

# OIL & FAT INDUSTRIES

## The Editor's Page

### Progress? Yes and No

THE producers, refiners and manufacturers of edible oils and products thereof can look back upon the past year as one of real accomplishment in the stabilization of their industry. The year just past has been the first full year of operation by the members of the Shortening and Oil Division of the Cottonseed Crushers' Association under the Code of Trade Practice and Ethics adopted with the co-operation of the Federal Trade Commission. The consensus of opinion among those whose operations have been affected by this Code is that it has been a real benefit to sellers and buyers of salad oils, cooking oils and shortening.

The cottonseed crushers have taken the big forward step which they had planned for years, in the amalgamation of the Interstate and Texas Associations into the National Cottonseed Products Association. This new Association is moving forward steadily toward the goal of putting methods of purchasing cottonseed and its price on a basis which will permit profits to be made in the oil milling industry, and will eliminate secret rebates and other unsound practices, while still insuring the farmer fair prices for his seed. There always will be, of course, an element of opposition to these fair and open methods of doing business, which opposition will express itself chiefly in shouts about the poor downtrodden farmer, who in fact will be benefited rather than injured by the movement to place the cottonseed crushing industry on a sound business foundation.

We, however cannot help believing that the cottonseed crushers have overlooked a splendid opportunity which is theirs, as outlined in these columns a year ago. The oil milling industry is one with unique problems, but these problems are distinctly similar for millers of all vegetable oils, cottonseed, castor bean, peanut, coconut, soya bean, linseed and others. The cottonseed crushers profess to see a menace to their business in the crushing of imported seeds, but to us, they would seem much more adroit if they would recognize that there is an established demand for the oils produced from certain tropical seeds and nuts and that this

demand cannot and will not be filled by cottonseed oil. Every cottonseed oil mill with very slight adaptation can be used for the production of other oils than cottonseed during the season when the primary raw material is not available. How much better, then, it would be for these millers to keep their plants busy on other oilbearing seeds or nuts, domestic or imported, rather than to fight the development of the industries now devoted to crushing such other oil-bearing materials in this country.

When the National Cottonseed Products Association adopts such a policy and welcomes crushers of copra, soya beans, corn germs, linseed and other seeds into its ranks, it will become in fact a National Association.

### The Outlook for 1930

FROM various quarters, we hear diametrically opposed opinions hazarded regarding the prospects for business in 1930. There are those who apparently believe that the backwash from the stock market debacle of last October is going to affect business adversely this year. They state that a recession has already taken place which is of sufficient moment to jeopardize the purchasing power of a great part of the American people for certain classes of goods, notably goods in the luxury classes, during the coming year. On the other hand, we hear reports that business is showing no signs of slowing down, that demand is as active as ever, and that plans for 1930 call for expansions in production.

The mixed views on the outlook may be indicative of a mixed trend in general business affairs. Some lines may be better than ever. Others may feel the effects of reduced output in certain groups. That there may be any wide general curtailment of purchasing in all lines seems extremely unlikely. There is no foundation for any such possibility in the present business situation. In fact, outside of a few specialized industries, the outlook generally, as we see it, is unusually good.

As far as products of the oil and fat industries are concerned, 1930 will likely be far above the average of the past ten or so years. Oil and fat products are distinctly not in the luxury class. The food fats, such as margarin,

lard compounds, cooking oils, have become staples which should show a steadily expanding consumption. Any wide reduction in the earning power of the average worker would, if anything, stimulate the purchase of these materials at the expense of the higher priced dairy products.

We believe that when the figures for 1930 are checked up at the end of the year, they will show a continuation of the steady trend in the expansion of oil and fat consumption, particularly in the edible group. In spite of pessimistic grumblings to the contrary, we look forward to a generally good business year in 1930, and in oils and fats, a better year than the one just closed.

Julean Arnold, commercial attache of the U. S. Department of Commerce associated with the U. S. Embassy at Peking, China, gave an interesting talk on wood oil at a special meeting of the Paint, Oil and Varnish Club of Chicago recently.

Mr. Arnold, who is the author of a voluminous handbook on China, is well versed in the problems of American wood oil consumers and it was through his aid that the Department of Commerce established its monthly wood oil cable service from Hankow in the spring of 1923. He has also visited the wood oil developments in and about Gainesville, Fla., on several occasions, and his reports on this situation, circulated among the Chinese, have done much to eliminate adulteration and to stabilize the price.

Mr. Arnold talked interestingly about conditions in China and the opportunities for selling American products there, and discussed the raw materials for American industry which are imported from China.

### 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
42857	France	Lard and Margarine	Agency
42902	Germany	Lard and Oils	Agency
42905	Italy	Tallow	Purchase

### Archer-Daniels-Midland Elections

S. M. Archer was re-elected president and three new directors were elected at the annual meeting of stockholders and directors of the Archer-Daniels-Midland Co.

The new directors are George H. Prince, St. Paul, president of the First Bank Stock Corporation; Thomas L. Daniels and Philip S. Duff. With their election the board was expanded to twelve members.

At the meeting of the board immediately after the stockholders' meeting, G. A. Archer and Samuel Mairs were re-elected vice-presidents; W. H. Morris was re-elected secretary and L. M. Leffingwell re-elected treasurer.

Prospects for 1930 are "very favorable," Mr. Archer said in his annual report. He also predicted that northwest producers will receive an excellent price for flaxseed next year because of the world shortage of flaxseed during 1929.

A plant for the manufacture of coconut oil has been erected at Tchengelhekey Constanti-nople, Turkey.

The Baltimore office of the Spencer Kellogg & Sons Sales Corporation, which is in charge of Alfred Day, has been moved to a new location on the eighth floor of the American Building, where more space is available.

Canadian Soyabean Products, Inc., is being organized in Ingersoll, Ont., and will establish a soya bean oil plant in the building of the Royal Broom Company in that place.

A suggested rapid method for determining saponification values consists in dissolving 5 grams of oil in 15 cc. of benzyl alcohol, adding phenolphthalein, titrating free acid, adding a measured volume of potassium hydroxide in benzyl alcohol and titrating the excess after boiling five minutes under a reflux condenser. *Chemist-Analyst* 18, No. 5, 7 (1929).

A naphthalenesulfonic acid containing alkyl groups with at least three carbon atoms, for example, isopropyl-naphthalenesulfonic acid, is used in soap baths for the purpose of increasing their wetting and penetrating power in dyeing or other processes. U. S. Pat. No. 1,730,037.