

1903.
NEW ZEALAND.

NEW ZEALAND MEAT-DISTRIBUTION IN THE MARKETS OF GREAT BRITAIN

(EXTRACT FROM REPORT MADE BY MR. H. C. CAMERON, PRODUCE COMMISSIONER, ON THE
IMPROVEMENT OF).

Laid on the Table by leave.

At present the demand for New Zealand mutton, except in London and the South of England, is very small indeed. In all other parts of the country there is a large field for the distribution of New Zealand mutton. Of course, a certain quantity of it is now distributed there, but, comparatively speaking, the amount is infinitesimal, that field being almost entirely supplied with River Plate and Australian mutton, which is usually sold at low prices. It is this mutton that is heard of so often in New Zealand papers as being sold everywhere. I am often surprised when I read in these papers interviews with returned colonists, many of them men whom I should believe could not be imposed upon, stating that New Zealand mutton is sold everywhere throughout the country at prices, say, 4d., or 4½d. per pound for legs, &c. This is absurd. The mutton seen by these parties being offered for sale at low prices throughout the Midlands and North is certainly frozen mutton, and is called by the retailers "New Zealand" or "Canterbury," but it is not such. River Plate and Australian mutton, being landed at Liverpool, Manchester, and Glasgow, is retailed at the prices stated, and it is this meat that New Zealanders have seen when travelling throughout the country being sold as "New Zealand." Nor is it the finest quality of mutton from these countries that is retailed at these low prices.

The fact, however, remains that under existing circumstances New Zealand mutton will come more and more to the level of prices ruling for that from River Plate and Australia. Naturally it may be asked, What grounds are there for making this assertion? The reply is, because under existing circumstances there is no outlet for New Zealand mutton other than the channels through which River Plate and Australian mutton goes into consumption. These outlets are well satisfied with the quality of that mutton, and, as the price of it is lower than of New Zealand, preference is given to it. Now, New Zealand producers cannot afford to accept such a low price as their competitors can, and if they will only bestir themselves there is no necessity that they should. If, however, they allow things to go on as they are at present doing they certainly shortly will have to do so.

The present is, I consider, a good time to make an energetic move to open new fields for the distribution of New Zealand mutton, and to secure increased consumption of it, with the consequent improvement in prices. While River Plate and Australian mutton—especially the former—is pushed for sale throughout the country, it is chiefly the working-classes who are catered for. The higher-class trade has only to a very slight extent been cultivated. Except in a very few instances throughout the Midlands and north of the kingdom, butchers doing a high-class trade have not been induced to push the sale of New Zealand mutton at all. Several of the wholesale houses in the course of their business have sent travellers throughout the country endeavouring to push sales with these butchers. The result has been disappointing. They have been invariably met with the objection that there is no demand for the mutton amongst the butchers' customers, and that they did not care to stock it, as it might prove hurtful to the tone of their trade. In short, these high-class butchers do not want it introduced to their customers.

Now, it is a generally acknowledged truism that demand creates supply, but as regards New Zealand mutton we have got the supply without the demand. The New Zealand producers must therefore create this demand for themselves. It may be thought that this is more easily said than done, and it may be asked, How is this to be effected? I am satisfied, simply by advertising. Now, there are many ways of advertising—by advertisement in newspapers, by large posters, by circulars, or by lectures. For the present purpose, however, none of these means can be considered suitable. Supposing that advertisement by any of these means was adopted, and that this was instrumental in attracting notice to the mutton, which is doubtful, the difficulty at present would be that if the parties who became interested in it desired to obtain some of the mutton they might go to a shop where so-called "New Zealand" mutton was sold, and, asking for it, obtain what on trial would afford them dissatisfaction, and possibly more harm might be done to the

reputation of New Zealand mutton than anticipated. The cost of such advertisement, if of any extent, would also amount to a very considerable sum of money each year, for which expenditure the return would be doubtful.

The form of advertisement which should be adopted is that by which the patronage of the better class of consumers would be attracted and insured. This would be accomplished by establishing in several of the large towns—say, having over a hundred thousand inhabitants—throughout the Midlands and the North, shops where the best class of New Zealand mutton could be exhibited and sold. Great attention would have to be given to opening these shops in a prominent position, handsomely fitting them up, and displaying the meat attractively. If this were done, care being taken to have only one shop in each town, from which centre all orders from outlying districts could be distributed, and a thorough system of notification of the opening of the shop by attractive circular to the better class of consumers in the surrounding districts was carried out, it would not be very long before a very good connection was obtained. The class of customers to be, if possible, secured is that which usually deals regularly with the high-class butcher in the immediate districts in which they reside. These customers are generally thoroughly reliable as payers, and usually run monthly accounts, so that when their regular patronage is secured the butcher they formerly dealt with misses their custom. He naturally is anxious to find out the cause of the discontinuance of their orders, and makes inquiries. On being told by them that the orders have been discontinued through no fault on his part, but simply because they are now obtaining an equally good article from the New Zealand store at a much lower price than they were paying to him, he is, of course, greatly concerned, and begins to think. The result is that he decides that it is not politic to lose his customers if he can avoid it, and rightly concluding that if this class of customers are so favourably disposed to New Zealand mutton it is time he was keeping it for sale, he resolves to do so forthwith. He therefore informs his customers that if they will renew their orders with him he will supply them with the same mutton as they have been obtaining from the New Zealand store, at the same price. On his undertaking to do this the customers, recognising that it is more convenient for them to obtain their meat from the butcher in their immediate neighbourhood, who can call regularly every morning at their house for orders, rather than having to send their order to the New Zealand store, agree to this proposal. This occurs in the several districts from which customers have been attracted to the New Zealand store, and gradually, as the result of this system of advertising, New Zealand mutton will be found in the shops of the best class of butchers there, and being sold by them on its merits. These butchers, finding the mutton thus in demand, and realising that there is a good profit to themselves in handling it, will gradually push the sale of it amongst their other customers. In this way a large demand may be gradually worked up, and the consumption being amongst those who can afford to pay a fair price for a good article, the possibility of maintaining a payable price to the producer for New Zealand mutton can be understood.

Instead of the wholesale salesman having to urge the retailer to introduce the mutton to his customers, the customers, having had the mutton introduced to them by the advertisement of the New Zealand stores, ask the butcher to supply them with it, thus becoming canvassers for New Zealand mutton, and the butcher then asks the wholesale salesman for it.

Of course, this system of advertisement must be undertaken by the New Zealand producers themselves, or by the New Zealand Government as their representatives. It is not to be expected that a private trader can afford to do it. Nor will the wholesale houses here undertake it; they are, of course, equally interested in mutton from other countries as well as from New Zealand. A private trader would naturally object to furthering a system which would have the effect of encouraging direct competition with the trade he had worked up.

The profit derived from the business done in the shops would at the very least pay working-expenses, so that the cost of the advertisement for the mutton would be nil. I am, however, satisfied that a handsome profit besides can be made from the shops, but, of course, under the present proposal there is no need to consider this.

New Zealand is, comparatively speaking, a small contributor to the total meat requirements of the British market; therefore it is all the easier to make a speciality of her produce as being of first-class quality and fit for use by the better classes, keeping it ahead and clear from the growing competition of River Plate and Australia.

The means I am now advocating for the improvement of the demand for New Zealand mutton in the Home markets are not put forward without thought, and from my personal experience of business conducted on similar lines I am thoroughly convinced that the results would be as I now anticipate.

I have, &c.,

H. C. CAMERON, Inspector of Produce.

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