OIL & FAT INDUSTRIES

The Editor's Page

The Proposed Tariff

A SURVEY of the oil and fat industries indicates an extremely complicated situation where the proposed increase of the tariff to 45 per cent is concerned. A questionnaire sent out broadcast by *Oil & Fat Industries,* the results of which are discussed elsewhere in this issue in detail, showed very close to an even break among producers, refiners, and manufacturers of edible oil products. Some 53 per cent favored the tariff and 47 per cent were opposed to it.

That there should be a division of opinion on the tariff is only natural when it is realized that some produce and refine oils, others only refine oils, still others refine only imported oils, and many do two or more of these operations. Interests in the oil and fat industries lie in several different directions. To some companies, imports of oil and fats mean cheap foreign competition; to others, they mean a source of cheap raw material. Opinion is dictated almost wholly by the position which the company in question happens to occupy.

In the matter of a duty on Philippine coconut oil, the attitude is taken by most American oil producers that as far as American industry and Americans are concerned, the Philippines are as much of a foreign country as Holland or Africa. "Why should we enrich the Oriental population of the Philippines at the expense of American oil producers?" is the query of one producer. On the other hand, the attitude is taken by some people in the oil business that we must either give the Philippines their independence or else let them ship in their goods free of duty—that we cannot consistently build a tariff wall against our own colonies.

About a billion pounds of fatty oils are imported yearly by the United States with an average value of $125,000,000. Production of all oils and fats in the United States is roughly six billion pounds per year with a wholesale value in finished oil and fat products of over a billion dollars. From these figures, it is difficult to make any general conclusions regarding the possible effects of the tariff in the oil and fat industries because of the involved nature of the manufacturing interests. Certain large oil and fat consuming industries will be placed at a distinct disadvantage. Some oil producers and refiners will be placed in the same situation, while still others may be greatly benefitted.

We cannot see that a single blanket rate of duty whether it be 45 per cent or 4½ per cent is equitable for all oils and fats, and for all producers, refiners, importers and consumers. The tariff schedule for oils and fats should be worked out on a genuinely scientific basis after a thorough study of the situation. Edible oils and inedible oils will have to be separated and treated differently in tariff consideration. They cannot just be dumped into a general pot simply because they are fatty oils. And the oils must also be treated individually. Coconut oil needs one duty, peanut another, and fish oils still another.

In fairness to American industry, oil crushers, oil refiners, and oil consumers, we hope that great care is taken in the final adjusting of the tariff rates on oils and fats. Hasty action stampeded by selfish factions on one side or the other will not solve the problem permanently. An equitable tariff worked out on a scientific basis is much to be preferred to a temporary measure dictated by vote-seeking politicians.

Research Justified

Most large manufacturing organizations in the country today look with favor upon research, particularly chemical and engineering research. Every product and machine, every tool of modern business and industry, at some time or other in the past was the work of research men. The remarkable advances in synthetic chemistry, in mechanical and electrical engineering, in most every field of science and industry, date back to tedious, painstaking, and in numerous instances, expensive research work. New things in our modern civilization do not just happen along. Somebody or other has done the work and somebody has paid the bill.

We find many apparently hard-headed business men in all types of industries who do not hesitate to state that they believe research is a waste of money. They are usually the "practical" men of business. They do not "believe" in research. They see it as a hopeless quest for the pot of gold at the end of the rainbow. They cannot appreciate anything but "results"—the work done today must show a cash profit tomorrow. And these are the men who every day save time, money and effort using the telephone, automobiles, modern railroad trains, and a myriad of products of chemistry—all of them products of long years of research.

One of the finest cakes of soap on the American market today is almost wholly a product of chemical research. Manufacturing difficulties were encountered in every step of its production for several years. One by one, research ironed them out. The product looks to be close to perfection, but still the research goes on seeking for something better. The commercial success of the soap has been almost sensational, but back of its success lies vindication of the research man—research justified.

The entire industrial structure of the world today is a monument to research. Every element in the prosperity and high living standards of America is a justification of research. Let him who fails to recognize its place in modern life and industry go back to his horse cars and tallow candles.

Marking of Labels

By a recent decision of the Court of Appeals of the District of Columbia, in the case of "Four Roses Products Co. vs. Small Grain Distilling and Drug Co.," December 3, 1928, it was held to be a deception and misrepresentation for a merchant or manufacturer to print the words "Trade-Mark Reg. U. S. Pat. Off." upon his labels unless the trade-mark had actually been registered in the Patent Office.

The Commissioner of Patents is bound by the decisions of the Court of Appeals of the District of Columbia, and the Trade-Mark Examiner will refuse registration to any applicant whose labels are prematurely marked with this legend.

Previous to this decision the Patent Office has permitted this marking to appear on the labels when the application was filed as it was considered a hardship to furnish labels in all cases as actually used without this wording. The applicant understood that if registration was refused the said marking would be discontinued.

The National Trade-Mark Company, Barrister Building, Washington, D. C., will gladly discuss this new ruling with any interested parties.

The World's Soya Bean Crop

Owing to the many new uses that are constantly being found for vegetable oils and the ever increasing popularity of oil cake and meal as a stock feed, oil seeds are year by year assuming a more important place in world trade, according to the Department of Commerce. World production for the year 1926 was approximately 35,900,000 short tons, of which about one-third was exported from the country where it was grown either in the form of seed or as oil and oil cake and meal, says Felix J. Pope, Foodstuffs Division of the Department.

Soya beans, which are of Asiatic origin, have been raised in China for many centuries. That country is still the chief source of supply and they play an important part in China's foreign trade. Manchuria is the great producing area, about 40 per cent of China's total crop being produced in that province. Last year China exported 7,576,493,000 pounds compared with 6,877,302,000 and 5,824,296,000 the previous two years.

Soya beans were first used for the production of oil and meal in the United States in 1910, imported seed being used. American grown seeds were first used in 1915 by cottonseed oil mills in North Carolina. The production in this country has increased rapidly in recent years; while no accurate figures are available back of 1924, it is estimated that in 1917 only about 1,000,000 bushels were produced for seed. In 1924 production had increased to 5,190,000 bushels, and this year about 8,688,000 bushels were gathered.

The yield was from 1 to 3 bushels higher than last year in the commercial area of the North Central States, but correspondingly lower in most of the South, where the crop suffered with the other legumes from unfavorable weather conditions.

Regardless of the fact that production has increased so rapidly, it has not kept pace with the demand and the United States is still a large importer not only of the beans but of the cake and oil, imports of cake and meal for the first nine months of 1928 having amounted to approximately 40,000 short tons.