As described in Chapter Three, the dispute over the Oregon territory with Great Britain was resolved by the partition treaty of June 15, 1846. By August 6 of that year, President Polk was calling for a mail service to newly-acquired Oregon, and Congress responded with two bills on March 3, 1847. The first of those bills established new postal rates for the Pacific coast and intermediate points. The second of those bills authorized the Navy Department to contract for the transport of mail between Oregon and New York via Panama so long as the steamships used on the routes were readily convertible into warships.

For postal purposes, the route was divided into three segments, as illustrated in Figure 6-1. The Atlantic coast segment was serviced by steamships between New York/New Orleans and Chagres, New Granada via Havana, Cuba. The Pacific coast segment, also serviced by steamships, ran between Panama City, New Granada and Astoria, Oregon via San Francisco. The third segment, overland between Chagres and Panama City, linked the two steamship segments.

Separate mail contracts were negotiated for the three segments, so this chapter will briefly examine each of the three contracts, but will consider the service via Panama as a single route, since the three contracts were interdependent. The mail route via Panama was relegated to a secondary status after the July 1, 1861 start of the daily overland contract mail service between Missouri and San Francisco.
United States Mail Steamship Company Contract, 1848 to 1859

On April 20, 1847, The Navy Department awarded a ten-year contract to Albert G. Sloo to provide a twice-monthly service between New York and Chagres in five newly-constructed steamships. Sloo transferred this contract to a group led by George Law on September 3, with the stipulation that at least two steamships would be ready for service on October 1, 1848.

Law organized the United States Mail Steamship Company (USMSC) on March 23, 1848 and began the construction of the new steamships. The construction was inordinately delayed, so Law proposed to use a small purchased steamship, the Falcon, to inaugurate the service on the Atlantic coast. Upon approval from the Navy, the Falcon left New York with the first monthly mail on December 1, 1848 and arrived in Chagres on December 27. Another small purchased replacement steamship, the Isthmus, carried the second mail from New York on December 26. It was not until September 1849 that the first of Law’s new steamships was ready for service, which allowed the USMSC to begin the contracted twice-monthly service in January 1850. At that time, scheduled departures from New York were on the 13th of each month to Chagres and on the 28th of each month to New Orleans connecting at Havana for Chagres.

Pacific Mail Steamship Company Contract, 1848 to 1859

On November 16, 1847, the Navy Department awarded a ten-year contract to Arnold Harris to provide monthly steamship service between Panama City and Astoria, Oregon. Three days later, Harris transferred his contract to a group led by William Aspinwall with the approval of both the Navy and Post Office Departments. Aspinwall committed to provide three steamships for this service, which was to commence on October 1, 1848 and to run ten years from that date.

Aspinwall formed the Pacific Mail Steamship Company (PMSS) on April 12, 1848 and was timelier than Law in the construction of his steamships. The California left New York on October 6, 1848 for San Francisco around Cape Horn. After a stop in Panama City on January 17, 1849 to pick up the passengers and mail from the first two USMSC sailings to Chagres, the California arrived in San Francisco on February 28. With the June 1848 concurrence of the Navy Department, the PMSS used San Francisco as the main terminus of the line, and employed sailing ships or small steamships to carry mail between San Francisco and Astoria, Oregon.

Transit across the Isthmus of Panama

The March 6, 1844 New Granada-U.S. Postal Treaty set transit charges per pound of U.S. mail carried by New Granada across the Isthmus in closed mail bags. Nonetheless, the Postmaster General ordered an extension of the PMSS mail contract to include isthmian transit on October 25, 1848. Since this conflicted with the New Granada postal convention, the PMSS was unable to get a service started. Accordingly, the Postmaster General revoked the PMSS contract extension a year later, and relied on the New Granada postal system to carry the transit mail starting January 1, 1849. The New Granadian transit mail service, however, relied on local contractors and was very unreliable. While passenger trips across the Isthmus took anywhere from two to four days, transit times for freight and mail (which was viewed as low value freight) took from four to ten days, depending on the availability of pack mules. Starting in November 1849, postal agents carried on the steamships were supposed to ensure transit across the Isthmus by accompanying the local contractors, but sometimes stayed at Chagres, or were preoccupied with transporting higher priority private goods.
The longer term solution to the Panama transit was a railroad, so the Panama Railroad Company (PRC) received an exclusive contract from New Granada to build an isthmian transit railroad on May 29, 1850. They began work promptly, and the first daily trains across a portion of the transit began on March 15, 1852, reducing passenger transit times to two days. In anticipation of this, the U.S. Post Office awarded the isthmian mail transit contract to the PRC, effective January 1, 1852. Their service was excellent, as transit times decreased to four hours upon the January 28, 1855 opening of the completed railroad.

**Early Contract Period, 1848 to 1851**

This start-up period was marked by extremely long trips caused by irregular transit times across the Isthmus and irregular steamship schedules, particularly on the Atlantic coast. This meant that the sailings of the USMSC and PMSS were not synchronized, and mail could wait for as long as a month on the Isthmus to make a connection. Appendix C includes a detailed sailing table that illustrates these delays. Of note in the sailing table is the limited number of ships available to service the USMSC contract in 1848-49. As described above, the USMSC began with two small purchased steamships, and then took one of them off service in June 1849. That left only the *Falcon* to service the New York-Havana-New Orleans-Chagres circuit from July 1849 to January 1850. As a result, the U.S. Despatch Agent at Panama City had to employ non-contract steamships to carry some contract mails in 1849. Regular twice-monthly sailings along the entire route began in early 1850.

Westbound mail to California left from either New York or New Orleans. Eastbound mail was also distributed from both cities depending on the ultimate destination. The trips departing New York prior to October 1851 stopped at Havana while afterwards the trips were direct. Similarly, mails between New Orleans and Chagres were carried direct from September 28, 1851.

The March 3, 1847 Postal Bill set postage on letters to or from Chagres at 20 cents per half ounce; to or from Panama City at 30 cents; and to or from the Pacific coast at 40 cents.

**Contract Letters Carried via Panama, 1848 to 1851**

Examples of mail carried during the first year of operation are rare. Figure 6-2 shows a letter carried on the second USMSC sailing, which connected with the inaugural westbound sailing of the PMSS *California* at Panama City.

This commercial letter was datelined at New York on December 23, 1848 and is the earliest known letter carried on the Panama contract mail route. It was rated for 40 cents transcontinental postage due and postmarked for the December 25 expected sailing of the USMSC *Isthmus* which arrived in Chagres on January 16. The letter was then carried across the Isthmus to Panama City, where it caught the first PMSS sailing from Panama by the *California* on January 31. This first contract mail to San Francisco arrived on February 28.

The PMSS’s *California* also carried the first Special Post Office Agent for California and Oregon, William Van Voorhies, on that maiden voyage. He tried to establish a transcontinental postal service from San Francisco, but was stymied by the desertion to the gold fields of the *California*’s crew and a shortage of coal. Not to be deterred, he chartered a Peruvian sailing ship, the *Callao*, to carry the first contract mail from San Francisco.
Figure 6-3 shows the only known letter carried on that trip. This letter from a successful gold miner was datelined December 11, 1848 at San Francisco and waited three months to be forwarded. It was rated for 40 cents transcontinental postage due and postmarked for the expected March 15, 1849 sailing date of the Callao for Panama City. This is the earliest U.S. postmark from San Francisco, which relied on manuscript postmarks until June 1849. The Callao actually left on March 19, and arrived in Panama City on May 5. After crossing the Isthmus, it waited at Chagres for several weeks before the mail agent decided to use the non-contract Empire City Line steamship Crescent City to transport part of the mail to New Orleans. The Crescent City left Chagres on June 4 and arrived in New Orleans on June 10. Since this letter was addressed to Indiana, it was distributed directly from New Orleans, rather than continuing on to New York.
The second PMSS steamship, the *Oregon*, left New York on December 8, 1848 and travelled around Cape Horn to San Francisco on April 1, 1849. During her stop at Panama City, the *Oregon* picked up San Francisco’s first postmaster, John Geary, who quickly prepared her for the return trip to Panama City. She left San Francisco with the first steamship contract mail on April 12. Figure 6-4 shows a letter carried on that trip.

This unpaid letter was datelined April 5, 1849 at San Francisco and received a 40 cents due marking along with a manuscript postmark of April 9, which was the expected departure of the *Oregon*. She actually left three days after that and arrived in Panama City on May 5. The USMSC *Falcon* had waited only four days for the eastbound mails at Chagres before leaving on May 6 without any contract mails. Faced with the prospect of waiting two months before the next USMSC sailing from Chagres, the mail agent decided to use the non-contract Empire City Line steamship *Crescent City* to transport most of the March, April and May San Francisco mails to New Orleans on June 10, as seen with Figure 6-3. This letter connected with the USMSC *Falcon* at New Orleans on June 12 for the trip to New York, where it arrived on June 19. The two and a half months’ transit time of this first steamship contract mail from San Francisco illustrates the unreliability of the early trips via Panama due to poor connections on the Isthmus.

San Francisco introduced a straight-line postmark in June 1849, which remained in use until August 1849. Figure 6-5 illustrates a letter with earliest use of this postmark.

This June 18, 1849 six-page commercial letter was rated for double-weight 80 cents due, and postmarked for the June 20 scheduled departure of the PMSS's *Panama* for Panama City, where it arrived on July 12. After a relatively short wait at Chagres, the letter left on the USMSC steamship *Falcon* to New York on August 17. An Empire City Line steamship had departed from Chagres nine days earlier on July 16, but the U.S. Despatch Agent opted not to send the contract mails mail with it.

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Figure 6-4. Letter postmarked at San Francisco on April 9, 1849 and carried by the PMSS steamship *Oregon* to Panama and the USMSC steamship *Falcon* to New York.

John Bidwell, California Pioneer, 1819-1900

- Moved to Ohio in 1831 from New York
- Led first overland party to California in 1841
- Business manager at Sutter's Mill in 1842
- Discovered gold at Bidwell's Bar in 1848
- Brigadier general of California militia in 1863
- Member of U.S. Congress from 1865 to 1867
Westbound mail during the early period also experienced significant delays. Figure 6-6 shows a July 1849 example. This letter was postmarked in New York on July 7, 1849 and was rated for 40 cents transcontinental postage due. It missed the June 28 sailing of the *Falcon* and had to wait until the *Falcon’s* next trip, which left New York on August 27 and arrived in Chagres on September 18. After a trip across the Isthmus, the letter was picked up by the PMSS chartered steamship *Unicorn*, which arrived at San Francisco on October 31. The total transit time was nearly four months. This letter is addressed to John Bidwell, who led the Bidwell-Bartelson Party from Missouri to California in May-November 1841 (described in Chapter Four). Shortly after his arrival, he was employed by John Sutter at Suttersville (in today’s Sacramento), where gold was first found in 1848.

As mentioned above, New Orleans was one of two termini on the Atlantic coast, and mail was distributed from there or New York. Eastbound mail typically did not receive postmarks at these termini, unless a letter entered the U.S. mails at that point. Even when this type of mail entered the mails at New York or New Orleans, the postage charged was from the west coast origin point. Figure 6-7 shows a January 1850 letter that entered the mails at New Orleans.

This letter was datelined at San Francisco on January 1, 1850 and hand-carried on the PMSS *Oregon* to Panama on January 23. The letter travelled across the Isthmus to Chagres, where it was most likely put into the USMSC mail bag. It then left Chagres aboard the USMSC *Falcon* on January 26 and, after a stop in
Havana, arrived at New Orleans on February 7. It was posted there on the following day and marked for the unpaid 59 cents rate to England. Had it originated in New Orleans, the unpaid postage would have been 24 cents, so the letter was marked with the red “STEAM” marking to indicate that it came in on a regularly-scheduled packet, and to indicate the reason for the higher rate of postage. The letter then travelled by river steamer and railroad to New York, where the “59” was crossed out and a manuscript 56 cents debit to England was added. It left New York on February 20 aboard the Ocean Line steamship Hermann, which arrived in Southampton, England on March 8. The letter was docketed as received on March 9 in London, where it was rated for two shillings five and a half pence due, which was equivalent to the 56 cents due to the United States plus three cents British credit for inland postage.

The 40 cents transcontinental postage could also be prepaid by 1847 issue postage stamps. All but one of the known examples originated in the East, since 1847 issue stamps were never placed on sale in California. Figure 6-8 shows an early westbound example.

This letter was posted in Philadelphia on October 1, 1849 and prepaid 40 cents transcontinental postage by four 10 cents singles of the 1847 issue. It left New York on the USMSC Ohio for Havana and was transferred there to the USMSC Falcon for Chagres, where it arrived on October 29. After a six to seven day transit of the Isthmus, the letter was carried by the PMSS Oregon to San Francisco on December 1.
Mail Agents on the Steamships, 1849 to 1852

The Navy Act of March 3, 1847 specified that, “steamers shall also receive on board and accommodate, without charge to the government, one agent, to be appointed by the Postmaster General, who shall have charge of the mails to be transported in said steamers.” Starting in November 1849, mail agents were carried on contract steamships via Panama. These agents saw the mails to the port of Chagres and accompanied New Granadian contractors with the mail across the Isthmus to Panama City. The U.S. Consul at Panama City, as U.S. Despatch Agent, received the mail for sorting and proper routing and paid the New Granadian government for the transit services according to the 1844 U.S.-New Granada convention. If the agent did not accompany the westbound mail all the way to San Francisco, he waited at Panama City for the next PMSS eastbound mail and accompanied it back to New York.

The mail agents were also responsible for sorting and postmarking mail received on board the steamer. Special route agent postmarks were prepared for this, and Figure 6-9 illustrates the only known westbound route agent datestamp.

The original letter (no longer present) was datelined July 13, 1850 at New York by John Bidwell. Bidwell was visiting back East, and had arrived in New York on July 8 aboard the USMSC Georgia. He gave this letter to the Georgia’s mail agent, Bannister Midgett, who was scheduled to leave New York on July 13. Midgett apparently did not process his New York way mail until well into the voyage. He rated the letter for 40 cents transcontinental postage due and postmarked it with his “N. York & Chagres S.S.” device on July 23, one day before the Georgia arrived at Chagres. Midgett then accompanied the mail, along with this letter, across the Isthmus to Panama City, where Amos Corwine, U.S. Consul and Despatch Agent, sorted the mail and gave 79 California mail bags back to Midgett for transportation to San Francisco. The PMSS California departed with Midgett and this mail on August 3 and arrived in San Francisco on August 23. Midgett departed for the East on September 1, accompanying the PMSS Oregon’s mails to New York. The addressee, John Townsend, was the first licensed physician in California. He came to California in 1844 as part of the Stephens-Townsend-Murphy overland party, and was appointed Alcalde (mayor) of San Francisco from April to September 1848. His term of office ended with his departure for the gold mines. He later treated victims of an October 1850 cholera outbreak in San Jose and died from the disease.
A few covers are known with manuscript “Panama & San Francisco (date)” route agent markings on mail collected on board a PMSS steamship. Others are known with one of two types of circular route agent datestamps which read, “Pan. & San. Fran. S.S.” and are seen in both black and red ink. Research has shown that the type I datestamp was used exclusively by route agent Gouverneur Ferris and the type II by route agent Bannister Midgett. Figure 6-10 shows a December 1850 example of the type II route agent postmark.

This letter was datelined July 24, 1850 at Sacramento and waited some time before being sent. It was probably given to route agent Midgett on board the PMSS California while at San Francisco. That ship left on December 15 and Midgett waited some time before processing his way mail. While off Acapulco on December 23, he postmarked the letter with his type II “Pan. & San. Fran. S.S.” device. The California arrived at Panama City on January 3, and Midgett accompanied the mail via Chagres to the USMSC Falcon, which arrived in New York on January 24. The New York post office marked the letter with its distinctive circled 40 cents due marking.

Midgett was active as a route agent on the entire route between July 1850 and June 1852, while Ferris was active between November 1850 and October 1852. Accordingly, the period of use of the route agent datestamps runs from July 1850 to October 1852.

**Early Communications between Europe and the West Coast, 1849 to 1851**

The exclusive Panama mail contracts meant that all post office mail from the West Coast to Europe was carried by PMSS and USMSC steamships via Panama for transfer to transatlantic steamships at New York.
Figure 6-1 shows the earliest known letter from the San Francisco post office to England. This double-weight commercial letter was postmarked in San Francisco for the expected August 1, 1849 departure of the PMSS steamship *California* and marked in red for the unpaid 80 cents transcontinental postage. This is the earliest use of San Francisco’s circular datestamp, which replaced the straight-line postmark in August. After a trip across the Isthmus, this letter was faced with the prospect of a long delay at Chagres, since the USMSC *Falcon* had left on July 25 and was not due back for several months. The U.S. mail agent accordingly arranged to have the Empire City Line carry this mail at no charge on the *Empire City* to New York September on 13. The New York post office crossed out the red “80” and added a 90 cents debit to England for the 80 cents plus twice the five cents British convention rate for U.S. postage, in a curious double charge for domestic postage. The letter then left on September 19 aboard the British Cunard steamer *Niagara* for Liverpool, where it arrived on October 2. London calculated five shillings four pence due, which was equal to three shillings nine pence due for the 90 cents U.S. debit plus one shilling seven pence due for double packet and British inland postage.

**Figure 6-11. Letter postmarked at San Francisco on August 1, 1849 and carried by the PMSS *California* to Panama, the *Empire City* to New York, and the Cunarder *Niagara* to Europe.**

Letters from Europe to the Pacific coast were handled differently. The British Royal Mail Steam Packet Company (RMSP) had been running steamships between England and Chagres via the West Indies since 1842, and this became the default mail route for British mails to the Pacific coast. Mails from other European countries to the west coasts of North and South America were carried in the British mails, and were accordingly routed via the West Indies. The French post office introduced a fully-paid rate of two francs ten centimes (21 décimes) per 7.5 grams to Panama City by RMSP steamship effective August 1, 1849. Postage beyond Panama City had to be collected from the recipient. Figure 6-12 shows a rare example of this rate.

This letter was prepaid two francs ten centimes at Bordeaux, France on February 12, 1850 per a manuscript “21” (décimes) on the reverse, and routed via Southampton, England for the February 18 sailing of the RMSP steamship *Great Western* to Jamaica on March 18. It was transferred at Jamaica to the RMSP branch line steamer *Tay* for Chagres, where it arrived on March 25. British consular agents then arranged for the transit across the Isthmus, and the letter connected with the April 1 PMSS *Panama* sailing.
to San Francisco on April 20. Since the postage had only been paid to Panama City, the San Francisco post office charged 30 cents postage due for the March 1847 rate from Panama City.

A fully-paid 28 décimes closed mail rate to California via the West Indies became effective in France on January 1, 1851. Two months later, the French post office announced that the West Indies route was the default for all mails to California. Figure 6-1 shows a July 1851 example.

This letter was prepaid 28 décimes per a manuscript “28” on the back, in Angouleme, France on July 10, 1851. It was routed via Southampton to the July 17 sailing of the RMSP steamship Avon, which arrived at Chagres on August 12. British consular agents then arranged for the transit across the Isthmus to Panama City, where it met the September 1 sailing of the PMSS steamship Oregon to San Francisco on September 18. Although the 28 décimes was published as a fully-paid rate, San Francisco nonetheless charged 20 cents postage due, per the red “20.” It is surmised that the British consul in Panama City transferred the
mail to the American consul, who opened the closed mail bags to extract any locally-addressed mail in his capacity as U.S. Despatch Mail Agent. Since the mail bags were no longer closed when they reached San Francisco, their letters were assessed 20 cents postage from Panama City. Per markings on the reverse, this letter was picked up at the San Francisco post office by Reynolds & Company, which delivered it to the southern gold mines for a $1 express fee.

**Contract Mails to and from Oregon, 1849 to 1851**

The 1847 contract between the PMSS and the Navy Department called for service between Panama City and Astoria. After the February 2, 1848 Treaty of Guadalupe Hidalgo ceded Upper California to the United States, the PMSS’s interest shifted to San Francisco as the principal terminus. On June 19, 1848 the Secretary of the Navy approved that terminus for the PMSS steamships, provided that the PMSS continue to provide monthly service between San Francisco and Oregon in chartered sailing vessels. In January 1850, the Navy Department ordered the PMSS to put steamships on the Oregon extension by June 10. Accordingly, the PMSS started steamship service to Oregon with the *Carolina* in June 1850. Finally, on March 13, 1851, the Navy Department, Post Office Department and PMSS reached an agreement to carry twice-monthly mails between Panama and Astoria in steamships, with connection at San Francisco. Figure 6-14 shows an early example of westbound mail from Oregon.

![Figure 6-14. Letter posted at Oregon City on March 1, 1850 and carried via San Francisco and Panama to New York.](image)

This letter was datelined at Oregon City on February 24, 1850 and prepaid 40 cents transcontinental postage. It was postmarked for the March 1 boat departure down the Columbia River to Astoria, where it met the March 2 sailing of the PMSS-chartered brig *Seguin* to San Francisco on March 8. Too late for the monthly PMSS steamship that departed on March 1, it waited for the April 1 PMSS *California* sailing to Panama on April 23. After a quick trip across the Isthmus, it was carried by the USMSC *Georgia* to New York on May 7.

**Post Office Mails Carried by Opposition Steamships, 1849 to 1850**

As early as December 1848, non-contract steamship lines (called “opposition steamships”) began running between New York and Chagres, mainly competing for the passenger traffic. Initial competition for the USMSC came from the Empire City Line (which used J. Howard & Sons as its New York agents) with the steamships *Crescent City* and *Empire City* on the Atlantic coast. These two were joined by three steamships on the Pacific coast in 1850, which prompted the PMSS to gain control of all but one of the Empire City Line steamships in October 1850. This left the PMSS in competition with the USMSC on the New York/New Orleans-Chagres route with the old Empire City Line steamships.
Perhaps anticipating this, George Law (principal owner of the USMSC) sent the *Isthmus*, *Columbus* and two other steamships of Law’s Line to the Pacific in May-June 1850 to compete with the PMSS. This quickly ended with a January 1851 agreement between the USMSC and PMSS to sell their competing steamships to each other and to confine their activities to the Atlantic and Pacific coasts, respectively.

In the interim, the post office attempted to take advantage of the more frequent sailings. In an October 15, 1849 letter to the Boston postmaster, the First Assistant Postmaster General wrote,

…On the 27th of September, authority was given to the Postmaster of New York to make up and send mails by the Crescent City and the Empire City – the proprietors having consented to take them at the compensation authorized by the act of Congress of 1825…instructions were given under date of the 10th instant, that, in restricting the Postmaster of New York to the exclusive employment of the government packet line, whenever its ship and that of Howard & Son sailed on the same day he would nevertheless mail by Howard & Son’s ship all letters marked to be conveyed by it.

Just before this, a mail was carried by the *Empire City* that was rated as a contract mail on the Pacific Coast. Figure 6-15 shows a letter carried in this mail.

This letter was datelined September 15, 1849 at New York, and placed in the *Empire City*’s mail bag on the wharf. The fee for the Empire City Line was paid per the manuscript “Paid” at the upper right, so the purser added the “EMPIRE CITY” marking to the letter and took it on the ship in a closed bag. The *Empire City* left New York on September 17 and arrived in Chagres on September 26. An Empire City Line agent carried the mail bag across the Isthmus, and then entrusted it to the U.S. Despatch Agent at Panama City. The Empire City Line mail bag and the regular contract mail bags were then carried by the PMSS chartered steamship *Unicorn* to San Francisco on October 31. Upon arrival, San Francisco added its boxed “40” marking, reflecting the contract transcontinental postage due.

In March 1852, the Post Office approved payment for 42,969 letters carried by the Empire City Line in 1849-50. Compensation for this service was at the fairly meager rate of 2 cents per letter.22

With respect to the opposition steamers on the Pacific coast, the May 14, 1850 *Alta California* reported:

We understand that O. Charlick, Esquire, agent of Law’s Line of Steamers, has offered to take a mail, and that the Postmaster will dispatch one by the Isthmus on the 15th, which will reach Panama in time to connect with the regular mail steamer leaving Chagres on the 13th of June. Persons sending by this steamer must endorse their letters “Per Isthmus.”

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**Figure 6-15.** Letter posted September 17, 1849 on board the Empire City Line’s *Empire City* and then carried by the PMSS *Unicorn* to California.
This was the first sailing by Law’s Line from San Francisco, and the postmaster sent four more special contract mails on the Isthmus and the Columbus in June, July, September and October 1850. He did this to take advantage of the mid-month departures of Law’s Line, which supplemented the PMSS monthly departures on the first of each month. He also took the precaution of requiring all letters carried by Law’s Line to be specifically endorsed to that line, and it appears that he produced special endorsement handstamps for that purpose.

Figure 6-16 shows a letter carried in the June 1850 Law’s Line special contract mail. This letter was written in San Francisco on June 8, 1850 and postmarked on June 11, with 40 cents transcontinental postage due. To justify sending it by the non-contract Law’s Line steamship Columbus, the San Francisco postmaster prepared the “PER STR COLUMBUS” marking, which is marked in the same red ink as the regular postmarks. Accordingly, this letter was part of a special contract mail which left on June 18 aboard the Columbus, and arrived at Panama City on July 6. After a trip across the Isthmus, it connected with the USMSC Falcon to Havana and then the USMSC steamship Ohio to New York on July 24.

This and a similar marking for the Isthmus are known in red and black ink. Manuscript endorsements to Law’s Line steamships were also accepted for these five special contract mails. An October 10, 1850 Post Office Department order put an end to this practice upon its receipt in San Francisco in early December. On July 15, 1850 the PMSS had extended its sailings to twice-monthly on the 1st and 15th of each month, so there was no further need to use Law’s Line. Accordingly, the First Assistant Postmaster General wrote:

Sir: The Postmaster General has ordered that the arrangement for a semi-monthly mail, between Panama and San Francisco, (W.H. Aspinwall, Contractor,) be made complete: that a second monthly conveyance be made by said contract; that the mails depart from each of those places or the other on the 15th of each month as well as on the first; and that the regular Mail Agents accompany the mail on the 15th, as well as those dispatched on the 1st of each month in the ships of said contractor. The Postmaster General directs that hereafter no mails whatever be made up and sent over the New York, Havana, Chagres, Panama, San Francisco and Astoria routes otherwise than in the government mail packet lines…and that all mails over said routes should be sent exclusively in the charge of government agents.
Middle Contract Period, 1851 to 1855

With the partial opening of the Panama Railroad on March 15, 1852 the reliability and regularity of the twice-monthly Panama route increased significantly. In addition, the Atlantic steamship terminus was moved from Chagres to Aspinwall when the Panama Railroad started operations. This ensured much smoother transfers, as newly constructed wharves permitted the direct transfer of the mails and passengers from the steamships to the train. Accordingly, transit times between New York and San Francisco were reduced to around 30 days and mail volumes increased dramatically.

The March 3, 1851 Postal Act changed the transcontinental rates, effective July 1. The 1847 west coast rate of 40 cents per half ounce was dramatically reduced to six cents on prepaid mail. Unpaid mail was charged 10 cents, and the definition of transcontinental was refined to “exceeding 3,000 miles.” In addition, letters conveyed over 2,500 miles wholly or in part by sea between the United States and foreign countries were charged 20 cents. This replaced the 30 cents rate between Panama City and the United States, although the old 20 cents Chagres rate remained the same. These 1851 rates were superseded on April 1, 1855.

Contract Letters Carried via Panama, 1851 to 1855

A letter carried on the first westbound trip after the 1851 rate change is shown in Figure 6-17. This letter was datelined July 10, 1851 in New York City and prepaid six cents in cash for the new transcontinental rate to California. It was postmarked “New-York Paid 6” for the July 11 sailing of the USMSC Georgia to Chagres, where it arrived on July 24. After crossing the Isthmus, it was carried by the PMSS Panama to San Francisco on August 19. Its receipt was docketed on August 20 as “pr Panama by mail.”

San Francisco’s supply of three cents stamps became exhausted in mid-1853. In May 1853, the San Francisco postmaster began accepting bisects of the 12 cents stamp in payment of the six cents transcontinental rate. These bisects were accepted as valid postage upon arrival in the East until a September 12, 1853 Post Office Department communication re-affirmed that they were not acceptable for postage.

By October 1853, letters originating in California with bisects were charged postage due upon arrival in most eastern post offices. The notice of their non-validity reached San Francisco around October 17, and bisects were no longer used after that date. Accepted bisects, therefore, were carried on the seven contract sailings that left San Francisco between May 16 and August 16, 1853.

Figure 6-17. Letter postmarked at New York City on July 11, 1851 and carried by the USMSC Georgia to Chagres and the PMSS Panama to San Francisco.
Figure 6-18 illustrates an accepted 12 cents bisect from California. This letter was datelined August 15, 1853 from San Francisco and prepaid 6 cents by a bisected 1851 issue 12 cents stamp. San Francisco postmarked it for the August 16 sailing of the PMSS *Winfield Scott* to Panama, where it arrived on August 30. That mail connected across the Isthmus with the USMSC *Illinois*, which arrived in New York on September 10. Since this was just prior to the September 12 Post Office Department communication, New York accepted the letter as fully paid and sent it on to Boston.

A month later, bisects were being rejected by eastern post offices, so bisect letters with 10 cents due were carried on the three contract sailings that left San Francisco between September 16 and October 16, 1853. Figure 6-19 shows a rejected example. This letter was prepaid in San Francisco by a bisected 1851 issue 12 cents stamp and postmarked for the September 16, 1853 sailing of the PMSS *John L. Stephens* to Panama City on September 29. It arrived in New York on October 10 aboard the USMSC *Illinois*. In accordance with the September 12 Post Office Department notice, the New York post office refused to recognize the validity of the bisected 12 cents stamp, and charged the letter 10 cents due for the unpaid transcontinental rate.
Rates on fully-paid French mail to California dropped to 25 décimes on September 1, 1851. San Francisco continued to collect 20 cents on each of these letters. Figure 6-20 shows an example.

This letter was prepaid 2 francs 50 centimes in stamps of the French 1852 and 1853 issues. It was posted in Paris on October 31, 1853 and routed via Southampton for the November 2 sailing of the RMSP steamship *La Plata* to Chagres on November 16. British consular agents arranged for the transit across the Isthmus to Panama City, where it connected with the December 3 sailing of the PMSS steamship *John L. Stephens* to San Francisco on December 16.

Figure 6-20. Letter sent from Paris, France to California on October 31, 1853. It was carried by RMSP steamships to Chagres and the PMSS *J.L. Stephens* to San Francisco.

**San Francisco Letter Bag Operators, 1853 to 1858**

In the long tradition of coffee houses and news rooms in the East, San Francisco letter bag operators maintained bags for the deposit of outbound mail. The need for this service arose because many of the steamers available for carrying mail were without government contracts and their departures, which could be well before the departure of the next contract mail steamer, were not served by the San Francisco post office. Depending on the nearest departure, the letter bag operators delivered their bags of mail to the San Francisco post office, a steamship agent, or directly to a non-contract steamer. Typically, the letters were marked by the letter bag operator to publicize the service.

The most widely known of the San Francisco letter bag operators was Charles Kimball, San Francisco’s “Noisy Carrier.” Kimball started his newspaper “crier” career in April 1850. By the end of that year, Kimball was printing a city directory from his publishing hall at 77 Long Wharf. In 1853, Kimball expanded his business to include a letter bag service. His Noisy Carriers handstamps and labels exist on eastbound mail in a wide variety of styles, and are known on mail delivered to contract steamships, as well as on letters carried by non-contract steamers via Panama or Nicaragua.
Figure 6-21 shows an early example of a Noisy Carriers letter handled through the post office. This letter was deposited with the Noisy Carriers letter bag operator, who added their publicity label at the lower left and took it to the San Francisco post office. It was franked by a 12 cents bisect for the transcontinental postage and postmarked for the May 16, 1853 sailing of the PMSS John L. Stephens from San Francisco to Panama City on May 23. After 11 days on the Isthmus, this letter was carried by the USMSC Illinois to New York on June 12. The New York post office accepted the letter as fully paid and sent it onward to Wilmington, Delaware.

Figure 6-21. Letter collected by Noisy Carriers and postmarked at San Francisco on May 16, 1853. It was carried by PMSS and USMSC steamships to New York.

Late Contract Period, 1855 to 1861

The major events affecting the Panama contract mails in this period were:

- The January 28, 1855 completion of the Panama trans-Isthmus railroad, which reduced Isthmus transit times to four hours.
- The granting of the Butterfield Overland Mail Company contract to carry twice-weekly transcontinental mails starting in September 1858. This led to a decision by the Postmaster General to declare that overland was the default route for transcontinental mails on December 17, 1859. Problems on the overland route would cause occasional mails to be re-directed back to the Panama route, but the tide shifted inexorably toward overland at that time.
- The expiration of the USMSC and PMSS mail contracts on September 30, 1859.
- The start of the daily overland mail service on July 1, 1861 which rendered the via Panama route largely irrelevant, except when American Indian conflicts closed the overland route.

The March 3, 1855 Postal Act changed the transcontinental rates, effective April 1. The rate per half ounce was increased to 10 cents and the unpaid surcharge was eliminated. Letters conveyed over 2,500 miles wholly or in part by sea between the United States and foreign countries continued to be charged 20 cents.
Contract Letters Carried via Panama, 1855 to 1859

The completion of the Panama railroad meant that transit times between San Francisco and New York were reduced to around 25 days.

Figure 6-22 shows how efficient the Panama route had become. This June 20, 1857 edition of the San Francisco News Letter was prepaid 10 cents and postmarked for the June 20 departure of the PMSS Golden Age from San Francisco. The Golden Age arrived in Panama City on July 4 and connected across the Isthmus with the USMSC Star of the West, leaving that same day. The letter arrived in New York on July 13 – 23 days since leaving San Francisco.

Letter bag operators continued to direct letters via Panama. Figure 6-23 shows an example.

This letter was deposited with the Noisy Carriers letter bag operator, who added the “By Mail Steamer from Noisy Carrier’s” publicity scroll and took it to the San Francisco post office. It was prepaid 10 cents and postmarked for the December 5, 1857 sailing of the PMSS Golden Age to Panama City on December 18. After a one-day trip across the Isthmus, this letter was taken on board the USMSC Illinois, which arrived in New York on December 27.
Many of the foreign mail conventions at this time added a 5 cents transcontinental surcharge to the U.S. domestic portion of the rates. Figure 6-24 illustrates a February 1856 example from Canada.

This letter was posted on February 5, 1856 in Three Rivers, Lower Canada and prepaid nine pence (equivalent to 15 cents) by three 3d “Beaver” stamps. The July 1, 1851 Convention rate between the United States and Canada was 10 cents per half ounce, but mail to California was charged an additional five cents transcontinental surcharge. The letter was carried by the USMSC George Law from New York to Aspinwall on March 1. It then connected with the PMSS Golden Age to San Francisco on March 14. This is the only known use of the Canadian pence issues to the West Coast.

The exclusivity of the RMS P route via the West Indies for mail from Europe to the Pacific coast was dropped in 1853. In the case of France, an April 14, 1853 Postal Circular permitted the routing of westbound mail by any available route, but it was not until well into 1855 that letters were routed from France to California via New York. Figure 6-25 shows an August 1856 example.
This letter was prepaid the one franc 30 centimes rate via England to the United States at Levier, France on August 12. The French post office rated it “P.F.” (Paid only to the U.S. frontier), and routed the letter via Liverpool for the August 16 sailing of the Cunard steamship Niagara to Boston on August 27. Boston sent the letter via New York to catch the September 5 USMSC steamship Illinois for Aspinwall. The New York post office charged the letter 10 cents, consisting of the British Convention rate of 5 cents for U.S. domestic postage plus the 5 cents transcontinental surcharge. After crossing the Isthmus in one day, the letter was carried by the PMSS steamship Golden Age to San Francisco on September 28.

The End of the 1847 Ocean Mail Contracts in 1859

In March 1859, Vanderbilt’s Atlantic & Pacific Steamship Company started running steamships via Panama, perhaps in anticipation of the September 30, 1859 expiration of the USMSC and PMSS mail contracts. The Post Office Department had resolved to significantly reduce the subsidies in those mail contracts and proposed that compensation should be limited to the amount of postage on the mail carried. Since most of the high value first class mail was being carried overland, the USMSC and PMSS declined to carry the mail under those terms, and the USMSC decided to withdraw from the steamship business altogether. Accordingly, the Post Office turned to Vanderbilt, who agreed on October 5, 1859 to carry the mail on both coasts for a greatly reduced subsidy.

The PMSS acquired three steamships to compete with Vanderbilt for the lucrative passenger traffic on the Atlantic coast in July 1859. Peace was declared on February 17, 1860 when they agreed to restrict the PMSS’s operations to the Pacific and those of the Atlantic & Pacific to the Atlantic. The Atlantic & Pacific also sub-contracted the western part of the mail contract to the PMSS at that time.

The Butterfield overland mails had terminated in March-April 1861 due to Civil War-related disturbances along the route, and the daily overland mail did not start until July 1, so the route via Panama carried virtually all transcontinental mails in the April-June 1861 period. Figure 6-26 shows a letter carried on the last regular mail steamer via Panama before the start of the daily overland mail on July 1, 1861.

This triple-weight unpaid letter to France was postmarked on June 21, 1861 for the departure of the PMSS Sonora from San Francisco. The Sonora arrived at Panama City on July 4, and her mails connected that day at Aspinwall with the Atlantic & Pacific Steamship Co. steamship North Star, which arrived in New York on July 13. New York postmarked the letter for the July 17 departure of the Cunard steamer Persia for England, and debited 9 cents to France for three

Figure 6-26. Letter postmarked at San Francisco on June 21, 1861 and carried by the PMSS Sonora to Panama and the North Star to New York.
times U.S. inland postage of three cents. The *Persia* arrived in Queenstown on July 26, and this letter was charged triple-weight 24 décimes postage due upon its July 29 arrival in Bordeaux, France.

**Non-Contract Mail via Panama**

Vanderbilt’s first competitive effort on the Panama route was his Independent Opposition Line, from October 1853 to September 1854. His steamships began running from San Francisco on October 16, 1853 and from New York four days later. He did not have a mail contract, but the competition for passenger traffic prompted the USMSC, PMSS and the Accessory Transit Co. to buy him out on September 1, 1854. The small amount of eastbound non-contract mail carried by the Independent Opposition Line entered the U.S. mails upon the steamship’s arrival at New York.

Figures 6-27 and 6-28 show two letters carried on the last of eight trips by the line. Figure 6-27, with six cents transcontinental postage prepaid, was given to Noisy Carriers in late August 1854. The next PMSS sailing was scheduled for September 1, so the letter was directed to the Independent Line sailing of the *Uncle Sam* on August 31. The advertising handstamp boldly proclaims, “Forwarded via Independent Line Ahead of Everything.” The *Uncle Sam* arrived at Panama City on September 15, and her mails were carried across the Isthmus to Aspinwall. Upon arrival there, it was learned that the Independent Line had ceased operations on September 1. Vanderbilt’s agent transferred the mail to San Juan del Norte, Nicaragua to connect with Vanderbilt’s Nicaragua Line steamer *Prometheus*, which departed on September 18 and arrived in New York on September 25. The letter was deposited in the New York post office, which postmarked it on September 27 and sent it on to Maine.

The letter in Figure 6-28 was taken directly to the Independent Opposition Line steamer *Uncle Sam* at San Francisco with six cents transcontinental postage to Maine prepaid. It was marked for the expected routing via the *Uncle Sam* and the *North Star* but, as seen with Figure 6-27, the *North Star* was no longer in service when this letter arrived in Aspinwall. Accordingly, this letter followed the same route via Nicaragua, and arrived in New York on September 25, 1854.
Transcontinental express companies also carried non-contract mail (usually in contract steamships) as an adjunct to their service of transporting gold dust or other valuables. Their agents accompanied the shipments on the steamships, so it was relatively easy for them to carry mail as well. This type of mail often did not enter the U.S. mails. Companies that provided this service included:

- Adams & Co’s Express
  - November 1849 to February 1855
- Berford & Co’s Express
  - Fall of 1849 to February 1855
- Gregory’s Atlantic & Pacific Express
  - November 1849 to November 1852
- Pacific Express
  - March 1855 to April 1857
- Palmer & Co.
  - March 1850 to March 1851
- Wells, Fargo & Co’s Express
  - July 1852 to June 1861

Figure 6-29 shows a November 1849 eastbound envelope carried by Berford & Company. This letter was hand-carried by a Berford & Co. agent, who applied his red “Berford & Co. Letter & Package Express California” handstamp. He took it on the PMSS California, which left San Francisco on November 2, 1849 and arrived in Panama City on November 22. After crossing the Isthmus, the agent then boarded the

Figure 6-29. Letter carried by a Berford & Co. agent on the PMSS California to Panama and the USMSC Falcon to New York on January 8, 1850.
USMSC steamship *Falcon*, which left Chagres on November 27 and arrived at Havana on January 3. He immediately boarded the USMSC *Ohio*, which left Havana that day and arrived in New York on January 8. The following day, the letter was delivered to the recipient, per the “Rec’d 3 oclock 9th Jany ’50” docket. No U.S. postage was paid on this letter.

Figure 6-30 shows an 1851 westbound example carried by Gregory’s Atlantic and Pacific Express.

![Figure 6-30. Letter carried by a Gregory’s Express agent on the USMSC Cherokee to Chagres and the PMSS Columbus to San Francisco on December 12, 1851.](image)

This letter was datelined October 29, 1851 from Franklin, Ohio and sent under cover to Gregory’s Atlantic & Pacific Express in New York. It left New York aboard the USMSC steamship *Cherokee* on November 6 and arrived at Chagres on November 17. After a trip across the Isthmus, it connected at Panama City with the PMSS steamship *Columbus*, which left on November 26 and arrived in San Francisco on December 12. Gregory’s Express Company then arranged to deliver it to their agent at Marysville, California completely outside of the U.S. mails. The addressee, Frank Rumrill, was a noted expressman in his own right. He began as agent for Gregory’s Express at Marysville from March 1851 to October 1852, before becoming the Marysville agent for Wells Fargo & Company until August 1853. He then set out on his own, while maintaining close ties with Wells Fargo, and started F. Rumrill & Co.’s Northern Express, servicing the northern gold mines around Downieville. He sold his express company to Wells Fargo in April 1855.

This ability to avoid U.S. postage was soon prohibited. On January 13, 1854, the U. S. Special Postal Agent in California gave notice to the express companies that they must have U.S. postage prepaid on letter mail in an amount equivalent to the postage if carried in the government mails.

**Endnotes**

1. Detailed Panama route sailing tables can be found in Appendix C. This sailing actually left New York on December 26, 1848.

2. The *Isthmus*, formerly the U.S.S. *Scorpion*, did not return to New York after this trip to Chagres. Instead, the *Falcon* handled the New York-New Orleans-Havana circuit, connecting at Havana with the *Isthmus*, which handled the Havana-Chagres circuit until it was taken off this service after June 1849.
3. San Francisco manuscript postmarks were used from March 1849 to June 1849. In June, the post office transitioned to straight-line postmarks, so letters are known with both manuscript and straight-line postmarks in June. The straight-line postmark was used from June 1849 to August 1849, when the post office transitioned to a circular datestamp. Both straight-line and circular datestamps are known with August 1849 dates.

4. The arrival date of the Callao in Panama City was established by a letter owned by Theron Wierenga and datelined May 5, 1849 from Panama City, which reported that, “…today, a Peruvian Brig arrived here by way of Mazatlan from St. Francisco bringing the U.S. Mail at $10,000 the trip – a passenger on board with $100,000 in Gold – the Steamer Cal. lies high & dry at St. F.-co, with only her Capt. on board and offering $3,000 per month for an engineer…”

5. One of the two operating USMSC steamship, the Isthmus, was taken off the route after June 1849, leaving only the Falcon to service the entire route between New York and Chagres.

6. The 1848 U.S.-Great Britain postal convention set a total rate of 24 cents per half ounce, consisting of 5 cents U.S. inland postage plus 16 cents packet postage (going to whichever country provided the packet service) plus 3 cents British inland postage. For transcontinental letters, the U.S. postage was 40 cents instead of five cents, resulting in a total rate of 59 cents.


8. By May 1850, the mail agents accompanied most mails all the way to San Francisco, instead of just to Panama City. Wierenga, Gold Rush Agents, pages 60-63.


10. The 50-person Stephens-Townsend-Murphy overland party left Council Bluffs, Iowa on May 22, 1844 with mountain man Caleb Greenwood. They were the first overland party to cross at Donner Pass and the first to bring wagons over the Sierra Nevada Mountains. They arrived safely in December 1844.

11. Type I has the “&” centered between the “N” and “S” while type II has the “&” noticeably closer to the “N.” (Wierenga, Gold Rush Mail Agents, page 101).

12. Wierenga, Gold Rush Agents, chapter V.

13. The 1848 U.S.-Great Britain Treaty permitted unpaid mail, and the postage for each country was remitted through accounting noted on the way bills.

14. One English penny equaled two U.S. cents, so 90 cents would convert to 45d, or three shillings nine pence. Double packet postage of 32 cents plus double British inland of six cents converted to 19d, or one shilling seven pence. The novelty of mail from California must have blinded the British post office to the double U.S. inland charge on this letter.

15. The Royal Mail Steamship Company (RMSP) established a transit service for mail across the Isthmus of Panama in 1846, utilizing a combination of canoes and mules. This was designed to connect the Pacific Steam Navigation Company steamships running along the Pacific coast of South America with the RMSP steamships running between England and Chagres.

16. Letters from San Francisco could only be carried on this route if they were sent under cover to a Panama City agent, who would put the letter into the British mails. A few covers are known routed this way.

17. Per the September 12, 1848 French Postal Circular #27, effective September 15. This was a composite rate that arose from the September 15, 1848 Additional Articles to the 1843 France-Great Britain Convention, which set bulk credits from France to Great Britain at 5 shillings 4d per ounce (16 décimes per letter), and French domestic postage of 50 centimes per 7.5 grams, set out in the French Postal Circular #14, effective August 1, 1849.

18. Per the December 30, 1850 French Postal Circular #51, effective January 1. This 28 décimes rate was composed of 7 shillings 4.5d per ounce (about 23 décimes per 7.5 gram letter) bulk credit from France to
Great Britain per the January 1, 1851 Additional Articles to the 1843 Convention, and 75 cents per ounce bulk credit from Great Britain to the United States (for domestic and Pacific coast steamship postage) per the April 24, 1850 U.S. Post Office Order. Mail was carried in closed bags to San Francisco.

19. Per the March 6, 1851 French Postal Circular #57.


21. Boxed 40 and 80 rate marking are known used at San Francisco from October 1849 to February 1850.


23. The San Francisco postmaster also sent a special contract mail on the Empire City Line’s *New Orleans*, which departed from San Francisco on October 5, 1850.

24. A number of 12 cent bisects are known used from Sonora, California in 1852, but they do not relate to the later San Francisco shortage of three cent stamps.


26. Per the September 1, 1851 French Postal Circular #67, arising from reduced bulk credits from Great Britain to the United States of 50 cents per ounce (reflecting lower transcontinental postage) as published in the July 3, 1851 U.S. Postal Order.

27. Vertical pairs of the 1852 issue 25 centimes blue and the 1853 issue 1 franc carmine.

28. The notice was received in California on January 20 and implemented on January 23, 1860.

29. In December 1856, the distance between New York and Aspinwall was re-assessed to be less than 2,500 miles, so that rate became 10 cents per half ounce.

30. The franking is an 1855 10 cents type III green stamp.

31. An 1851 one cent type IV blue stamp and a strip of three of 1851 three cents dull red stamps.

32. These are 3d orange-red stamps on thin paper from the 1852 issue of Canada.

33. The 10 cents Convention rate was superseded on August 1, 1864 and the transcontinental surcharge was also abandoned at that time.

34. The franking consists of a 10 centimes bister, two 20 centimes blue and an 80 centimes carmine of France’s 1853 issue. The 13 décimes rate per 7.5 grams via England was effective from December 1, 1851 to December 31, 1856 and paid the postage to the United States border only, since France and the United States had no direct postal relations. U.S. domestic postage had to be collected from the recipient.

35. The Panama contracts, which were originally scheduled to expire on September 30, 1858, had been extended by one year in a June 16, 1858 agreement with the Navy and Post Office Departments.

36. The Accessory Transit Company held the passenger and mail transit rights across the Isthmus of Nicaragua, as described in Chapter Eight.