

3rd October, 1934.

The Chairman,
Commonwealth Dried Fruits Control Board,
100 Queen Street, Melbourne.

DEAR SIR,—

On May 10th of this year this Company received acceptance of orders placed with the Commonwealth Dried Fruits Control Board. The altered regulations of the Board made it possible for us to direct considerable business to Australia, the bulk of which owing to the refusal of the Board in the past to accept our business has been going to foreign countries. Our business was accepted during the months of May, June, and July but when further business was placed at the beginning of August we were informed that our name had been deleted from your list.

We would point out that the total business placed for vine fruits during the three months which we were on the list amounted to approximately—

Currants, 1,100 boxes.
Sultanas, 2,700 boxes.
Lexias, 250 boxes.

These quantities would have been trebled during the months up to December for you will realise that we had certain stocks on hand of all varieties of fruits which necessarily had to be disposed of. Immediately we were placed on your list we gave instructions for the prompt disposal through our branches of all American and Mediterranean fruits, and at the same time instructed our managers that they were to concentrate on the pushing of Australian fruits to conform to our policy of giving preference to these goods in an appreciation of your action in placing us on best terms and in performance of what we consider our obligations in fulfilling the spirit of the appointment.

The orders placed during the brief period when your list was open to us will clearly prove this to you. We were aware that certain objections were made to the throwing open of your list generally to those able to buy the Board's specified quantity, and we were under the impression that the protest which was likely to be lodged by the Merchants' Association to this course would result in a request being made to the Board to revert to the previous list with the addition of the National Distributors name. Subsequently, we learned that the Board went further and in reverting to the original list did not add our name.

The Board's list at present comprises the names of many companies who are solely retailers and a great many more whose business is principally the supply of the chain store organizations. We protest against the refusal of the Board to supply the National Distributors Ltd. on the following grounds—

Firstly, That we are the largest individual buyers of dried fruits in New Zealand and have made definitely clear our policy of preference for Australian fruits. This is justified by the fact that we were in 1932 added to the list of the Australian Dried Fruits Association and to the exclusion of all other sources of supply we placed business with the various agents of the Australian Dried Fruit Association amounting to 3,700 boxes of prunes which was considerably below the quantity required by us and which quantity was limited only by the fact that on the larger sized prunes throughout the whole of New Zealand when Australia was not able to accept the business.

We featured Australian prunes throughout the whole of New Zealand when a number of the merchants were definitely featuring Californian as a superior fruit. We paid a premium on some sizes of Australian prunes over the prices of Californian.

We placed business for 4,200 boxes of Australian apricots when South African apricots were available at lower prices. Proportion of this business was subsequently not confirmed on account of the fact that apricots were in short supply. We purchased these lines and featured them throughout the whole of New Zealand. We made arrangements two years ago that all our canned fruit requirements would be drawn from the Water Conservation & Irrigation Commission of New South Wales and have not imported one single case of Californian canned fruit, refusing also tempting offers of New Zealand pack, and so far this season have purchased 4,100 cases which will be considerably increased before the close of the season if supplies are available.

Secondly, That we have given the Board and are still prepared to give any undertaking laid down by the Board to other wholesalers that the Board's prices and terms shall be maintained.

Thirdly, That whatever impression the Board may have to the contrary this Company is able to buy on the best wholesale basis from all suppliers of merchandise in Australia, with the exception of the Commonwealth Dried Fruits Board. That we are accorded wholesale terms from every important manufacturer in New Zealand, and that the whole of our indent business is accepted by agents in New Zealand and for overseas shippers on the same basis as other merchants. The most exclusive wholesale list in New Zealand is that of the Colonial Sugar Refining Co. who appoint merchants throughout New Zealand as their distributing agents. The fact that our name has not appeared on this list as distributing agents has been considered we believe in the past as a reason why we should not be entitled to wholesale terms. The Sugar Company's list imposes much the same definite conditions which are even more rigorously imposed regarding price maintenance than those imposed by your Board. We are pleased to be able to inform you that we have received a letter from the Colonial Sugar Co. advising that we have been appointed as distributors as from the 1st October of this year. We communicate this information because we feel that it will be some guide to the Board who probably having heard one side only of the position will appreciate that having now been added to this exclusive distributing list that the Board is now the only important organization who refuses to accept our business on wholesale terms.

We are ready to place considerable further business on Australian vine fruits and in view of the facts stated above we would ask that the Board reconsider the present decision. We consider that an injustice has been done to us in the fact that our name was not added to the Board's list years ago when we made application and that having been afforded the opportunity to purchase Australian vine fruits this year we immediately concentrated on their sale, and after three months for no reason whatever our name has been removed from your list. We would ask you to believe that our attitude is still one where we really do wish to buy Australian vine fruits and at present we are at a loss to know why we have been treated in this way and we feel that it is because our side of the question has not been placed before you by us. We would appreciate your setting out your views on the matter and advising just what policy we should now pursue.

We make this request for a suggestion from you because we are so certain of the justice of our claim for inclusion on the list that it is a matter of your Board's due consideration to replace our name, and we would like to know whether we should now revert to the position in which we were before we were placed on the list, that is to purchase our requirements in American and Mediterranean fruits for the present basis it is possible for us to indent at much better prices than those being charged by merchants for Australian fruit. Individual merchants have expressed to us that they were surprised at our deletion from the list and that it was entirely unexpected.

We cannot think that it is the Board's intention to adopt an arbitrary attitude and have, therefore, placed the whole of the facts before you and again make application to have the name of this Company added to the list repeating our previous undertaking to conform to the Board's terms and conditions for the sale of vine fruits in New Zealand and at the same time give you our assurance of our co-operation not only in the sale of vine fruits but on all other Australian fruits.

Our Christmas requirements, orders for which we will shortly be placing for deliveries between now and December will be approximately 1,000 seeded, 2,000 sultanas, 1,000 currants.

We feel sure that you will appreciate it is important to us to have your prompt decision as our Christmas buying will be held up pending word from you.

Yours faithfully,
NATIONAL DISTRIBUTORS LIMITED.