

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

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COMMERCIAL ATTACHÉ SERVICE

DOMESTIC COMMERCE

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SHANGHAI

January 19, 1928.

China

TRADE COMMISSIONER
3 CANTON ROAD
SHANGHAI, CHINA

Mr. H. O. Smith, Chief,
Automotive Division,
Bureau of Foreign and Domestic Commerce,
Washington, D.C.

Bureau's Share in Expansion
of United States Automotive
Exports

Dear Mr. Smith:

I have noted with interest your letter of November 18 as well as the enclosures attached, all of which is very illuminating and gives us an excellent idea of what you are trying to do, thus making it possible for more intelligent handling of automotive subjects in the field.

I am sorry that it is not possible for us to give you a more encouraging outlook for the China market than is possible at the present time. China is probably one of the least important outlets at present to the American manufacturer of automotive vehicles and products but is sure to be THE MOST IMPORTANT export market when this country gets straightened out and started on a really constructive forward program under good government. The unfortunate part about it is that no predictions can be made as to when that happy state may come about. Until it arrives, about all we can expect is limited sales which, even if they increase slightly above present volume, will hardly be a drop in the bucket when compared with the American domestic or export markets as a whole.

Our automotive census for January 1, 1928, I believe when completed will show possibly only about 23,000 automotive vehicles of all kinds, shapes, and descriptions in an area larger than the United States and with three and a half times the population of the United States.

My automotive survey going forward separately will give you some few high lights on this situation. Mr. Arnold has sent you some indications from Peking. We have tried in each issue of

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our monthly report and in our monthly cable to give you current information. I trust this data reaches you and is of some use. We route the monthly report material to your division direct.

As I am about to return to the United States after four and a half years in Japan and China, I shall look forward with pleasure to meeting you and exchanging further views.

Very truly yours,

A Bland Calder

A. Bland Calder
Trade Commissioner

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