

In planning a Factory on the Coast of America, we look to a solid Establishment, and not One that is to be abandoned at Pleasure. We authorize you to fix it at the most convenient Station, only to place your Colony in Peace and Security, and fully protected from the Fear of the smallest sinister Accident. The Object of a Port of this Kind is to draw the Indians to it, to lay up the small Vessels in the Winter Season, to build, and other Commercial Purposes. When this Point is effected, different trading Hours will be established at Stations that your Knowledge of the Coast and its Commerce point out to be the most advantageous.

In the Course of the Summer we recommend your leaving single Persons to reside with some of your Friends, the Chiefs of the Charlotte Isles, in order to collect the Furs; the Natives, in full Persuasion of your returning to them, would keep back from our Competitors; and here at once you will perceive the Advantages to be derived from conciliating their Confidence and good Will. To such People who are so prone to serve their Employers Rewards should be given, which should be agreeable to their Success.

You are so well acquainted with the American Commerce, that it would be needless to dwell on the Necessity of husbanding your Articles of Trade; of guarding against the Impositions of the native Merchants, and of impressing them with an Idea of the Superiority of your Merchandize, &c. &c. The Tide of Fancy of those People may be turned; the Fickleness of their Disposition is well known to you, as well as your Ingenuity to us in combating those Difficulties. The Fall of the Year we wish all the small Craft to be laid up at the Factory, which you will name Fort Pitt.

You will invest Mr. R. Duffin with the Superintendance of this Station, and strenuously recommend to him to keep good Order and Harmony therein; to build Store-houses for the Reception of the Tackle and Furniture of the Shipping that you may order to be laid up, and above all, to recommend to him to use every Precaution against the Scurvy by Exercise and the unremitting Use of the Decoction of Pine Tops.

You will in the Winter Season send what Vessels you judge proper to the Sandwich Islands for Provisions, &c. In their Return we imagine that some of the Natives of those Isles, both Men and Women, may be embarked and transplanted to America, and made useful in our Employ; this must be done with their own Consents, and with every Precaution with regard to their Health as well as Happiness.

We desire the Argonaut may be returned to China the End of this Season with the Furs. You will deliver her to Captain William Douglass, and receive from him the Iphigene and America, shifting the Crews &c. &c. You will also receive his Surplus Trade, and all other Stores of that Nature, and in Return supply him with Refreshments to carry him to the Islands where he can procure a Supply.

The Furs you send to China, we desire may be well cleaned, and otherwise dressed, classed, and put into Chefts; Mulders of each Quality must be put into a separate Box; every Skin, Piece, and Tail, must be numbered, and a Register kept of the Whole, and transmitted to us, with your other Dispatches, by Captain Douglass; in these you will be very particular in advising us of all Articles wanted for the Year 1790.

We recommend to your Attention the State of the Markets in China; the vast Difference between good and bad Skins, as a Guidance to your Purchases on the Coast, as 100 prime Skins are most assuredly worth 500 bad, independent of lessening the Value of your Articles of Commerce. All Collections of Furs, to the latest Period, you will send Home to the Argonaut.

Sea Otters Tails and Seal Skins now become an Object, from the Price they bear.—It will be entirely needless to direct you in the Purchases of Furs, where you are so well acquainted; this we leave entirely to yourself; but we cannot avoid reminding you, and to desire a strict Attention is paid, that no illicit Commerce is carried on by any Persons in our Employ; on any Circumstances of this Kind, the Offenders may depend on our availing ourselves in the strictest Manner which a Breach of Articles may occasion. The Pay of Officers of every Description is extremely liberal; and we shall esteem it the Duty of every Individual to make known such Circumstances of illicit Commerce as may come within their Knowledge, as in our Eyes it is equally Criminal, and shews a great Neglect of their Employer's Interest, to either hide or stifle such Discovery; and you have our most positive Orders, on such Points coming to your Knowledge, to instantly dismiss such Persons, and those concerned, from our Service; nor will we permit any Deviation from this Point, except your Reasons are strong and sufficient for pursuing a different Line of Conduct.

We also authorize you to dismiss from our Service all Persons who shall refuse to obey your Orders, when they are for our Benefit, and, in this Case, we give you to understand, the Princess Royal, America, and other small Craft are always to continue on the Coast of America; their Officers and People, when the Time of their Service is up, must be embarked on the returning Ship to China; and on no Account whatever will we suffer a Deviation from those Orders.

Should you meet with any of the Ships of Messrs. Etches and C<sup>o</sup> on the Coast, you will of Course afford them every Assistance in your Power; but as we shall have no Interest in