

OIL & FAT INDUSTRIES

The Editor's Page

Declining Exports

ELSEWHERE in this issue we present a summary of the figures of the Foodstuffs Division of the Department of Commerce covering United States exports of oils and fats (vegetable and animal) and allied products for the calendar year 1928, with comparative figures for 1927. Examination, however casual, of these figures, must bring us to only one conclusion, which is that, whatever may be the cause, the export trade of this country in oils and fats is declining rapidly.

Whether this may be due solely to increased demand at home, with consequent reduction in the available surplus for export, we will not undertake to decide. It does seem advisable that those who are advocating greatly advanced import tariffs should ponder the possibility that these advanced rates may accelerate the slump in their own export trade in these commodities. The Germans, for example, are a most adaptable race, ready to seize any opportunity for substitution of cheaper raw materials which may present itself. Close American markets to soya bean oil, palm kernel oil, and whale oil, and they *may* possibly supplant American lard in the German market at a lower price.

Chemical development toward the interchange of inedible and edible oils *may* have progressed farther in Europe than in this country, and there is scarcely any doubt that the European taste is a little less fastidious than American, thus permitting more latitude to the European oil refiner in the matter of substitution of such oils as hydrogenated fish oil, whale oil, or soya bean oil in lard compounds or margarines. These conditions can hardly fail to cause appreciable decreases in American exports of lard and competing oils and fats. African and Chinese peanut oils, likewise, may supplant what American cottonseed and corn oils now find their way into the salad and cooking oil markets of Southern Europe.

In the Cuban and South American markets the American oil refiner may meet twofold competition. The cheaper raw materials available to European refiners because of the United

States tariff may be reflected in more aggressive competition from these European refiners in our Latin American markets, and the local refining industries of the Latin American countries may be stimulated, likewise, by the lack of American competition in the purchase of their raw materials.

The question really resolves itself into two queries, first: Will America consume all the edible oils and fats produced or capable of production within her borders; second: Can America produce her full requirements in edible oils and fats. It may be that the most desirable situation for our oil producers and refiners will be that of self-contained industry, supplying only the needs of the home markets for edible oils and fats and providing fully for the required technical and soap oils with the surplus which would otherwise be exported. Under such conditions, the producers and refiners of our high-class cottonseed, peanut and corn oils would have to be satisfied with soapmakers' prices, or the soapmakers would have to pay edible prices for their stocks. In the latter case, the cost of soap to the consumer would increase rapidly, but it is also within the realm of possibilities that the synthetic methods of the organic chemist will produce from coal or other cheap product, such fats or fat-like substances as will meet entirely the needs of the soapmaker.

Careless Storing of Oils

Refiners of edible and fine technical oils often expend thousands of dollars for refining equipment and processes, having in mind the production of the very highest quality products in their line, and then revert to the methods of forty years ago for the storage of these valuable products, often losing thereby all that has been gained by the use of modern refining methods.

It is recognized by all who have studied the matter closely that fatty oils deteriorate rapidly in contact with light and air, that small per-

centages of free fatty acids will quickly attack the metal of any container constructed of other than non-corrosive material. Edible oils stored in silicated barrels are likewise liable to deterioration, particularly if the silicate lining is not given time to dry thoroughly before the barrels are filled, or if the oil is filled into the barrels at too high a temperature, thus softening the lining.

It may be regarded as a determined fact that the most successful manufacturer and refiner of fine oils will be the one who devotes considerable study to the proper method of storing his products after manufacture, as well as to the problems of quality production in the refining operations.

The Tariff Questionnaire

THE intense interest throughout the oil, fat and associated industries and the consuming groups in the proposed 45 per cent tariff on all imported fats and oils, has been reflected in additional replies to the questionnaire of *Oil & Fat Industries* which have been returned to us since the February issue was published. A number of returned questionnaires, too late to be included in the results which were analyzed in the February number, reveal results in much the same proportion of divided opinion as those which were included in the original discussion.

Of the questionnaires received late, 47 per cent were in favor of the tariff and 53 per cent were against. Those in favor included chiefly cotton and peanut oil crushers; those opposed were cocoanut oil crushers and refiners, margarin and lard compound manufacturers, several manufacturers and refiners of fish oils, animal oils, and a producer of stearic acid and red oil. The split up is much the same as in the original group of questionnaires received by us.

The manner in which opinion is divided and the way in which diversified interests are involved in this tariff question only emphasizes the fact, pointed out a month ago, that careful study and consideration is more needed than hasty legislation. While one crusher of cotton oil states that the higher tariff would bring better prices and encourage the production of more and better seed and oil, a refiner of the same oil sees in the tariff a cause for materially curtailed consumption because of the higher prices. Thus it goes.

The diversity of the opinions on the fat and oil tariff question and the evenness with which opinions for and against are split, leads us to

believe that the readjustment of any tariff is the job of a special committee or commission and not the work of a legislative body or a general legislative committee such as the Ways and Means Committee. From the innumerable angles from which the tariff is viewed by various factors in the industry, as revealed by the replies to our questionnaire, we believe that any broad sweeping legislation carrying a single rate of duty on all oils and fats would be eminently unfair, and in the long run, would not be of any permanent value to American oil crushers. We again urge all factors involved in this tariff controversy to act slowly and deliberately after due study and consideration, and not to be actuated wholly by what seem to be immediate interests.

THE Twentieth Annual Convention of The American Oil Chemists' Society will be held at The Roosevelt Hotel, New Orleans, La., on the 13th and 14th of May, 1929. All members are urged to make their hotel reservations early, as an exceptionally large attendance is expected at the meeting this year. Full details, including the program of the Convention, will be published in the next issue of *Oil & Fat Industries*.

The Mayonnaise Products Manufacturers Association held a series of informal meetings in Chicago during the Cannery Convention in the last week of January. Monday and Tuesday were devoted to Committee meetings. The Committees which met were the Standards and Research Committee, the Trade Practice Committee, the Glass Container Committee and the Transportation Committee. Wednesday morning was occupied by a Board Meeting, presided over by Richard Hellman, and in the afternoon a general meeting was held for active and associate members, which was well attended. Vice-President E. P. Kelly presided over the latter meeting, in the absence of President McCormick, who was prevented from attending by illness in his family.