

Oregon Iron & Steel Company

By Ann Fulton

The Oregon Iron & Steel Company (OI&S) was incorporated in the town of Oswego, just south of Portland, in 1882. The company was the third and final owner of the mines and blast furnace established by the Oregon Iron Company in 1865. The Oswego Iron Company (1878-1882) was the second owner of the works. OI&S investors were wealthy financiers and industrialists who hoped to establish a “Pittsburgh of the West” on the banks of the Willamette River. The furnace closed in 1894, but its owners later reaped great profits by turning a lake and surrounding land into a valuable recreational spot and expensive real estate.

The iron industry began in the late 1840s with the discovery of ore with a high iron content on the west bank of the Willamette River near Oregon City. In 1862, Aaron Olds established a forge on the Tualatin River, where he smelted a small amount of iron. Four years later, the Oregon Iron Company built the first charcoal iron smelter—the Oswego Iron Furnace—on the Pacific Coast on the edge of Oswego. It appeared to be a perfect site: ore containing approximately 44 to 54 percent iron was available, the Willamette River provided transportation, Sucker Lake provided water power, and a dense forest yielded charcoal to make iron. The Oregon Iron Company produced its first pig iron in 1867.

In 1882, a group of Oregon and California financiers and industrialists—including Henry Villard, Simeon Reed, Darius Mills, and William S. Ladd—purchased the works from the Oswego Iron Company and established the Oregon Iron & Steel Company. By 1888, the company operated a canal, railroad, and mines and owned approximately 23,000 acres of land in Oregon, Washington, and British Columbia.

OI&S built a modern iron works using the latest technology, including a furnace with a fifty-ton capacity, and platted a townsite for workers about a half mile north of the original furnace. As a result, Oswego’s commercial and residential center shifted to the company’s new location. A national economic depression in 1893, however, along with a lack of high-quality ore and expensive operating costs ended Oregon’s “iron dream.”

After 1910, OI&S began developing Sucker Lake and the surrounding land that it owned. Marketing the area to prosperous Portland residents, OI&S owners turned the location that had been an industrial site into a recreational haven. By the 1950s, company owners had turned their property into one of Oregon’s most valuable residential locations, Lake Oswego.

Sources

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