

In 1818 William Baxter leased a flax spinning mill at Glamis and in 1822, in partnership with his eldest son Edward, built his first mill on the Dens Burn in Dundee. In 1825, when Edward left the company, two younger sons were assumed as partners and the firm's name was changed from William Baxter and Son to Baxter Brothers and Co. In 1853, a new partnership agreement was drawn up which included Peter Carmichael, an engineer and manager of Upper Dens Mill. In 1856 William Ogilvie Dalgleish, who married a granddaughter of William Baxter, was admitted as a partner and new partnership agreements were also drawn up in 1873 and in 1879.

The firm was incorporated as a private limited company in 1892 when a majority holding was acquired in Boase and Co. Ltd, bleachers Claverhouse. In 1921 Boase and Co. Ltd, became a wholly owned subsidiary and in 1929 Baxter's acquired Richard Hayward & Sons (1929) Ltd. In the meantime Baxter Brothers and Co. Ltd, had become part of the Low & Bonar group established in 1924. The firm continued to trade as a manufacturing unit within the Low and Bonar group until 1978