

54. I take it from what you said that the grocer, generally speaking, makes more on the sale of bulk tea that he purchased and blended than on the proprietary lines—say, Amber Tips or Bell?—It is generally understood so.

55. Then it is to his advantage to push the sale of what I might term the bulk tea as against Amber Tips?—Yes, it would be.

56. It occurs to me, and I put it to you, that that is a fairly reasonable explanation of the decrease in your sales?—No, I do not agree with you.

57. It seems to have a logical sequence?—It would appear so, but, at the same time, the practice has been that where they can sell a proprietary article with no trouble and get a fair return on their turnover they would just as soon sell that as go to the trouble of blending.

58. But does it not seem quite the natural sequence? They buy this tea, pack it themselves, get a better profit than on the Bell or Amber Tips: they therefore push the sale of their own tea, and Amber Tips suffers?—They push the sale, and the fact that they cannot get the turnover on their own lines is the reason why sales in proprietary lines can be brought to their present standard and steadily advance where there is no cutting.

59. I take your own example of the grocer whom you saw selling his own bulk tea, and making a profit of 10d. Selling Amber Tips at the best rate for himself, he would make 7d.?—Yes.

60. He would still have a margin of 3d. over his packing and extra work?—Yes; but he is not getting the satisfaction of repeat sales.

61. I am afraid that does not convey much to me?—It means that his quality of tea may not satisfy the customer, and he has only made one sale, whereas he will make continuous sales of Amber Tips.

62. However, that is the position between the two sales?—So far as making a profit on that individual sale, yes.

63. Bell Tea is a serious competitor of Amber Tips?—Yes.

64. Have you any knowledge of their relative positions during the last twelve months?—No.

65. *Mr. Walker.*] With regard to Amber Tips, I believe that tea is known as a “fine” tea?—It is advertised as one.

66. It is regarded by tea men as a “fine” tea?—Yes.

67. It being a “fine” tea, I put it to you that it will naturally appeal to “fine” palates?—We will agree with you.

68. And for other palates I suggest that it has not enough “kick” in it for the ordinary person?—I do not agree with you.

69. I put it to you that it is the lightest liquor tea on the New Zealand market?—I could not tell you.

70. I suggest that there is a limitation to the sale of Amber Tips, in that it only appeals to fine palates which can appreciate it?—I do not agree with you.

71. The market for fine teas in Colombo—and most of these teas come from Colombo—shows some nasty variations?—Yes.

72. And that, as there was a limit to the price of fine teas in Colombo, Amber Tips has not always succeeded in maintaining its quality?—I do not agree with you.

73. Do you suggest that when fine teas rise in Colombo the makers put the same quality of tea in Amber Tips, and that with such a big rise in the Colombo price of tea they can sell it at the same price for the same quality?—I understand that their purchases are sufficient to carry them over the rises.

74. You talk about the inexperience and inability of the retail grocer to do his own blending?—Yes.

75. You know that the big wholesalers, like Harrison Ramsay, George Ginn, and several others, have their tea experts?—Yes.

76. And have blending experts to advise clients?—Yes.

77. Are you not aware that any grocer can go to any of those big firms and say to them he wants to put up, say, a 2s. 8d. packet of tea, and that those firms will give that grocer the best advice and fix his standard of blend?—That is something new to me.

78. So that you have no knowledge that the grocer can get expert blending knowledge without any cost?—Not to my knowledge.

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EDWIN SALMOND SWORN and examined. (No. 17.)

1. *Mr Myers.*] You are a member of the firm of Salmond and Spraggon?—Yes; they are manufacturers' agents.

2. Do you also keep stocks of lines in respect of which you are agents?—In some instances we have to keep stocks in New Zealand, and in other instances the wholesaler imports these lines direct, and we simply act for the manufacturer here on commission for those lines.

3. Your firm has joined the P.A.T.A.?—Yes.

4. I think you personally are chairman of the executive of that organization?—Yes.

5. Why have you joined the association?—The main reason is that the great bulk of my principals, manufacturers of proprietary lines, are members of the association in the Old Country and are keen on the association, and we have practically received instructions from them to put their lines on, so I thought it was my duty to go on the association.

6. But you know the objects of the association?—Yes.