

## SÃO PAULO NEWS LETTER

### Minas and the National Coffee Department Continue at Odds—Bonus Coffee Plan Criticized—Santos and Rio Shipments

Staff Correspondence

SÃO PAULO, April 24, 1933.

THE internal dissension which arose in the Department of Coffee, with the resignation of the member for Minas, has not yet been smoothed out. The best information that can be gathered from intimates of the Department, is that the Government has the matter under study. In the meantime, the powerful and influential President of Minas Geraes, is reported to have made public statements criticizing the structure of the Department, followed by a congress of Minas planters, under the auspices of Jacques Maciel, brother to the President, at which significant resolutions were adopted pointing to a determined effort to push the integral sale of the Minas crop, and the use of Institute funds for a thorough-going marketing scheme. It must be remembered that Minas has become the world's largest producer, after São Paulo, with over 800,000,000 trees in full bearing, and average crops of 5,000,000 bags yearly.

#### COFFEE BONUS PLAN CRITICIZED

The changes in the price scale effected at Santos by the Department of Coffee range from 500 reis to 1\$500, and many observers claim that preferential treatment has thereby been accorded to the lower and hard grades, with corresponding hardship and penalty to producers of the finer qualities. This advantage may or may not be set off by the prophecy which has appeared that the shipping out of quantities of hard-grade coffees under the "Premium Plan" will throw these grades on the market with unfavorable reactions to price levels. Inasmuch as the Department has not stated that the 10% premium will be given in the same kind as the coffee constituting the original purchase, it is generally presumed that the lower grades will be used for this purpose. Exporters, it seems, will be expected to draw on the beneficiaries for the taxes and shipping expenses incurred with these awards, selling these drafts by compulsion to the Bank of Brazil with responsibility for the eventual cover. Another disadvantage that has been foreseen will be the appearance of small lots, perhaps 10 or 15 bags, under these awards, on which handling and other expenses will be disproportionate. Others fear that one of the first effects will be wholesale cuts of 10 percent on all orders sent to the Santos markets. So far, the 10 per cent Premium Plan has had none of these effects, nor effect of any sort that can be detected, except a number of remonstrances on theoretical grounds from the Sociadade Rural. The more important newspapers have also viewed the matter with reservations.

#### SANTOS AND RIO STOCKS

Santos stocks have become increasingly heavy, and are now nearly 800,000 bags greater than on the same date last year, and 500,000 greater than the 1,200,000 bags which were considered the safe

limit in the flowery days of the great export booms under Rolim Telles. Prices, therefore, are showing a heavy drag to lower levels.

The exchange market was affected by the heavy selling of dollars, just before the latest panic in New York, and this movement has shown no signs of abatement. As far as can be gathered from the statements of the Minister of Finance, the Bank of Brazil will force the milreis to closely follow the course of the dollar. The official quotation on sterling has already been boosted, in accordance with this policy.

Santos shipments are still running about 100,000 bags below the same month last year (in itself a poor month), and over 3,400,000 below the preceding season. Rio shipments, on the other hand have reached 4,000,000 bags for the season, an increase of 1,200,000 over the same period last year.—PAULISTA.

## SPICE TRADE ANNUAL

### American Spice Trade Association Re-elects Lloyd M. Trafford President—Revision in Food and Drugs Act Opposed

THE twenty-seventh annual meeting of the American Spice Trade Association was held in New York, May 9-10. The following officers were re-elected for the coming year: Lloyd M. Trafford, Charles T. Wilson Co., president; George M. Armor, McCormick & Co., vice-president; J. P. Knight, Irwin-Harrisons-Whitney, treasurer; Nancy W. Ericson, secretary.

The proposed revision of the Food and Drugs Act was discussed and the members decided to request Government officials to present any proposed changes for a review before any definite changes are made.

#### SPICE GRINDERS' SESSION

About fifteen member firms were represented at the meeting of the spice grinders' section. The following members were re-elected to the executive committee: Jacob Frank, chairman; M. P. Hermann, Durkee Famous Foods, Elmhurst, L. I.; F. H. Long, McCormick & Co., Baltimore; Charles A. Thayer, R. T. French Co., Rochester, and James S. Murphy, Stickney & Poor Spice Co., Boston.

Those attending the meeting included: G. Evans of the David G. Evans Coffee Co., St. Louis; R. Carson, B. Fischer & Co.; F. E. Stillman, James H. Forbes Tea & Coffee Co.; P. H. Udell, Hudson Tea & Spice Co.; Irving Fitzpatrick, Knickerbocker Mills; T. H. Boyer of J. K. Laudenslager, Philadelphia; George M. Armor, McCormick & Co.; L. G. Durr, Rigo Manufacturing Co., Nashville; N. S. Dillingham of D. & L. Slade Co., Boston; C. H. Kinker, Standard Brands, Inc., Cleveland; W. E. Squires, Van Loan Co.; J. B. Bond, Wixon Spice Co., and U. L. Schmid of the Woolson Spice Co., Toledo.

## FINLAND COFFEE STATISTICS

Special Correspondence

HELSINGFORS, April 25, 1933.—During the first three months of this year, 3,640,000 kilos of coffee were imported, against 2,482,000 kilos for the first quarterly period of 1932.—I. H.