

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

China

OFFICE OF COMMERCIAL ATTACHE
PEKING, CHINA

APR 8 1920
DEPT. OF COM.

March 3, 1920.

No., 229.

Subject: Commercial Museum in Shanghai.

INDEXED

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

Sir:

B. F. D. C. APR 8 1920 819 8 198

Attention Mr. Stevenson and Mr. Eldridge.

American

There has been considerable discussion, both in ~~Europe~~ and in China, about the advisability of establishing an American Museum in Shanghai, where Chinese merchants can actually handle samples of American goods. At present some of the large houses in Shanghai carry extensive stocks of samples, but American merchants without such representatives in China find it difficult to make sales because the Chinese merchants are not accustomed to buy from catalogs or written descriptions. There seems to be a feeling that American trade in China cannot be sufficiently extended without sales campaigns conducted among Chinese merchants along the lines which have been so successful in other countries, and many people feel that such sales campaigns would be useless without samples in China. Opinions on the subject vary very widely.

In my previous letters in regard to going to Japan this summer, I omitted to state the fact that I desired to make a careful study of the Museums (commercial) in Tokyo, Kyoto, and Nagoya, to see whether those systems would be useful in China. It is, of course, evident that the representative of the Bureau in Japan could make most satisfactory studies of these museums for the purpose of publication, but this would not be sufficient for the purpose in view, as the business customs and methods of the Japanese and Chinese merchants are very different. I made a cursory study of these museums when I was in Japan, and also of a similar museum in Hanoy. It is understood that the Japanese are proposing to establish such museums in Singapore, South America, and other places. It will, of course, take some time before any actual steps could be taken along these lines, and after making studies of such museums I could discuss the matter more intelligently with various people who are familiar with Chinese conditions. I estimate that between

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one and two weeks would be required for Kyoto, three or four days for Nagoya, and about two weeks for Tokyo. If the Bureau did not feel like allowing me so much time, the period could be materially decreased, but I am giving the outside limits, and am also including time for the investigation of the manufacture of various articles in Japan which are sold in China in large quantities, with a view to estimating whether it would be possible to make them to advantage in the United States.

It is hoped that permission may be granted to make the trip, as it will be relatively inexpensive, and will not in any way conflict with other work which is carried on in China.

If a museum of this sort were to be started, it would have to be run on entirely different lines than the one which formerly existed in Shanghai.

Very respectfully,

C. C. Batchelder

(C. C. BATCHELDER)
Acting Commercial Attache.

Jap. museums in Japan are entirely different proposal. The subject is threadbare. See no reason for sending B. to Tokio for such an investigation.

ccb-d

by consultation with Mr. Abbott

WASHINGTON

March 11, 1920.

Mr. C. C. Batchelder, Acting Commercial Attaché,
American Embassy,
Peking, China.

No. 8

IN REPLY REFER TO 12

Dear Mr. Batchelder: the attached, I do not agree with you that the
project of an American museum in Shanghai is threatened.

Under date of January 3 Mr. Meekins addressed the Bureau in regard
to American sample rooms in Peking. While not desiring to cast any cold
water on the plans of Mr. Williams, the Secretary of the American Chamber
of Commerce, or Mr. Ngan, President of the Chinese General Chamber of Com-
merce, may I point out that such sample rooms have, on the whole, never
proven especially satisfactory as trade promotion media. For example,
the experience of the Chicago Association of Commerce in Buenos Aires
and Mexico City was so unsatisfactory as to lead to the early abolish-
ment of such sample rooms. While I am not sure of my facts, I believe
it can be truthfully said that there has never been a successful Ameri-
can sample room as such located abroad despite the thousands of people
who have had visions and plans of promoting American trade through this
method.

You will understand, of course, that I am just making this state-
ment with the idea of suggesting that your office may not lend itself
too deeply to such a project. On the whole the Bureau is more inclined
to favor the promotion of American trade through expositions, such as
the Lyons Fair and similar projects rather than by means of permanent
sample rooms. Off-hand I would say that Peking would probably be un-
suited for either a sample room or a sample fair.

Very truly yours,
Division.

H. G. Brock,
Assistant Director.

Enclosure. (49744).
pjs:hdm

WASHINGTON

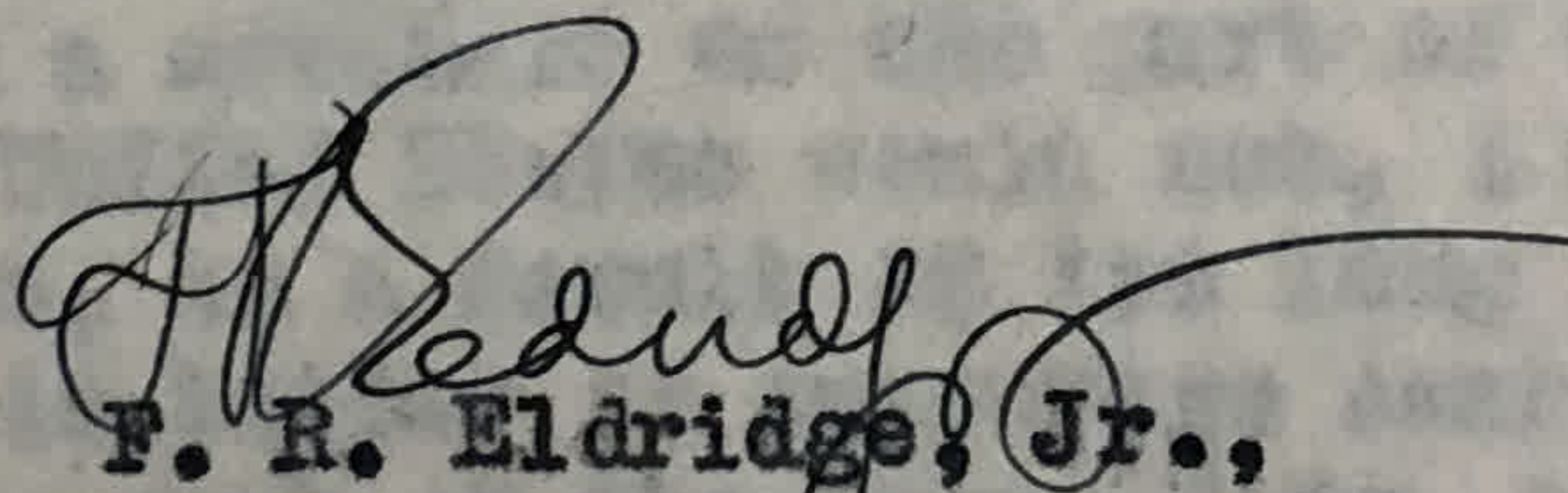
April 15, 1920.

Memorandum for Mr. Stevenson:

IN REPLY REFER TO 19

Referring to the attached, I do not agree with you that the subject of an American museum in Shanghai is threadbare. The mere fact that this proposal has been before the Bureau for sometime does not in any way detract from its merits. The Japanese have established museums in Singapore and Harbin, and would have established one in Shanghai and other Chinese ports but for the boycott. These museums are all branches of the Imperial Museum at Tokyo, and in order to gain a perspective of the system it would be necessary to study the Japanese Museum. I am sorry to differ from you on this point, but I happen to have made a rather thorough study of the subject myself while in Japan, and I am familiar with the situation.

While I hardly think that our present trade with China warrants the Bureau taking any active steps towards establishing a Commercial Museum in Shanghai, I do believe that the Japanese, who have a knack of appropriating the best from all systems, had good reasons for adopting this method of trade promotion in the Far East, and we cannot afford to brush the matter aside.


F. R. Eldridge, Jr.,
Far Eastern Division.

FRE-am

Inclosure. (47744).

While Mr. Batchelder's suggestion is very logical the expense that was incurred for these sample rooms and the Chicago Association of Commerce have lost heavily on the venture.

As to your suggestion April 19, 1920. I have taken up this matter. Many say that Mr. Abbott is making an investigation of this same subject and I am, therefore, waiting for his report.

Mr. C. G. Batchelder, Acting Commercial Attaché,
American Legation,
Peking, China.

No. 8

Dear Mr. Batchelder:

Under date of March 3 you wrote the Bureau with regard to a commercial museum in Shanghai, your letter being No. 229. You are quite right in saying that there has been considerable discussion in connection with American museums, but such discussion does not seem to be limited to China. The question of trade promotion through the means of sample exhibits takes two phases, either as a Government proposition or else as a commercial enterprise.

The expense of establishing Government museums is prohibitive, when the Bureau's appropriations are taken into account. If on the other hand it should be suggested that a charge should be made for space, and that all the forwarding details should be handled by the individual firms, the fact would still exist that the money would come out of the Bureau's funds, as the charges would revert to the miscellaneous receipts of the Treasury and would not reimburse the Bureau. While this is only a technical feature, it would have to be taken care of before the Bureau could enter the exhibit business. There is also the question of whether business men and business organizations would endorse such a movement on the part of the Bureau. The Chamber of Commerce of the United States would not, I am sure, encourage such a proposal. The Bureau, as a result of its long experience, has come to the belief that it is better to encourage American firms to participate in sample fairs, such as the Lyons Fair, rather than to advocate permanent sample museums. Such exhibits soon come to be museums it is feared, rather than places where goods are bought and sold. Samples by themselves are probably not sufficient as a local salesman or representative would have to be employed.

With regard to private undertakings of this character, they seem to originate more frequently with irresponsible parties, or those not having sufficient capital to back up their ideas, rather than with responsible foreign traders or others who have had extended experience in foreign markets. You are familiar, I presume, with the fact that the Chicago Association of Commerce has tried on two occasions to organize sample rooms in foreign countries for the benefit of their members. They made one experiment in Buenos Aires and the other in

Mexico City. Neither approached to any degree the success that was promised for these sample rooms and the Chicago Association of Commerce lost heavily on the venture.

Now to come down to your suggestion that you should visit Japan to look into this matter, I may say that Mr. Abbott is making an extended investigation of this same subject and I am, therefore, writing to suggest to him that when his report is finished, that he forward a copy to you direct from Tokyo.

While I appreciate the motive behind your suggestion it does not seem advisable to the Bureau to authorize you to visit Japan for this purpose, but disregarding this fact I may say that our travel funds are limited as you have been advised and it would seem desirable that your services be confined to Peking until Mr. Arnold's return.

Museums in Japan is to be the subject of a report from you in the near

If you care to forward any further information with regard to the possibilities for an American museum in China, we should be glad to have any definite suggestions which you care to offer. We desire to have more definite information concerning Japanese museums, we

Very truly yours,

will be glad to have you compile your report as soon as practicable and forward a copy to Mr. Batchelder at the same time that you forward a report to the Bureau.

H. G. Brock,
Assistant Director.

Very truly yours,

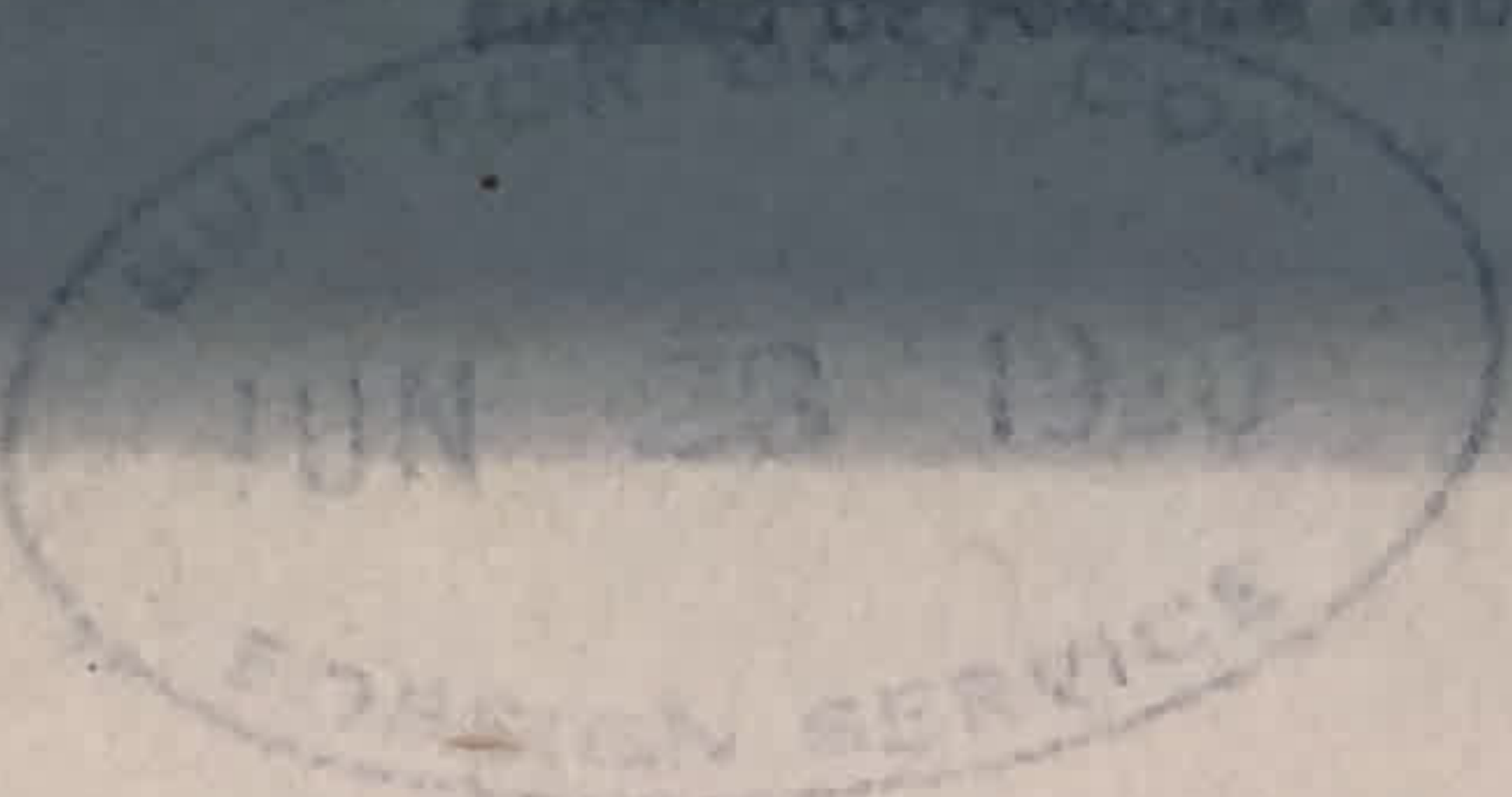
Commercial Attaché Division.

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pjs:hdm

April 28, 1920.

China



Tokyo

No. 8.

OFFICE OF COMMERCIAL ATTACHE
AMERICAN EMBASSY

Mr. James F. Abbott, Commercial Attaché,
American Embassy,
Takyo, Japan

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

Dear Mr. Abbott:

In your letter of October sixth you mentioned that "Commercial Museums in Japan" is to be the subject of a report from you in the near future. In view of Mr. Batchelder's interest in this subject, and his desire to have more definite information concerning Japanese museums, we will be glad to have you compile your report as soon as practicable and forward a copy to Mr. Batchelder at the same time that you forward a report to the Bureau.

Very truly yours,

James F. Abbott
Commercial Attaché Division.

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No. 8

DEPARTMENT OF COMMERCE
BUREAU OF FOREIGN AND DOMESTIC COMMERCE

China

OFFICE OF COMMERCIAL ATTACHÉ
AMERICAN EMBASSY

BUR. FOR. DOM. COM.
JUN 23 1920
FOREIGN SERVICE

TOKYO. May 26, 1920

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

Sir:

B. F. D. C. JUN 23 1920 7.19.17
REC'D.

In reply to your letter of April 28, regarding a report on commercial museums in Japan, I will say that I have put the matter aside temporarily on account of more pressing matters with which the Bureau is familiar. I shall, however, try to get at it in the near future and shall send ~~Mr.~~ Batchelder a copy as soon as finished.

Very truly yours,

James F. Abbott
(James F. Abbott)
Commercial Attache.

[Handwritten initials]

OFFICE OF COMMERCIAL ATTACHÉ
PEKING, CHINAChina
SHANGHAI OFFICE:
11-B NANKING ROADB.F.D.C.
REC'D.

11 JUN 1921

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SHANGHAI, CHINA.

May 7, 1921.
File 720.3

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Subject: American Museum of Manufacturers.

Director,
Bureau of Foreign and Domestic Commerce,
Washington.

Sir:

Referring to Mr. Eldridge's communication of March 23, (#19) suggesting the possibility of the establishment of an American Museum of Manufactures in connection with the proposed Chinese Commercial Museum, it is well to bear in mind that the Chinese Chamber of Commerce would hardly venture to endorse a proposal of this character for the reason that it would lead other foreign interests to demand similar consideration, and eventually result in complications which would embarrass the Chinese. Unfortunately the Chinese people are not yet in a position, with extraterritorial privileges granted to foreign powers, to act independent in matters of this character. While they would be thoroughly sympathetic with the idea of making special arrangements favorable to American manufactures, they would under the present conditions hardly dare extend a favor to one which might be claimed by others, among whom may be those who are not in particular favor with the Chinese business interests.

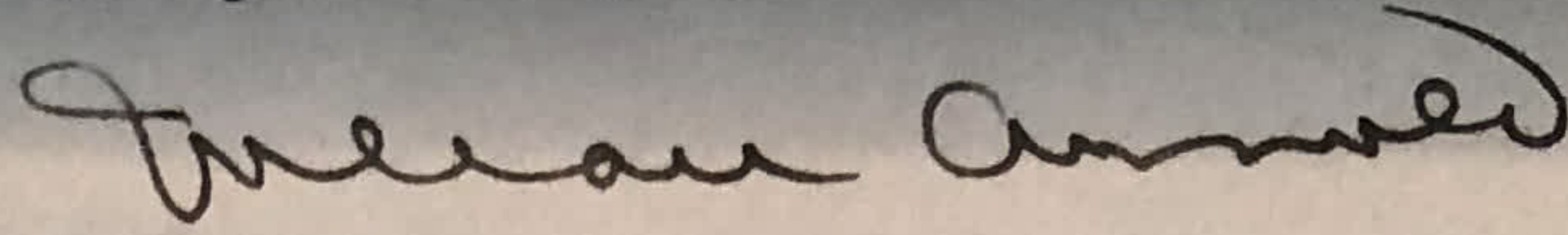
I am hoping when the conference of American Chambers of Commerce meets in Shanghai, presumably next autumn, to present a proposal to institute an exhibit of American manufactured products at Shanghai for a period of three or four months in connection with motion picture demonstrations to which the business public of China will be invited. I am of the opinion that this would be the most effective method of utilizing the commercial museum idea of advancing American products in this country.

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to note

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I shall welcome from the Bureau any suggestions or comments in connection with this subject.

Very truly yours,



JULEAN ARNOLD
Commercial Attache.

A/S

Copy for the Legation.