

Av. Rio Branco 109, sala 20.  
Rio de Janeiro, Brazil.  
September 22, 1928.

Mr. Philip S. Smith,  
c/o Coca-Cola Export Co.,  
15 Park Row,  
New York.

OCT 13 1928  
FOREIGN SERVICE

AJP

Dear Mr. Smith:-

Our mutual friend, Mr. James H. Roth, who was formerly consul in Lima and is now an international field man for the Rotary organizations, requested me to take over a task that you had asked him to do, i.e., to find a representative here for the Coca-Cola line.

The consumption of soft drinks here is quite extensive, all of them of local manufacture. They are not served in soda fountains in drug stores like in the United States, for, as you are no doubt aware, drug stores in Latin America sell drugs. However, there are many cafés and a few places selling soft drinks and ice-cream, and in all of them the local soft drink products, such as "Guaraná", "Agua Tónica", and others. They are sold at comparatively high prices, and it may be that the Coca-Cola syrup could be imported here on a competitive basis. I understand that the essential ingredient of Coca-Cola is coffee, and since no doubt the coffee comes from Brazil, the line would have some appeal to patriotism. I have studied the tariff with reference to Coca-Cola, and it appears to me that it might come in as a non-alcoholic drink, at a nominal rate of 400 reis per kilo, which, translated into the practise of collection, would be about 1,500, or about 18 cents.

I have suggested the line to Mr. M. Barbosa Netto, of Rua Buenos Aires 20-A, 3<sup>a</sup> Andar, this city. He is one of the best representatives in Rio of American foodstuffs lines, handling the products of the Corn Products Refining Co., H.J. Heinz Co., Lowney Chocolate Co., and others. He has spent much time in the United States, and understands American methods. He is not sure how the product would go here, but since he likes it himself, he is inclined to think that by proper effort it may take. Of course, not much could be done at first, but he is willing to try. Inasmuch as I have already consulted him, and he is writing you, I shall confine my recommendation to him for the present. You could not find a better representative here than he would be for your line. He understands English quite well.

Yours very truly,

Carlton Jackson,  
Commercial Attaché.

CJ:KJ.

22-30-20

17/18





DEPARTMENT OF STATE  
WASHINGTON

INDEXED  
FILE No. 351

*Coca Cola*

In reply refer to  
A-C/C - 166.547/475

October 13, 1928.

MEMORANDUM TO THE BUREAU OF  
FOREIGN AND DOMESTIC COMMERCE.

There is attached herewith a trade letter from the American Consul at Bahia, Brazil, dated September 19, 1928, and addressed to Philip S. Smith and Company, 15 Park Row, New York City. The New York firm claims to be the authorized agent abroad of the Coca Cola Company which claim, however, the Coca Cola Company refuses to affirm or deny. If Philip S. Smith and Company are not entitled to the information as the authorized agents of the Coca Cola Company and are making false claims, the Department desires to suppress the letters coming in and notify its officers to refuse to supply any further information. It would be appreciated if the Bureau would instruct its New York district office to investigate the status of this firm and its actual relationship, if any, with the Coca Cola Company.

CARDED

Enclosure:  
Letter from Bahia,  
dated Sept. 19, 1928

*Mr. Brossel  
Please forward to  
proper div. if this  
is not for you.*

*[Handwritten initials]*



November 6, 1928.

To: New York District Office. 236  
From: Division of Commercial Laws.  
Subject: Philip S. Smith and Company, 15 Park Row, New York City.

We have received an informal memorandum from the Department of State relative to an inquiry received by the American Consul at Bahia, Brazil, from the above named New York concern, which claims to be the authorized agent abroad of the Coca Cola Company, which claim, however, the Coca Cola Company has refused to either affirm or deny. We are informed by the Department of State that if Philip S. Smith and Company are not entitled to information as the authorized agents of the Coca Cola Company and are making false claims, it desires to suppress the letters coming in and notify its officers to refuse to supply any further information. The action contemplated by the Department of State is, of course, transmitted to you in confidence.

It would, therefore, be appreciated if you would investigate the status of this concern and determine its actual relationship, if any, with the Coca Cola Company.

C. J. Junkin,  
Chief, Division of Commercial Laws.

Forwarded:

Harold Dotterer,  
Chief, Division of Dist. Offices.

HJD/ase