OIL & FAT INDUSTRIES

The Editor's Page

Protectionists Persist

THE high-tariff advocates are already shaping their plans for the future. Feeling that efforts further to increase the tariff on sugar, vegetable oils and similar commodities will be unsuccessful at this time, particularly in the face of Presidential opposition to such procedure, they are reverting again to the proposal to levy full tariff duties on all products imported from the Philippine Islands. The latest effort in this direction has taken the form of a proposed amendment to the tariff act, sponsored by Senator Broussard of Louisiana. Senator Broussard proposes to return to the Philippine Treasury all receipts of duties on Philippine products collected at American ports, the proceeds to be used in furthering educational and other development in the Islands, in order that they shall be sooner prepared for the complete independence to which some of the natives aspire. At the same time, of course, all industries in this country which come into competition with Philippine produce will have the benefit of the added protection. The sugar cane planters of Senator Broussard's State and the beet growers of the Middle West would see the growing menace of Philippine sugar partially checked, and the copra crushers, the tobacco growers and the rice planters would all join in praise.

The prevalent opinion in informed circles in Washington is that the backers of Senator Broussard's proposed amendment do not confidently expect it to be successful in connection with the pending tariff legislation, but are skillfully laying their lines for a real fight in the next Congress on this issue.

This suggested amendment comes on the heels of a suggestion on which the domestic and Cuban sugar producers have been conferring, looking to the placing of a differential tariff against Philippine sugar, equal to the increase in the duty on Cuban sugar. Its proponents lost hope of securing the adoption of this proposal when Secretary of State Stimson went before the House Ways and Means Committee and denounced the plan to limit the amount of Philippine sugar which could be imported to this country.

The time seems to approach when our Congress and indeed the Administration as a whole must adopt a fixed program in relation to the Philippine Islands, and give the Filipinos and Americans (in the Philippines as well as at home) positive assurance that the program will be adhered to over a period of years. If those who claim the Islanders have been promised their independence are correct, and if the Filipinos really desire that independence, a definite program looking to such grant within a given period of ten or twenty years, should be adopted and adhered to. It might then be desirable to build gradually a system of import duties on the products of the islands, so that at the time of assuming independence, the Philippine industries would not suffer from the sudden erection of a high tariff wall around their best market. If, on the other hand, we are to stand as guide and protector to this infant nation for an indefinite period of years, it seems absurd to threaten them every year with the club of a tariff barrier held over their commerce with us, their avowed friend and guardian.

Discounts and Credits

IF there are any things in the daily routine of business which are abused more than another, they are credit terms and cash discounts. There are those who will attempt to deduct a so-called cash discount from invoices which are thirty and sixty days old, and there is no end of firms who will permit this practice in order to avoid controversies with customers. Houses without number have all sorts of credit rules and regulations which are just so many empty words because the rules are never enforced. The reasons for this are obvious. Attempts to enforce such rules frequently cause a certain class of buyers to shift their business elsewhere. Sellers do not want to lose this business and as a consequence, permit many buyers to do just about as they like in the payment of bills and deduction of discounts.

Where there is a set of group credit rules, formulated by a trade association or agreed to by a number of firms who join together for this purpose, the problem is somewhat simplified, that is, it is simplified if *all* the members of the group adhere strictly to the regulations as written. A group of printing paper manufacturers and dealers in Cincinnati have recently formed a new group of this type and laid down a set of rules. Up to and including the fifteenth of the month following the month of purchases, (an average of the thirty day period) a two percent discount is allowed. After that, bills are net. Bills unpaid by the first of the following month, are reported by the members to a central clearing house and a reporting system advises all the members of this delinquency, after first, however, notifying the debtor in advance that unless he pays, his name is to be added to the delinquent list. Should the bills still remain unpaid on the tenth of the next following month, all further credit courtesy is withdrawn from the debtor by *all* members of the credit group and he is placed upon a strictly cash basis until such time as his account is reported paid in full by the central clearing house.

This method of handling the discount and credit problem through a trade group is not new. The formation of the new group in Cincinnati, however, emphasizes the growing trend to get together among various industries and local trades to whip the delinquent debtor into line and to prevent his playing one house against the other, so common where there is no cooperation among competitors. Long term credits and cash discounts are relics of the Civil War cash stringency days and really have no logical place in the scheme of modern business. Be that as it may, they are still with us and are likely to be for some time to come. Next best to their complete elimination is a strict enforcement of terms, and the most effective way to enforce any set of rules is through group action.

Whale oil imports into Great Britain during the first six months of 1929 totaled 41,061 tons, as compared with 33,114 tons in the corresponding period in 1928, an increase of approximately 24%. The value was $6,547,778, as compared with $5,072,012 during 1928. Additional vessels now being equipped for use in the whale oil industry number thirty-five.

A fatty acid peroxide is produced by treating an aliphatic acid chloride such as lauryl chloride with a solution of an alkali metal peroxide.—U. S. Pat. No. 1,718,609.

United Africa Names Officers

The United Africa Co., Inc., New York, formed through a consolidation of African & Eastern Trading Co. and the Niger Co., announce the election of R. G. Morris as president and of J. H. Redding as chairman of the board. Mr. Morris was formerly head of A. & E. and Mr. Redding was president of Niger. Other officers of the new company include L. E. Wingrove, formerly of Niger Co., treasurer, and E. A. Fitter, African & Eastern, secretary. Mr. Redding will have charge of the palm oil department, with Robert S. Hebert and Dudley T. Bloodgood as his assistants. Mr. Morris is head of the cocoa division, assisted by H. W. King. The new officers of the company, located on the twentieth floor of a new building at 205 E. 17th St., are newly furnished throughout with American walnut equipment. They are arranged so one separate wing is available for the palm oil department with another for cocoa, the general secretarial and bookkeeping section being in between. At the entrance to the offices the flooring consists of a large map of Africa with the name of the company running through it.

Cottonseed crushings in United States during the year ended July 31 totaled 5,058,744 tons as compared with 4,654,017 tons in the previous year, according to recent Census Bureau figures.

Stocks of crude cottonseed oil on hand Aug. 1, 1929, amounted to 20,350,682 lbs., as compared with 16,296,641 lbs. on hand at the same time in 1928, according to Department of Commerce figures. Stocks of refined oil available in various parts of United States on Aug. 1, 1929, were only 335,993,223 lbs., as compared with 378,612,700 lbs. at the same date in 1928.

Foreign Trade Opportunities

The Bureau of Foreign and Domestic Commerce of the Department of Commerce announces that its representatives in all parts of the world have forwarded the following trade inquiries of interest to our readers. In writing the Bureau in reference to any of these inquiries please mention that you saw it in *Oil & Fat Industries*.

No.	Location	Material	Purchase or Agency
40570	Mexico	Copra	Purchase
40568	India	Stearic Acid	Purchase
40569	Malta	Lard	Both
40711	Guatemala	Salad Oil	Sole Agency
	Barbados	Linseed Meal	Either