

## SWEDISH CROP PROSPECTS

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Oslo, June 17, 1930.—Crop conditions in Sweden on May 15 were reported as follows:—

The temperature has been exceptionally high all over the country during the past winter, and slightly above normal during the spring. On account of this mild winter the snowfall, generally, has been light. During May, except in the extreme north and along the east coast, the rainfall has been abundant.

In most parts the weather during winter and spring was extremely favourable for the autumn grain. In certain parts of central Sweden the rye has developed so quickly that it is feared that the straw may be weak and incapable of withstanding the attacks of rain and wind. Crop conditions for autumn wheat and autumn rye are good throughout the country.

Pasture lands have had both a good winter and spring and promise an abundant crop practically all over the country. The grazing fields have also grown rapidly, and the cattle have been sent out to graze in good time. The crop conditions for hay from cultivated fields average good.

## ADVERTISING IN CHINA

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

Shanghai, May 7, 1930.—China is at once the oldest and the newest field for advertising. It is a country where illiteracy has been almost universal until comparatively recent years, and as a result publicity was dependent either on the spoken word or on crudely illustrated banners on which descriptive drawings took the place of written explanations. These drawings were made more arresting by the vivid and striking colours in which they were presented, causing the business streets of even the smallest village to appear to the visitor as always en fête, whereas the banners and wall decorations were in reality soberly advertising far-famed medicines, home-made foodstuffs, imported delicacies from "barbarian" lands, and "want ads." With the rapid modernization of China's trade, coupled with increased contact with the West, has come an equally rapid change in the methods of appeal. The Chinese have proved themselves very adaptable in taking up advertising as it is known in North America, and although the old forms still persist, imported posters and Neon lights are employed in publicity campaigns, as well as hand-bills, pamphlets, the issue of free novelties, window displays and newspaper advertising.

### FOREIGN ADVERTISING

American and European firms who have made their names famous are spending large sums in advertising in this market. A well-known condensed milk firm recently allocated G\$100,000 per annum to cover the large coast cities; and a greater outlay is being made to reach the population in the interior. The old-established firms now maintain special advertising departments (usually managed by foreign-educated Chinese) in order to keep their old brands or "chops" before the public.

The development of advertising campaigns, however, presents considerable difficulty; even in the larger cities there is a lack of experts in a position to advise all classes of firms, although both foreign and Chinese newspapers advertise their ability to take charge of such advertising. Canadian firms are advised to refer such questions to this office as a first step in any projected campaign.

## FOREIGN ADVERTISING METHODS

While in general the methods adopted by Canadian advertisers can be used in China, designs and colours which may seem quite appropriate to Western eyes may be offensive in China, partialities and preferences varying in different parts of the country. For example, all Chinese prefer bright and shining colours. Red is the most pleasing to all classes, representing as it does glory, luck, and happiness; blue and white denote sorrow and mourning; yellow and gold are the royal colours of the old Imperial Court and are greatly favoured throughout North China but are not so popular in Central and West China; green, on the other hand, is very unlucky and is never used, particularly for wearing apparel or caps. In illustrations representing animals and in descriptive drawings the greatest care must be taken, and the services of an expert Chinese adviser are necessary in order that no error may be made.

## THE VALUE OF THE "CHOP"

To the Chinese merchant who is, in many cases, unable to read the Chinese characters beyond simple business expressions, a "chop," or trade mark, is a symbol that he will always recognize; a signature to him is almost meaningless. For that reason it is essential to select a distinguishing mark which appeals directly to the business sense or to the sentiment of the intending purchaser, and the simpler it is the better. In no way can such a "chop" be better brought before the attention of all classes than by means of a judicious advertising campaign.

## PURCHASING POWER FOR WESTERN PRODUCTS

The buying public in China is estimated to represent approximately from 10 to 15 per cent of the population or from 40,000,000 to 60,000,000. The advertising of luxury products is practically limited to the large Treaty Ports and to the more important cities of the interior; low-priced articles, on the other hand, within the means of the farmer and coolie class, may be advertised throughout the interior.

## ADVERTISING MEDIA

(a) *Daily Newspapers.*—The daily newspaper is the chief medium for bringing new commodities before the public. In general advertising, both foreign and Chinese, is comparatively reasonable in price and for sustained advertising probably reaches a wider public than any other method. Audited circulation figures are practically unknown in the Chinese press. Though figures regarding sales are obtainable they are not conclusive; copies of newspapers are passed from hand to hand and one newspaper will reach as many as twenty or thirty families. In all cities, towns, and villages business men and labourers meet during the day in the tea-shops where professional readers are employed, and the local newspaper is read line by line, including the advertisements. Well-expressed advertisements are quoted by the customers of the tea-shops to their families and friends as part of the daily intercourse, and firms experienced in the China market do not consider any advertising campaign complete without full attention being given to the local press.

Advertising in China is sold by space and not by line. For example, the average news column in the Chinese press is 10 inches by 5½ inches and it is sold in whole or in part, by size, at the prevailing rates for the particular newspaper concerned. Details of advertising costs, covering a total expenditure of 5,000 taels (approximately G\$2,500) for one year in the Yangtse Valley ports for a well-known brand of liquid health-food, are available at the Department of Trade and Commerce, Ottawa.

A set of Chinese, English, Japanese, and Russian dailies, together with rate-cards, is also on file at the Department of Trade and Commerce, Ottawa, and is available for loan to interested Canadian firms quoting file No. 28665. A study of the type of firms advertising therein should be of value to intending purchasers of space. The leading foreign papers, particularly the *North China Daily News*, of Shanghai, devote their most prominent space area to advertising, and their methods have been closely copied by the more aggressive members of the Chinese press.

As an indication of the variety of nationalities reached through the press in such cities as Shanghai, it may be stated that out of a total population of 2,000,000, there are approximately 55,000 foreigners (20,000 Japanese, 15,000 Russians, 10,000 English-speaking, 4,000 French, and approximately 6,000 other Europeans.) The following papers cater to the reading public: 5 English-speaking dailies (3 morning, 2 evening), 1 French, 2 Japanese, 2 Russian, and 6 Chinese (3 morning and 3 evening) dailies.

(b) *Posters and Billboards*.—The growth of billboard and poster advertising along modern lines has been particularly noticeable in China during the past few years. Posters and bill-boards should be prepared locally in order that full advantage can be taken of local preferences in colouring and description, and where they are not, they should be submitted to an advertising firm in China for any additions in the vernacular that may be necessary.

The most popular size is usually 30 inches by 40 inches. These posters used to be placed on dead walls and on all kinds of locations which varied almost daily. During the past few years, however, the tendency is to secure permanent locations on leases. One well-known advertising company in Shanghai has about 15,000 of these locations in some 75 cities and towns in the Yangtse Valley. The posters are usually changed every month, and boards are rented at an annual charge of from G\$2 to G\$3 per board. The size is practically standard for the greater part of China, as the narrow streets do not permit of larger displays. The cost of locations in the more important cities varies from 25 taels (G\$12.50) to 100 taels (G\$50) per month, which includes free painting or papering and free lighting on lighted locations.

(c) *Trams and Buses*.—In the more important cities trams and buses—used principally by the Chinese—are considered excellent means of advertising. Space rates per month, per bus or tram, are 15 taels (G\$7½) per side, 12 taels (G\$6) per back, 10 taels (G\$5) per front. With the rapid extension of bus services from the larger cities into rural districts, the value of such advertising is increasing.

(d) *Folders*.—The more important Chinese and foreign firms are utilizing the folder type of advertising to a far greater extent than formerly; and the low cost of distribution on a house-to-house or office-to-office basis is a strong point in its favour.

A sample type of attractive folder in colours which appeals to the Chinese is on file at the Department of Trade and Commerce; similar types can be produced in China at a cost of 1,000 taels (G\$500) per 30,000 copies where distribution is effected by the firm concerned, or if by an advertising firm, approximately 20 per cent should be added to include distribution and/or postage.

(e) *Electric Signs*.—The introduction of electric light advertising in China has had a particularly wide appeal: brilliant lighting is the characteristic of all Chinese business sections, and even the smallest stores may utilize from 100 to 400 electric lights for advertising purposes.

The Neon light type of advertising, with its brilliant colouring, has taken particularly well and is thoroughly adaptable to Chinese characters and outlines. Experts in this class of lighting are available in the main Chinese cities and sample types and cost can be obtained by any agent.

(f) *Signboards*.—These are now being used to a much greater extent in China owing to the rapid extension of roads in the chief trading provinces. They are employed chiefly by the large tobacco, oil, foodstuffs and pharmaceutical distributors. In addition, Chinese craftsmen, utilized by the large advertising firms in the main cities, have proved themselves adaptable to Western methods, and are doing signboard work comparable to that employed in North America.

The cost of signboard space, as with posters and billboards, naturally varies with the location but may be said to run from 25 taels (G\$12.50) to 100 taels (G\$50) per month, which includes free painting or papering, and also free lighting where it is available.

(g) *Window Displays and Calendars*.—Prepared show-window displays have become increasingly popular for departmental store requirements and form an excellent method of introduction for a new commodity. Space is usually given free of charge; Chinese window-dressers are adept in placing such displays to the best advantage. Calendars are also widely used as advertising media. If desired Chinese characters descriptive of the product may be added at low cost.

(h) *Mechanical Advertising Novelties*.—The great interest displayed by the Chinese lower classes in mechanical novelties has increased the use of this type of advertising greatly during the past few years. Large crowds are attracted to all large departmental stores and Chinese shops specializing in branded articles which display in this way.

(i) *Motion Picture Advertising* is of comparatively recent date, and at the present time the industry is not equipped to prepare satisfactory projections. Drop curtains are utilized in practically all motion picture theatres for advertising purposes, the approximate cost being G\$15 per month for a space of 5 feet by 3 feet or G\$1 per square foot.

#### AGENTS' CO-OPERATION

In no other country is aggressive co-operation by the agent required more than in China, where the element of personal contact is of the utmost importance.

#### PREPARATION OF COPY, PACKAGES AND BRAND NAMES

Preparation of advertising copy for China should, wherever possible, only be undertaken by those familiar with Chinese psychology and the tastes and habits of the people. Although three-fifths of the population speak the Mandarin tongue, and the written language is the same all over China, pronunciation varies so that natives of adjoining provinces often fail to understand one another. Copy must therefore be carefully checked. The greatest appeal is undoubtedly through simple striking illustrations; the ideal advertisement is that which is entirely pictorial and where only the brand name, either in English or Chinese, is used. Brand names should be carefully chosen with a view to exact description, and this is oftentimes difficult in translation. Expert aid is therefore necessary. Packages should preferably bear a striking picture designed in a combination of colours which can be readily identified and explained by an illiterate customer, and they should never look "cheap." Shape or design should not be changed; the Chinese customer would fail to associate it with the original package and sales would thus be lost.

A minor consideration is the possible utility of the empty container, as empty bottles, jars, tins, and packages of all kinds have a definite value in China and in many cases distributors collect the containers and re-sell them at a value equal to their original commission on the commodity.

#### CUSTOMS REGULATIONS

Advertising material which is for use only for that purpose enters China duty free and includes pamphlets, booklets, placards and display-cards. Calen-

dars also enter duty free except when of intrinsic value, or when they have added attachments which can be sold; in these cases, duty is chargeable on the added value.

Advertising articles such as pocket-knives and pocket-books, playing-cards and novelties, are charged such duty as would be applicable when entering China for sale.

Definite exceptions are cuts and blocks, which, though for use only as advertising, are dutiable at 12½ per cent under item 695 of the China Import Tariff.

## FOREIGN TRADE OF JAPAN IN 1929

JAMES A. LANGLEY, CANADIAN TRADE COMMISSIONER

Tokyo, May 20, 1930.—The total value of the imports and exports of Japan for calendar year 1929 shows an increase of about \$150,000,000 over the figures for 1928, and of \$96,625,000 over those of 1927; the excess of imports are less this year than last. In order to make an exact comparison, it would be necessary to go into rather complicated particulars regarding the rates of exchange, which have been fluctuating during this period. Exports (expressed in Canadian terms) were valued at \$1,074,309,326 and imports at \$1,108,120,000. Duties were collected on \$427,158,500 and these amounted to \$73,667,500—an average of 7 per cent—and might be regarded as small for a protectionist country were it not for the fact that a large proportion of the imports consists of raw materials.

One of the largest expansions in exports has taken place in foodstuffs. Peas and beans this year reached the total of \$7,305,500, as compared with \$5,200,000 last year and \$5,233,000 in 1927. Exports of wheat flour show almost as remarkable an advance—\$13,408,000 as against \$12,000,000. (The imports of wheat, valued at \$35,500,000 and \$33,500,000 in the respective years, show that by far the greater part is consumed in the country.) Rice fell off slightly, but fresh fish increased and dried fish by \$500,000. Though mineral waters increased a little, exports of "sake" have decreased, and beer has also had a bad year. Tobacco made a slightly better showing than last year and imports increased by 10 per cent; those of leaf rose considerably.

Among minor home industries there has been during the last three years a steady increase in the importation of tusks, and also in the export of ivory manufactures; but as the exports are only a little more than half the value of the imports, even after the work done on them, it may be concluded that the Japanese market absorbs more than a half of the ivory carvings. There has been some increase in the exports of vegetable oils. Peppermint oil showed a little improvement, but the most notable increase in purely Japanese production was in rapeseed oil (totalling \$2,158,000); soya bean oil, larger in quantity than rapeseed, was much less in value. A surprising decline took place in the export of toilet soaps, and that despite the fact that the Japanese manufacture of this commodity is improving year by year.

In drugs and chemicals Japan has not been doing well during the past year, the majority of products showing a decline, led by insectifuge, but camphor and menthol crystals have shown an increase. Camphor is the leading commodity of export in this section, the value of exports for the twelve months coming to \$3,000,000. Matches continue to decline and are now a minor product. Paints, in which a successful effort at export had been made, declined. Imports of paint, on the other hand, increased as rapidly as exports declined and now exceed the exports.

There has been a slight increase in value, along with a decrease in quantity, in cotton yarns. But cotton piece goods now completely outvalue yarns