

OIL & FAT INDUSTRIES

The Editor's Page

A Service Opportunity

THE National Cottonseed Products Association, embracing in its membership the majority of the cottonseed oil mills of the country, is at present confronted with the greatest opportunity of its history.

At great expenditure of time and effort, the association has perfected a survey of costs within its industry, which survey has clearly demonstrated that the average profit, as well as the great majority of individual profits of mills, is so astoundingly low that the business of cottonseed crushing presents a most uninviting field to capital. The survey has shown further, that a large percentage of the mills are being operated at substantial losses, instead of any profits whatever.

This covers the economic side of the picture. From the practical operating standpoint, the survey has clearly demonstrated that the reason for this sad economic situation is to be found in a heavy surplus of milling capacity over the amount that is required to handle the seed from the country's largest possible cotton crop. The immediate plea of all the oil millers, whether members of the National Association or not, is: "help us to greater profit through better balancing of facilities with our visible supply of raw material."

There appears as a matter of course, an undertone of sentiment which would approve the elimination of about one-half the existing mills, to the end that those remaining can then enjoy satisfactory operating profits. Such a solution is entirely without the bounds of practicality. Who is to select the mills to be abandoned? Who is to reimburse their owners for their investment, and assuming that a group of millers could be organized to purchase and scrap a large number of existing competitive mills, what effective measures could be taken to prevent the owners of the scrapped mills from promptly building more efficient units to enter the new competition?

For genuine help in this situation, the cottonseed crushers must read the lesson long since learned by their European competitors, that an oil mill is and should be an oil mill, not a cottonseed mill, a copra mill or a soybean mill.

To prove its right to leadership in the oil mill industry of this country, the National Cottonseed Products Association now has this golden opportunity, to initiate a campaign of education designed to show its members how to keep their presses running twenty-four hours a day, three hundred days a year, if not on cottonseed, then on peanuts, or soybeans, or copra, or palmkernels, or sesame, or other oil-bearing seeds or nuts. The problems involved are varied, but essentially simple. Physical revision of plants is the least. Education of the Southern farmer to plant soybeans would have a part in the program, as would establishment of satisfactory facilities for the import of foreign seeds through various Southern ports. Education of the banker is another essential, in order that he shall cooperate in the matter of foreign credits.

All the necessary steps are subject to accomplishment. Will the Association undertake this effort which is so vital to its members' welfare?

From Him Who Hath Not . . .

FROM the inception of our country, taxes on necessary articles of food, as distinguished from luxuries, have been considered as opposed to the basic principles of our government, by lawmakers as well as by the people at large. One of the "oppressions" which led the Colonies to rebel against King George's government was a tax on tea, if our historians have been accurate in their recordings.

This order of things has now been reversed by our late, but little lamented Congress. Actuated by mixed, but chiefly political, motives, our National solons have voted to place a confiscatory tax upon the manufacture of a clean, healthy food product, one which all authorities agree serves a definite purpose in our economy.

If the price-differential between butter and margarine acts only as a curb upon selfish interests which seek to maintain the price of the former commodity at a profiteering level, margarine has justified its existence.

The issue of color which has been used so successfully against margarine for many years is only more or less of a smoke screen. Butter makers, in creameries, in dairies, and on farms, have used artificial coloring matter in their product for generations. Should they not be taxed as imitators, quite as much as the margarine manufacturer.

No one will attempt to dispute the fact that the major part of the poverty still to be found in our wealthy nation is found among the working classes in the cities, rather than in the rural districts.

It is these workers, struggling to meet the constantly rising cost of food, who are denied the right to purchase a clean, nutritious food product at a reasonable price by this latest caprice of our lawmakers.

Archibald Campbell, Consulting Engineer, of Cincinnati, spent a few days in New York during the latter part of February.

The feed and chopping mill of the Dominion Linseed Company, Owen Sound, Ontario, was recently destroyed by fire, with a loss of about \$300,000., fully covered by insurance.

A bill proposing agricultural product embargoes against imports was recently proposed by Representative Burtness of North Dakota. Edible palm oil butter and margarine and mixed feeds containing oilcake were among the products specifically referred to as subjects of the proposed embargo.

Position Wanted: Capable executive, qualified by training and experience as General Manager or Sales Manager of edible oil refinery, compound or margarine business. Experience covers general management in such lines, including all edible oil specialties, coconut butters, salad oil, mayonnaise, margarine. Address Box A12, c/o *Oil & Fat Industries*, 136 Liberty Street, New York, N. Y.

A dust explosion in the flaxseed elevator of Spencer Kellogg and Sons, Inc., at Buffalo on February 18, caused damage exceeding \$15,000.

Shortening and Oil Prices

Prices of shortening and salad and cooking oils on Thursday, February 26, 1931, based on sales made by member companies of the Shortening and Oil Division of the National Cottonseed Products Association, were as follows:

Shortening	Per lb.
North and Northeast:	
Carlots, 26,000 lbs.	@10
3,500 lbs. and up	@10 $\frac{1}{4}$
Less than 3,500 lbs.	@10 $\frac{3}{4}$
Southeast:	
3,500 lbs.	@ 9 $\frac{3}{4}$
Less than 3,500 lbs.	@10 $\frac{1}{4}$
Southwest:	
Carlots, 26,000 lbs.	@ 9 $\frac{3}{4}$
10,000 lbs. and up	@ 9 $\frac{3}{4}$
Less than 10,000 lbs.	@10 $\frac{1}{4}$
Salad Oil	
North and Northeast:	
Carlots, 26,000 lbs.	@10
5 bbls. and up	@10 $\frac{1}{4}$
1 to 4 bbls.	@10 $\frac{3}{4}$
South:	
Carlots, 26,000 lbs.	@ 9 $\frac{3}{4}$
Less than carlots	@10

Cooking Oil—White

$\frac{1}{8}$ c per lb. less than salad oil.

Cooking Oil—Yellow

$\frac{1}{4}$ c per lb. less than salad oil.

Armour & Co. have reported net earnings of \$4,741,027 for the fiscal year ended November 1, before dividends, compared with \$9,810,518 net in the previous fiscal year. After payment of preferred dividends out of net income and surplus there remained a surplus of \$43,078,-092 as of November 2, 1930.

Whaling companies are beginning to experience some misgivings as to the future of the industry. At the annual meeting in London of one of the largest companies, in explaining why the final dividend of the year was not paid, the directors made reference to the present low levels at which whale oil is selling in the open market and acknowledged that the recent expansion in production had been too rapid for consumptive requirements.