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LBOW:

OFFICE OF TRADE COMMISSIONER
319-320 OCHOA BLDG.
P. O. BOX 1033
SAN JUAN, PORTO RICO

IMPORTING OFFICE
BUREAU OF FOREIGN AND DOMESTIC COMMERCE

353
Coco Cola

San Juan, P.R.,
April 23, 1928.

Letter No. 1054.

Director,
Bureau of Foreign and Domestic Commerce,
Washington, D.C.

Attention: Commercial Intelligence Div.
Subject : Coca Cola Co. Representation in
Porto Rico.

Dear Mr. Hillyer:-

30
On the 20th instant we were called on by Mr. Edwin M. Sparks, Treasurer, Sparks Milling Co., of Alton, Illinois. Mr. Sparks explained that in the development of a market for grain they have built a large brewery in Porto au Prince, Haiti, and are about to build one in Santo Domingo, D.R. Moreover, that in those two Republics they have the bottling franchises for the Coca Cola Co.

Mr. Sparks further explains that they delayed in advising the Coca Cola Co. of their interest in obtaining their franchise for bottling in Porto Rico, and when they did so advise the Coca Cola people some months ago they were told that it was too late, as tentative arrangements for Porto Rico had been made already. In September, 1927, Mr. Charles T. Estes, of the Coca Cola Co., spent some time here, making a tentative arrangement for franchises with Messrs. Ramon Torres & Co., in San Juan, and with other bottlers in Ponce and Mayaguez. Mr. Sparks had been told that none of these tentative arrangements had as yet been closed. His Company wants the franchises, and he feels sure that the Coca Cola Co. would prefer an arrangement with them, but feels obligated to fulfill its earlier offers to Torres and others in the Island.

Mr. Sparks came here from Port au Prince to ascertain whether it might be possible to arrange a settlement with Torres and the other two bottlers, one in Ponce and one in Mayaguez, which would be satisfactory to them, and would leave the Coca Cola Company free to negotiate with others.

On April 20 I called on Mr. Ramon Torres, of Ramon Torres & Co.,

JFC:N

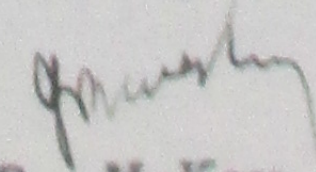
and discussed the Coca Cola franchise with him. He stated that they had received some time ago the form of formal contract sent by the Coca Cola Company, and that it was not acceptable to them. This because it required them to discontinue the production of certain soft drinks, reputation and market for which they had built up through years of work. Aside from this, the Coca Cola franchise would involve an expenditure of several thousand dollars for new equipment. The success of Coca Cola here, he said, was not a certainty, and the contract as offered involved a gamble which he did not desire to undertake. He expressed the belief that the same situation exists with respect to the other two bottlers in the Island.

On informing Mr. Sparks of this, he asked whether I would be willing to cable a statement to this effect to the Coca Cola Company at his expense. I suggested that as I am unknown to that Company, it would be better for me to cable the Bureau, and for him to suggest to the Coca Cola Company, that it call on the Bureau for information regarding the situation.

To be doubly sure of my position, on the 21st I called again at the Torres plant. Mr. Ramon Torres, the senior partner, was absent, and I talked with Mr. Sebastian Torres, the junior partner. I told him of the conversation had with his brother the day before, and that I had in mind offering to the Coca Cola Company the services of this office in endeavoring to find some suitable connection; but before doing this, I wanted assurance that they, the Torres, would not feel that their rights or interests would be prejudiced thereby. Mr. Torres repeated to me substantially what his brother had said the day before; that they would be interested in the Coca Cola franchise, but not under a contract requiring them to discontinue making their present products, and that they have written the Coca Cola Co. to this effect. I thereupon sent you a weekend letter, at Mr. Sparks' expense as follows:

"If Coca Cola Company asks you, tell them we report Ramon Torres not interested franchise which requires him eliminate his present products, and we feel Coca Cola justified negotiating with others."

Very truly yours,


J. R. McKey,
Asst. Trade Commissioner.

McK-McC.

INCOMING CABLEGRAM

FROM: Mckey, San Juan
TO: Buforecom, Washn, D.C.
SUBJECT: Coca Cola Company
DATE OF CABLE: April 23, 1928
DATE RECEIVED: April 23, 1928 9P27 A.M.
VIA: AAC-Plain-37 wlt

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INFORMATIONAL COPIES 30 6

23

"51"

Hillyer if coca cola company asks you tell them we report ramon torres not interested franchise which requires him ~~eliminate~~ eliminate his present products and we feel coca cola justified negotiating with others

MCKEY".

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[Handwritten signature]

DEPARTMENT OF COMMERCE
BUREAU OF FOREIGN AND DOMESTIC COMMERCEOFFICE OF COMMERCIAL ATTACHE
RUSH HOUSE
LONDON, ENGLAND

In reply refer to 4503.

May 4, 1928.

May 3, 1928.

Coco Cola

To: The Director New York District Office.
Bureau of Foreign and Domestic Commerce,
WASHINGTON, D. C.

From: Commercial Intelligence Division.

Subject: Representation in Porto Rico for the Coca Cola Company.

Subject: Request from Coca-Cola Co. of New York for Trade Lists.

Dear Sir: I have received a cable from our office in San Juan, Porto Rico, on April 23 in regard to the representation for the Coca Cola Company in Porto Rico and I am in receipt of a letter from the San Juan Office explaining in detail the situation in Porto Rico as regards Coca-Cola. Dealers of soda fountain supplies and soda fountain syrups who might be interested in distributing Coca-Cola in Great Britain. As the export department of the Coca-Cola Company is located at 111 Broadway, New York City, I am forwarding a copy of the letter from our San Juan Office so that you might enquire whether they are at present satisfactorily represented in Porto Rico or not and also if they are interested in hearing the contents of McKey's letter of April 23d.

In addition, the following are names of distributors of soda fountain supplies and syrups which we have on record at this office:

Consol Products, Ltd.	Consol Works, Sunbury Common, Middlesex.
Goodwin, Tidswell, Ltd.	A. S. Hillyer, Atlas Works, Carrivon Street, Cheetham, Manchester.
Hirst Bros.	81a, Somers Road, Southsea.
A. Boake Roberts & Co.	Carpenter's Road, Stratford, London, E.15.
A. Barnard.	9, St. Mary Axe, London, E.C.3.
W. J. Bush & Co. Ltd.	Ash Grove, Hackney, London, E.8.
Alfred Lepetit,	35, Rupert Street, London, W.1.
Surrey Syrup Co.	17b, Clifford Road, South Norwood, London, S.E.25.
Fontagene Soda Fountains, Ltd.	Sharsted Wks., De Laune Street, Kennington, London, S.E.17.
Harold Dotterer,	
Chief, Division of District Offices.	36, St. Martin's Court, London, W.C.2.

Inclosure: 62590.

As regards the possibility of Coca-Cola obtaining a market in this country we would say - although the Coca-Cola Co. have not asked our opinion - that the prospects are very doubtful. In our experience

FROM:

C O P Y

TO:

COCA COLA COMPANY
111 BROADWAY
NEW YORK, N. Y.

SUBJECT:

Agency Desired.

DATE OF CABLE:

MAY 17, 1928.

DATE RECEIVED:

MAY 17, 1928 - 9/19

VIA:

WJ - FGA - 15.

ROUTED:

Mr. J. R. McKey,
Assistant Trade Commissioner,
San Juan, Porto Rico.

INFORMATIONAL COPIES

Dear Mr. McKey:-

The Bureau of Foreign and Domestic Commerce has given us a copy of your letter addressed to them under date of April 23d.

We wish to thank you for the very comprehensive report which you prepared on the situation in San Juan and assure you that your assistance to Mr. Sparks is greatly appreciated by ourselves.

We hope that within the next ninety days, the Sparks Milling Company will be bottling our product in Porto Rico.

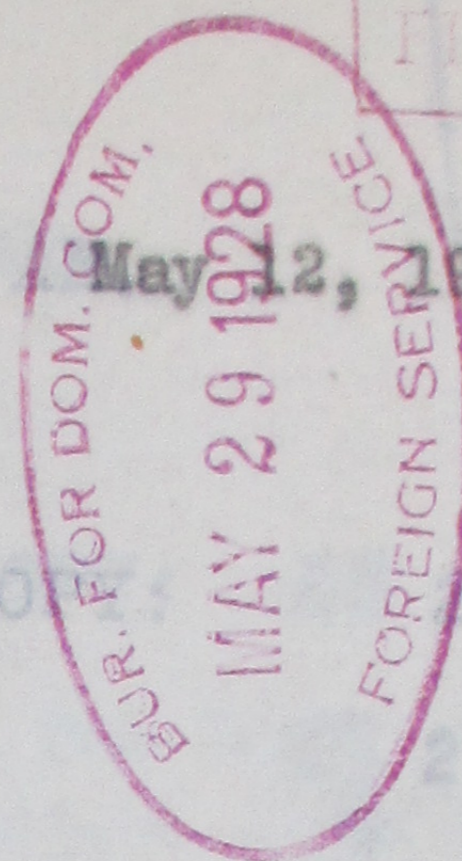
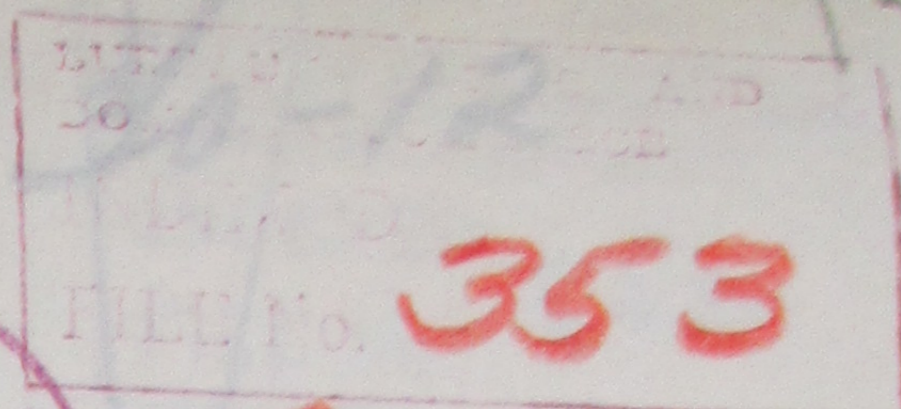
With regards and best wishes, we are,

Very truly yours,

FOREIGN DEPARTMENT
James F. Curtis

JFC:H

JFC:N



Coca Cola

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Out