

See

Payments will be made direct to Hong Kong and the local office of the American Trading Company will draw on the sub-agent through the Hongkong & Shanghai Bank, local sight draft **March 31, 1932.** All of trading. As you will note from the attached figures, a small quantity of fibre has been sold by the American Trading Company to all Chinese consumers in that area. However, it is desired to expand the South China market as in your territory anything to assist the American Trading Company in its efforts to secure distribution in your territory.

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To: Hong Kong Office.
From: Shanghai Office.
Subject: Continental-Diamond Fibre Company.

The American Trading Company, 3 Canton Road, Shanghai, has requested that we approach your office in regard to securing a sub-distributor operating in both Hong Kong and Canton for the fibre products manufactured by the Continental-Diamond Fibre Company. To facilitate your handling of this inquiry, I am enclosing copy of a letter received by the local office of the American Trading Company from their head-office in New York, which shows very clearly the position of control which the American Trading Company has obtained over the fibre market in this territory, and also indicates the necessity for a sub-distributor in South China. Mr. Gilman has kindly furnished me with a complete set of samples which I am enclosing with this letter. He prefers to reserve prices until some definite connections have been established, but states that there is no other fibre sold in China that can compete with the products manufactured by the Continental-Diamond Fibre Company.

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The fibre is used in the manufacture of trunks, suit cases, tubes for flashlights, and also in connection with various types of electrical insulation work. All sheets bear the well-known "Swastika" chop of the American Trading Company. As you no doubt know, the American Trading Company is the oldest American concern operating in China and its chop is very well-known among the Chinese. Mr. Gilman would prefer to contact with a reliable firm of Chinese dealers or distributors rather than with the usual import firm. It will perhaps be better if such a firm had offices in both Hong Kong and Canton.

MEMO FROM NEW YORK TO SHANGHAI

Shipments will be made direct to Hong Kong and the local office of the American Trading Company will draw on the sub-agent through the Hongkong & Shanghai Bank, local sight draft attached to bill of lading. As you will note from the attached figures, a small quantity of fibre has been sold by the American Trading Company to small Chinese consumers in that area. However, it is desired to expand the business and obtain, if possible, the same relative position of control over the South China market as in this territory. Anything that you can do to assist the American Trading Company in its efforts to secure distribution in your territory will be greatly appreciated by this office.

C. D. F. Co.

38,368

17,301

37,913 lbs
18,517 "

CHINA
Hongkong
China
S. S. A.

6,856 lbs.
32,608 "
38,958 "

Edgar W. O'Harrow
Assistant Trade Commissioner
77,753 "

185,979 "

Hongkong
China
C. D. F. Co.

23,513 lbs.
23,513 "

255 lbs.
28,081 "
28,661 "

2,495 lbs.
140,046 "
142,541 "

Enclosures

of course, very pleased by the showing made by Shanghai and the only question they raise is how about Shanghai's possibility of getting a little more business from Hongkong. We appreciate that Shanghai is not in a position to get very much business in Hongkong, but we hope they can devise ways and means of increasing orders from that territory.

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AMERICAN TRADING COMPANY, INC.

MEMO FROM NEW YORK TO SHANGHAI

Re: FIBRE

Date March 1st, 1932.

The Continental-Diamond Fibre Company have submitted the following figures showing exports of Fibre from the United States to Japan and China for 1929, 1930 and 1931. They also show the proportion of the business which they secured.

<u>JAPAN</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>
U. S. A.	108,981 lbs.	42,395 lbs.	37,913 lbs.
C.D.F. Co.	63,368 "	17,301 "	18,517 "
<u>CHINA</u>			
Hongkong	6,956 lbs.	35,440 lbs.	30,514 lbs.
China	32,002 "	42,313 "	155,465 "
U. S. A.	38,958 "	77,753 "	185,979 "
Hongkong		535 lbs.	2,495 lbs.
China	23,813 lbs.	32,526 "	140,046 "
C.D.F. Co.	23,813 "	33,061 "	142,541 "

They are, of course, very pleased by the showing made by Shanghai and the only question they raise is how about Shanghai's possibility of getting a little more business from Hongkong. We appreciate that Shanghai is not in a position to get very much business in Hongkong, but we hope they can devise ways and means of increasing orders from that territory.

AMERICAN TRADING COMPANY, INC.

John J. Roberts
Trade Commissioner