Form 457 ECONOMIC AND TRADE NOTES

11-8651

Submitted by: ____

Shanghai,

(City)

(Country)

China, November 6, 1931.

John J. Ehrhardt,

Trade Commissioner.

STATES OF IN A DOXED REPORTED TO THE LINE WAS AND THE TOTAL

Baking and Confectionery Industry Expanding in Shanghai. AND PARTY BOR BORD AND AND AND AND MORE WIND MARKED BY THE THE STATE OF THE PARTY O

The Bakerite Company, a baking and confectionery manufacturing company in Shanghai which was organized in 1919 and has been operating with a capital of Mex. \$250,000 has recently been able to expand its capital to Mex. \$1,000,000 for the purpose of erecting a new factory and the purchase of new machinery. This company which started originally as a small confectionery and baking industry has made large profits and was gradually expanded to become the largest baking and confectionery organization in China. The factory has a modern automatic baking plant, producing 120,000 loaves of bread per month and has recently been manufacturing more than 5 tons of candy and confections monthly. The new factory will have a capacity for doubling the output of bread and will include a complete modern plant for the manufacture of biscuits at the rate of 3,000,000 per week. The biscuit plant will include machinery for packing in cartons, untouched by hand. The confectionery and pastry machinery will also be increased for turning out these products on a quantity production basis. Machinery of a total value of US\$100,000 has already been purchased from England (Baker-Perkins Company).

This company is by far the largest organization of its kind in China. In the past this company has been catering almost entirely to the foreign population resident in Shanghai. Most of these products

GPO

thoroughfare in the shopping district. During recent years the company has been catering more and more to the requirements of the Chinese population and it is through the demands of the Chinese that the company has been able to expand. The company proposes to turn out special biscuits of certain colors and designs and certain tastes suitable for the Chinese market. The Chinese population are taking more and more to foreign style biscuits, bread, and confections, but their tastes are not quite the same as the foreign so the local industry has had to take this into consideration. There are many hundreds of baking and confectionery plants but most of them are only of a small size and generally have no modern equipment for any of their products. Some of these plants are expanding and undoubtedly will afford a future market for baking and confectionery machinery.

John J. Ehrhardt,
Trade Commissioner.

Approved for Transmission:

JJE: DK.

H. D. Robison,
Trade Commissioner.