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Coconut Oil and America's Proposed 5-Cent Excise Tax

*A misguided attempt to aid the
American farmer, destined to
harm rather than benefit him*

By

E. M. SHELTON Jr.

Mr. Shelton, whose business in copra makes him a keen student and competent expert on the subjects of fats and oils in the world's markets, contributes this timely analytical article exclusively to the *Journal*. Reprinting, editors are requested to make their acknowledgments to Mr. Shelton. *Ed.*

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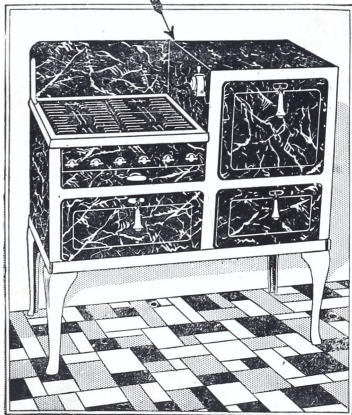
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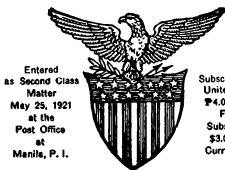
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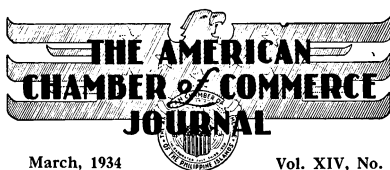
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WALTER ROBB
Editor and Manager



Coconut Oil and America's Proposed 5-Cent Excise Tax

A misguided attempt to aid the American farmer, destined to harm rather than benefit him

By E. M. Shelton Jr.

Wilbur-Ellis Company: Insular Life Building, Manila

NOTE.—MR. SHELTON, whose business in copra makes him a keen student and competent expert on the subjects of fats and oils in the world's markets, contributes this timely analytical article exclusively to the *Journal*. Reprinting, editors are requested to make their acknowledgments to MR. SHELTON.—Ed.

The excise tax of five cents per pound on coconut oil, approved by the House and now pending action by the Senate of the United States, raises so many questions of far-reaching importance and strikes so vitally at so many diverse and apparently unrelated interests, that it is impossible to treat the subject adequately within the limits of a short article. One can only attempt a brief sketch of the more important considerations involved.

To name only partially some of those affected by this tax would be to call the roll of countless coconut planters in the tropics; of oil mills, bankers, importers, exporters, steamship lines, insurance companies, railways, soap factories, margarine factories, stevedores, warehousemen, weighmasters, office employees, chemists, laborers and executives, all of whom come in contact with the stream of coconut oil somewhere between plantation and factory, and who derive nutriment in greater or less degree from this milk of the tropics.

In view of all the ramifications of the question, one wonders at the temerity of men who would voluntarily set in motion such a train of possible consequences—with effects that were probably never sensed or dreamed—even to the extent of involving international relations and perhaps, eventually, threatening world peace. One can easily imagine wars being fought for far lesser stakes than an abundant supply of coconut oil.

The most superficial study reveals that the tax is absurd and preposterous and an outrage to logic and good sense. Its avowed objects are: (1) aid the American farmer, and (2) raise additional revenue. As will be shown presently, it would probably

do the farmer more harm than good, and as a producer of revenue it could not possibly yield more than a pittance.

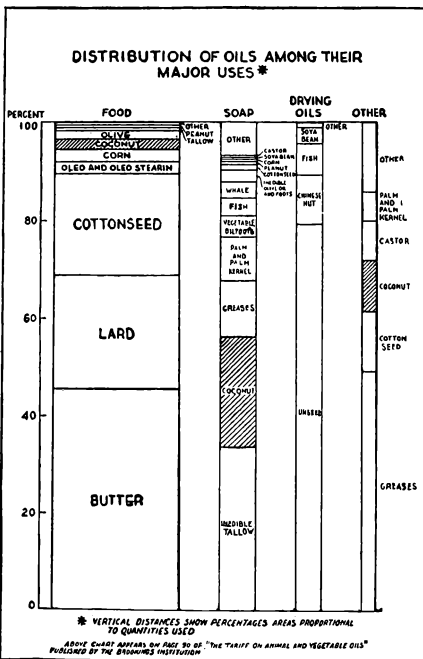
To appreciate fully how this tax would fail in its purpose, one must take cognizance of the various "interchangeable fats and oils". This term is placed in quotation marks since it was coined by the late C. Rogers-Brown, to explain a certain degree of interchangeability between different oils of the same group and even in cases between oils of entirely different groups. The interchangeability is not always perfect and complete and in instances must be qualified considerably. Nevertheless it exists sufficiently to justify the appellation.

Fats and oils move into three major fields of consumption: (1) Edible, (2) Soap, and (3) Paint (drying oils). With the latter classification we are not concerned here since coconut oil moves entirely to the first two groups.

To illustrate this interchangeability, it may be cited that soap makers use coconut oil, palm oil, whale oil, various fish oils and miscellaneous greases which are interchangeable in varying degree and are therefore purchased and consumed in accordance with abundance and relative price. This will serve to illustrate interchangeability in the same group.

Whale oil, which when hydrogenated, enters margarine in Europe, may also be used in soap, and illustrates interchangeability between oils of the edible and soap classifications.

It follows that such a tax, to be logical and scientific, would not simply single out coconut oil and the comparatively innocuous and unimportant sesame oil (a specialty



oil with restricted usage) but would likewise include the entire list of imported fats and oils such as whale oil, palm oil, palm kernel oil and the various fish oils which at present enter either duty free or with duties far lower than the proposed coconut oil tax.

Present duties on the chief imported foreign oils are as follows:

Palm kernel oil—One cent per lb. (Free if denatured).

Cottonseed oil—Three cents per lb.

Whale oil—Six cents per gallon. (Approx. \$0.06 per lb.)

Palm oil—Free list

Sardine, herring & pilchard oils—Five cents per gallon. (Approx. \$0.067 per lb.)

Palm oil is produced chiefly in Nigeria, Belgian Congo and Sumatra. Total production in 1932 was 265,783 long tons. American imports in 1933 were 128,533 long tons, or considerably more than half of the average imports from the Philippines of coconut oil and copra combined.

Whale oil, as is well known, is produced chiefly in the Antarctic by large floating factories. Increase in production has been so rapid during the past few years that leading producers have resorted to quota agreements to restrict production. The quota set for the 1933-1934 fishing season (now in progress) was approximately 350,000 tons, but thus far production has so far exceeded the quotas that in all probability it will come close to 400,000 tons. Present U. S. imports of whale oil are not large as this oil moves almost entirely to Europe on account of price, duty and other considerations. The coconut oil tax would alter this movement tremendously however and whale and palm oil especially, would move to the U. S. in greatly increased volume, to say nothing of fish oils, olive oil foods and all the rest.

To single out coconut oil and to ignore the tremendous imports and potential competitive interchangeable foreign oils, is equivalent to placing a dam ten feet wide in the middle of a hundred foot stream. The inevitable consequence is that the stream of foreign oils continues to flow around the dam and the whole scheme falls to the ground.

With due regard for the danger of making positive statements about a complicated subject which may be influenced greatly by quotas, changes in tariffs and other artificial restrictions, it nevertheless seems certain that as the situation stands today, the chief beneficiaries of the proposed coconut oil tax would be not the American farmer, but foreign producers of these various competitive oils.

Even were the five cent tax levied on all the oils in question, it would still be a highly debatable matter whether the farmer would receive any material aid, but such a tax would at least have the saving grace of logic and consistency. (Since this article was written, Representative Knutson has introduced a resolution imposing the five cent tax on palm, palm kernel and soybean oils. Whale, and other oils were not included and no action has yet been taken by the Committee.)

Just why the chief benefit from the proposed tax should be passed along to foreign producers of palm, palm kernel, whale and other oils, at the expense of the Philippine producer who lives under the protection of the American flag is one of those things which defy all attempts at rational analysis.

The further one pursues the subject the more one is driven to the conclusion that the farm element in Congress is suffering from a species of Philippine phobia. It is an advanced form of fanaticism which ignores reason and scientific analysis and is fit study for the psychiatrist

and student of abnormal behavior. It seems only necessary to mention the word *Philippines* and some of these gentry become apoplectic, or to paraphrase Tom Paine, "When the Philippines comes in the door, reason flies out of the window". This tax can only be explained in some such manner since it is an unprovoked and entirely gratuitous slap at the Philippines.

COCONUT OIL VERSUS AMERICAN FARMER—The preceding paragraphs have shown why the American farmer would not benefit from the tax. To complete the picture it can also be demonstrated why the present tax free movement of Philippine coconut oil does not hurt the farmer.

Coconut oil is consumed in the U. S., by industries, approximately as follows: soap 70%, margarine 20%, candy and bakery trade 8% and pharmaceutical and all other uses 2%.

The farmer's imaginary quarrel is with the 70% of coconut oil going into soap and the 20% used in margarine. The remaining 10% could not possibly compete, so our discussion centers on soap and margarine.

Let us first consider what fats and oils the farmer produces which might be injured by coconut oil competition. They are, (1) butter—from milk, (2) lard—from hogs, and (3) cottonseed oil—from cottonseed. Let it be noted immediately that these are all either edible or cooking fats and oils and do not go into the soap kettle. These fats and oils all enter consumption as food products and hence enjoy the highest possible price, which at once removes them from the category of cheap soap oils and fats. Furthermore, they are by-products and their value is an insignificant fraction of the original value of the animal or crops from which obtained. For example: grease from a 200-lb. hog equals three pounds or 1-1/2% of the value of the hog, and oil produced from 700 lbs. of cottonseed equals 10% lbs. or 5-1/2% of the value of a bale of cotton.

These domestic fats and oils cannot possibly compete with the 70% of coconut oil which enters soap, for with insignificant exceptions they are all sold in the edible field and first as it is, the edible division of this field of consumption. A chart recently published by the Brookings Institute shows graphically that butter, lard and cottonseed oil comprise in excess of 90% of all fats and oils sold in the edible division, the remainder being made up of small amounts of oleo oil and oleo stearine, corn oil, olive oil, peanut oil and about 2% of coconut oil as vegetable marg.

Total manufactures of soap in the United States for the year 1931 (the latest figures obtainable in Manila) amounted to \$25,300,000. This is a big business indeed, but important as it is, the edible division of butter, lard and cottonseed oil is incomparably bigger, and it is in this second field, which commands a much higher price level, that the fats and oils of the American farm find their natural outlet.

Tallow, a packing house by-product, is practically the only domestic fat used in soap manufacture in any volume. This is true, first, because it is an essential ingredient, and secondly, because it cannot be utilized in the edible field of consumption.

The percentage of coconut oil used in American soaps will vary between 15% and 25% of total soap making raw materials, depending upon the quality and type of soap produced. This relatively small percentage of coconut oil in soap is there for the simple reason that there is not a sufficient supply of cheap domestic fats and oils for soap making purposes, and for the additional reason that coconut oil is almost unique in its lathering qualities. Soap makers are unanimous in deeming that there is no effective substitute for coconut oil in respect to this facility for producing a lather. Palm kernel oil possesses the property in somewhat lesser degree, but due to European demand and higher price its use has, up to now, been restricted in the United States.

The result is that for all practical purposes, the share of American soap business enjoyed by coconut oil is business which the American farmer could not get if he wanted to and would not take if he could.

The 20% of all American coconut oil consumption which is represented by vegetable margarine, as indicated elsewhere, constitutes only about 2% of the entire business in the field of edible fats and oils. Not by any stretch of the imagination may this be considered a threat to the farmer. Actually, the only competition here—if you care to call it competition—is with the packing house by-products, oleo oil and oleo stearine. However, this competition is limited and restricted since most of the farm states have already enacted state taxes against margarine containing coconut oil and for the most part have a clear competitive advantage in their own fields of distribution.

Margarine selling at 10 to 12 cents per pound can scarcely be termed a competitor of butter which retails at 30 to 35 cents per pound. Those who can buy butter; those who cannot, margarine. As well say that state laws should be enacted making it mandatory upon all buyers of automobiles to purchase Packards or Lincolns on the theory that Fords and Chevrolets are unfair competition.

And last, but by no means least, how would the American farmer have us pay for Philippine imports of American farm products? Experts must pay for imports. The Philippines is one of the finest markets remaining for such American farm produce as wheat flour, canned milk, butter, eggs, cheese, hams, bacon, edible oils, meat, apples, pears, vege-



Philippine Coconut Grove

tables, oranges, lemons, grapefruits and other produce too numerous to mention.

The American farmer and his legally constituted representatives must learn the homely lesson that you cannot eat your cake and have it too. There is much worshiping of false gods in an economic sense. Among these is the apparent fetish that it is some sort of an economic crime to buy and the only merit lies in sales. There must be a change of heart if America is to survive as a trading nation. It is high time to embrace adult economic thinking and to realize the imperative necessity for mutuality and reciprocity in trade.

PROBABLE CONSEQUENCES—What is to become of the coconut industry should this bill be passed? The subject is complex and there are few precedents. An almost similar case comes to mind. In the years immediately preceding and up to the close of the World War a tremendous stream of oriental vegetable oils moved across the Pacific to enter the United States at Pacific coast ports, thence to be shipped in tank cars to packers, soap makers, paint manufacturers and refiners.

This stream of vegetable oils served a vital economic function in replacing our diminishing domestic supply of fats and oils at a time when there was a critical shortage both at home and abroad. This vast traffic served to create a profitable business for the many hands through which it passed. Much of it was refined in transit and moved across the United States and on to Germany, England, France and other European countries. At the same time we sold these countries our own excess of lard, pork and cottonseed oil.

In 1922, the Fordney-McCumber Tariff Act placed a prohibitive duty on these oils and their movement ceased abruptly. All profits and advantages to American manufacturers, middlemen and consumers terminated forthwith and following the inevitable pressure of water seeking its natural level, this stream, suddenly diverted from its natural channels across the United States, now started moving in foreign ships and through foreign hands directly to Europe from such ports as Tsingtao and Dairen. As a result, we lost the former profits and much of

our European market for domestic fats and oils to boot. We had inadvertently taught Europe how to do without our goods and services and simultaneously placed in her hands the means of satisfying her requirements.

It would seem that history may repeat itself should this unfortunate measure become law and that some such similar diversion may take place.

At present, whale oil, palm and palm kernel oil move largely to Europe. Under the coconut oil tax—and unless there is supplementary legislation—American coconut oil imports would decline sharply, while European imports would increase. To maintain the equilibrium, we in turn would take far more of the whale, palm and palm kernel oils now moving to Europe.

This is not to imply that there would not be a net decline in world coconut oil consumption, but merely that there would be a certain degree of substitution. There would be some exchange with Europe, of coconut oil for whale and other oils—a bad bargain which would leave us the loser since we would give a better product than we received.

The price of soap in the United States would increase sharply. How much is problematical and largely guesswork since the working out of interrelated forces and factors is complex. The first cost of coconut oil as a raw material would be tripled, while financing, insurance, distribution and all incidental services would be increased in proportion. At first glance this seems staggering, but further analysis leaves some ground for hope that the price per unit of coconut oil soap might still be within the reach of many.

U. S. duties on foreign soaps range from 15% to 20%. Will the increase in price, resulting from the tax, exceed the duty barrier? The answer apparently is yes, as manufacturers' estimates of the increased cost of soap range from 50% to 100%. In this event the American market would doubtless be flooded with coconut oil soap from Canada, Europe and elsewhere until such time as Congress could again plug up the holes by upping the duty on foreign soaps, which in turn would give rise to a new crop of readjustments; and so on.

But it also appears fairly certain that Mrs. American Housewife will not give up her coconut oil soap without a struggle. Don't forget the lathering qualities of coconut oil! It is doubtful if the consumer would now return to sinker soap. The feminine public has been educated for years to the use of a quick lathering, clean and inexpensive soap of highest quality which cleans the light silks and rayons of the present time without destructive action.

Much depends upon the attitude of the consumer. If Mrs. Housewife simply refuses to take substitutes, then coconut oil will still find its way to the American market, no matter by what devious routes and despite the best (or worst) intentions of middle-western Congressmen.

The first shock would be the worst and our exports to America would probably dwindle to a fraction of the present total. This would be followed by a period of slow readjustment. Europe would almost certainly take more. Japan and Canada would increase their imports. The Philippines would have to go into the soap making business in dead earnest and equip itself to capture the oriental market. The recent gesture to sound out Russian possibilities is a step in the proper direction.

There would be many shocks and dislocations but if we could survive the painful period of readjustment there would be considerable hope for the future. After all, world demand and world supply of fats and oils remain essentially unaltered. The chief change will be a disruption of the normal channels of flow and only time can cure that.

Regardless of the tax, the writer is unwilling to predict the complete demise of the *Consuls of the East* and it would seem premature to talk of destroying producing trees as there are good and sufficient grounds for believing that after the readjustment period we would regain, in one way and another, most of the business lost.

We trust however that these dire predictions and forebodings will come to naught and we still have enough faith in the good sense and spirit of fair play which motivate the present administration to believe that this outrageous injustice to the Philippines will die a-borning.

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41,000 Motor Vehicles on Philippine Highways

Use of automobiles here trebled since 1923. How the law governing installment sales affects the agencies

This year brings the Philippines the streamlined and semi-streamlined automobile, an innovation making the present a good time to review the current automobile situation in the islands. Favored with data from the trade commissioner, the customhouse and the public works bureau, we are able to set out the growth of the automobile business in the Philippines in a few legible statistics by calendar years. Last year there were 40,656 motor vehicles registered in the Philippines, 24,865 automobiles, 15,237 trucks and 554 motorcycles. Among these were 3,156 new automobiles, 1,594 new trucks, 24 new motorcycles. Of automobiles, 97.9% come from the United States; of truck and bus chassis, 99.7%.

The Philippines duty on motor vehicles from foreign countries is 20% *ad valorem*. This factor favors duty-free cars from the United States, though they sell on quality as well as price. Another favoring factor is the well established road building policy of the Philippines, main roads being built by both the central and the provincial governments and minor roads by the towns out of special road and bridge funds including a bridge revolving fund of ₱5,000,000 reimbursable from tolls on new bridges until the cost thereof is recovered by the central government.

There are also deterring factors affecting the Philippine automobile market. First among these is the dull and low commodity market throughout the world, reducing incomes here; second perhaps is the high cost of gasoline owing to the highway tax on it of 7.56 cents gold a gallon, causing it to sell even now, at the lowest base price in many years, at about 25 cents gold a gallon.

Philippine Motor Vehicle Importations

Year	Automobiles		Trucks		Motorcycles	
	No.	Inv. Value	No.	Inv. Value	No.	Inv. Value
1922	482	₱ 804,822	21	42,128	33	₱ 14,408
1923	338	1,968,842	237	242,374	40	22,353
1924	2,039	2,836,059	684	707,316	47	20,074
1925	2,934	4,497,501	1,026	1,083,955	35	15,045
1926	4,002	5,145,800	1,478	1,528,967	49	22,071
1927	5,721	5,923,320	1,581	1,447,428	50	20,000
1928	8,805	5,670,306	2,232	2,926,500	40	22,650
1929	8,518	5,203,670	3,710	4,309,150	20	7,810
1930	3,231	4,613,066	1,970	2,579,847	38	33,873
1931	2,574	3,327,089	1,650	1,843,279	25	12,291
1932	2,648	3,240,186	1,936	2,062,189	7	2,441
1933	2,923	3,043,530	1,218	1,265,446	24	9,969

It will be noted from the table that the automobile market in the Philippines is a steady one, last year's market was, on the value basis, only about 40% below the peak year 1928; on the basis of the number of cars imported, 25% below. An equally steady market in the United States during the slump since 1928 would have provoked no crisis in the industry. The decline in the demand for trucks in the Philippines was slightly greater, approaching 50%, because of the decline in the passenger carrying trade.

Another table on this page shows the number of motor vehicles in actual

use in the islands from year to year since 1912 as tabulated at the public works registration office. The total in 1923 was 13,689, and last year 40,656; in 10 year, therefore, use of motor vehicles in the Philippines practically trebled: where 1 car was on the road in 1923, 3 are on the road now. The year 1932, a hard enough year, was the peak of all years to date in the Philippines in the registration of motor vehicles, a total of 41,585: 25,187 automobiles, 15,772 trucks, 626 motorcycles.

A recent favorable factor in the motor vehicle market here is the taxi. Taxis were first permitted by the utility commission in 1930, when 10 were put on the streets of Manila. Sixty-three were licensed in 1931, 100 in 1932, 546 in 1933. There are 2 classes, small and large. Large taxis, first in the field, now make a minimum charge of 15 centavos and their rates are 50% above the rates of the small taxis, whose minimum charge is 10 centavos. Until a few months ago, large taxis had to charge twice the rates of the small taxis. The most general demand is for the small taxis; among the 5 makes now authorized in this class by the commission, 3 are American makes. A case is pending to put cars of longer wheelbase into this class; if the point is conceded, additional American cars will benefit in the growing taxi market here.

Taxis operating in Manila at the close of last year numbered 447. At that date there were 7 in Zamboanga, 49 in Iloilo, 10 in Cebu and 10 in Baguio. This business is bound to spread rapidly to other populous centers in the provinces.

A law passed by last year's legislature limits the seller of a motor vehicle to recovering the vehicle itself, on judgment for nonpayment. That is to say, the dealer-seller is not allowed a deficiency judgment. Dealers interviewed say that this law has tightened up credits somewhat; larger first payments are required, say 1/3 of the total price, and full payment within 18 months. But the law is not impregnable: only applying to dealers, the device of a finance corporation would evade it; and if *automobile paper* were discounted by a dealer at his bank, an agency handling similar bills in its ordinary routine business, suit by the bank might result in a deficiency judgment. But the law comes at a time when dealers are inclined to choose purchasers carefully, with the effect that in the automobile business the law is found generally acceptable. This because dealers in this market carry their own paper, as a usual thing, and resort but sparingly to discounting or use of the device of the finance corporation so common in the sale of cars at retail in the United States.

There are no great barriers to material expansion of the Philippine market for American automobiles upon the return of business prosperity to the world at large. In Manila, 11,142 automobiles, 4,030 trucks and 262 motorcycles are registered. In Baguio, the other chartered city of the islands, 525 automobiles, 286 trucks and 13 motorcycles. Provincial registration is heaviest in the bonanza sugar province, Occidental Negros, a total of 3,253: cars 1,991, trucks 1,254, motorcycles 8.

The number of automotive vehicles in actual use (registration) in the Philippines in various calendar years beginning 1912 has been reported by the Automotive Division of the Bureau of Public Works as follows:

Year	Automobiles	Trucks	Motor-cycles	Total
1912	947	180	459	1,586
1913	561	157	252	970
1914	485	83	171	739
1915	681	63	168	912
1916	3,295	399	876	4,570
1917	4,524	559	1,209	6,292
1918	5,445	769	1,111	7,325
1919	6,892	1,310	1,038	9,240
1920	9,692	2,689	1,181	13,562
1921	9,481	2,747	1,133	13,341
1922	9,537	2,904	965	13,406
1923	9,662	3,118	909	13,689
1924	10,973	3,570	833	15,676
1925	13,549	5,225	815	19,589
1926	16,239	6,541	758	23,538
1927	18,547	8,283	767	27,597
1928	19,791	9,552	708	30,046
1929	21,341	10,365	574	32,280
1930	22,809	14,380	388	37,667
1931	23,373	14,131	385	37,889
1932	25,187	15,772	626	41,585
1933	24,865	15,237	554	40,656

The New Deal In Sulu: Its Business Aspects

A business man for lieutenant governor, and Fugate's experience at the head of things, augurs well

Governor General Frank Murphy has recalled James R. Fugate from the United States, where he has been on leave of absence during 3 years, and reinstated him as governor of Sulu. It is recognized that Governor Fugate gave Sulu a first rate administration during the period he was at the head of its affairs. The work impaired his health, now restored. He returns to Sulu both with better health and more authority than he had when his work recommended him for the post originally. To understand him and be the agency through which consistent policy may be continued, Frederick George Roth has been appointed lieutenant governor at large of Sulu.

Roth's antecedents in the Philippine service are similar to Fugate's. Both have been school men and soldiers. Roth had two hitches at the schools, one prior, one subsequent to the World War, in which he was in the marine corps. He leaves a business position as a representative in the Philippines of the Columbia Rope Company (factories at Auburn, N. Y.) to reenter the government service; and he does so because the Sulu service attracts him. He has a bent for archeology and ethnology, has been interested all the time he has been in the islands in the problems presented by the minority peoples here. He is not now as familiar with the Sulu language as Fugate is, but knows something about it and will devote himself to mastering it; Murphy lays down the rule, a good one, that his appointees to executive posts among the minority peoples know the language spoken in their residencies.

It is a good indication in a governor general that young men are attracted to him and approve his policies. It stamps those policies progressive.

Murphy has given Sulu an entirely new administrative set-up with all authority rested in Governor Fugate. Announcing his policy, matured since his arrival here, until late in February, he made it include Lanao and Cotabato; except that for these two provinces he has not made new appointments. Here is the gist of his order:

"All heads of insular services in the provinces of Sulu, Cotabato and Lanao shall be assigned to or promoted within

the province only after consultation with the respective provincial governors; and all such officials shall serve on indefinite probation and be transferable out of the province without prejudice of record, upon the recommendation of the provincial governor."

Such plain language needs no amplification. Governors in Sulu, Cotabato and Lanao are very definitely to run their provinces, administratively; they are therefore to be held accountable for what transpires in them, and blame for what goes wrong will lie directly against the governor concerned.

If anything will provide Sulu good government, this should. Heretofore it has been possible to asperse a governor's popularity, governors have therefore defensively built up personal followings; administration has been far from even-handed on occasion, so feuds and resentments have been provoked and fostered. In Sulu there has been a Sultan's party; now there need be none. There has therefore been an anti-sultan party, if no more; now there need be none. Long ago the sultan's acknowledged authority was limited to his primacy in the church, and now it ought to subside, gradually at least, to that status.

The general problem in Sulu is complicated by schismatic defections. These should now be allayed, everyone having to look to the governor and he, in his turn, having to look to no one but the governor general in Manila. The real problem there is the material condition of the inhabitants, a problem of frugal husbandry. During a long period of diffused authority and uncertain executive tenure, industries among the Sultans have run down. They raise cattle, but have poor access to markets. They grow fruits, but have no good means of selling them. They have public lands to which no roads give access, where settlers are therefore at the mercy of the road agent, or where the long arm of revenge may reach him. Yesterday these people were sea rypsiads and pirates, many of them are still smugglers. Today's task is to fit them into peaceful lives ashore, and to protect their pearling grounds and shell fisheries. A delicate adjustment is coordinating their land laws with the general land laws of the islands, their laws not recognizing private title.

Sulu produces fine qualities of Manila hemp. Opportunity offers to bring more of this hemp into the export market. The people are adept at many crafts, notably weaving, carving, and engraving. If nothing more is done now than to nurse these crafts along, probably the traveling world will soon find interest in the gifted people who pursue them—a tourist lane may touch Jolo, the capital, and provide a market for such curios. In these, and in many other ways, business should gain from a firm, kindly and consistent Sulu policy such as Murphy's order and appointments promise to establish. The order recognizes, as it should, the good work done during Fugate's absence by Governor Arthur Spiller, who stepped into the executive breach from superintendency of the schools and will now return to that position.

Vice Governor Ralston Hayden took the brunt of the work in formulating the new Mohammedan policy under Governor General Murphy, who charged him with its direct responsibilities.

From Governor Murphy's Announcement

"The resources and agencies of the Philippine government must be put behind the program of progress under conditions that will assure its ultimate success. So far as conditions within these provinces and the finances of the Insular Government permit, the Mohammedan Filipinos should be afforded opportunities for development equal to those given to the inhabitants of the other provinces through the public schools, the public health service, and all of the other agencies through which the government serves the people.

"In the administration of their respective services in these provinces, the several departments of the government should adapt their procedures to local conditions and select their personnel with special reference to the peculiar demands of the territory and the people to be served.

"So far as is compatible with the maintenance of law and order and with the attainment of economic, social and political progress among the Moro people, our policy should be to utilize Moros as officials and employees in those communities where they predominate.

"In words, there must be a definite policy of attraction, vigorously carried out. Our attitude must be sympathetic but we must insist upon obedience to the law by Moros as by others. The legal rights, the personal dignity, and the special culture and religion of the Moros must be respected. We must understand that furtherance of the social, political and economic progress of the Moros is the best guarantee of the eventual satisfactory solution of their problem and ours."

inlaying and engraving. If nothing more is done now than to nurse these crafts along, probably the traveling world will soon find interest in the gifted people who pursue them—a tourist lane may touch Jolo, the capital, and provide a market for such curios. In these, and in many other ways, business should gain from a firm, kindly and consistent Sulu policy such as Murphy's order and appointments promise to establish. The order recognizes, as it should, the good work done during Fugate's absence by Governor Arthur Spiller, who stepped into the executive breach from superintendency of the schools and will now return to that position.

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WE PART WITH A BOOK

The following letter from W. S. Basinger, passenger traffic manager of the Union Pacific railway system, explains how the editor of this magazine is about to break a hitherto impregnable rule of steady accretion, fair means or foul, and actually part with a book:

Your letter of November 28 addressed to the Union Pacific at San Francisco has just reached me. I appreciate very much receiving the tear sheet from the *Journal* of September 1933, which carries an article entitled "The Railroad." Naturally I

can sympathize with your interest in the railroad problem in the Philippine Islands.

I believe it will be a matter of only a few weeks before our new streamline train will be completed and be ready to be photographed. As soon as a good photograph is available, I will see that a copy is sent to you. The only one I caught and you now would be that of a scale model which would be very inadequate and I would rather wait and send you one of the completed train which would give you and your friends a much better impression of what the train really looks like.

In the first paragraph of your letter you mention "Croft's Trans-Continental Tourist's Guide." I fail to find that our Advertising Department library contains a copy of this publication although

we do have several copies of "Croft's Overland Tours". They do not, however, contain a reproduction of the famous drawing of the driving of the golden spike at Promontory Point, Utah territory, on May 10, 1869. Your offer to send us your copy of the *Tourist's Guide* is appreciated.

If you care to do this we will see that it is given a permanent place in the Union Pacific Historical Museum. Gifts of this character have been made to us by a large number of people and that is largely the way in which our Historical Museum has been built up. If the book is sent please address it to me and I will see that it is properly taken care of.

Yours very truly,

N. S. BASINGER

Life Insurance in the Philippines Rides Depression Well

1932 registered an actual increase of business and 1933 partial figures are high. But the population is lightly insured

Life insurance began in London in the 17th century with the underwriting of the life of the captain of a ship during a trading voyage abroad. In modern times it is a good index of the level of general prosperity in all countries where it is not compulsory. The Philippines are such a country. The life insurance negotiated here by the 7 companies engaged in this business, 2 domestic, 2 American and 3 foreign companies during 1932 is that for which the latest full report from the insular treasurer in his capacity as ex-officio insurance commissioner is available. Main statistical facts of this business are set out in the accompanying table, the 3 types of companies, domestic, American and foreign, grouped separately.

The data are from the revised tabulation at the treasurer's office.

Life insurance enjoyed a slight increase in volume in the Philippines during 1932. The total in force at the end of the year summed P147,504,964, against P146,582,277 at the beginning of the year. The increase was in the volume of business underwritten by domestic companies. This fact shows in the table. The treasurer has accommodated us with information additional to that published in his 1932 report, he has listed for us the number of policies represented in the insurance in force at the close of 1932, also the number issued during the year. This enables us to reach averages.

The total of P42,606,683 insurance the domestic companies had in force at the end of 1932 was in 17,147 policies. The average policy was for P2,485. These companies issued, revived or increased 5,477 policies during 1932.

The 2 American companies had P45,107,840 of insurance in force at the opening of the year, and, in 13,383 policies, P44,040,593 in force at the close of the year. The average policy was for P3,290. Policies issued, revived or increased during the year numbered 3,036.

The 3 foreign companies had P62,092,488 of insurance in force at the opening of the year, and, in 10,359 policies, P60,857,688 in force at the close of the year. The average policy was for P5,875. Policies issued, revived or increased during 1932 numbered 1,789.

It is also necessary to report partially 1933. This may be done at this point, before further analyses are set down. Data cover 1 small American company and 2 domestic companies, the only ones whose reports for last year are currently available. These 3 companies had P38,346,456 of insurance in force at the opening of 1933, and, in 14,898 policies, P35,894,341 at the end of the year. The average policy was for P2,409.

The complete report for 1932 shows a total of new insurance (policies issued, revived or increased) summing P30,929,589, while insurance terminated that year summed P30,206,902: death claims P1,370,733, maturities P1,208,876, lapses and other terminations P27,427,293. This last item, lapses, etc., compares with the new business during the year, P30,929,589. From the viewpoint of public welfare, the heavy volume of lapses is deplorable, but the volume of business held up remarkably well. It is fair deduction that 1933, when fully reported, will compare favorably with 1932. During the latter half of 1933 life insurance in the Philippines was affected by the gold boom; this boom has subsided of late, to the benefit of insurance.

Some companies report January and February this year below the volume of the same months in 1933, but well above any 2 months during the latter half of 1933. Other companies report January and February this year above the same months in last year; for one company at least, January this year proved the best month in its history, while February bade well to top it. This is one of the larger and older companies. We have some information respecting its agents, indicating that college or university training is a preparation for competency in soliciting insurance. Among this company's top 30 solicitors, 16 are either college or university graduates and 6 others have had high-school training. Among the 16 collegiate, the largest group is from the University of the Philippines. The same company has a few women among its solicitors; its own experience, by competitive test, makes the college

(Please turn to page 15)

1932 PHILIPPINE LIFE INSURANCE	
Domestic (Two)	
Insurance in force January 1, 1932	P39,381,949
Revived, issued and increased during the year	13,527,481
Terminated—	
By death	P 240,055
By maturity	449,934
By lapses, etc.	9,604,754
Total terminated	P10,302,747
Insurance in force December 31, 1932	P42,606,683
Total premium income during 1932	2,198,026
Losses and claims settled during 1932	633,079
Pending losses and claims December 31, 1932	21,426
American (Two)	
Insurance in force January 1, 1932	P45,107,840
Revived, issued and increased during the year	8,356,050
Terminated—	
By death	P 438,362
By maturity	254,306
By lapses, etc.	8,730,567
Total terminated	P 9,423,235
Total premium income during 1932	P 2,462,372
Insurance in force December 31, 1932	44,040,593
Losses and claims settled during 1932	583,773
Pending losses and claims December 31, 1932	143,780
Foreign (Three)	
Insurance in force January 1, 1932	P62,092,488
Revived, issued and increased during the year	9,046,058
Terminated—	
By death	P 683,316
By maturity	505,574
By lapses, etc.	9,091,968
Total terminated	P10,280,858
Insurance in force December 31, 1932	P60,857,688
Total premium income during 1932	3,559,018
Losses and claims settled during 1932	1,130,395
Pending losses and claims December 31, 1932	264,384

LIFE INSURANCE IN THE PHILIPPINE ISLANDS

Items	Companies	1927	1928	1929	1930	1931	1932
Insurance in force, January 1	Domestic	P22,637,028.00	P25,024,573.00	P27,011,108.00	P32,316,356.00	P37,070,982.00	P39,381,949.00
Do.	Foreign (American)	23,026,444.00	25,922,926.00	31,200,740.00	39,202,756.00	43,029,170.00	45,107,840.00
Do.	Foreign (others)	28,074,120.00	31,534,687.00	37,344,517.00	43,663,615.22	50,942,833.98	62,092,488.00
Total		73,737,592.00	82,482,186.00	95,556,365.00	115,182,727.22	131,042,985.98	147,504,964.00
Insurance issued, revived, and increased during the year	Domestic	8,633,499.00	8,508,780.00	12,298,384.00	12,943,857.00	11,656,405.00	13,527,481.00
Do.	American	7,669,658.00	10,500,468.00	14,606,756.00	12,414,372.00	11,824,564.00	8,438,450.00
Do.	Foreign	6,879,765.00	9,630,496.00	10,601,794.00	12,488,733.92	17,352,239.34	9,046,058.00
Total		23,182,922.00	28,938,744.00	37,580,934.00	37,846,962.92	40,833,208.34	31,011,989.00

America's Part in Founding Modern Japan

The part America played in the founding of modern Japan is usually understood to have reached its climax in the treaty effected by Commodore Mathew Calbraith Perry in 1854. Perry's achievement was indeed foundational, everything subsequent to it is built upon it; thereafter, instead of merely the Dutch *factory* on *Deshima* island at *Nagasaki*, all nations were admitted at such points as *Hakodate* and *Simoda*. But Perry had a fleet, 3 steam vessels, 3 sailers. After Perry came an American who was alone, Townsend Harris, who, except the Dutch under restrictions at *Deshima*, was the only westerner resident in Japan during nearly two years; and during this period, alone, neither a warship supporting him nor even a dispatch boat, he effected the commercial treaty with Japan that is the foundation of the Japan of our day.

At the end he wrote briefly to Sir John Bowring at Hongkong:

"Lord Elgin (for the British) and Baron Gros (for Russia) will find their work all done by their hands when they arrive, and that a large fleet was not required as a demonstration."

So it fell out, Townsend Harris, a business man all his life, made the commercial treaty with Japan that all others had to follow; he made such a treaty as led to the early downfall of the shogunate, the domestic revolution, the restoration of the emperor, the adoption of a constitution and all the stupendous changes that have occurred during the past 50 years.

It was on September 4, 1856, that Harris raised his flag, the first of a foreign consul in Japan. Commodore James Armstrong had landed him at *Simoda* from the steam frigate *San Jacinto* in August, and had then returned to China. Armstrong had brought Harris from Siam, where he had effected a treaty of commerce for the United States after others had failed. Doing this, he had laid in Siam the basis of friendship that has prevailed between America and Siam ever since. Landed in Japan, it was to be 14 months before, from *Hakodate*, his first mail from home arrived; and in this mail the latest cover from the state department (under General Lewis Cass, of Michigan) was dated August 1836, the very month Harris had established official residence in Japan. This cover pertained to a very minor matter. The war in China, of which Harris was perforce ignorant, detained the American ships there; besides suffering extreme ill health almost constantly, Harris's isolation and the unexplained prolonged absence of American ships from his station made him feel deserted.

With only the instructions brought with him from Washington, and a letter from President Buchanan for the *tycoon*, or reigning shogun or dictator, Harris discharged his every responsibility in a way to incutellate the utmost respect among the Japanese for the United States. It is remembered that this was done at a time when the United States was approaching civil war between North and South. Harris was consul general under Democrat Buchanan, minister plenipotentiary under Republican Lincoln, and went home in 1861 to a war-torn country where he anxiously espoused the cause of the Union of the States.

Negotiations with the Japanese were most laborious. Dutch was the medium of mutual communication. A young Dutchman, Henry C. F. Heussen, was Harris's companion and interpreter. (When he was assassinated by a fanatic, Harris got an indemnity of \$10,000 for his family.) What the Japanese had to say was put into Dutch; the translation verified, it was put into English for Harris. From Harris to the Japanese the process was reversed. Some handicaps were the limited knowledge of Dutch, learned from the traders at *Deshima*, the absence of singulars and plurals in the Japanese language, also of past pronouns and antecedents.

Beginning as strangers, the negotiators had painstakingly to acquire acquaintanceship of

one another. Harris had to break down prejudice, fear and the intriguing of placemen who felt their very lives at stake in having intercourse with a foreigner at all.

Japan's suspicions of the western powers were of course justified, for their view at least, by current events in the Far East. This reserve was hard to penetrate. It made the Japanese do curious things, and these things Harris made it his duty to prevent—in jealous regard for the dignity of the United States. Thus when the governor of *Simoda* was to receive him, the Japanese commissioners tried every means for him to be received jointly with Commodore Armstrong—as if reception of the consular general who was to reside in *Simoda* was incidental, or perhaps compelled by the



Townsend Harris

American navy. Harris had gently to assert his priority, thus to enforce a provision of the Perry treaty.

Established ashore, Harris found himself under a guard of spies. The *Simoda* authorities explained that these men were to see to his safety, but the rule of nations that no man should be on his premises without his consent was explained and insisted upon; after due patience, but perseverance, the right was recognized and the spying ceased. Then, at the negotiations, appeared a multitude of secretaries—really spies. Again matters had to be straightened out. These are only random examples of obstacles to amity and the writing of a treaty. Another was the difficulty in delivering the president's letter to the *tycoon* at *Yedo* (*Tokio*). It was Harris's duty to deliver this in person. Long were the conversations opening the way for him to go to *Yedo*; and once there, still longer were the weeks before the work of the treaty could be begun.

Harris had to guard against persons of inferior rank being assigned to deal with him. The shogunate (which was to fall as a result of all this) was fighting every inch of the way for its life—the *daimios* 10 to 1 against it—and any observable gesture of superiority to the foreign envoy was so much on the shogunate's side. In all but total ignorance of the country, Harris had to feel his way along; this he did with the manners of a gentleman who would neither gratuitously offend nor tolerate an offense. He soon found that once the Japanese had agreed to any proposal, they adhered to

this agreement to the letter. But they too were feeling their way along, and even under more personal danger than Harris. Thus the mere providing Harris with a map of *Yedo* was of the gravest concern to the commissioners, and had to have the previous and absolute sanction of the shogun.

So too a place for Harris to ride, for the exercise he stood so much in need of, because in riding abroad he was in view of the public who could see with what freedom, in contrast with the surveillance over the Dutch, this American was treated. Almost interminable were the preliminaries for the trip to *Yedo*, but at last all was carried out to Harris's minutest liking; not that he wanted the pomp for himself, but that was custom. Next to *Kikuna*, came the American flag guarded by two of my guards. Then I came on horseback with six guards; next my *norimono* with its twelve bearers, and their headman, bearers of my shoes, etc.; then Mr. Heussen on horseback with two guards, then his *norimono* bearers, etc. Next followed my bedding, chairs, food, trunks, and packages containing presents; my cook and his following.

"The vice governor of *Simoda* followed with his train, then the Mayor of *Kakizaki*, and lastly the private secretary of the governor of *Simoda*. A Dutch interpreter was carried in a *kago* in Mr. Heussen's rear. The whole train numbered some three hundred and fifty persons. All the bearers of luggage, etc., etc., were changed every two ri, or about five miles, and I was glad to see that these men were all paid for their labor."

Officials from each succeeding town along the way to *Yedo* came out to greet the Harris cavalcade at their boundaries; as it had been agreed, not the least courtesy or detail of comfort was omitted. Sunday was observed without travel. Harris was an Episcopalian; from the first he had read the service of Sundays with Mr. Heussen and, though it was still a capital offense, had apprised the Japanese that he did so in order that they should know not only that he was a Christian but that as the envoy of the United States he adhered to his privileges and stood upon international law rather than national. The commissioners, once *Yedo* was achieved and Harris ceremoniously installed in the temple chosen for his residence, asked how he should proceed to the *tycoon's* castle on the occasion of his state visit to present the president's letter. At first he thought he would go horseback, and said so. But this so pleased that he knew it could not be right. He inquired and learned that only the highest officials went to the castle in their *norimono*s, so of course he resorted to a change of mind and went in that way also.

It can be imagined how health-taking all these details were to an official alone in a country of 40 million hostile strangers, whose language he could not speak nor they his.

The *daimios'* frank hostility to a commercial treaty held off real progress for months, but on February 17, 1858, definite word was given that the treaty would be signed, come what would, and experience taught Harris he could rely on his men. The Prince of *Shimano* was the chief of two commissioners dealing with him about the treaty, so there was no question of ample rank; but Harris knew all along that as each point came up, and decision was delayed until the commissioners could ruminate about it, that in reality the *tycoon* and the state council were being consulted. So great was the opposition of the *daimios*—the 250 military

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The American Chamber of Commerce

OF THE
PHILIPPINE ISLANDS

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getting the United States senate to quash the proposed tax of 5 cents a pound on coconut oil imported into the United States and oil expressed there from imported copra; with the result that the worst we probably shall have is the so-called compromise commonwealth (or if you will, independence) bill giving 850,000 tons of sugar, 2,000,000 pounds of coconut oil, and 3,000,000 pounds of cordage from the Philippines annually free entry into the American market. This until under the terms of the bill some impost applies.

Such advantages are tangible, say what you will.

The table above illustrates how badly the Philippines need the American market. Our population now approaches 14,000,000. The land we might farm, and we are predominantly a farming community, comprises 61,966 square miles. The land we actually farm comprises 14,335 square miles, or 23.1% of our farmable land. Of 5 measures of crops produced on the land we farm, America buys 3.2 measures and all other overseas markets buy about 8/10 of 1 measure. We manage to buy the other measure, mostly rice home-grown for home consumption. For lumber the domestic market is the primary one, but of lumber we have potential large surpluses to sell overseas and currently the industry languishes because there is comparatively little buying overseas.

Essentially we produce for overseas trade. This trade brings us cash with which to buy imports. It is consumption of these imports that keeps our heads above the coolie level: when the Philippines lose the American market they will be a coolie country and not a country of citizens rising all the time to higher standards of living, education and prosperity. This being axiomatic, opinion here should begin understanding the true and permanent basis on which Philippine trade with America rests. Since 1900 the basis of this trade in tariff privileges has been confused with constitutional rights of trade. The trade rests on no such rights, that don't exist; it is a grant of congress only, and therefore it may be withdrawn.

This makes the contemplated visit of a congressional delegation to the Philippines this summer very significant. Time should be taken by the forelock. The congressional delegation should be shown, when it arrives here, all unquestionable advantages of commerce with the Philippines; it might well be given suggestions as to how these advantages could be nurtured and increased. But delegation or no delegation, acts and laws or none, we could learn here, as we should, how to do things advantageous to America in our commerce with her. In trade based on privilege—or at most, on moral rather than on constitutional grounds—mutual advantage is paramount.

We undertake now, therefore, to say a word or two more about our coconut oil and copra in the American market. The coconut industry is the livelihood of some 4,000,000 of our people. Coconut lands are generally owned by those who cultivate them, in small farms. A tax that would kill this industry would destroy more than 4/14 of the Philippine market for American manufactures, the population of the coconut-farming areas standing in about that ratio to the whole population. The locale of the larger land-transport companies is enough to indicate this, where the brisker transportation business thrives is where money is most plentiful. Now the pioneer land-transport company was established in a leading coconut-producing region of Luzon, the Ammen Transportation Company, and there its main lines are even today. Of all the larger companies since established, most of them are in coconut-producing regions. There is a large one in Samar, another in Leyte, another in Oriental Negros, another in Batangas and Laguna, another in Cebu, a grand one in Iloilo.

These companies are all imitated by smaller ones, in the regions where they operate. The companies themselves are important buyers of American products, including fuel and oil as well as cars, trucks, tires and parts. They are also low-cost distributors of American imports to provincial merchants and mercantile centers, and they gather up Philippine products and carry them at cheap rates to ports of export. Wise in their generation, they indicate where trade is to be had. Destroy the coconut industry of these islands, or reduce it to levels where only coolies may carry it on, and you destroy not less

NEW COMMONWEALTH ACT

Farm Lands in Our Ten Largest Islands

Island	Area sq. miles	Cultivable sq. miles	Cultivated sq. miles	% Under Cultivation
Philippines	114,000	61,966	14,335	23.1
Luzon	40,814	23,647	7,618	32.2
Mindanao	36,906	16,344	1,125	6.8
Samar	5,124	3,945	714	18.0
Negros	4,903	2,622	885	33.7
Palawan	4,500	3,407	155	4.5
Panay	4,448	2,813	1,053	37.4
Mindoro	3,794	2,125	69	3.2
Leyte	2,799	1,945	792	40.6
Cebu	1,695	1,391	803	57.7
Boloh	1,534	932	420	45.0

Percent of farm lands under actual cultivation..... 23.0

Our 10 largest islands have 59,171 square miles of farm land of which 13,634 square miles are actually farmed, less than 1 acre in 4 of the cultivable land, and less than 1 acre in 10 of the total area of the islands.

Reluctantly or not, depending on how far you sanction political casuistry, it remains a fact that nonacceptance of the commonwealth bill last year, and yet keeping the question of a suitable bill before congress and President Roosevelt, with the effect that quotas have not been applied, has given Philippine products free entry to the American market for at least the whole of this season. This means money; in the sugar industry alone it means about \$4,000,000 more, thrown into the channels of commerce in the islands this year, than we otherwise would have had. It contributes influence toward

than half of the Philippine market for imports, but more than half.

And what do you gain at home? Nothing. This too a congressional delegation could be made to see.

A million bales of cotton when ginned leaves behind the seed for 50,000 tons of cottonseed oil. America proposes reducing her cotton yield by 3 or 4 million bales a year in order to maintain a living price to the growers. When she does this she will reduce her yearly yield of cottonseed oil by about the quantity of coconut oil she now buys from the Philippines. She buys our oil because she needs it, now; reducing her cotton crop she would create more demand for this and for similar

oils. It could come to this: that crushing plants in Amsterdam using Indian and Egyptian cottonseed would supply cottonseed oil for the American market; and if they did, America would merely provoke, by taxing our coconut oil, fiercer competitors with her cotton industry and put money in their hands. But before this would happen, probably, palm oil, free of duty, and other oils would come into the United States from countries where America could procure but little reciprocal trade—where she would have to settle annual balances with cash.

The time has come to talk straight economics to America. As she wants to do only justice to the Philippines, a cordial hearing is a foregone conclusion.

Philippine Economic Conditions—January, 1934

Summary of official radiograms forwarded to the Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D.C. Prepared by E. D. Hester, American Trade Commissioner, 410 Heacock Building, Manila, with assistance of Government and trade entities.

	Jan. 27 1934	Dec. 29 1933	Jan. 28 1933
Total resources.....	234	237	218
Loans, discounts and overdrafts.....	106	110	114
Investments.....	49	49	54
Time and demand deposits.....	130	132	119
Net working capital, foreign banks.....	11	10	24
Average daily debits to individual accounts, four weeks ending.....	4.7	4.2	3.6
Total circulation.....	127	123	117

The improved and steadier business tone which prevailed during the first half of January was qualified towards the end of the month by declines in the export prices of copra and failure of any substantial improvement in abaca. The month closed with great uncertainty due to the proposal in Washington to levy an excise tax of five cents per pound on United States imports of coconut oil. Local interests claimed that this, if made effective, would cripple our second largest industry and at least temporarily withdraw nearly a quarter of the Philippine population from any significant consumption of imported wares. Actual merchandise movement during January, however, was characterized as satisfactory in textiles, foodstuffs and automobiles which showed some improvement over December with the volume of consumption estimated at approximately equal to January last year. Japanese competition in several lines was noted to be rapidly increasing. Russian textiles made their first appearance in the local market. Sales of hardware and builders supplies were greatly curtailed due to the almost total lack of construction activity.

Construction activity was at a standstill with Manila building permits valued at only P194,240 as compared with P233,730 for January 1933.

Power consumption during January was reported at 10,860,000 KWH compared to 9,731,000 for the same month last year.

Transportation

Cargoes: Atlantic seaboard, excellent; Pacific, good; Orient interport, normal; interisland, normal. Passengers: outward, good and increasing; inward, heavy. High seas tonnage was exceptionally low with a total of only 86 sailings with 205,000 tons of which the United States share was 13 sailings with 35,000 tons.

Manila Railroad: January average daily metric tonnage almost equalled the previous month, 10,601 compared with 10,632 for December and 7,316 for January, 1933.

Overseas trade

The Customs bulletin for January is not yet available. December statistics were included in the supplementary report to "Philippine Economic Conditions, December, 1933".

Government revenue

The current fiscal year opened without a Government deficit and with probably a small surplus. The Philippine National Bank repaid to the Insular Government P1,000,000 on account. Outstanding Philippine Friar Lands Purchase bonds were redeemed through the War Department on February 1st. Internal revenue collections during January for the City of Manila were 15 per cent above the same month a year ago.

Exchange

The January requirements for sugar financing caused the usual cash shortage at the year's opening. Seller's quotations for U.S. S.T.T. were at 1/2 per cent discount, buyer's at 7/8 per cent discount, buyers of 60 days sight D/A bills at 1-3/4 per cent discount. By mid-month the situation eased with rates rising to 1/4 per cent premium for sellers and 1/4 per cent discount for buyers, firming to close at buyer's 3/8 per cent premium and seller's 3/4 per cent premium. The steady tendency at the close continued through to February 15 when weakness again developed. On February 20, sellers were quoting at par while buyers were reluctant at 3/8 per cent discount. Total exchange sold by the Insular Treasurer for January totaled \$400 of demand and \$450,000 of telegraphic transfers.

Banking

January banking conditions were featured by a substantial increase in average daily debits to individual accounts. Circulation was up, closing at P127,000,000, the highest point since June 1932. The Insular Auditor's report showed the following details in millions of pesos:

Credits and collections

Credits were extremely close. Banks were declining extensions or new commitments in respect to either agriculture or real estate. Installment and merchants' up-country collections were slightly improved but their volume was reduced.

Sugar

January sugar transactions were steady throughout the month, opening at P6.90 to P7.10 per picul, improving gradually to close at P7.30 to P7.40. Current crop recoveries of Negro centrals were still unsatisfactory. Warner Barnes' export data follows:

	Long Tons Nov. 1 to Jan. 31, 1934	Nov. 1 to Jan. 31, 1933
U. S. Atlantic:		
Centrifugal.....	306,454	293,420
Refined.....	1,350	
U. S. Pacific:		
Centrifugal.....	11,612	11,505
Refined.....	11,829	16,002
Totals:		
Centrifugal.....	318,066	294,925
Refined.....	13,179	16,002
Centrifugal and refined.....	331,245	310,927

Coconut products

The copra market was extremely weak with crushers unwilling to make further contracts due to the generally unfavorable world market conditions which included the Spanish restriction on copra imports with rumors of a similar action in France. This was further accentuated by the proposed levy of an excise tax of five cents per pound on coconut oil imported into the United States, forcing copra exporters and oil millers to curtail purchases pending further developments. No extensive contracts for either oil or copra were possible and all transactions were limited to small parcels for prompt delivery. Manila copra prices opened at P4.40, improved to P4.60, but dropped 30 points by February 10. The copra cake market was dull with little transactions due to the fact that most crushers were sold out. Schurmacher's statistics follow:

	Jan. 1934	Dec. 1933	Jan. 1933
Copra			
Estimated arrivals:			
Manila, sacks.....	224,680	430,087	242,382
Cebu, sacks.....	206,216	389,466	200,580
All countries.....	21,064	38,196	15,449
United States.....	15,623	21,040	10,890
Estimated stocks, Manila, end of month, metric tons.....	66,976	82,558	35,532
Prices, reccada, buyers' godown, Manila, pesos per 100 kilos:			
High.....	4.20	4.50	6.00
Low.....	4.00	4.00	5.60
Coconut oil			
Estimated exports, metric tons:			
All countries.....	11,792	18,478	7,711
United States.....	11,647	18,359	7,611
Estimated stocks, Manila, end of month, metric tons.....	20,427	15,335	21,215
Prices, drums, Manila, pesos per kilo:			
High.....	0.105	0.1075	0.125
Low.....	0.095	0.1030	0.115
Copra cake and meal			
Estimated exports, metric tons:			
All countries.....	10,974	12,335	3,154
United States.....	1,576	1,354	149
Estimated stocks, Manila, end of month, metric tons.....	4,293	3,961	4,947
Prices, f.o.b. Manila, pesos per metric ton:			
High.....	18.75	17.75	25.50
Low.....	18.30	17.05	25.00

Declassified coconut			
Estimated exports, metric tons:			
United States	1,030	1,520	394

Abaca (Manila hemp)

Few transactions at nominal prices were registered at Manila, with sellers showing resistance. Slightly higher prices ruled from mid-month to close but receded in early February to the January opening quotations. Production was normal. Direct shipments from Davao may tend to diverge the market from Manila, especially due to lower quotations on better grades. Saleby's statistics follow:

	Jan. 1934	Dec. 1933	Jan. 1933
Estimated receipts:	82,124	130,701	67,661
Estimated exports:			
All countries:	94,108	128,577	82,321
United States and Canada:	19,924	36,029	12,501
United Kingdom and Continent:	43,499	45,185	29,341
Japan:	27,692	41,033	37,414
Estimated stocks, P. I. ports:	124,176	138,160	164,347

Week-end prices, f.a.s. buyer's godowns, Manila, pesos per picul for various grades were:

Grade	Dec. 29	Jan. 6	Jan. 13	Jan. 20	Jan. 27	Feb. 3	Feb. 10
A	11.50	11.50	11.75	11.75	11.75	11.50	11.25
F	10.50	10.50	10.50	10.75	10.50	10.25	10.25
E	7.50	7.50	7.75	7.75	7.75	7.50	7.25
J-1	6.50	6.50	6.75	6.75	6.75	6.50	6.50
J-2	5.25	5.25	5.50	5.75	5.50	5.50	5.50
K	4.75	4.75	5.25	5.25	5.00	5.00	5.00
L-1	4.25	4.25	4.50	4.75	4.50	4.50	4.50

Tobacco

Nothing of importance occurred in the tobacco market. Prices were unchanged and no important transactions were reported. Weather conditions continue ideal for the new crop. Alhambra's export data covering rawleaf, stripped filler and scraps follow:

	Kilos
Austria	819
China	11,995
Gibraltar	11,800
Japan	475,309
North Africa	35,700
North Atlantic (Europe)	27,760
Straits Settlements	633
United States	76,254
Total	630,476

Cigar shipments to the United States was slightly up, 18,000,000 pieces compared with 18,182,001 (Customs final) for December and 8,518,824 (Customs final) for January, 1933.

Rice

The rice market continued weak throughout the month. New paddy has arrived on the market with quotations at the close from 30 to 50 centavos below the old crop, which were quoted at from P.1.90 to P.2.50 per sack of 44 kilos, cars, Cabanatuan. Rice arrivals were heavy, 221,000 sacks compared with 130,000 for December and 168,500 for January last year.

Lumber

Lumber production for December was reported at 10,600,000 board feet compared with 8,500,000 for December, 1932. Inventories at the end of December showed 21,500,000 board feet as against 25,200,000 for the same month in 1932.

Automotives

Car sales declined seasonally during the month due to the anxiety of the market pending the arrival of new models. Arrivals and stocks were on the low side. Truck sales were considered satisfactory with stocks and arrivals low. Fair trading was noted in the second-hand market but trade-ins were rather restricted due to the limitation on instalment sales. December figures follow:

	Estimated Registrations	Estimated Arrivals
Cars	324	76
Trucks	231	131

Tires
Business in tires was good with arrivals not above normal. Stocks were normal and prices showed an increase of 10 per cent. January list collections were reported satisfactory.

Leather

The leather market improved above the seasonal level with orders good, arrivals normal, stocks normal, and prices slightly up and lagging behind United States quotations. The unfavorable exchange situation is excluding Australia from the market except where contracts were involved.

Foodstuffs

The seasonal improvement reported in the foodstuffs trade during December continued through to January although the general level appears to be lighter than January last year. Foreign goods evidenced an upward price tendency which is contrasting to the slightly lower quotations from the United States, especially in flour. Movement was attributed mainly to the lower value of the dollar.

Flour.—Flour demand and sales improved due to the effective export subsidies of the Pacific Northwest Wheat Export Association. Manifested arrivals were:

	Sacks
United States	237,500
Canada	41,100
Australia	25,100
Japan	7,800
China	500

The continued heavy arrivals from Canada were due to the existing heavy six months' contracts with local buyers which will expire in April. Prices were: United States patents P.9.50 to P.10.00, cut to P.8.50 to P.9.50, straights P.7.40 to P.8.00; Australia P.7.00 to P.8.50; Canada P.9.20 to P.10.00; Japan and China P.6.80 to P.8.80.

Sardines.—Demand improved, United States stocks ample, prices P.5.50 to P.6.20. Japanese stocks heavy and selling at P.5.50 to P.5.80.

Mackerel.—Demand fair, United States stocks ample, prices P.5.40 to P.5.60.

Salmon.—Market dull due small stocks, prices Alaskan chum P.9.20, Canadian stocks ample at P.8.20 to P.8.60, Japanese pinks P.7.80.

Apples.—Demand poor, stocks heavy, arrivals in poor condition, prices P.3.00 to P.3.50.

Oranges.—Demand normal, supply ample at P.9.50 to P.12.00.

Lemons.—Demand normal, stocks sufficient, prices P.7.50 to P.8.50 for half boxes, P.15.00 to P.16.00 for full boxes.

Grapes.—Stocks and arrivals light, prices P.6.50 to P.7.50 per 34-lb. box.

Onions.—United States ample at P.4.00 to P.4.50 per 100-lb. bag, no stocks of Egyptian, Japanese ample at P.3.50 per 100-lb. case.

Potatoes.—United States ample at P.4.50 to P.5.50 per 100-lb. bag, small stocks of Chinese at P.3.50 to P.4.00 per 100-lb. crate; Japanese ample at P.3.00 to P.3.50 per 100-lb. crate.

Cabbages.—American scarce at 20 to 22 centavos per kilo, Baguio ample at 11 to 13 centavos per kilo.

Milk.—Market generally unchanged, orders fair, arrivals slightly above normal, stocks normal, prices tending upward. Creams were: condensed 15,700 cases, evaporated 36,200, natural 1,100. Prices: evaporated P.5.70 to P.6.10, condensed P.11.50 to P.13.50, natural P.8.00 to P.16.00. Japanese were being sold at cut rates, P.7.00 to P.8.00.

Textiles

Textile movement during January was seasonally good, was considered better than December and about approximately equal to January last year. The new higher prices from the United States increased the competitive disadvantage in favor of Japanese products, resulting in very poor prospects for February and March. Manifested arrivals were estimated as follows:

	Cotton	Silk and rayon
United States	3,419	
Japan	3,109	429
Europe	224	12
Shanghai	14	3
Hongkong	20	—

Grey sheetings.—Orders heavy, arrivals normal, offtake good, prices firmer, prospects under new United States prices extremely doubtful due to repetition of Japanese orders at 15 per cent below United States quotations.

Bleached sheetings.—Orders nil, arrivals nil, offtake very small, stocks very light, prices up, prospects very poor due Japanese offers at December prices.

Grey drills.—Orders for stocks small, indent heavy; arrivals normal, offtake fair, stocks light, prices up, prospects extremely difficult against Japanese offers at 10 per cent below United States prices.

Colored yarn drills.—Orders small, arrivals very small, stocks light, offtake fair, prices up, prospects nil, Japanese arrivals and stocks heavy and underselling United States brands in all provincial markets.

Heavy chambrays.—Orders small and for indent only, arrivals small, offtake fair, stocks light, prices up, prospects poor although continued limited demand for United States goods anticipated in spite of heavy competition.

Light chambrays.—Orders nil, arrivals small, offtake seasonally slow, stocks fair, prices up, prospects impossible at latest Japanese arrivals bearing the brand "Manhattan Chambrays" which is equivalent to United States qualities and selling at 10 centavos per yard as against 15 centavos for United States.

Denims.—Orders comparatively light and at sacrifice prices, arrivals small, offtake seasonally slow, stocks light, prices unchanged, prospects fair. Japanese Denims strong in southern markets and making headway in Manila.

Narrow prints.—United States out of market and Russian goods marked "Harbin" available at 12 centavos per yard and of better quality than Japanese at 10 centavos.

Percales.—Orders only for job lots, arrivals small, offtake good, stocks low, prices up, prospects impossible at Japanese replacement prices which are 20 per cent under United States prices.

Khakis.—Orders fair, arrivals small, offtake good, stocks low, prices up, prospects doubtful. Importers of British goods still engaged in price war. First Japanese shipment arrived in Manila but quality reported poor.

Plain miles.—Orders small and for bargain lots only, arrivals small, offtake good, stocks very light, prices up, prospects very doubtful due to heavy ordering for Japanese goods for delivery in early March at 12 centavos against United States equivalents at 15 centavos per yard.

Printed notices.—Orders for stock lots only, arrivals fair, offtake good, stocks sufficient, prices up, prospects good.

Rayon and silk.—Situation unchanged, United States off market except for small lots of quality silks.

Broadcloths.—Orders nil, arrivals very small, offtake good, stocks very low, prices up, Japanese controlling market with orders good and stocks fair.

Gold Production at Ipo Now Well Underway at Plus Capacity

New mill well located, and the ore mines and mills easily—remarkably low costs predicted

A visit to the mill of the Ipo Mining Co., Inc., was made Saturday, March 10. The layman knows little about the technicalities of gold mining; only, in a general way, that in the Philippines it is a complicated process that only experts may carry on successfully. But at Ipo certain facts are inescapable. One is the ideal location of the mill and reduction plant. The process is one of complete cyanidation, the gold being taken out in solution. This requires water in abundance. Ipo has it. Then, as this water and the solutions must keep flowing about from tank to tank, gravity is an advantage. Installed at varying levels on a mountainside, the Ipo plant is accommodated by gravity.

You can tell, too, that the plant is well balanced. You ask the rated capacity of the mill. It is 150 tons of ore a day. You ask what is actually being put through. It is 160 to 180 tons of ore a day. You see, then, not only that the mill exceeds its rating but that the reduction plant readily handles the excess burden. You examine the ore on the dump. It breaks easily; you know that the ball mills can readily grind it to powder, for the cyaniding tanks and the revolving filters that scrape away the tailings. All runs smoothly, your visual-ize low-cost production.

This impression is confirmed when you go into the mine itself. You climb up the mountainside and go into the 300-

foot level. Excessive timbering is not required. Practically you are in a mountain of ore. Stopes and drifts run everywhere, there are only 63 men in the whole mine; but they are picked men, 10 of them Igorot oldtimers from Baguio.

No one will care to give out figures at Ipo, as yet. You get nothing official, but common sense tells you this mining is economical. They do tell you that Salacot, across the river below the mill, up the mountains and down on the other slope, is steadily blocking out similar ore that in the natural course of events will give demand for a mill like Ipo's. You have motored to Ipo, an hour and 15 minutes from Manila, and beheld one mill operating in this new Philippine goldfield and the preliminary work being skillfully done—as you suppose—for a second. You recognize, of course, in this so-called lowgrade ore, a rigid test of the mettle of mining men in the Philippines. You sense the fact that a good part of mining's future in the islands hinges on Ipo. If Ipo turns favorably, as it promises now, then in all reasonableness there is many another paying mine to be opened in the Angat district where Ipo is the pioneer.

Good luck to Ipo.

Good producers surmising that the customs 1933 gold bullion export data are too low, 425,030 ounces valued at \$9,695,171, the *Journal* communicated with the producing mining companies, with results as follow:

Mine	Bullion Ounces Exported	Value Pesos	Per Ounce
Balacot Mining Company	213,854 70	4,752,817 20	22 31
Benguet Consolidated	190,768 80	4,470,824 42	23 44
Antamok Goldfields	8,396 49	254,622 76	30 32
Big Wedge	6,304 51	242,618 70	38 80
Benguet Exploration	2,564 00	137,951 50	20 01
Tambis Gold Dredging (Cebu)	1,196 00	38,291 20	32 00
IXI (Guisabatan, Masbate)	7,908 76	175,000 00	22 00
Paniquit Mines, Inc.	19,592 78	550,832 52	23 00
Itoyon	71,979 21	1,655,521 77	23 09
Baguio Gold	1,685 00	116,250 28	30 32
Totals 1933, mines	524,220 77	13,384,332 33	25 32
Customs data 1933	425,030 00	9,695,171 00	22 81
Differences	99,190 77	3,689,361 33	34 90

After due allowance for errors in approximations, it seems that the customs reports are below last year's actual gold bullion production by nearly 100,000 ounces. The approximations will be explained. The first 5 mines listed gave both ounces of bullion and the corresponding values, the average value an ounce was obtained by simple division. The Tambis Gold Dredging Company, operating on Cebu, gave the number of ounces of bullion it produced last year, 1,196.60. It was estimated that this dredged gold would assay somewhat higher than milled gold, a value of \$32 an ounce was therefore given it, making the approximate value \$38,291.20. IXI gave the value of \$175,000 for the year's run. As this mine operated throughout the year, an estimated value of \$23 an ounce was given its bullion because that is in the neighborhood of the average value an ounce of the bullion produced by Balacot and Benguet Consolidated, which also operated throughout the year.

The same procedure applies to Paniquit Mines, Inc., which reported the value of \$550,832.52 for its 1933 output in its yearly report. It too operated throughout the year.

	MARCH 5, 1934		
	Sellers	Buyers	Sales
Abra	1.10	.95	---
Ambassador	.08 1/4	.05	---
Antamok	.57	.55	---
Atok	.09 1/2	.08 1/2	---
Atok Central	.10 1/2	---	---
Baguio Gold	.37	.36	---
Balacot	20.00	28.00	---
Benguet Consolidated	30.00	29.00	20.50
Benguet Exploration	19 1/2	.18	---
Benguet Gold	.12	---	---
Big Wedge	.12	---	12 1/2
Bard River	---	---	---
Mountain	.13	---	---
Demonstration	11 1/2	10 1/2	.11
Equitable	.10	---	---
Fortuna	.08	---	---
Gold Coin	---	---	---
Gold Creek	2.75	2.50	---
Gold River	.33 1/2	.32	.32 1/2
Gold Wave	.10	---	---
Golden Eagle	.90	---	---
Ipo	2.90	2.50	---
Itoyon	4.90	4.60	4.60
Madayson	---	---	---
Midas Gold	---	---	---
Mindoro	.28	---	---
Mineral Resources	.10	---	---
Montezuma	---	---	---
Padel	2.00	---	---
Philippine Chromite	.10	---	---
Philippine Mines Syndicate	1.30	1.00	---
Plicer Mines	4.10	---	---
Prosperity Fluor	2.00	---	---
Salacot	---	.13	---
Shelvin	4.15	3.75	---
Southern Cross	.45	.35	---
States Group	.10 1/2	---	---
Sufoe Consolidated	.70	---	---
Suyoc Mines	---	---	---
United Paracale	.16	---	---
Virac Expl.	.21	---	---
Zamboanga	.14	---	---

Baguio Gold's yearly report shows bullion exports during October, November and December valued at \$116,250.26 at R.F.C. gold prices. The yearly report of Itoyon gives the value of its 1933 bullion production, \$1,655,521.77; and to approximate the number of ounces this value covers, as Itoyon operated throughout the year, \$23 was estimated as the average value of its bullion an ounce. Nineteen centavos an ounce higher than the customhouse average, this estimate is, as noted above, in the neighborhood of the average value an ounce of Balacot's and Benguet Consolidated's bullion last year.

It is essential to bear in mind the wide discrepancy between the government's official figures reported by the customhouse, and the figures given by the mines. The mines' figures don't include considerable gold yielded by small projects throughout the islands, both mining and dredging, that ought to be included in the government's figures and that total a respectable sum during a year. The *Journal* would welcome suggestions as to how to ascertain definitely what gold the Philippines actually do produce. The government's data lie in the industry.

The almost 100,000 ounces of gold bullion these islands produced last year above what the customhouse reported is more than any single gold mine in California produces in a year, save one. California does have one mine that yields more than 100,000 ounces of gold bullion a year; but the Philippines have, at Baguio, two mines yielding twice that amount of bullion each, and another almost as good as California's best. It is of course impossible to say why last year's full Philippine gold bullion production was not included in the customs report for the year. It is not implied that blame rests in the customhouse, only that there is a gravely misleading discrepancy that in future should be avoided because data from the government is official and news correspondents as well as everyone else take them as authentic, to the prejudice of data from all other sources however authentic in fact.

Charles S. "Charlie" Salmon's Philippine Career Outstanding

His motto the story of the little black hen: confidence in opportunity yielding to hard-seeking is his life formula

The occasion of a man's departure from Manila with his family, for a trip around the world during the rest of the year, is a good time to say something about him. So this is a good time to say something about Charles Schofield Salmon, general agent of the Insular Life Assurance Company, a director of the American chamber of commerce and one of its former vice-presidents. He left Manila a few days ago with Mrs. Salmon and their daughters Frances, Emily and Dorothy for an extended itinerary of travel from which he plans to get back to Manila with Mrs. Salmon and their daughter Dorothy in December. Meantime, Frances, graduated from Central School high school, is to enroll for college work at Duke University and Emily is to enroll at Syracuse University.

Another daughter, Charlotte, the eldest, is Mrs. Henry L. Beaty of Hackettstown, New Jersey. Hackettstown is Salmon's home town. He was born there June 20, 1873; he volunteered there, to soldier in the Philippines; he married there, December 17, 1908, Miss Mary Wade; mail reaches him there when he is on furlough from the Philippines; there the banking he does in America is done.

Not every substantial man maintains the old home ties, but every man who does is substantial; it evidences faith in present and future to remember past friends and friendships.

Salmon came to the Philippines as an enlisted man in Company F, 26th U. S. Volunteer Infantry. With some 600 casuals, this regiment came to the islands on the transport *Grant*, formerly the battleship *Mohawk*, which reached Manila October 24, 1899, and went at once to Iloilo to disembark the troops. Here, February 26, 1901, Salmon received honorable discharge and began as a bookkeeper in the Iloilo office of the old Pacific-Oriental Trading company, where he was made manager the next year. Major Wm. H. Anderson and Leon Rosenthal are among the oldtimers in Manila who were connected with this company at Manila. The Iloilo office was closed July 1, 1903. Outside of hours, Salmon had been writing insurance for the New York Life company. This he continued to do. He had also, in 1902, imported a modern rice mill from Scotland and started it operating at Capiz, one of three such mills that were the first modern ones operated in the islands: for many years Smith Bell & Co. operated one of them at Calumpit.

Upon leaving Iloilo in 1903, Salmon went to Capiz to live, and to operate his rice mill. This business he abandoned in 1906 to join the China Mutual life insurance com-

pany as agent, and in 1907 was made this company's general agent. Three years later, in 1910, the Insular Life Assurance Company, first of the local companies, was organized and Salmon made its general agent under a 10-year contract. With this company, for which he drew many of the important papers, including policy forms, Salmon is now working on his third 10-year contract as general agent. His office is among the better organized agencies in Manila; his company had ₱5,322,096 of life insurance in force in 1915, and ₱33,995,524 in 1932 protected by investments in the islands and throughout the world in such securities as are authorized to be bought with insurance funds by Philippine law.

Salmon's motto of business is illustrated by the black-hen homily reproduced on this page from a framed copy that hangs on his office wall. To this he has led many a flagging solicitor, to hearten him with a reading of it. In 1913 he had such an agent, a good one too easily discouraged. Salmon told him to pick out any region of the islands himself, and he would go there with him and wager that within 30 days more than ₱100,000 of new business would result. The man chose the Baliuag district in Bulacan. He and Salmon topped ₱100,000 in a month. Soon he was blue again, being a gay free spender. This time he made it harder: on a similar dare from Salmon he chose Cabanatuan. But again, in the agreed time, ₱100,000 was topped.

"Always go by the black hen's doctrine," Salmon chided him. He never had to be told again, and he became one of the most productive agents the company ever had; he wrote a high volume of business and it was of the best sort, the kind that stayed on the books. "Write me an incorrigible optimist, like the little black hen," says Salmon.

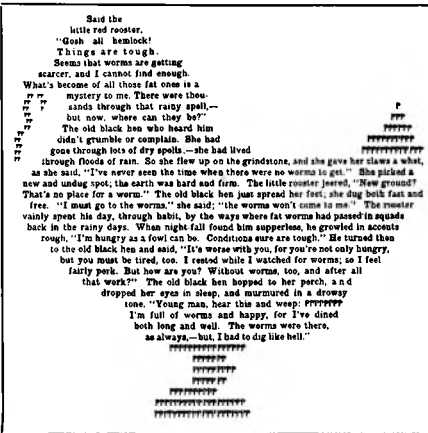
He is a man of fundamental faith and invincible energy, would be a better way of putting it. This fundamentalism embraces insurance. That he sells a commodity in which he deeply believes is evident in his personal insurance, ₱235,000, and in the large policy on his life carried by his company. That he is a man of invincible energy is evidenced by the many failures among things he has tried, failures that have left him undiscouraged. They began in Iloilo. In his early years there he had 30 carromats on the streets for hire, rigs, horses and harness. An epidemic of surra left him just rigs and harness, taking every horse.

Then the rice business at Capiz, impractical against Chinese competition, nearly strapped him of capital. Now he has a moving picture house at Bacolod, which took years to get on the black side of the ledger and still presents difficulties enough.

(Please turn to page 16)



C. S. SALMON



America's Part . . .

(Continued from page 9)

princes who had retinues of troops and collected taxes, half of them always in residence at Yedo, with their families hostages there—that at last there was nothing for it but to dispatch a high envoy to Kioto and lay the treaty before the real emperor. (This in itself was a revolution, but if the emperor spoke, which he never did until many years later, the obstinate daimios would take it as heaven's word and submit).

Premier Hotta's overtures at Kioto failing (Harris meantime having, on the pledge of February 17, returned to Simoda, by a Japanese steamer (it is noted), Shogun Iyeyada "resolved to summon to the helm, a fearless soul who would quail at no storm." This was the man who in 1861 paid his life for the treaty, in that swift way the fanatic assassin in Japan so often demands. He was li Kamon no Kami, baron of Hikoŋ, long afterward execrated in Japan—until as an outflow of his labors the revolution was complete and the long night of isolation ended. Shimada Saburo, in his *Opening of the Country*, purged li Kamon no Kami's name of infamy. Harris had but to invite his wise attention to events in China to move him to fearless action. On the gunboat *Powhatan*, on July 24, and not so late as September 4 as first arranged, li Kamon no Kami's commissioners signed the treaty.

Most English historians, since England soon had her own capable Alcock in Japan, make little of Townsend Harris's lonely and uniquely successful two years' diplomatic vigil in Japan—while England in China gave the Japanese their cue to sign with Harris quickly. This is much to their hurt, since the Japanese will not allow miswritten history respecting Townsend Harris to stand.

Their envoys went to the United States in 1860, on the *Powhatan* with Captain Tatnall, to exchange ratifications of the Harris and to carry a fresh copy of the Perry treaty. They returned from the United States in a steam warship of their own, commanded by Katsu Awa, first organizer and historian of the modern Japanese navy. In the Harris treaty, gold and silver foreign moneys were made exchangeable with Japanese gold and silver at par weight value. Subsequent treaties all followed the Harris treaty in its general outline, and gave nothing to another country that was not conceded also to the United States. The Harris treaty provided consular courts. In all his later years Harris urged that this extraterritoriality be rescinded, which came about only after his death, which occurred in New York February 23, 1878, when he was 75 years old. His declining years were spent at the Union Club, whose library he founded. He had only a few congenial friends, and used to say he and they talked sense at one end of the club while dollars were talked at the other. This was because he was old and full of honors and could take privileges. Yet it is true that throughout his active business life he also followed literary pleasures. Latin American relations in his dry-goods business in New York made him acquire a fluent mastery of Spanish. In the Far East for six years before being chosen for Japan, he was master and sole owner of a trading ship. He studied all the port cities, the peoples and

cultures behind them. So the east became his primer, he was fitted to follow Perry in Japan. Christmas 1850 he spent in Manila, and succeeding Christmas in order: at Penang, at Singapore, at Hongkong, at Calcutta, at Ceylon, at Simoda in his consulate, alone with Mr. Heusken, reading the day's religious lesson. "I am sick and solitary, living, as one may say, in a prison; a large one it is true, but still a prison." The day before but one had registered the first attempt on his secretary's life. He had thereupon cautioned him always to go armed when he left the consulate premises. The next Christmas was at Yedo, and indoors for diplomatic reasons: Harris had found that the Japanese associated indolence indoors with rank and authority, and while that precious treaty was in the balance Harris was determined to do nothing to lessen the appearance of these attributes in himself.

The country he thus opened to ocean commerce sent its first exhibit abroad to Vienna in 1873, another of only 6,000 tons of stuffs to the Philadelphia Centennial in 1876, and a tremendous one to Chicago, the fourteenth, in 1893, when its annual increase of population had reached 500,000, half what it is today. Harris's diary notes the astonishing rapidity with which western ideas were examined and assimilated in Japan. One of the presents Perry gave them was a brass cannon, and when Harris came two years later they had 500 of them from their own foundries. So it was with steamships, weaving mills and all that came to hand; and all this, until 1895, while foreign goods, under a rank distortion of the Harris treaty (which Harris denounced as dishonorable) came into the country under a duty of but 5% *ad valorem*.

ance as well as all other influences toward thrift. Governor-General Frank Murphy wants no more lotteries after the ones now legalized have been terminated. He is dead right about it).

The annual reports of the insurance commissioner, purely of a stilted financial character, fall far short of adequacy when an economic survey of insurance is undertaken. There is in them no segregation of insurance by sexes and ages of the insured, the average life of policies is not stated, and nothing is learned of the number of policies that, once lapsed, have been revived. Neither is their identification of the insured by their occupations, while many other desirable facts are equally lacking. But all this granted, it is still evident from all that does appear that life insurance in the Philippines has ridden the depression well. The volume of business is little below the peak years (increased, in fact, in 1932) and the financial status of the underwriters is sound.

—W. R.



Life Insurance . . .

(Continued from page 7)

or university qualifications of applicant solicitors a distinct recommendation. The women among its solicitors are single and have their own living to make.

For education of children the business of insuring them is growing in the islands. In this specialized branch of soliciting women would seem to fit well; they should be able to make effective appeals to mothers, where appeals most count. This is a branch of insurance possibly destined to rapid growth in the Philippines.

The total of 40,889 life insurance policies in force in the Philippines at the close of 1932 is small in a total population approximating 14,000,000. That population signifies about 2,335,000 families. If we take this estimate, 6 to the family, we see that insurance protects very few families in the islands, even counting 1 policy to each family. It actually runs, on this basis, 1 policy of P3,607 to less than 1 family in 57. Even a slight increase in the general level of family incomes in the Philippines would, it may be deduced from this situation, increase the number of life insurance policies in the islands enormously. (Conversely however, the encouragement given the gambling instinct in the revival of the lottery in the islands will, with all analogous influences, harm insur-

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He.—I don't know—I never saw him before in my life!

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Charles S. "Charlie" Salmon...

(Continued from page 14)

In 1919 the Salmon-Dexter company was organized that dealt, until liquidated in 1925, in farm machinery for which too limited a market could be found. And the movie at Bacolod is recouping a loss of a good many thousand pesos in wee-gol courses that flourished and died too soon, while along the trail of trial and error is the Rural Transit company that finally fell to its major creditor, the Bachrach interests. Experience is a dear but thorough-going teacher.

An experiment still promising is the Puncan Plantation company growing rice on a large farm carved out of public lands in the jurisdiction of Caranglan, Nueva Ecija. When the city man goes into farming he must count the fun of it his main profit, but Salmon has another real compensation from his farm: the farm supports 184 tenant families.

Besides, the farm yields prime watermelons that cap the menus of frequent garden parties at the Salmons' home in Passy, on exile Dapada. Characteristically a good provider, life offers Salmon no better pleasure than that of banqueting his friends and proffering at all times open and generous hospitality. Army beans, young pig roasted on a spit over an outdoor fire—the Philippine *lechón*—and cold melon are among dishes served at the Salmons' home that are unsurpassed anywhere.

This introduces the fact that Salmon is forever doing things for others, helping folk out in one way or another—hypersensitized individuals that he is. How many subscription lists he has carried about, town, getting friends to chip in to ease someone's hurt of fortune; for the demands of charity he has always had time and always put down his share or more. Thus he helped found Union Church Hall, for girls, and headed for a year the American Guardian Association of which he was a charter member and remains a contributing member.

Such leanings make Salmon a good club and church man, since what he joins he tries to help—his propensity to organize effective help is insatiable. The Salmons are members of Union Church, and Salmon, of course, active in financing its activities. Salmon belongs to the Elks here, the Polo club, Baguio country club, Wack-Wack golf and country club. He joined the masonic order in 1917, in Manila, and is past master of his lodge, St. John's No. 9. He is a member of the Oriental Council No. 1, R.A.M., of Luzon Chapter No. 1, R.A.M., of Far East Commandery No. 1, and of Nile Temple at Seattle.

A recent business venture of Salmon's is unique of its kind, his opening an insurance office in Honolulu for Insular Life. Elri Carroll, formerly a Y.M.C.A. secretary here, is in charge of this office. It has been usual for capital to venture from the west to the east. This office reverses the rule, sends eastern capital into the west. The primary objective is, of course, the Filipino population of Hawaii, where many Filipinos have made themselves prosperous enough to carry life insurance. In buying office equipment at Honolulu Salmon had a peculiar experience. The salesman with whom he closed the purchase he recognized at once as a man he had helped out of a difficulty 30 years ago at Iloilo. This the man himself recalled when Salmon gave his name to be written into the purchase order. Business proceedings stopped there, hurrying recollection of a forgotten act of friendship so overwhelmed the salesman that he couldn't make out the order until hours later, back at his desk.

The Salmons are wished a most pleasant world trip, from which they will be very welcome in Manila in December; when it will be time to fetch melons from the farm, light the lanterns in the mango trees and celebrate home-coming with a typical garden party. Meantime Edmund W. Schedler, assistant general agent, will be in charge of Insular Life's general agency; a young man who went from school teaching into insurance, with Salmon, and made good at once, with the enjoyable experience of rising from a salary of P200 a month to one of P20,000 a year with bonus.

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Manila's Oldtime Lottery

Translated from *Manual del Viajero en Filipinas*, by Federico Moreno y Jerez, published in the printshop of Sto. Tomas University, Manila, 1875, at the charge of Pedro Memije—pages 115-116.

The state maintains in the Philippines a national lottery. These lotteries are held monthly. In the ordinary ones 10,000 tickets divided into 10ths are sold, at the government's wholesale tobacco warehouse in Manila and the offices of the tobacco monopoly of the government throughout the islands. A full ticket costs ₱5 and 430 prizes are given, as follows: 1 of ₱15,000, 1 of ₱3,000, 3 of ₱1,000 each, 5 of ₱500 each, 20 of ₱100 each, 400 of ₱30 each, or a total of ₱37,500 given at each lottery.

The drawings are public and take place at the offices of the central administration of the government monopolies (that is, at what has been during the American period the offices of the internal revenue bureau) at No. 29, calle Anloague (now calle Juan Luna, for the painter of that name, the old name meaning carpenter and deriving from the residence along it, in the old days, of many carpenters, perhaps most of them Chinese). The drawings take place at 8 o'clock in the morning in the presence of the lottery board comprising the director of finance, the insular auditor, the insular treasurer, the administrator of the government monopolies, a member of the municipal board, a member of the supreme court, and, as secretary, the head accountant of the finance department. The prizes are distributed as soon as the results of the drawing are officially announced and funds to meet the demands of the prizes have reached

the administrator charged with the payment of them to the winners, when the funds collected from sale of tickets fall short of being enough. The claim of the lucky ticket holders is preferred, taking precedence over everything else; the tickets are property of the possessors, no other owner is recognized than the ones who present them in claim of the prizes. Claims on winning tickets expire in 1 year counting from the day on which the lottery is held. Drawings still to be held this year (1875) are announced for August 4, September 3, October 6, November 4, and December 20.

Two drawings during the year are extraordinary, that of June and that of December. In the first the number of tickets is 10,000 but the price of each is ₱10 (making the unit, which was 1/10 ticket, ₱1). In this drawing 474 prizes are awarded, as follows: 1 of ₱25,000, 1 of ₱10,000, 1 of ₱3,000 each, 5 of ₱1,000 each, 12 of ₱500 each, 50 of ₱100 each, 400 of ₱50 each, 2 approximation prizes of ₱300 each for the number just above and the number just below the grand-prize number, and 2 of ₱200 each for the number just above and the number just below the second-prize number—a total of ₱75,000.

In December the drawing comprises 15,000 tickets costing ₱20 each, and 627 prizes are awarded: 1 of ₱50,000, 1 of ₱25,000, 2 of ₱10,000 each, 5 of ₱5,000 each, 16 of ₱1,000 each, 30 of ₱500 each, 550 of ₱100 each, 2 grand approximation prizes of ₱3,000 each, 2 secondary approximation prizes of ₱2,000 each, 9 prizes of ₱700 each for the 9 remaining numbers in the 10 within which the grand-prize number falls, and 9 prizes of ₱300 each for the 9 remaining numbers in the 10 in which the second-prize number falls. This is a total of ₱225,000.

Our Climate

Data are from a weather bureau report furnished by the director, Father Miguel Seiga, S. J. Months are understood in their calendar order, and the period averaged monthly is from 1885 to 1933 inclusive.

Mean atmospheric pressure monthly, inches: 29.97, 29.97, 29.94, 29.90, 29.85, 29.83, 29.81, 29.81, 29.82, 29.87, 29.90, 29.93; annual mean, 29.88.

Mean temperature monthly, Fahrenheit: 76.5, 77.5, 79.9, 82.6, 83.1, 82.0, 80.6, 80.4, 80.2, 79.7, 78.4, 77.0; mean annual, 79.9.

Mean humidity monthly, percentage: 77.8, 73.8, 71.3, 69.7, 75.8, 81.4, 84.9, 85.1, 85.6, 84.0, 82.9, 81.2; mean annual, 79.5.

Mean rainfall monthly, inches: 0.96, 0.43, 0.69, 1.20, 4.73, 10.00, 16.70, 16.55, 14.25, 7.42, 5.42, 2.37; mean annual 80.73. February averages only 3 rainy days, lowest of the month; July and August each average 22 rainy days. January averages 5 rainy days. February this year had many rainy days, will probably tilt the average. The heaviest rainfall in 1 day last year was on September 15, 4.59 inches, 1.17 inches between 3 p.m. and 4 p.m. The highest rainfall in 5 minutes last year was in October, 0.36 inches.

April last year had the highest number of hours of sunshine, 292 evn; April's average sunshine hours is 259 hr. 32 m. October last year had the least number of sunshine hours, 126 evn, 5 minutes under September.

Greatest hour's velocity of the wind: January 15, 15.5 miles; February 25, 13.7 miles; March 6, 14.3 miles; April 26, 17.4 miles; May 31, 18.8 miles; June 1, 16.8 miles; July 19.5 miles; August 2, 23.3 miles; September 30, 30 miles; October 20, 14.9 miles; November 20, 21.1 miles; December 7, 11.8 miles.

January 31, 1931, registered the highest temperature for January, 93 F. February 25, 1906, registered 96.1 F.; March 25, 1933, 98.1 F.; April 30, 1915, 100.4 F.; May 17, 1915, 101.5 F.; June 4, 1912, 99.7 F.; July 7, 1915, 97.3 F.; August 6, 1900, 95.4 F.; September 18, 1903, 95.5 F.; October 10, 1903, 95.2 F.; November 5, 1923, 93.2 F.; December 25, 1911, 93.2 F. The highest reading was that of May 17, 1915, 101.5 F. Last year's hottest day was May 12, at 2:35 p.m. 99 F. January 6 was the coolest day, at 5:10 a.m., 61 F. Mean daily maximum temperatures monthly, all Fahrenheit: 86.4, 87.8, 90.7, 93.4, 92.8, 90.3, 87.8, 87.3, 87.4, 88.0, 86.9, 86.2.

These data demonstrate an equitable climate. They pertain to Manila, low, fronting the bay, and surrounded by broad low valleys except toward the east. Many places in the islands enjoy more moderate temperatures.

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Philippines Buy 1/5 of All U. S. Flour Exported

There are 2,410 wheat flour mills in the United States. This statement is from *The Index*. In 1932 they manufactured 100,671 thousand barrels of flour. In that year the Philippines bought 1,184 thousand barrels of American flour. In that year too the United States sold overseas 5,795 thousand barrels of wheat flour. These data are from the latest available reports. It falls out that the Philippines in 1932 bought more than 1/5 of all American flour sold overseas.

The picture also has another angle. It is this. The Philippines in 1932 bought 1.85 of the total U. S. Production of flour. A year has 365 days, 52 of which are Sundays; a milling year will not exceed, perhaps, 300 days, since there are observed holidays other than week-

ends. Since the Philippines bought 1/85 of all American wheat flour made during 1932, they kept all 2,410 flour mills going during 1.85 of 300 days. That is, they ran all the flour mills in the United States more than 3-1/2 days; we say, *all the mills*. How many states of the United States did any better? There are 48 states, some big ones with less than 100,000 inhabitants. Figure it all out for yourself. The Philippines bought so much American flour because America bought Philippine products. They still buy it, though America threatens to quit buying very much from them, threatens to quit buying coconut oil from them, to buy only a limited quantity of sugar, of rope, etc. Who can make sense of this, being a practical trader? No one.

Let's see. The 2,410 flour mills in the United States employ 22,833 workmen. One man in 85 of these 22,833 workmen is employed to make flour exclusively for the Philippine market; in all, 268 men are so employed, and on every working day of the year. The Philippines therefore, counting families of 5 persons to the man, support an American community of 1,540 inhabitants in making wheat flour for them. The mills use 600,000 bushels of wheat in a year, 1/85 of it, or 7,058,825 bushels in making flour for the Philippines. This is the whole crop from nearly 500,000 average acres of wheatlands, according to the 1932 *World Almanac*. Counting 100 acres to the average farm devoted to wheat, it is the whole crop from 500 farms, the support therefore of 500 wheat-farming families, another community of 2,500 inhabitants; between millhands and farmers, the Philippine market for American wheat flour supports a community of about 4,000 inhabitants. Add that 1/85 of the capital invested in the American wheat-flour industry gets its entire profit from this market. The selling price of a barrel of flour averages 50 cents above the cost of 4 1/2 bushels of wheat used in making it; this is what the millers get from the Philippines above the cost of their wheat, and in 1932 it was \$592,000. This is 10% of \$5,920,000; it is probable that the milling capital supported by this market is about \$10,000,000. In 1932, *The Index* says, "exports of wheat flour declined 44%." In this market, they did not. Markets were lost elsewhere, kept here. Now then, the Philippines are able to do this because they sell their own farm products duty free in the United States. But congress threatens to end this, to prevent the Philippines from selling coconut oil in the United States at all, to fix a limit to the sugar they sell in the United States, and to rope made from Manila hemp. Well, to the extent this is actually done, workmen in our city of 4,000 prosperous inhabitants—among whom not a single man is idle or without pay during a working day of the year—will be thrown out of employment. Readers in the various states of the United States are free to choose their city, some city in their own state checked up in the *World Almanac*, and less men out of work. The only question is, will it pay?

Our data are from *The Index* and the Philippines customs bureau. Everyone knows how important the wheat industry and the wheat flour market are to the United States. But what ought to be known, which is not, is how important the flour market in the Philippines is to the United States.

World's Gold Output Increased in 1933

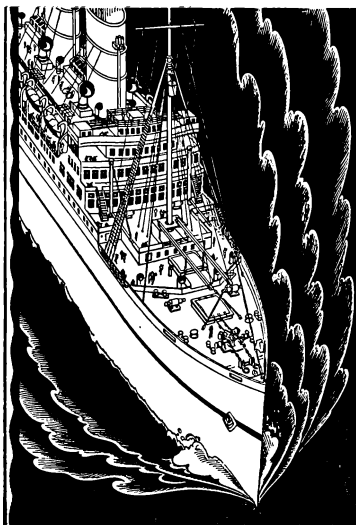
The world production of gold in December increased over November, and output for the entire year 1933 showed some gain over 1932.

December output of all producing countries, as reported today by the American Bureau of Metal Statistics, totaled 2,095,000 fine ounces, compared with 2,057,000 in November. Production of the United States during December amounted to 270,000 ounces, against 256,000 in November; Canada, 235,000 ounces, against 241,000, and South Africa, 894,000 ounces, against 898,000.

World production in 1933 amounted to 24,282,000 ounces, against 24,226,000 ounces in the previous year.

The United States Mint's figures of world gold production for 1932 and preceding years (1933 figures not yet compiled) compare as follows:

Year	Fine Ounces	Year	Fine Ounces
1932	24,141,486	1926	19,251,794
1931	22,329,825	1925	18,731,062
1930	20,836,318	1924	18,667,063
1929	19,585,336	1923	17,977,807
1928	19,399,124	1922	15,576,270
1927	19,180,231	1921	16,006,695



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FRANCE.—Gaston Willquet, consul, Luis Peres Samanillo Bldg., Room 329 Escalota, Phone 2-39-40.

GERMANY.—Dr. J. Schulze, consul; F. Fischer, chancellor, 3rd floor, Insular Life Bldg.; Plaza Cervantes, Phone 2-25-59.

GREAT BRITAIN.—MANILA: Thomas Harrington, H. B. M. Consul-General; L. H. Foulds, H. R. M. Vice-Consul (on leave); H. H. Thomas, Acting Vice-Consul (Mr. Harrington is Dean of the Consular Corps), 405 Fernandez Bldg., Phone 2-15-88.

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A. T. Kay, Acting Vice-Consul.

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Acting Vice-Consul, A. T. Kay.

NICARAGUA.—Trinidad E. Lacayo, Consul-General (absent). Vicente E. Legarda, Vice-Consul, Acting Consul-General, 1564 Azcarraga, corner T. Alonso No. 751, Sta. Cruz, Manila, P. O. Box 1328.

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PANAMA.—E. C. Rose, Consul, 217 Peres Samanillo Bldg., Phone 5-66-28.

PARAGUAY.—J. J. Russell, Esq., Consul, No. 8 Muelle del Banco Nacional.

PERU.—Antonio Molian y Pavia (Count de Perampas) Honorary Consul, 910 Dewey Boulevard, Phone 5-69-18.

PORTUGAL.—J. W. Ferrer, consul, 701 Insular Life Building, Phone 2-23-87.

RUSSIA.—(See France).

SIAM.—E. A. Perkins, Consul, 511-521 Heacock Bldg., Escalota, P. O. Box 766, Phone 2-24-04.

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Hollo—Josef M. Reguera, Consul.
Cebu—Genaro Membela, Acting Vice-Consul.
Legaspi—Joquin Zuloaga, Consular Agent.
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Zamboanga—Marcelino Lozano, Consular Agent.
Guam—Angel Vivas, Consular Agent.
Tuguegarao—Josef Ma. Hernandez, Acting Consular Agent.

SWEDEN.—A. G. Henderson, Chaco Building.

SWITZERLAND.—A. Sidler, Consul, 627 Rinal Avenue, Phone 2-18-41.

TURKEY.—Consul for Spain in charge.

UNITED STATES OF AMERICA.—Insular Collector of Customs, Acting.

VENEZUELA.—Albert P. Delfino, consul, 50 Escalota, Tel. 2-18-80.

TRADEMARKS REGISTERED

During the month of September, 1933

Reg. No. 11480. Trademark consisting of the words "KING KONG" with a design, for hair pomade, registered on September 26, 1933, by Teodoro Kalaw Ng Khe, of Manila, P. I.

Reg. No. 11481. Trademark consisting of the words "BALSAMO TROPICAL DEL DR. E. KILAYKO", for medicinal compound known as balsamo, registered on September 26, 1933, by Celsa L. Vda. de Kilayko, of Talisay, Negros Occidental.

Reg. No. 11482. Trademark consisting of the word "FARMERS" with a design, for jelly, jam and marmalade, registered on September 26, 1933, by Elandio Adriano, of Malolos, Bulacan.

Reg. No. 11483. Trademark consisting of the word "FARMERS" with a design, for canned fruits, vegetables, meat, birds and fish,

registered on September 26, 1933, by Elandio Adriano, of Malolos, Bulacan.

Reg. No. 11484. Trademark consisting of the words "FARMERS PICKLES" with a design, for pickles, registered on September 26, 1933, by Elandio Adriano, of Malolos, Bulacan.

Reg. No. 11485. Trademark consisting of the word "SINGERCRAFT" for loop forming implements for use in production of rugs and pile effects on fabrics, registered on September 26, 1933, by The Singer Manufacturing Company, of New York City, N. Y., U. S. A.

Reg. No. 11486. Trademark consisting of the words "DIAMOND BATTERY" with a design, for batteries and automobile goods, registered on September 26, 1933, by Red Star Automobile Supply Corp., of Manila, P. I.

Reg. No. 11487. Trademark consisting of the words "DIXIE BATTERY 13 PLATE" with a design, for batteries and automobile goods, registered on September 26, 1933, by Red Star Automobile Supply Corp., of Manila, P. I.

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word "TONICKS" with a design, for pharmaceutical preparation, registered on September 27, 1933, by José E. Jimenez, of Manila, P. I.

Reg. No. 11489. Trademark consisting of the word "FLAVITE" with a design, for flavoring powder, registered on September 27, 1933, by Tai Yih Factory, of Shanghai, China.

Reg. No. 11490. Trademark consisting of the word "MARCA PAVO" with a design, for starch, known as "gawgaw", registered on September 27, 1933, by Miguel Josefa, of Pasig, Rizal.

Reg. No. 11491. Trademark consisting of the word "ALAC" with a design, for cigarettes, registered on October 7, 1933, by Compañía General de Tabacos de Filipinas, Manila, P. I.

Reg. No. 11492. Trademark consisting of the word "CACAHUALT" for specially distilled liquor or brandy, registered on October 7, 1933, by La Granja, Inc., of Aparri, Cagayan, P. I.

Reg. No. 11493. Trademark consisting of the word "ARABINA" for specially distilled

liquor or brandy, registered on October 7, 1933, by La Granja, Inc., of Aparri, Cagayan, P. I.

Reg. No. 11494. Trademark consisting of the word "VIBEX" with a design, for vitamin B extract known as Vibex, registered on October 7, 1933, by Parke, Davis & Co., of Detroit, Michigan, U. S. A.

Reg. No. 11495. Trademark consisting of the word "AROMAS" with a design, for cigarettes, registered on October 7, 1933, by La Yehana Company, Inc., of Manila, P. I.

Reg. No. 11496. Trademark consisting of the word "DOLLAR" with a design, for cigarettes, registered on October 12, 1933, by Sweet Dreams Aromatic Cigarettes Company, Inc., of Manila, P. I.

Reg. No. 11497. Trademark consisting of the word "KATOTO" with a design, for cigarettes, registered on October 13, 1933, by Alhambra Cigar & Cigarette Mfg. Co., of Manila, P. I.

Reg. No. 11498. Trademark consisting of the words "DRAGON BRAND" with a design, for lard, edible oil and cooking fats, registered

(Please turn to page 27)

REAL ESTATE

By P. D. CARMAN
Addition Hills



This is by far the best February total since 1930. It is more than double the reported business in February of 1932 and 1933 and is larger than in any year since 1920 with the exception of February 1929 and 1930.

Sales City of Manila

	January	February
Sta. Cruz	1034	1934
Sampaloc	132,239	239,210
Tondo	146,703	79,986
Binondo	76,324	116,933
San Nicolas	430,500	90,000
San Miguel	55,500	26,800
Malate	14,707	79,233
Paco	144,166	493,939
Intramuros	75,505	7,093
San Miguel	50,546	
Sta. Mesa	176	158,679
Quisapo	3,002	45,919
Sta. Ana	36,012	11,283
Pandacan	16,347	540

₱1,178,725 ₱1,352,617

COPRA AND ITS PRODUCTS

By KENNETH B. DAY
AND LEO SCHNURMACHER

As far as copra, coconut oil and copra cake are concerned, February was a month of almost complete stagnation. This was largely due, of course, to the pending excise tax legislation in the United States congress, resulting in paralysis of American business with the consequential depression of other markets indirectly affected. During the course of the month, the House of Representatives passed this measure over a great storm of protests and the bill is in the hands of the Senate for action. Indications are that the bill will be killed or modified in the Senate, but this can only be anticipated if constant pressure is brought to bear.

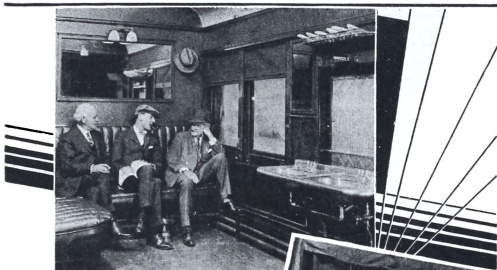
COPRA: Copra was weak all month long starting at ₱4.00 per 100 kilos Resecada, in spite of only moderate arrivals, quotations gradually declined to ₱3.60, the lowest figure on record. Oil manufacturers, if they bought at all, were buying on speculation, and the few real business done was to cover positions of a few London market. Pacific coast prices ranged down from 1.30 cents to 1.25 cents, with some business passing at 1.27-1/2 cents. London was erratic at between £7.7 f. m. m. to £7.2 f. m. m. with corresponding premiums for Sundried. Some sales were made, but not a great deal of business was done.

Shipments, on the other hand, were normal, being based mostly on previous contracts.

The following statistics apply:

Arrivals—Manila, 312,584 bags and Cebu, 215,193 bags.	
Shipments—Pacific Coast	Tons
Atlantic Coast	11,989
Europe	508
China and Japan	5,765
	555
Total	18,817

(Please turn to page 25)



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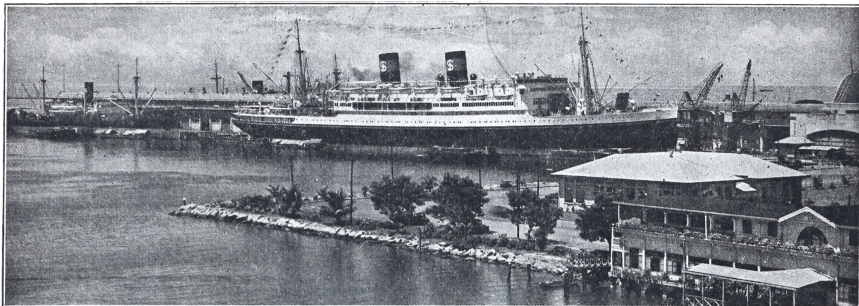
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Seattle, Washington





SHIPPING REVIEW

By H. M. CAVENDER

General Agent, The Robert Dollar Co.



Shipments for 1934 got away to a total of 207,889 tons for the month of January, an increase of 33,000 tons over January 1933.

To Japan, the main items hemp and logs continued in good volume, showing some increase over the previous month, but tobacco, copra, and rope dropped off.

To the Pacific Coast, most items showed a satisfactory increase. Cigar shipments were good, especially for delivery to overland points. Coconut oil, copra, copra meal, and hemp all improved, but lumber was off. Sugar shipments both centrifugal and refined were fair.

To the Atlantic Coast, coconut oil dropped considerably from the previous month, but shipments were still good. Copra and hemp were fair, with lumber slow. There was a heavy movement of centrifugals amounting to 113,000

tons, up 30,000 tons from December. Other items were fair.

To European Ports, shipments of the principal commodities copra, copra cake, and hemp were again good, although somewhat off from the previous month.

From statistics compiled by the Associated Steamship Lines, during the month of January 1934 there were exported from the Philippine Islands the following:

China and Japan	Tons	Merch. Sailings	Tons	Sailings
Pacific Coast Local Delivery	2,786	with 16 of which	17,929	were carried in American Bottoms with 8
Pacific Coast Overland Delivery	1,230	with 12 of which	830	were carried in American Bottoms with 9
Pacific Coast Intercoastal Steamers	709	with 8 of which	709	were carried in American Bottoms with 8
Atlantic Coast	133,102	with 30 of which	20,343	were carried in American Bottoms with 6
European Ports	23,305	with 13 of which	24	were carried in American Bottoms with 2
Australian Ports	805	with 8 of which		were carried in American Bottoms with
A GRAND TOTAL	207,889	with 97 of which	40,997	were carried in American Bottoms with 14

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San Francisco
Panama Canal

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- Pres. Taft - Apr. 7
- Pres. Hoover - Apr. 18
- Pres. Pierce - May 5
- Pres. Coolidge - May 16

Via
Suez Canal
and
Europe

- Pres. Van Buren - Apr. 2
- Pres. Garfield - Apr. 16
- Pres. Polk - Apr. 30
- Pres. Adams - May 14
- Pres. Harrison - May 28

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Passenger traffic from Manila continued to increase during the month to all points. Bookings to China and Japan and the Pacific Coast showed heavy increases in all classes. A feature of the passenger traffic passing through this port during the month was the unusually large number of round the world tourists who are moving in greater numbers than since 1929. It is particularly gratifying to notice that large numbers of these tourists are stopping over at Manila and spending two weeks or longer in the Islands.

The following figures show the number of passengers departing from the Philippine Islands during January 1934:

	First Inter-Monthly	Second Inter-Monthly	Third Inter-Monthly
China and Japan	126	160	348
Honolulu	4	2	23
Pacific Coast	28	19	159
Europe via America	0	2	0
Straits Settlements and Dutch East Indies	74	9	3
Europe and Mediterranean Ports beyond Colombo	42	16	0
America via Suez	8	2	0
TOTAL FOR JANUARY, 1934	282	210	533
TOTAL FOR DECEMBER, 1933	268	188	197

REVIEW OF THE HEMP MARKETS

By L. L. SPELLMAN

International Harvester Company of Philippines

This report covers the various hemp markets for the month of February with statistics up to and including February 26th, 1934.

MANILA MARKET: The market opened quiet with exporters paying: E, ₱12.00; F, ₱10.50; G, ₱5.75; H, ₱5.25; I, ₱7.50; J1, ₱6.25; S2, ₱7.50; S3, ₱6.50; J2, ₱5.50; K, ₱5.00; L1,

₱4.25; L2, ₱4.00; M1, ₱4.25; M2, ₱3.75; DL, ₱4.75; DM, ₱3.25. The extremely heavy receipts the first week caused buyers to hesitate in making forward contracts. The receipts for the second week dropped below the estimate and the same is true for the remaining two weeks but the average was more than 25,000 Bb. and as a result prices remained practically stationary. On a few occasions exporters in the Cebu market paid from 2 to 4 reals over the average ruling prices but only for a few parcels. Toward the end of the month dealers evidently arrived at the conclusion that there was no possibility of better prices in the near future and sold all of their holdings and a fair amount for later delivery. In the Davao district the producers take the opposite view and are holding what they can expecting better prices. This is no doubt due to the recent heavy sales of J1, J2 and G to the U. S. twine spinners. There is unquestionably a temporary demand for these grades in Davao where other grades are accumulating and as soon as orders are filled, there is bound to be a reaction unless a new demand arises. Everything points to a dull market and lower prices.

U. K. MARKET: The first of the month found London dealers buying a fair quantity of fiber on the basis of: J2, £15; K, £14.10; L1, £13; L2, £12.10; M1, £13.5; M2, £12.5; DL, £12; DM, £11.5. Cable reports stated that buying was mostly speculative and consumers were not in the market. The heavy receipts had some effect but with very little change in prices, the different grades fluctuated from 5 to 10 - according to the demand. By the middle of the month sales were made on the basis of: J2, £15.10; K, £14.10; L1, £13; L2, £12.15; M1, £13.5; M2, £12.5; DL, £12.5; DM, £11.10. There was practically no change during the last half of the month as regards prices but there was a noticeable slacking in demand and cables reported the market from quiet to dull. The end of the month found exporters offering on the basis of: J2, £15.5; K, £14.5; L1, £12.15; L2, £12.5; M1, £12.10; M2, £12; DL, £12; DM, £11.5; with no buyers.

U. S. MARKET: The New York market opened quiet with manufacturers buying only small parcels and mostly of Davao hemp. Exporters' prices were on the following basis: E, 5-7/8 cents; F, 5-1/8 cents; G, 3-1/2 cents; I, 4-1/8 cents; J1, 3-1/4 cents. From time to time cable offers were received in Manila for distant shipment at greatly reduced prices but practically all these offers were declined. By the middle of the month there was very little demand and shippers' average prices were: E, 5-3/4 cents; F, 5-1/4 cents; G, 3-3/8 cents; I, 4-1/8 cents; J1, 3-3/4 cents. The market closed quiet with spinners uninterested. Nominal prices were: E, 5-7/8 cents; F, 5-1/8 cents; G, 3-1/2 cents; I, 4-1/8 cents; J1, 3-5/8 cents. The quotations given are for Manila and Cebu housemarks. Practically everything sold in the U. S. during the month was Davao marks and the prices obtained ranged from 1.8 cents to 1.4 cents above the prices given.

JAPANESE MARKET: This market continues indifferent and the few offers received were below actual costs. There are still heavy stocks in Kobe and until these are worked off, we cannot expect much buying.

Maquoy: This fiber was neglected throughout the month. A fair amount came into the Cebu market but we believe most of it went into stock. There was no production of Northern Maquoy.

Freight Rates: There was no change in freight rates during the past month.

General: Taken as a whole, the month was very disappointing to the hemp trade. The continued absence of demand from Japan and the U. S. coupled with the heavy receipts had a demoralizing effect and there seems very little possibility of getting better prices. It is just a question of how long plantation owners can keep going with prices below production costs.

Statistics: The figures below are for the period ending February 26th, 1934.



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Manila Hemp	1933	
	1934 No.	1933 No.
On January 1st.....	155,357	107,007
Receipts to date.....	186,121	153,388
Shipments to—		
U. K.....	67,439	35,150
Continent.....	29,004	29,202
U. S.....	57,086	24,665
Japan.....	53,341	71,262
Australia.....	4,330	2,027
Elsewhere.....	2,761	4,306
Local Consumption.....	4,000	4,000
	217,964	170,612

LUMBER REVIEW

By ARTHUR F. FISCHER
Director of Forestry



The lumber situation at the close of 1933 presented a more favorable outlook than that prevailing at the end of 1932. This was due principally to increased demand in foreign markets. Inquiries from abroad, particularly the United States, United Kingdom, South Africa and Australia, continue being received, and it is gathered that actual business already booked

by most of the larger mills is sufficient to keep them running steadily for the next few months.

During the month under review, the amount of lumber and timber exported aggregated 9,099,040 board feet as compared with 3,215,616 board feet for the same period in 1932, or an increase of 183%. The demand in Japan for Philippine logs was very active. There were 5,724,848 board feet, mostly round logs, ship-

ped to that country during December as against only 2,376,520 board feet for the corresponding month the previous year. Japanese importers prefer to buy round logs than sawed lumber for three principal reasons: First, Japan has different standards from the English, commonly used, and consumers in that country naturally prefer to buy lumber manufactured according to their own standard dimensions. Second, there is very little waste in sawing logs in Japan as almost everything from sawdust to barks is utilized. And third, Philippine huan logs are often manufactured in the said country into veneer and plywood. The November activities in lumber transactions with the United States market were maintained. This despite the taking effect of the "cost-protection" prices under the lumber code, which in the case of Philippine mahogany are generally considered too high by local producers. It may, however, be rather early to expect definite developments from the new conditions created under the lumber code. Lumber shipments to the United States for December amounted to 1,479,336 board feet as compared with 80,560 board feet for the corresponding period in 1932, or an increase of 1736%. Shipments to Great Britain registered a slight decline of 4% over those for December of last year although as compared with the previous month they represented a considerable increase. Considering that there is usually a slackening in trading during the Christmas holidays in that country, the December shipments may be considered a fair showing. There was considerable increase in the demand by British Africa of Philippine timber during the month under review as compared with December of last year. The prospects of this trade, at least for the coming year, are bright as Gaboon mahogany stands in South Africa are said to have already receded so far into the interior that they have now about reached their limit for economic exploitation under present prices. As stated in a previous lumber review, Philippine lauans are displacing Gaboon mahogany in many instances not only because they are cheaper but because of their firmer texture.

There were 471,064 board feet of lumber and timber shipped to Australia during December as against none for the corresponding period in 1932. The present volume of trade with that country is, however, still below what it used to be in 1929. Business conditions in Australia seem to have already improved greatly, but the high emergency tariff imposed on Philippine lumber in 1930 remains as an obstacle to the full recovery of the trade with that country.

Transactions in the local timber markets have become slightly more active due to the fact that this is now the building season. Price for Ipil in Manila has gone up a little. Further increase is expected during the next few months as stocks are running low. Calantas, which is used considerably in the manufacture of cigar boxes, has little demand at present as Mayapis, a cheaper wood, is in many cases being used for the purpose.

Lumber deliveries continued to exceed production. Despite increased production of the mills, lumber inventories at the end of December, 1933, declined about 15% as compared with inventories at the close of the previous year.

The following statements show the lumber and timber exports, by countries, and the mill production and lumber inventories for the month of December, 1933, as compared with the corresponding month of the previous year.

Destination	1933	
	Board Feet	Customs-Declared Value
Japan.....	*5,724,848	† 87,502
United States.....	1,479,336	94,155
China.....	720,900	38,380
Australia.....	471,064	10,797
British Africa.....	414,248	22,886
Great Britain.....	256,520	23,123
Ireland.....	25,440	1,915
Portuguese Africa.....	5,936	717

(Turn to next page)

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France		
Netherlands		
Total	9,099,040	P279,630

Destination	1932	
	Board Feet	Customs-Declared Value
Japan	2,376,520	P 37,164
United States	80,560	6,883
China	259,488	10,850
Australia		
British Africa	72,928	6,183
Great Britain	207,968	18,866
Ireland		
Portuguese Africa		
Hawaii		
Hongkong	153,064	4,720
France	2,544	1,100
Netherlands	2,544	250
Total	3,215,616	P 86,016

NOTE:—This represents mostly solid log scale, that is, 424 board feet to a cubic meter.

For 46 Mills for the month of December

Month	Lumber Deliveries from Mills	
	1933	1932
December	12,204,599	9,838,961
Month	Lumber Inventory	
	1933	1932
December	21,489,945	25,175,629
Month	Mill Production	
	1933	1932
December	10,642,398	8,504,699

NOTE:—Board feet should be used.

RAIL COMMODITY MOVEMENTS

By M. D. ROYER

Traffic Manager, Manila Railroad Company



The volume of commodities received in Manila during the month of February, 1934, via the Manila Railroad are as follows:

Rice, cavans	204,508
Sugar, piculs	1,292,917
Copra, piculs	137,775
Desiccated coconuts, cases	16,574
Tobacco, bales	79
Lumber and Timber, Bd. Ft.	558,900

The freight revenue car loading statistics for three weeks ending Feb. 3, 1934 as compared with the same period for the year 1933 are given below:

FREIGHT REVENUE CAR LOADING

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT TONNAGE		Increase or Decrease	
	1934	1933	1934	1933	Cars	Tonnage
Rice	768	508	8,941	5,813	260	3,328
Palay	233	198	2,497	1,922	125	1,475
Sugar	1,746	1,344	50,053	38,746	402	11,317
Sugar Cane	9,765	10,902	186,039	213,591	(1107)	(29,552)
Copra	618	638	4,561	4,538	(20)	(27)
Coconuts	83	84	969	972	(1)	(3)
Molasses	226	95	6,703	2,803	131	3,900
Hand	3	8	13	67	(4)	(54)
Tobacco	2	8	17	67	3	17
Livestock	5	11	25	42	(6)	(17)
Mineral Products	232	244	3,180	3,336	(12)	(156)
Lumber and Timber	130	121	3,820	3,062	9	438
Other Forest Products	8	2	31	18	2	13
Manufactures	195	74	1,260	954	31	398
All others including L.C.L.	2,104	2,224	12,975	16,454	(320)	(3,779)
TOTAL	15,964	16,361	240,514	293,338	(397)	(12,824)
SUMMARY						
Week ending January 20, 1934	5,333	5,165	94,084	92,012	168	2,072
Week ending January 27, 1934	5,291	5,800	93,467	104,519	(609)	(10,852)
Week ending February 3, 1934	5,340	5,396	92,763	96,807	(30)	(4,044)
TOTAL	15,964	16,361	240,514	293,338	(397)	(12,824)

NOTE:—Figures in parenthesis indicate decrease.

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Copra and Its Products

(Continued from page 20)

Stocks on Hand—Beginning of Month	End of Month
66,976 tons	71,520 tons

COCONUT OIL: American buyers for coconut oil were entirely out of the market. If any business was done at all, it was a matter of a few tank cars for immediate delivery with prices being nominally 2-1/2 cents c.i.f. New York and 2.30 cents f.o.b. Pacific coast ports. Shipments picked up, but this was purely on account of previously booked business. Some of the local mills were shut down temporarily, and all of them found themselves in a position where they were over-supplied with stocks, with no visible outlet. Local sale of oil in drums was fair, with prices ranging down from 10 cents to 9-1/2 cents per kilo. The following statistics are pertinent:

Shipment—Atlantic Coast.....	Tons	10,073
Gulf Ports.....	4,251	
China and Japan.....	260	
Total.....	14,584	

Stocks on Hand—Beginning of Month	End of Month
20,427 tons	13,932 tons

COPRA CAKE: European buyers for cake were not interested except for far-forward position, which local dealers did not wish to sell. During the first few days of the month some little business was done at P18.30 f.o.b. Manila. Toward the end of the month, however, business could not be consummated at better than P17.00 f.o.b. Manila. Hamburg prices were quoted at around G\$17.00 to G\$17.50 c.i.f. with buyers interested only for June forward. There was some little interest on the Pacific Coast for meal at prices around G\$15.000, but very little business was passing with Philippine mills. Statistics covering shipments of stocks follow:

Shipment—Pacific Coast.....	Tons	1,507
Atlantic Coast.....	182	
Europe.....	7,130	
China.....	51	
Total.....	8,870	

Stocks on Hand—Beginning of Month	End of Month
4,293 tons	2,511 tons

DESICCATED COCONUT: Desiccated business was normal, and considerably better than last year. Prices ranged from 7 cents to 7-1/4 cents per lb. c.i.f. New York, with local mills operating at fair capacity and with American stocks reported as low. This is the one coconut industry in the Philippines which has not so far been adversely affected by pending legislation. Shipments for February totaled 1946 tons or almost double January loadings.

GENERAL: Prospects at the end of February were decidedly murky. Local mills were buying merely to prevent undue hardship to their customers. There is no telling when markets will open up or under what conditions. While oil stocks and cake stocks were reduced during the month, copra stocks are still heavy, particularly in view of the season of the year, and taking into account the prospects of a large crop if economic conditions permit. Planters were feeling the pinch and a convention of planters was called for early March to try to find ways and means of meeting the emergency caused by low prices. Coconut oil, for the first time in history, is finding out definitely who its friends are and who its enemies are. Local entities, particularly the Governor General's office, have been very active all month in protecting our products. Another month will very likely clear things up a good deal, and give buyers and sellers a better idea of where they stand.

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FEBRUARY SUGAR REVIEW

By GEO. H. FAIRCHILD



NEW YORK MARKET:
—As the result of developments in the United States favorable to the sugar industry, chief among which was the submission to Congress on February 8th by President Roosevelt of the Administration's long-awaited sugar control program, proposing that all producing areas contributing to the United States market be

put on an annual quota basis, prices for actual sugar as well as quotations on the Exchange registered marked advances during the first week of the month under review. Sales of February-March shipment and afloat Philippines were made on the first two days of the month at 3.30 cents and 3.31 cents as against 3.23 cents at the end of the previous month, while quotations on the Exchange showed gains of 10 to 15 points on the 3rd against closing quotations of the preceding month.

The spurt in the market was maintained up to the second week, when prices for Philippines rose to 3.42 cents while sales of Puerto Ricans were effected at 3.40 cents. Rumours of a reduction in U. S. tariff duty by 1/2 cents encouraged speculations on the Exchange. Although quotations showed slight recessions at the opening of this week, these immediately picked up until a high point for the month was reached on the 13th, when gains of 5 to 10 points were recorded on the Exchange.

As the prevailing prices in New York were much in excess of the world market price for sugar, the increased offerings which resulted, caused the market to ease off. After being firm at the opening of the third week, a small sale of present shipment Puerto Ricans was made to refiners at 3.40 cents, another sale in the same position was effected at 3.33 cents on the 17th, while sales of Cubas were made on the basis of 1.56 cents for shipment during second half of March against sales made a week previously at 1.60 cents. At the same time quotations on the Exchange suffered losses of 5 to 7 points during the week.

The last half of the month saw recessions in sugar prices, sales of duty free sugars being effected on the basis of 3.27 cents to 3.30 cents. The quotations on the Exchange were irregular, with but slight fluctuations during this period.

Futures: Quotations for future deliveries on the Exchange fluctuated during the months as follows:

	High	Low	Latest
March.....	1.66	1.51	1.59
May.....	1.68	1.57	1.63
July.....	1.72	1.60	1.67
September.....	1.76	1.64	1.71
December.....	1.81	1.70	1.75
January, (1935).....	1.82	1.70	1.76

Stocks: Stocks in the United Kingdom, United States, Cuba, Java and European statistical countries as reported March 1st were 7,265,000 tons, compared with 8,268,000 tons in 1933 and 8,702,000 tons in 1932.

Philippine Sales: Sales and resales of Philippine sugar were reported in New York during the month, as follows:

	Cents per Pound		
	Long Tons	From	To
Sales.....	123,800	3 28	3 50
Resales.....	12,500	3 28	3 40

LOCAL MARKET: In sympathy with the New York market, local exporters advanced their quotations from P7.50-P7.60 the first week to P8.00 the early part of the third week, at which

latter price large quantities of centrifugals changed hands. Upon receipt of advices regarding the declining trend of the American market, local quotations were reduced to P7.40 for the last two weeks of the month. Holders, however, refused to sell at this level, hence practically no business was done during the latter half of the month.

Crop Prospects: Unfavorable weather con-

tinues to prevail in many parts of Negros, which explains the low purities obtained by the Centrals in this region. Luzon, on the other hand, has so far experienced seasonable weather conditions which, coupled with the improved harvesting methods, made it possible for many Centrals on this island to obtain excellent purities during the current crop. The attached statement gives the production and sugar recoveries of the 31

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Centrifugals.....	Long Tons	506,732
Refined.....		30,115
Total.....		536,847

Production Up To February 25, 1934

Production Metric Tons	Piculs Sugar Per Tonne Cane	
	Week ended Feb. 26 Jan. 29	Week ended Feb. 26 Jan. 29
1. Arayat.....	32,213	1.95 1.97
2. Bacolod.....	43,836	1.79 1.81
3. Bais.....	17,569	1.71 1.70
4. Bambang.....	27,581	1.91 1.86
5. Bearin.....	8,838	1.63 1.55
6. Binabagan.....	50,761	1.79 1.88
7. Calamba.....	41,440	1.92 1.87
8. Calatagan.....	5,775	1.83 1.80
9. Cebu (Feb. 11).....	7,487 (Feb. 11)	1.70 1.76
10. Davao.....	3,399	1.45 1.50
11. Del Carmen.....	62,334	2.31 2.19
12. Don Pedro.....	33,028	1.92 1.98
13. El Real.....	5,075	1.74 1.69
14. Hivasion-Philippine.....	47,750	1.78 1.76
15. Iabelo.....	27,283	1.75 1.67
16. Janiway.....	8,809	1.81 1.70
17. La Carlota.....	60,006	1.94 1.94
18. Lopez.....	7,533	1.55 1.59
19. Maao.....	44,488	1.84 1.88
20. Manapla.....	6,594	1.57 1.66
21. Mindoro.....	11,047	1.80 1.86
22. Palma.....	7,951	1.63 1.66
23. Pilar.....	13,307	1.95 1.70
24. San Carlos.....	16,548	1.72 1.70
25. San Fernando.....	73,132	2.07 2.09
26. San Isidro.....	8,769	1.82 1.83
27. Santos-Lopez.....	12,433	1.76 1.76
28. Sara-Ajuy.....	9,121	1.71 1.76
29. Talaya-Silay.....	48,539	1.87 1.75
30. Tarlac.....	71,559	1.77 1.75
31. Victorias.....	31,964	1.64 1.72
	832,334	

Philippine Exports: The sugar exports for the month of February, as reported by private sources amounted to 188,666 long tons of centrifugal sugar and 16,936 long tons of refined. The aggregate exports for the first four months of the current crop year beginning on November 1, 1933, follow:

TOBACCO REVIEW
By P. A. MEYER
Alhambra Cigar and Cigarette Mfg. Co.

RAW LEAF: The outlook for the coming crop in the Cagayan Valley is very promising. Weather conditions during the past month have been perfect. Transactions in the local market were insignificant. Exports show large shipments to the monopolies of Japan and Spain, as demonstrated in the following figures:

	Rawleaf, Stripped Tobacco and Scrap	Kilos
Australia.....		18,445
China.....		9,729
Gibraltar.....		4,682
Germany.....		5,986
Japan and Korea.....		1,131,869
N. Africa.....		14,220
N. Atlantic (Europe).....		29,466
Spain.....		1,749,744
Straits Settlements.....		1,090
United States.....		72,092
		3,037,323

CIGAR shipments to the United States during February amounted to 20,116,112 as against 18,116,707 during January.

Trademarks Registered

(Continued from page 30)

on October 16, 1933, by Philippine Manufacturing Company, of Manila, P. I.

Reg. No. 11499. Trademark consisting of the word "CONVENTO" with a design, for cigarettes, registered on October 16, 1933, by Philippine Aromatic Cigarettes Manufacturing Co. Inc. of Manila, P. I.

Reg. No. 11500. Trademark consisting of the word "TONE" with a design, for perfumes and lotions, registered on October 17, 1933, by Philippine American Drug Company—Botica Boie, of Manila, P. I.

Reg. No. 11501. Trademark consisting of the words "GOOD PRESIDENT" for cigars, registered on October 24, 1933, by Katubusan, Inc., of Manila, P. I.

Reg. No. 11502. Trademark consisting of the word "VAMP" with a design, for cigarettes, registered on October 24, 1933, by Katubusan, of Manila, P. I.

Reg. No. 11503. Trademark consisting of the word "MAHATMA" with a design, for cigarettes, registered on October 24, 1933, by Katubusan, Inc., of Manila, P. I.

Reg. No. 11504. Trademark consisting of the word "PANKREON" for medicinal product, registered on October 24, 1933, by Kali-Chemie, Aktiengesellschaft, of Berlin, Germany.

Reg. No. 11505. Trademark consisting of the word "RIEMANN" with a design, for chemical products, medicinal preparations, pharmaceutical preparations and physicians' specialties, registered on October 24, 1933, by Kali-Chemie, Aktiengesellschaft, of Berlin, Germany.

Reg. No. 11506. Trademark consisting of the word "NEO-SILVOL" with a design, for colloidal silver iodide compound known as Neo-Silvol, registered on October 24, 1933, by Parke, Davis & Co., of Detroit, Michigan, U. S. A.

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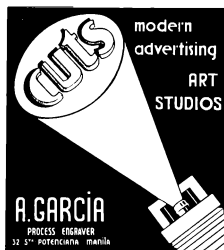
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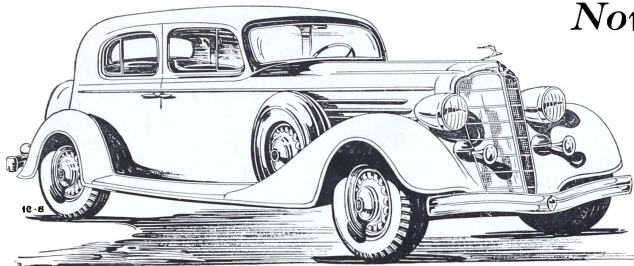
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