

Alter Company

The rise of the towboat era has many facets—not the least of which is the personalities associated with its development. Unique among those identified with the story of waterborne commerce on the Upper Mississippi is Frank R. Alter of Davenport, whose towboats have been playing a key role in the transporting of bulk commodities along the eastern border of Iowa.

The Alter Company began in Davenport in 1916. From the start Alter was concerned with the processing and shipping of scrap metal. For more than a half century his Alter Company has exported its scrap metal out of the Quad-City area to the best market—at first by railroad, and then by water, when the completion of the 9-foot channel ushered in the towboat era.

For a number of years Alter Company shipped its scrap by common carrier barge lines. The relatively high rate structure of these carriers, however, limited markets to which Alter could economically ship. Intent on selling his products to more river customers, Frank Alter determined to launch his own company into the towing business in May of 1960. The company had a truly humble beginning, starting out with four open hopper barges

and a single towboat, appropriately named the *Frank R. Alter*.

The new venture was guided by Bernard Goldstein, executive vice-president of the firm, who took a keen interest in river transportation and has continued to play a key role in expanding this arm of the company's business.

Sensing the need of a strong executive in their newly-formed Marine Division, Frank Alter and Bernard Goldstein selected Gordon L. Jones as its head. The choice proved to be an excellent one as Jones quickly demonstrated both initiative and executive ability. It was not long before Jones was made a vice-president of Alter Company.

Gordon Jones was quick to discover that if his towboat transported something to New Orleans, it could only make the trip pay if the boat could haul something back. The industrious Jones was not slow in discovering several bulk commodities destined for upstream transportation and available to an aggressive and efficient contract carrier. It was not long before equipment expanded until Alter Company could boast of five towboats and 148 barges in 1972, a truly amazing growth in twelve years.

Meanwhile, the company had added river terminals at St. Paul and La Crosse to supplement their main base at Davenport. In addition, they established plants for processing scrap metal in these locations. Another processing plant was set up at

Council Bluffs but it is not served by water routes. According to Jones:

We range the whole Mississippi from St. Paul to New Orleans. We also travel the Ohio River to Pittsburgh, and the Illinois River to Chicago. Our boats take the Gulf Intracoastal Canal to Brownsville, Texas, and go as far east on it as Mobile, Alabama.

We originally acquired the towboat and barges to haul our own scrap. Now we do 94% of our river hauling as a contract carrier for other people, and devote only about 6 per cent to transporting our own scrap metal.

The firm maintains offices at Hartford, Illinois, and New Orleans for coordination of its far-flung river operations. Recently Alter Fleet, Inc., was established in New Orleans harbor to provide fleeting, cleaning, and repair facilities for the firm's barges.

The story of Alter Company's Marine Division must bring to mind a similar episode in Iowa history a century ago. Just as Joseph Reynolds started his own Diamond Jo Line in 1862 because steamboat men charged him high and discriminatory rates, so Alter Company sprang up and expanded into one of the most powerful towboat lines on the Upper Mississippi in the 1960's. Moreover, it is the only one located in Iowa, which was true of the Diamond Jo Line.

Alter's Marine Division concentrates on service in what they call the "Middle Upper" Mississippi—the area between Cassville, Wisconsin, on the

north, and Hannibal, Missouri, on the south. Since Iowa contains 25% of the Grade A land in the United States, it can readily be seen that Alter boats would find grain in the form of corn and soybeans the principal downstream cargo. Northbound, the Alter boats bring huge quantities of coal, in addition to phosphate rock for the Arco Chemical Company plant at Fort Madison which manufactures granular fertilizer.

By concentrating its towboats in the Middle Upper Mississippi, Alter Company has been able to provide the greatest frequency of service to shippers in this area. According to Gordon Jones there is usually an Alter towboat passing any dock in the region every day.

An outstanding feature of the Alter Company is the variety of services it is able to provide the shipper who is interested in both cost and time. The original Alter firm continues as a merchandiser and processor of iron and steel scrap and nonferrous metals, serving the nation's leading steel mills, foundries, smelters, and refiners. The Marine Division, for its part of the triumvirate, transports bulk commodities on the inland waterways and the intracoastal canal, serving as a boon to all shippers. Beyond these services, Alter Company has established its own unique terminal operations—combining terminal and transfer facilities with river, truck, and rail to provide complete transportation services to its customers.

The creation of Alter Trucking and Terminal Company as a separate corporation has given the firm great transportation flexibility. As Gordon Jones explains:

We can give a customer a package deal, with one system complementing the other. Most of the scrap moves south from this area to wherever there is a steel mill that needs it. Since our transportation is so versatile, we don't have to stay locked in one market, but can ship to those paying the best prices.

The Davenport office is our nerve center. Our dispatchers, port captain, and maintenance supervisors rely heavily on radio, telephone, and teletype to keep communications flowing. All of us spend most of the day on the telephone talking to key river locations: St. Louis, Cairo, Memphis, New Orleans, Paducah, Peoria, Chicago, and the like. We have instant radio contact with our boats at all times. This enables us to advise shippers of the progress of their cargoes.

Our whole operation is oriented to water transportation, which is much cheaper. For one thing we can haul bigger loads. The ordinary barge will hold 1,400 tons. That's the capacity of 25 railroad cars.

It is a far cry from the small fleet of towboats that constituted the Federal Barge Line at its inception on the Upper Mississippi in the 1920's to the Alter towboats that churn the waters of the Upper Mississippi today. Indeed, there is a wide disparity in horsepower between the first boat of the Alter line—the *Frank R. Alter*—the *Renee G.* of 1972 and the new *Phyllis* coming out in 1973.

The increasing horsepower of these boats is seen by the following figures:

	<i>When Built</i>	<i>Length</i>	<i>Breadth</i>	<i>Depth</i>	<i>Horse power</i>
<i>Frank R. Alter</i>	1945	137.4	27.0	6.2	760
<i>Col. Davenport</i>	1945	137.4	27.0	6.2	760
<i>Yetta Alter</i>	1951	106.5	30.1	11.3	1800
<i>Renee G.</i>	1950	108.0	27.0	8.9	800
<i>Phyllis</i>	1952	110.4	27.1	8.7	1000
<i>Beverly Ann</i>	1952	93.3	28.0	10.7	900
<i>Fair Lady</i>	1966	59.0	21.0	5.0	500
<i>Renee G.</i>	1971	132.5	35.0	10.5	3200
<i>Phyllis</i>	1973	142.0	42.0	10.5	4200

When one considers that the average boat today has a capability equal to four of the original towboats, one can well understand why the *Renee G.* is capable of towing as much as 21,000 tons of bulk cargo upstream.

In addition to its regular fleet of towboats, Alter Company has chartered a half dozen vessels that became familiar craft to boat-watchers on the Upper Mississippi. These have been progressively more powerful boats as the following would indicate:

<i>Chartered Boats</i>	<i>Year Chartered</i>	<i>HP</i>
<i>Ouachita</i>	1961	1800
<i>Illinois</i>	1967	1800
<i>L. Andress</i>	1968, 1969	1700
<i>Foremost</i>	1970	3200
<i>Glenda S.</i>	1971	3200
<i>Greenville</i>	1972	3200

In the past dozen years the towboats of the Alter line have carved a deep niche in the story of inland waters transportation for low cost, reliable service to the people of the Upper Mississippi Valley. Their tonnage record has increased with each passing year, a record of which the Marine Division can well be proud.

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