

The European Margarine Industry

*Centralized Control Outstanding Feature of Production
Which Has Expanded to Great Proportions in Recent Years*

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CONSOLIDATIONS and the passing under unified and centralized control of nearly 90 per cent of the margarine churners of Europe and the United Kingdom have focused more attention on that particular industry in recent months than at any time.

Late in 1927, the two largest margarine manufacturers of continental Europe, Jurgens' and Van Der Bergh, threw their lots together, this fusion of interests being given the name of Margarine Unie. Subsequently the new concern took over by purchase of stock control numerous smaller and hitherto independent companies in various European countries. Van Der Bergh's English subsidiary came into the group and henceforth the new corporation became known in the United Kingdom as the Margarine Union. It was the latter with which it was officially announced in London on September 2 last that Lever Bros. (Ltd.) would ally itself, the actual consolidation to be effected on January 1, 1930.

Margarine Unie, through its affiliated English branch, will thus be welded with the well-known English soap manufacturer who also operates a margarine plant of considerable dimensions. It might be added, too, that Margarine Unie, on the other hand, has acquired a number of soap factories on the Continent, as a result of exercising control over margarine churners who had a physical or financial relationship with the soapers in question.

Because of its ownership of United Africa (Ltd.), formed through the recent consolidation of the Niger Co. and The African and Eastern Trading Co., control of primary sources of palm oil and palm kernel oil is vested in Lever Bros. (Ltd.), and hence Margarine Unie. The latter in turn has increased the scope of its domination of vegetable oils which have such a prominent place in the raw material requirements of margarine churners, through ownership of crushing mills variously located in Europe.

Developments and Expansion of the Industry

SINCE the discovery of margarine as comparatively recent as the early eighteen seventies, the industry has witnessed striking developments and tremendous expansion. This has been true more especially in Europe and the United Kingdom than here at home, because of Europe's earlier and greater dependence on low-priced substitutes for natural animal fats. In the countries where the industry is now largely centered, vegetable fat margarines lead the animal-fat product by a margin that is widening steadily each year. The annual consumption of margarine, based on a compilation of statistics computed in every case within the past two years, records the fact that the grand total of consumption of nine countries was somewhat in excess of two and one-fourth billions of pounds. The countries included in this recapitulation were United Kingdom, Norway, France, Sweden, Denmark, Finland, Germany, Netherlands, and Belgium. In the case of the first three mentioned, actual consumption was not definitely established, but the official estimates furnished are regarded as accurate. No information was available from Spain or Czechoslovakia, but it is known that margarine features to some extent in the daily fat ration of the citizens of the latter country. There is no margarine industry in Italy, Portugal, or Greece, while in Spain it is unimportant and confined solely to the animal-fat article. All four countries just named are producers, and therefore likewise consumers of olive oil, which accounts, no doubt, for the negligible volume of margarine churning in these four countries. Switzerland is mainly an agricultural and dairying country and much the same might be said of Rumania, Yugoslavia, and Hungary, thus explaining the absence of a margarine industry in those countries. Austria has a margarine industry of limited proportions, while Russia is omitted from this review by reason of the lack of authentic data.

The unemployment situation in United Kingdom is credited with increasing per capita con-

sumption in that country from 7.76 pounds in 1913 to 13.28 pounds in 1924, while in Germany consumption after registering a decline from 15.8 pounds in 1922 to 10.3 the following year, largely because of adverse economic conditions prevalent the latter year, was again 15.8 pounds per capita last year. Per capita consumption in the Netherlands rose from 11.9 pounds in 1922 to 17.8 in 1927; in Norway it advanced from 28 pounds in 1920 to 34.3 pounds in 1927. Denmark presents the best example of a rising curve in margarine consumption. In that country the per capita consumption was 34½ pounds in 1922. It was 45.1 pounds last year, and the greatest of all European countries, which is not difficult to understand, as margarine replaces very nearly the entire Danish butter production exported abroad.

Greater Use of Vegetable Oils

ALLUSION has been made already to the fact that the margarine of Spanish production is exclusively of animal fat origin. In no other country may this be said to be true. In the Netherlands and in France animal fats are diminishing yearly in the requirements of the margarine industry and are churned into a mixed product with vegetable oils, but various vegetable oils of an edible nature, i. e., peanut, coconut, sesame, palm and palm kernel, as well as hardened whale and pilchard oils, are finding increasingly common usage. Linseed oil is also employed to a certain extent. In short, the tendency or trend of consumer preference is reflected most emphatically in the broader consumption of vegetable oils and the correspondingly limited demand from European churners for animal fats.

Many of the European countries have no interchange of trade in margarine. A notable exception is the Netherlands, which during last year exported about 33-1/3 per cent more margarine than it retained to meet domestic consumption requirements. Most of these exports went to the United Kingdom, which last year brought in nearly 1,200,000 pounds—the smallest annual importation in a number of years. The Netherlands is credited with supplying all but about 28,000 pounds of this total.

The future would seem to hold the promise of wider markets and increasing consumption as direct results of lower prices for the product effected through economies in manufacture, arising from lessened costs of raw materials, increased efficiency, improvement of the quality of the product, mass production, a more generous advertising policy, and intensive sales efforts on the part of the European industry.

The results have already begun to manifest themselves in various ways. In certain sections of Germany lard occupies the principal place as a table fat instead of butter, but its hitherto unassailable position in that country now is being challenged by margarine.

Glidden Foods Changes Name

HAVING recently acquired the E. R. Durkee Company, manufacturers of a nationally famous line of salad dressings, spices and condiments, the Glidden Food Products Co., of Chicago and New York, seeking all advantages possible from the well established reputation of the Durkee products, has changed its name to Durkee Famous Foods, Inc. The Glidden Company has also acquired several other margarine, mayonnaise and salad oil businesses and has purchased the copra crushing plant of the Portland Vegetable Oil Mills at Portland, Oregon. The company plans to expand the Portland plant into a Pacific Coast nucleus for their entire line, according to A. D. Joyce, Vice-President of the Glidden Company.

Diafilt—A New Filter Aid

THE Industrial Chemical Sales Co., Inc. announce that they have concluded an arrangement with the Floatstone Products Company of Los Angeles for the exclusive marketing and distribution of that company's high grade diatomaceous earth for filtration and other purposes. The filtration grade will be offered under the trade name of "DIAFILT" and is claimed to be comparable in clarification efficiency to the best filter-aids now on the market. Regular stocks will be carried at all convenient marketing points.

The Industrial Chemical Sales Co., Inc. are manufacturers of the well-known activated decolorizing and deodorizing carbon "NUCHAR" used extensively as a purifying medium in the treatment of a wide range of products including glycerine, solvents, organic acids, vinegar, sugar and syrups, vegetable and animal oils and fats, etc. "DIAFILT" will be serviced by the experienced engineering staff of the Industrial Chemical Sales Co., Inc.

B. H. Thurman, formerly Vice-President of The Best Foods, Inc., and more recently connected with the National Biscuit Company in an executive capacity, is now associated with Durkee Famous Foods, Inc., with headquarters at Elmhurst, Long Island, New York.