. Two days later, President Wilson broke diplomatic relations with Germany. On February 6, Rolfs, German consul at Pensacola as well as secretary-treasurer of the German-American Lumber Company, received a letter from Escambia County Sheriff J. C. Van Pelt enclosing the following telegram from Governor Catts:

In view of the broken relations between the United States and Germany I ask you as Sheriff of Escambia County to see that no indignity is offered to any German Consul, and that no harm comes to the German vessels now in the port of your city by any of the citizens of Florida. Kindly help me in every way possible to preserve order in this part of the State, but do not allow these vessels to leave the port.

Rolfs closed the consulate on February 7 and delivered all its papers to the Swiss Consul at New Orleans. In early May, after war had been declared, Rolfs was forced to obtain a permit in order to enter the company offices in the Blount Building which was in a restricted zone near the wharf area. However, the government did not restrain the company's lumber operations, and the domestic market boomed with army orders.<sup>23</sup>

With war declared, Schreyer feared confiscation of his company, particularly if it remained under German control. To keep abreast of the American situation a special directors meeting was called in Bückeburg on June 29, 1917. Schreyer appointed Frederick Brinck to devote his full attention to the German-American Lumber Company and to keep him informed on all correspondence from Pensacola—communications were still possible through the use of addresses in neutral Denmark. On July 25, 1917, at a special stockholders meeting, company president H. G. Kulenkampff, who held Schreyer's proxy for 4,996 of the 5,000 shares of issued stock, appointed Pensacola attorney

---

23. J. C. Van Pelt to Rolfs, February 6, 1917; Rolfs to James B. Perkins, U.S. Marshall, May 4, 1917, Letterbook 1914-1918, Folder 4, Box 1; Ambassador J. Bernstorff to Rolfs, February 7, 1917, Miscellaneous Papers 1890-1920, Folder 2, Box 1, RP.



Frederich Julius Schreyer, owner of the German-American Lumber Company. Rolfs Collection, John C. Pace Library, University of West Florida.

UNITED STATES OF AMERICA.

This permit is valid only for the purpose stated hereon and is not to be used for any other purpose.

# *1631*

PERMIT TO *Gerhard Rolfs*  
(Signature of permittee in ink)

come with *to be employed* in an area of one-half of a mile radius from  
*Armory Hall*

This is to certify that permission has been granted to

*Gerhard Rolfs*  
(Signature of boss)

come within *to be employed* an area within one-half of a mile  
*Armory Hall under construction as*  
*written across the fence* *Jan B. Perkins*  
(Address of boss)  
*of this permit in* *Red Hill*  
(Address of permittee)  
*Norman American Lumber Co.*  
*Panacea Fla.*  
(Address)

DESCRIPTION.	PHOTOGRAPH.
Age: <i>45</i>	
Stature: <i>5</i> feet <i>2</i> inches.	
Weight: <i>120</i>	
Forehead: <i>high</i>	
Eyes: <i>Blue</i>	
Nose: <i>Normal</i>	
Mouth: <i>Normal</i>	
Chin: <i>Normal</i>	
Hair: <i>Dark</i>	
Complexion: <i>Healthy</i>	
Face: <i>Round</i>	
Distinctive marks:	

Gerhard Rolfs's travel pass:  
 "This permit is granted, allowing bearer, G. ROLFS, to come directly from his home to the corner of Garden and Palafox Streets and there enter the Blount Building and go to his business office. When he is through with his day's work, return directly to his home[.]"

Pictures from Rolfs Collection, John C. Pace Library, University of West Florida.

and board member W. A. Blount as general agent. Although Blount owned only one share of stock, Kulenkampff stated that the general agent "shall have all the powers to perform all the duties appertaining to the President, and, in addition thereto, shall supervise, control and conduct the business and operations of the Company." Obviously Schreyer transferred control to an American citizen in the event of governmental control or seizure of alien-owned property.<sup>24</sup>

The tactic failed, for on October 6, 1917, Congress passed the Trading-with-the-Enemy Act which gave broad, sweeping powers to the President over foreign commerce and communications. Wilson created a War Trade Board and appointed Vance McCormick, former chairman of the Democratic National Committee, as its chairman. An elaborate licensing and control structure for all imports and exports was established. The act also provided for the seizure and administration of all enemy property in the United States. To effect this, on October 19, 1917, Wilson appointed as Alien Property Custodian A. Mitchell Palmer of Stroudsburg, Pennsylvania, a Quaker and former congressman who might have been secretary of war but for his religious convictions. Palmer later became attorney general.<sup>25</sup>

It was found that German ownership in the United States was more integrated into the economy than had previously been suspected, and included securities as well as direct control of manufacturing concerns, especially in drugs, chemicals, electrical equipment, and surgical instruments. Many of these properties had been protected by a technical transfer of ownership. Since continued operation of these activities aided the war effort Palmer was authorized to sell German property to new investors of unquestioned loyalty, and to purchase Liberty bonds with the proceeds which would be held in trust for postwar adjudication.<sup>26</sup>

- 
24. Directors Meeting, June 29, 1917; Stockholders Meeting, July 25, 1917; Schreyer to German-American Lumber Company, September 28, 1917, Minutes Book, GAP. Schreyer's letter of September 28, 1917, mailed from Denmark, was stamped "opened by censor."
25. *New York Times*, October 15, 20, 1917; Frederic L. Paxson, *American Democracy and the World War*, 3 vols. (Boston, 1939), II, 133; George Soule, *Prosperity Decade, From War to Depression: 1917-1929* (New York, 1947), 39-40.
26. *New York Times*, March 2, 1918; Paxson, *American Democracy and the World War*, II, 131; Soule, *Prosperity Decade*, 40.

Palmer quickly made arrangements to seize German funds, but appropriation of manufacturing concerns did not take place until the winter and spring of 1918. For the German-American Lumber Company the fateful day was March 23. Federal agents arrested H. G. Kulenkampff as an "enemy alien," and imprisoned him at Fort Oglethorpe in Atlanta. Rolfs was well known in Pensacola and was not interned. The *New York Times* reported that the estimated value of the lumber company was \$3,000,000 and quoted Property Custodian Palmer as stating that profits derived from the firm's operations would be invested in Liberty bonds. In the event of the sale of the property the entire proceeds would be put into government securities.<sup>27</sup>

The firm's new directors appointed by Palmer were William L. Wilson of the Alien Property Custodian's office in Washington; E. R. Malone, president of the American National Bank of Pensacola; Charles S. Hebard of Philadelphia; Hollis N. Randolph of Atlanta; and W. A. Blount. Only Blount was familiar with the company's business. Malone acted as proxy for Schreyer's stock while his American National Bank was designated as depository for the Alien Property Custodian. The new board met on March 28, 1918, and confirmed the appointments.<sup>28</sup>

Those were difficult days for German aliens in Pensacola as well as elsewhere in the country. While Kulenkampff was interned his wife had no means of support. She moved to Chattanooga where Rolfs sent her interest payments from her husband's investments until W. L. Wilson, the representative of the Alien Property Custodian, prohibited it. Although Rolfs had been highly-regarded in Pensacola and knew the company's operations well, he was allowed to stay with the reorganized company at a reduced salary only until June. By early April he was alone in the Pensacola office while all office operations and American employees moved to Millville. Hans Holzer the bookkeeper was employed at the Jacobi Lumber Company near Pensacola, but Gerhard Rolfs, former German Consul and secre-

---

27. *New York Times*, March 24, 1918; *Tampa Morning Tribune*, March 24, 1918.

28. Stockholders Meeting, March 28, 1918, Minutes Book, GAP.

tary-treasurer of the company, was not able to obtain any work, and he lived off his savings until the end of the war.<sup>29</sup>

Also tragic were the unfounded attacks upon the company which had been a respected member of the Gulf coast lumber industry. Columnist Frederick J. Haskin of the *New York Sun* wrote an exposé picked up by newspapers in Pensacola, Panama City, and other parts of the state. Haskin portrayed Kulenkampff as an enemy agent. He charged that the St. Andrew Bay mill served as a front, and that the Germans of the company really wanted to locate a headquarters as a springboard to seize American Gulf ports. Haskin falsely claimed that the mill operated only enough in one month to pay for one day's expenses. He further reported that the Germans were living in a fine house overlooking the bay, and that nightly their fleet of mysterious ships, running without lights, had been observed slipping in and out of the harbor.<sup>30</sup>

Stunned by the charges, Rolfs sat frightened and alone in the company's offices in Pensacola and drafted an unpublished reply. He pointed out that at the time of the seizure the company had cut approximately 200,000 acres of timber with some 110,000 acres or six years of cutting still remaining. The lands cut averaged close to 2,000 board feet of lumber per acre. Rather than running only enough in one month to pay a day's expenses Rolfs stated that to cut so much lumber it would be necessary to operate the mill at full capacity. Moreover, he pointed out that the business had been run economically. He also denied that the Germans at Millville had a house overlooking the bay or a fleet of ships making mysterious trips in and out of the bay. The company owned only the *Dewey*, a small stern-wheeler used to tow logs, and the *Dolphin*, a little water-tube boiler boat forty-six feet long. Neither vessel operated in the Gulf.

---

29. Rolfs to Mrs. H. G. Kulenkampff, April 2, 16, 1918, Letterbook 1914-1918, Folder 4, Box 1, RP.

30. Newspaper clippings, Folder 6, Box 3, RP. Fear of spy plots abounded. In Tallahassee on New Year's Eve Governor Catts stationed shotgun-armed volunteers around the Capitol after a note was found in a walnut shell on a city street which, when read before a mirror, stated: "Bombs are Ready. don't fail me; Capital is unguarded; meet me tonight at home." Charlton W. Tebeau, *A History of Florida* (Coral Gables, 1971), 374-75.

Rolfs insisted that the company and its officials had no motive "except a purely business motive."<sup>31</sup>

The reorganized Pensacola company, appropriately named the American Lumber Company, continued to fill large orders of yellow pine for army camp construction. William Wilson of the Alien Property Custodian's office also served as head of the Gulf Shipbuilding Company which the United States Shipping Board Emergency Fleet Corporation had ordered to build wooden sailing schooners for the coastal trade during the war. Gulf Shipbuilding was located at Millville near the American Lumber Company. Wilson merged Gulf Shipbuilding into the American Lumber Company.<sup>32</sup>

On July 18, 1918, the American Lumber Company obtained a federal contract for eight wooden schooner barges of 2,500 tons displacement to be used to haul coal in the New England coastal trade. They were estimated to cost \$190,000 each. Company officials calculated that 1,000 additional employees would be added to the existing workforce of 300 to fill the order. The war was too near its end for the windfall to be realized. In October 1918 contracts for six of the vessels were cancelled, and work stopped on the seventh in February 1919. Eventually, only one, the *Ville de Dixmude*, was ever completed at a cost of \$300,000.<sup>33</sup>

With the end of the war the Alien Property Custodian advertised the American Lumber Company for sale. In March 1919 Walter C. Sherman of Panama City purchased it and renamed it the St. Andrew Bay Lumber Company.<sup>34</sup> Neither the German-American Lumber Company Papers nor the Rolfs

- 
31. Typed statement of Gerhard Rolfs, Folder 6, Box 3, RP.
  32. W. L. Wilson to Pensacola Maritime Corporation, May 9, 1918; Rolfs to Harvey D. Jacob, December 27, 1924, Correspondence 1914-1935, Folder 5, Box 2, RP; Brigadier General R. C. Marshall to American Lumber Company, October 21, 1918, Folder 914, GAP.
  33. Bell, *Glimpses of the Panhandle*, 111-12; Rolfs to Jacob, December 27, 1924, Correspondence 1914-1935, Folder 5, Box 2, RP. Even with its limited bonanza the company showed a profit of \$202,263.62 for its last year of operation. American Lumber Company statement, November 30, 1919, Folder 6, Box 3, RP.
  34. Bell, *Glimpses of the Panhandle*, 105. Sherman had operated a lumber mill at Fountain since 1912. After purchasing the American Lumber Company he acquired additional tracts and continued operations until 1930 at which time most of the timber in the area was cut. He was active in the business and civic life of the Panama City area for over fifty years.

Papers indicate what arrangements were made with the German owners after the war. At any rate the owners would not have claims against the United States as the Versailles Treaty imposed the obligation upon the German government to compensate its nationals for property which had been seized under the Trading-with-the-Enemy Act. The company's records were stored in a room of the Brent Building in Pensacola under the jurisdiction of the Alien Property Custodian. The final statement of the American Lumber Company in 1919 listed the Fürstlich Schaumburg-Lippische Hofkammer as an "enemy creditor" holding a mortgage of \$1,372,567.93. The total assets of the company were listed at \$3,901,266.06. No specific figures were listed for the value of Schreyer's stock.<sup>35</sup>

H. G. Kulenkampff returned to Germany after his release from Fort Oglethorpe in 1919 and continued to work for Julius Schreyer. Schreyer and Company remained in the import business, but branched out into food items along with lumber. A 1935 letterhead of Schreyer and Company, Bremen, Germany, reads: "Kaffee/Tee/Kakao."<sup>36</sup> Gerhard Rolfs lived on in Pensacola, and was reappointed German Consul for the State of Florida, September 10, 1923, the first resident consul to be named after the war. He held that post until his retirement in 1935 when the Pensacola post was closed and consular activities were transferred to Jacksonville.<sup>37</sup>

Even though Rolfs had lost his job and Kulenkampff had been interned, the two Germans harbored no lasting ill-will toward the American business system. Indeed, it is ironic that during the great world depression of the 1930s Rolfs regarded World War I American Liberty bonds as the safest and best investment for his friend and associate.<sup>38</sup>

35. American Lumber Company statement, November 30, 1919, Folder 6, Box 3; Rolfs to Jacob, November 26, 1924, Correspondence 1914-1935, Folder 5, Box 2, RP.

36. Kulenkampff to Rolfs, August 6, 1935, Correspondence 1914-1935, Folder 5, Box 2, RP.

37. *Pensacola News*, September 10, 1923, September 6, 1935.

38. Rolfs to Chase National Bank, August 9, 1933; Rolfs to Hallgarten and Company, October 16, 1934, Correspondence 1914-1935, Folder 5, Box 2, RP.