

# **Big Business Ranches: British Investors and Ranchers**

# History of British Investors and Big Business Ranches



From the late 1860s to the beginning of the 20<sup>th</sup> century, large numbers of British men and women came to North America. Many came to visit and explore the territory west of the Mississippi. Others immigrated to the frontier in hopes of being successful farmers. When British men bought land, they revolutionized the ranching industry. They instituted the use of fencing rather than opening grazing lands. Investors also brought over English cattle to mix with American cattle.

Some British men co-owned ranches. One of the largest big business ranches co-owned was the **XIT Ranch**. The XIT Ranch was the largest in the world in the 1880s, covering three million acres and portions of ten counties. This led to the misbelief that the XIT stands for “Ten in Texas.” In order to raise the money to develop and operate the XIT Ranch, John V. Farwell went to England to create the Capitol Freehold Land and Investment Company, Ltd in 1885. A group of businesspersons funded the XIT Ranch on the Texas-New Mexico border. The corporation included English investors like the Earl of Aberdeen and Henry Seton-Karr and Americans Abner Taylor, A.C. Babcock, and John V. and Charles B. Farwell of Chicago. They invested nearly \$10,000,000 in the corporation.<sup>1</sup> The state of Texas allowed the company to seek outside funding; in return, the Capitol Company was responsible for building the new state capitol in Austin. By the 1890s, the British investors wanted repayment for their bonds. The Company had to sell off land in order to pay off debt. The Ranch ceased operating in 1912, but its memory remains alive in museums.



<sup>1</sup> Dallam-Hartley Counties Historical Association. “The Story of the XIT Ranch.” <http://www.xitmuseum.com/exit.shtml> (accessed on December 2, 2007).

In 1882, a group of Scottish investors created the Matador Land and Cattle Company. Alfred Britton and Henry Campbell sought Scottish owners to finance their interest and the company ran it from Dundee, Scotland through Britton and Campbell. At first, they had an American manager running the ranch, but Texas required a representative of the company be present to oversee operations and therefore the owners sent Murdo Mackenzie, a Scottish-born bookkeeper, to maintain the ranch. Britton and Campbell's involvements in developing a successful Ranch lead to expanding their borders and improving the livestock.<sup>2</sup> Mackenzie increased the size of the Matador Ranch through leasing lands and improving cattle and cut expenses. When the investors visited the Ranch, they stayed in the east end of the Matador Office, which is now located at the NRHC. The manager used the west end to conduct business. Another Matador structure preserved at the NRHC is the Matador Half-Dugout. The Half-Dugout represents the homes cowboys lived in while working on the range. The



Murdo Mackenzie



Matador Office at the National Ranching Heritage Center

Matador Ranch eventually bought some of the land once part of the XIT Ranch. The Scottish company sold the Ranch to Lazard Freres and Company of London and they divided the land and cattle into 15 corporations for sale.

These two ranches illustrate just two examples of what occurred during the period.

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<sup>2</sup> Matador Ranch. "History of the Matador Ranch." <http://www.matadorranch.com/history.asp> (accessed on December 1, 2007).