



Carrier Pigeons Helped Create The Worlds Most Famous Banking Fortune

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Whether in business, warfare or affairs of the heart knowledge, the more the better, is often the most crucial element in determining event outcomes. The ability to know what the competition for a business deal is strategizing is potentially game changing. A General upon learning details of a rivals battle plan gains immense advantages in plotting counter-strategy. Knowledge is often not quantifiable, but it is invaluable.

One of the most famous and consequential uses of real time knowledge occurred in Europe in 1815. Early in the 19th century information obtainable through communication channels about distant events was painstakingly slow to arrive. Roads were rough, unfinished, really little more than cart paths. There was no wire transmission or speedy organized courier services for delivering messages over vast distances. Word of the outcome of a battle, treaty or an important political affair could take weeks or months to arrive where the result was most keenly anticipated.

The Battle of Waterloo is possibly the most famous military engagement in history. The battle site, the tiny, remote Belgian village of Waterloo, is synonymous today with one's "final act". Waterloo became Napoleon Bonaparte's denouement. His inglorious defeat by the British forces, commanded by the Duke of Wellington, expedited his exile to the tiny island of Elba and the decline of France as a military power for almost a century.

Prussian, Austrian and Russian armies had allied to fight with the British against Napoleon. All of these great armies, moving across vast swaths of Europe terrain needed extensive provisioning, arming and logistic support to maintain troops as they girded for the great battle. This was an incredibly expensive enterprise. Massive funding was required to support the campaign.

The Rothschild banking family was already famous across most of Europe for providing a secure funding source for national governments. The Rothschild's had established five branches of their enterprise. The largest, most important were based in Paris and London. The final Napoleonic war was largely funded by Nathan Rothschild of the family's London branch. This house had provided large sums to both the British and the French. The Rothschild's were famously indifferent to rulers and governments. Nathan Rothschild once famously remarked, "The man who controls the British money supply controls the British, and I control the British money supply".

His goal was to profit no matter who was in power or won a war.

Nathan Rothschild knew that early knowledge of the winner at Waterloo, details of the battle, the severity of the loser's defeat would be invaluable in financially manipulating markets to profit from the result. The family had invested heavily over the decades in field agents that forwarded tips and messages, fast packet ships and trained carrier pigeons to speedily deliver notes.

the information he needed to begin to plant rumors. Initially he spread the word that the British had lost. Investors began to adjust their bond and security positions in reaction to this negative news. Rothschild took opposite positions, and then, he strategically released the actual truthful news that Wellington had vanquished Napoleon. This enabled the family to profit on both sides of the trades. It is estimated that the Rothschild family extrapolated an increase in wealth of 20 times their pre-war capital.

The foresight to train a winged air force of carrier pigeons proved fortuitous and extremely profitable for the banking house of Rothschild. The edge they enjoyed in receiving real-time information and spectacularly profiting from the knowledge, became legendary and only increased the perception that they were a family of financial Merlin's. Their power and wealth has multiplied exponentially in the past 200 years and has been maintained to this very day.

In modern business and finance, the ability to glean information about competitor's plans, information that will affect asset valuations and marketing strategies is invaluable. Governments spend billions of dollars trying to steal state and commercial secrets. Private investigators are used every day to scope out the fidelity and affairs of married spouses. Information is power.

Entrepreneur's can learn an important lesson from this chronicle about the Rothschild's use of carrier pigeons. If your project has true commercial value it must be protected. You must assume that there are people working at the same time on a similar opportunity. Time is not your friend.

Whether you can uncover a competitor's plan or an adversary learns your project's details, the first owner of knowledge stands to maximize profit. Placing second in this process is a sure path to losing the crucial first to market product advantage. The Rothschild's earned fabulous riches from simply learning the outcome of a battle before competitors. In order for entrepreneur's to successfully profit from their efforts they must harvest every bit of relevant and available knowledge as quickly as possible.

Knowledge is invaluable, but it must be secured and utilized with diligence and due haste.

About the Author

Geoff Ficke has been a serial entrepreneur for almost 50 years. As a small boy, earning his spending money doing odd jobs in the neighborhood, he learned the value of selling himself, offering service and value for money. After putting himself through the University of Kentucky (B.A. Broadcast Journalism, 1969) and serving in the United States Marine Corp, Mr. Ficke commenced a career in the cosmetic industry. After rising to National Sales Manager for Vidal Sassoon Hair Care at age 28, he then launched a number of ventures, including Rubigo Cosmetics, Parfums Pierre Wulff Paris, Le Bain Couture and Fashion Fragrance. Geoff Ficke and his consulting firm, Duquesa Marketing, Inc. (www.duquesamarketing.com) has assisted businesses large and small, domestic and international, entrepreneurs, inventors and students in new product development, capital formation, licensing, marketing, sales and business plans and successful implementation of his customized strategies. He is a Senior Fellow at the Page Center for Entrepreneurial Studies, Business School, Miami University, Oxford, Ohio.

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