

DEAR SIR,—

64 Cannon Street, London E.C., 25th August, 1911.

We have to-day had a call from Mr. Harold Beauchamp, president of the Merchants' Association of New Zealand. He is also chairman and managing director of W. M. Bannatyne and Co. (Limited), and president of the Bank of New Zealand. The object of his call was to hand us copy of the rules and regulations of the Merchants' Association of New Zealand (Incorporated), and to ask us to consider the policy of joining the association, which means that we should oblige ourselves to refuse to supply any firms who "cut" our prices, and that we should agree to fixed minimum rates—say, for the 1s. and 6d. sizes, 9s. 9d. and 5s. 6d. respectively, less 2½ per cent., six weeks' credit. He states that the landed costs are 8s. 10½d. and 4s. 10½d., that the present selling-prices recommended by the association are 9s. 3d. and 5s. 3d. respectively, less 2½ per cent. with six weeks' credit, but that a firm (Fairbairn, Wright, and Co.), quote these lines at 9s. and 5s. net respectively. We explained that while we were in sympathy with the aim of the association—that is, to stop useless cutting—we were, on the other hand, anxious that if minimum prices were agreed upon they should be reasonable, and not unnecessarily high. Mr. Beauchamp stated that if his association were appointed distributing agents for Jeyes' fluid they would regulate this in a way that would be found satisfactory to all parties. We shall be glad to have your views on the matter. No doubt you know the association. The headquarters are 153 Featherston Street, Wellington.

Yours faithfully,

For Jeyes' Sanitary Compounds Company (Limited),

Mr. A. C. Nottingham, Christchurch, New Zealand.

WM. PLANNER, Secretary.

DEAR SIR,—

Bank of New Zealand, London, 17th October, 1911.

Recently I had the pleasure of seeing you and discussing certain business matters on behalf of the Merchants' Association of New Zealand, of which I am the president. Subsequently you advised that you had written to your representative, Mr. Nottingham, with a view to bringing about a better condition of affairs than now obtains in New Zealand with respect to the sale of your manufactures. That this is necessary is emphasized by the advices I have just received from the secretary of the above association. Writing to me under date 26th August, he says, *inter alia*, "I have pleasure in enclosing you copy of letter received by the Dunedin Association from Mr. Nottingham, the representative of Messrs. Jeyes. A copy of this letter was distributed to all the associations, and the Christchurch Branch has replied to-day as follows:—

"*Jeyes' Fluid*: Your letter of 25th July, enclosing copy of letter sent to the Dunedin Association by Mr. Nottingham, was read at the meeting, and I am directed to say that Mr. Nottingham's letter is tantamount to misrepresentation, as instead of the merchant to whom he refers ordering half a tank, it has frequently been the case that Nottingham has had an order for half a tank and come to the aforesaid merchant asking him to take the other half, which he has done as a favour, though not actually requiring it. It is hoped that Mr. Beauchamp will represent the case to Jeyes, and, failing any satisfactory arrangement eventuating, that he will be able to arrange for some other brand for distribution by the associated merchants."

"The position," the secretary of the Merchants' Association adds, "will be readily appreciated by yourself, and it is very desirable that some amicable arrangement should be arrived at. This particular line, no doubt, has a large sale throughout New Zealand, but, as regards the members of the association, it is one of those lines which they are not anxious to sell, owing to the cut prices at which Messrs. Fairbairn, Wright, and Co. sell. It is not considered that the association has been treated even courteously in this matter, as several letters were addressed to Mr. Nottingham relative to the subject, and no reply was received. The two Christchurch members of the executive were therefore asked to see Mr. Nottingham, and the paragraph relative to their visit is enlightening."

I do not propose to send a copy of Mr. Nottingham's letter, as my correspondent says, "It is understood, of course, that Mr. Nottingham's letter is not to be used in a matter prejudicial to him."

I would, however, in conclusion, observe that it seems to me that, in the interests of all concerned, it would be desirable for you to instruct Mr. Nottingham to adopt a little more of the *suaviter in modo* style, and less of the *fortiter in re*, in his negotiations with my association, which comprises at least 96 per cent. of the merchants in New Zealand.

As I am leaving London in the course of a few days, I regret I shall not have an opportunity of calling and discussing this matter with your good self.

Yours faithfully,

HAROLD BEAUCHAMP.

The Secretary, Messrs. Jeyes (Limited), 64 Cannon Street, E.C.

[Extract from Mr. Nottingham's Letter to Jeyes.]

DEAR SIR,—

11th December, 1911.

I am duly in receipt of yours of the 27th October, enclosing copy of a letter received from Mr. Harold Beauchamp. The contents of this communication surprised me.

I must confess at the start I am at a loss to understand what Mr. Beauchamp means by "bringing about a better condition of things than now obtains in New Zealand with respect to your manufactures." As far as I can judge, the only "better condition of things" is increased sales, and it is for you and you only to decide, after reference to my account for, say, the last seven years, whether or not you are satisfied with the progress. That really is the position, and when I have said this it seems superfluous to proceed further. However, having decided to write fully, I would ask you to kindly excuse the length of this letter.