

Opportunities for Canadian Trade in the Orient

Bank of Commerce Officials State Manufacturers and Exporters Should Establish Agencies at Strategic Points in the Orient—Bad Packing and Lack of Attention to Correspondence Retarding Development.

It will be remembered that when the Canadian Bank of Commerce officials visiting the Orient in the interests of Canadian trade arrived in Vancouver early in August, Sir John Aird, general manager, stated then that no announcement of their findings would be made until they had had an opportunity of digesting the facts, and that an announcement would be made from head office, Toronto, in due course. This has been done in the form of a supplement to the August monthly commercial letter of the bank just received, and in our opinion is sufficiently important to be reproduced in toto. The report says:

Representatives of this bank recently visited New Zealand, Australia, China and Japan, the object of the trip being principally to ascertain the possibility of trade development between those countries and Canada, and to learn something about general conditions.

Each one of the countries in question offers a market for Canadian goods and undoubtedly a share of the trade can be secured if our manufacturers will go to the expense of sending a competent representative to study local requirements, select local representatives and co-operate with the latter in the sale of their goods. Immediate results should not be expected and manufacturers should be prepared to bear at least a share of the cost of advertising for a few years until their goods are well established, and their reliability and durability proven. We can sell in another country only if the goods are at least equal to those of our competitors in price and quality, and we should aim to have the stamp "Made in Canada" represent absolutely undoubted quality, the best workmanship and the finest materials. It is only by producing a superior article that we can hope to make rapid progress in our foreign trade.

Our representatives called upon a number of firms in each of the above-mentioned countries, and almost invariably they were given to understand that representatives of reliable Canadian firms would be welcomed, and that if the merchandise could be obtained on as favorable terms as elsewhere Canada could secure a reasonable share of their business. A great many complaints, however, were made about Canadian carelessness in handling foreign business and some of the instances related were so glaring that we are recording a few of them in the hope that it may bring home to exporters the necessity for greater care in future. It is essential in filling foreign orders that directions be followed implicitly, and that the goods be carefully packed so that they will arrive at the point of destination in perfect order. If a few shippers are careless it reflects on the whole foreign trade of the country.

1. A shipment of angles, ordered to be a certain length, was sent to the East. When the shipment arrived there were at least three lengths in the consignment which were shorter than the specifications called for, with the result that the shipment was of no use for the purposes required. If the shipping clerk had checked the goods carefully before they were packed he would have discovered the error, and the resulting discredit to his employer, and a great deal of inconvenience to the importer, would have been saved.

2. A shipment of goods, which required several cases to contain them, went forward with the cases numbered and a statement that certain goods were in certain numbered cases, which was just what the importer desired. When the latter proceeded, however, to open some of the cases to secure the goods he needed, he discovered that the goods were not packed as indicated, with the result that he was put to considerable unnecessary inconvenience and annoyance.

3. A shipment of hardware went to the East and when it arrived a great quantity of the goods had been stolen.

This might have been avoided if the cases had been bound with metal straps.

4. A shipment made against a banker's credit on a through bill of lading went forward from the exporter's warehouse on schedule time in accordance with the contract and the shipper paid no further attention to it. The goods went as far as the seaboard, but there they lay for months and the importer at the other end was kept waiting for them. Finally he cabled to find out the cause of the delay and the exporter then woke up to the fact that he should have followed up the shipment and ascertained that it was promptly placed on board ship, thus looking after his client's interests. The importer, in view of this experience, says that he will not pay for any more goods shipped from Canada unless on an ocean bill of lading. There were numerous complaints of this kind.

5. An Australian importer stated that he purchased a considerable amount of merchandise from Canada for sentimental reasons, but that he always had the goods forwarded through a New York forwarding house as he could then rely on the shipment being in order. He stated that Canadians were too careless about handling this business.

6. One large foreign house recently sent a man through Canada and the United States with a view to establishing connections, and after looking the situation over he came to the conclusion that he could probably buy a considerable part of his requirements in Canada, but from his point of view he decided that the Canadians lacked "pep" and initiative, and were too careless in their business methods to compete with the Americans, with the result that he gave his business to United States firms.

7. The number of complaints that Canadian export houses fail to answer letters and even cables was really astonishing.

8. Some firms complained bitterly that they would take up a line of Canadian goods and after going to the expense of introducing them and building up a good market for them, the Canadian house would suddenly cease shipments without even a letter of explanation.

The complaints about Canadian goods being badly packed, and the lack of prompt and thoughtful attention to correspondence were the most numerous of any. Some of the criticisms were very severe and it is unfortunate that an impression should have spread abroad that Canadian houses are careless in their handling of foreign business. As few complaints were heard about the quality of our merchandise, we feel that if exporters would study more closely the conditions governing export business, and see that greater care is exercised in their shipping departments, we should be better able to compete for trade.

It is apparent that Canadian manufacturers can secure a fair volume of trade in these countries, but they must send a representative to secure it, as not much can be accomplished by mail. It would be preferable for the manager of the exporting house, or one of the partners, to cover the foreign ground first so that the management may know exactly what the foreign conditions and requirements are. If smaller firms find this undertaking too expensive for them individually, there is no reason why a few non-competitive firms handling different lines of a similar character might not jointly send a man abroad for this purpose. It is quite important to appoint a local representative in the principal centres who will continually keep the exporter's goods before intending buyers, and an importer would much prefer to deal with a reputable local representative in the adjustment of any disputes over a shipment of goods.

At Yokohama we learned that a large consignment of Canadian pulp had come forward through a United States firm, and apparently considerable quantities of Canadian goods are being shipped abroad in this manner. As far as possible exporters should aim to ship direct, as this not only advertises Canada, but will induce foreign importers