

on the long line of coast extending from the Gulf of California to Puget Sound, a distance of over two thousand miles, points out her destiny as the great commercial and manufacturing city on the western shores of the continent. The Sacramento and San Joaquin rivers, the great natural high-ways of communication with the plains of the interior of the State, also assist largely in this result, while the peculiarity of the local climate, by its equable temperature, (being neither extremely hot nor cold at any season of the year) is without a rival in manufacturing advantages elsewhere. These, as before said, point out, in advance, San Francisco's destiny as a great commercial and manufacturing emporium, possessing natural advantages, which combined with the energy of an enterprising people, promise soon to make her eminent among the cities of the civilized world. Incorporated less than eighteen years ago, and considering the high rates of skilled labor and interest on money, San Francisco has made the most remarkable progress in useful arts and manufactures of any city known, and her future promises a still more rapid development than has occurred in the past.

During the last year quite a number of important branches of manufactures have been successfully inaugurated in this city, while others have been projected and are in course of completion, the aggregate of both being a great advance on any previous year of her history. Among the most prominent of the branches of industry put in operation are the Pacific Woolen Mills, located at the Mission, manufacturing knit goods of all descriptions at the rate of half a million dollars annually, and employing nearly four hundred persons. The Golden City Chemical Works, with a capital of \$2,000,000, and manufacturing a great variety of chemicals and medicinal extracts. The San Francisco Glass Works, manufacturing both white and colored glassware to the extent of \$150,000 a year, and the San Francisco Linseed Oil and Paint Works, with capacity to supply the entire wants of the coast. These, with minor enterprises inaugurated during the same period, have absorbed more than \$3,000,000 capital, and will turn out manufactures to half that amount annually. The most prominent of the enterprises yet unfinished is the Pacific Rolling Mills, which promises to be in successful operation within the next twelve months. This establishment is much needed, both to do away with the importation of a vast amount of manufactured metals and to stimulate new branches of labor by furnishing supplies of home materials which are required to make them successful. The large capital of these mills and their contemplated extensive scope of manufacture in copper as well as iron, promises to do more to develop the natural resources of the State in these metals than all similar enterprises now in operation combined.

The pecuniary results of all the manufacturing interests in this city during the past year are reported quite favorable to parties investing in them. In a few branches the results have been unsatisfactory; sugar and petroleum refineries and the foundry business being those most complained of as not being as favorable, in a pecuniary point of view, as was the case in preceding years. On the other hand several branches of manufacture have been unusually active, those of woolen goods in particular, the mills running to their full capacity nearly the entire year. Both the Mission and Pioneer Woolen Mills have had their buildings and machinery largely increased during the period named, and at present have from a third to a half more machinery and facilities to manufacture than was the case a year since. Taken as a whole, the past year may be considered as a very satisfactory one in its pecuniary results to manufacturers and the public at large, while the success in different branches has been most beneficial in giving employment to operatives and laborers to a larger extent than before known.

WOOLEN MANUFACTORIES.—The woolen manufactures of this city are the most extensive and valuable of their kind on the Pacific coast. The two manufactories, the Pioneer and Mission Woolen Mills, produce a variety of goods especially suited to the wants of our mining and agricultural population—which have a reputation for excellence of wearing qualities and fineness of fabric not enjoyed by any similar goods imported. The quantity of goods manufactured at these establishments during the year ending June 30th, 1866, returned to the Internal Revenue Department of this District, amounted to \$899,734. It is proper in connection with the subject of these manufactures to state that the demand for material created by them and competition for desirable grades of wool has largely stimulated the improvement of the breeds of sheep, and raised the value of the entire crop since their establishment on an average fully three cents per pound. Taking the clips of the last six years, which have been thus affected, these woolen manufacturing enterprises have enriched the wool growers of this State and Oregon from \$1,000,000 to \$1,250,000, which they would not have received if they had had to depend on export buyers for a market.

The first manufactory in this important branch of industry on this portion of the Pacific coast was commenced in 1858 by Messrs. Heyneman, Pick & Co., an enterprising San Francisco mercantile firm. Erecting spacious and suitable buildings for the purpose at Black Point on the Bay, they imported all the requisite improved machinery and engaged competent workmen from Eastern establishments to perform the work. Although the breeds of sheep had not then been improved as they are at present by the introduction of the finer woolled varieties from abroad, the supply of the ordinary stock for the manufacture was abundant. At first the manufacture was confined to blankets and flannels of various grades, but as the quality of the wool improved and inducements offered, a great variety of cloths, cassimeres, tweeds and cloakings were made that have met with a ready sale at satisfactory prices. In the fall of 1861 the entire establishment was unfortunately burned, but in the course of a few months another building superior to that destroyed was fully completed and filled with machinery, and under the direction of a joint stock company with a capital of \$300,000, resumed operations. Since then additional buildings have been erected and machinery introduced, until at the present time, the establishment keeps 350 hands constantly employed, runs 18 sets cards, 8 mules and 14 jacks, 72 looms and 6,000 spindles, all driven by a 150-horse power engine. During the year ending December 31, 1866, these mills manufactured 30,000 pairs blankets, 60,000 yards broad-cloths, tweeds and cassimeres, and 375,000 yards flannels, which consumed 1,500,000 pounds of choice wool. To these mills was awarded the Mechanics' Institute Medal, at the Fair in September, 1865. A very large portion of the flannels manufactured is made up at once into shirts, the company employing some 60 sewing machines in that and other work connected with their manufactures.

The Mission Woolen Mills were established by the individual exertions of Donald McLennan, an enterprising manufacturer from the East, in connection with Mr. Lazard, the head of a leading mercantile house in San Francisco, in 1861. The location of the mills on Folsom Street, between Fifteenth and Sixteenth Streets, in close proximity to Mission Creek and the Bay, is peculiarly adapted to the purpose. The main works are contained in an L-shaped wooden building three stories high on Folsom Street, while a stone, two storied fire-proof warehouse, for storing wool, with wooden dye-finishing, and engine houses and Chinese quarters, occupy a considerable portion of the 10 acres of land belonging to the company. Since its inauguration the concern has been