The Growth of Business
In 1797, the Haudenosaunee sold their land in western New York State to the Holland Land Company. The company planned to build factories and towns. By the early 1800s, people made many products in factories instead of by hand, but industry did not grow quickly in western New York. Businesses there had to ship most goods by land, which was slow and expensive.

The Erie Canal
In 1817, work began on a canal to connect the Great Lakes to the Hudson River and New York City. The Erie Canal opened in 1825, and it made shipping goods faster and less expensive. New York City became the most important shipping city on the East Coast. Small towns along the canal, such as Rochester and Utica, grew into cities.

Steam Power
In the 1800s, steam engines led to improvements in transportation. Steamboats made river travel easier. Steam-powered trains traveled even faster than steamboats. New York’s first railroad opened in 1831. Steam engines also powered tools that helped build better roads and turnpikes. The invention of the telegraph in 1844 improved communication.