

# OIL & FAT INDUSTRIES

The Editor's Page

## *For Greater Service*

**S**TARTING with the November issue, *Oil & Fat Industries* will be published as a section of *Soap*. The same technical and scientific material which has been a feature of *Oil & Fat Industries* in the past, will be continued in its pages as heretofore. There will be no change in personnel, management or policy of *Oil & Fat Industries*, merely a physical combination of the two papers. The broader field of the new and larger magazine will cover the technology of soaps, glycerine, oils and fats and allied products. Subscription lists of the two publications will be combined and the subscriptions of those who appear on both lists will be extended *pro rata*.

## **Oil Producers' Profits**

**F**OR more than two years the country's soap-makers have been the beneficiaries of enormous overproduction of fats and oils of all kinds, with resulting low prices for all such commodities. The crusher and renderer have been the involuntary victims of these conditions and have only with the greatest possible exercise of economy remained afloat. Now opinion points to a change. Definite advances in the market prices of many of the soapmakers' raw materials must be expected in the near future, if only because of curtailment of whaling operations.

In recognition of this situation, leading soapmakers are already endeavoring to protect their positions by effecting economies in production and distribution costs, involving in some cases curtailment of wages and salaries among other means.

Producers of animal and vegetable fats do not desire that the soapmaker shall not have a fair profit, but they will be generally pleased to see world conditions so modified that they themselves can also once again obtain their fair margin of profit.

## **Consider First . . .**

**I**N times of industrial retrenchment, there is always to be noticed a shifting of demand wise.

which is of even greater importance to the manufacturer than the accompanying reduction of total volume of consumption.

When security values have been severely weakened and dividends reduced or suspended, the income of that portion of the population which lives on the interest from invested capital is seriously curtailed. The salaries of the more highly-paid corporation officials are likewise generally reduced, as are the profits of most operators of retail businesses, and the income of professional men, whose prosperity is largely dependent upon that of the above-mentioned groups.

All of these divisions of our population, taken as a whole, constitute what is known as the "quality" market. They are the purchasers who demand the utmost in package design and appearance, as well as in basic worth, of the merchandise they buy, and who generally insist on that superiority of quality and appearance, regardless of price. When the incomes of these purchasers are scaled down, they generally abstain as much as possible from buying, rather than accept cheaper goods of inferior quality.

The artisan and laborer, on the other hand, continue to receive an average wage much closer to their norm of prosperous times. These constitute the class of purchasers who seek plain value in the goods they buy. If the lard or margarine which they consume is pure and wholesome, they are not inclined to pay anything extra for frills.

In recognition of this trend, certain manufacturers of luxury articles are already making a bid for the patronage of this class of consumers by offering goods of high quality in plain containers of low cost. Such a policy will undoubtedly have some value in promoting sales of these luxury lines.

In the marketing of staples, however, such as salad oil, margarine, shortening and mayonnaise, there are so many diverse factors affecting distribution, that each individual manufacturer must decide for himself whether such modification of packing methods will influence his sales and profits favorably or other-

### Philippine Copra Market

Philippine copra price level showed upward tendency during the first half of July but lost what it gained during the second half and closed on same level as it opened due to decline in foreign purchases and increasing receipts. Receipts were over 30 per cent higher than during July of last year with production in the Southern Islands apparently improving. The uncertain German economic conditions were reacted on the oil market and brought cake and meal business to a standstill.

Copra arrivals at Manila were 380,428 Manila sacks and at Cebu 291,684 Cebu sacks. Exports in metric tons totaled 11,142 of which the United States took 8,602. Stocks on hand July 31st were 26,423 metric tons. Prices resécada at buyers' warehouse Manila pesos per picul, high, 5.375, low, 4.75.

Exports of coconut oil in metric tons totaled 16,766 of which the United States took 16,716. Stocks on hand July 31st at Manila 10,899 metric tons. Prices in drums at Manila pesos per kilo, high, .19, low, 1.17. Exports of Copra Cake and Meal totaled 9,438 metric tons of which the United States took 438 tons. Stocks at Manila July 31st metric tons 6,435. Prices F.O.B. steamer Manila, pesos per metric tons, high 36.50, low 33.50. (Cable from Trade Commissioner Hester at Manila.)

Elgin Softener Corp., Elgin, Ill., manufacturers of water conditioning equipment, is mailing a bulletin describing newly developed equipment for reducing blow-down losses in boiler operation. The Elgin Continuous Blow-Down System also minimizes concentrations and protects boiler surfaces according to the makers. A concise description of the system is available to interested companies.

Imports of flaxseed during the quarter were 97,226 tons in 1931, compared with 121,876 tons in 1930, and 254,171 in 1929. Imports of linseed oil were 124,586 pounds in 1931, compared with 1,673,558 in 1930, and 215,722 in 1929. Exports were 345,062 in 1931, 508,084 in 1930, and 483,695 in 1929.

Soda ash exports from the United States in May, 1931, totaled 6,982,168 lbs., worth \$102,467, Japan taking 3,405,740 lbs.

The Yangtze River basin has become an important producing region of sesame seed, and Shanghai has become one of the principal ports of export. All work in this region is done by hand due to the presence of cheap and plentiful labor, and the fact that the average Chinese farmer is not financially able to make use of agricultural machinery. During the past year, 1930, exports of sesame seed to the four most important countries were as follows:

	Pounds
Italy .....	50,403,940
Netherlands .....	16,783,980
Japan .....	46,583,635
United States .....	64,700,249
Other Countries .....	35,025,258
Total .....	213,497,062

Exports of sesame seed for 1927, 1928, and 1929 were 52,060,432 pounds, 80,270,660 pounds and 120,625,051 pounds respectively.

A large run of pilchards is reported off the West coast of Vancouver Island according to reports from fishing interests. The season for pilchard fishing opened on July 1, 1931, and the fish are reported to be thin and poor in oil, which is understood to be their usual condition at this time of year. Owing to the prevailing low prices for oil and the general market conditions only ten of the twenty-three West coast reduction plants in British Columbia are operating this season on pilchards.

Pressed Steel Tank Company, Milwaukee, manufacturers of Hackney steel barrels, drums, tanks and cylinders, announces the appointment of K. W. Cole as Chicago manager. The Chicago office is located at 208 South La Salle Street. Mr. Cole is well known to many business men, as a result of his long connection with American La France and Foamite Childs Corporation. He studied engineering at Cornell.

The Federal Specifications Board has officially adopted a specification for *Edible Olive Oil*, for all purchases of the commodity by all departments and independent establishments of the Federal Government. The specification becomes mandatory September 15, 1931. The symbol of this specification is *Z-O-351*, and copies may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C., for 5 cents per copy, cash or money order accompanying request.