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During the year the Department leased the premises and plant owned and formerly used by Messrs. Filmeraft for the production of cinematograph films.

The Department is now able to produce its own films, photographs, lantern slides, window-display units, &c., at a considerable reduction in cost, and the members of the staff employed are doing excellent work and showing a considerable amount of initiative in producing novel designs and other features.

Publicity for the scenic attractions of New Zealand is still being actively pursued by means of cinematograph films in Europe, Asia, and Africa, and ships trading from United Kingdom and North American ports are being regularly supplied, and a special release was obtained in many theatres throughout Australia.

Valuable publicity was also obtained by means of 16 mm. films, which are much in demand by lecturers in Australia, the United Kingdom, Canada, South Africa, and the United States of America.

Photographs and lantern slides of New Zealand scenery were much sought after by visitors from overseas, and a large number were distributed. Albums of selected views were placed on passenger-ships trading between Australia and New Zealand, and the Department's overseas representatives were able to secure valuable free publicity by the reproduction of photographic subjects in the press of other countries.

In order to make known the scenic beauties of New Zealand to the children of this Dominion a large number of photographic enlargements were distributed to the schools.

Posters were largely utilized, and a high standard in this form of publicity has been reached. Several of the most striking designs were reproduced in quantities and despatched for display in other countries.

The Department participated in a large poster exhibition in Brussels and subsequently in a number of Continental countries.

Window-display units, which were constructed by the staff of the Department at the Film Studios, were sent overseas and attracted very favourable attention, particularly a series of six which were forwarded to the office of the High Commissioner for New Zealand, London, for the purpose of advertising New Zealand produce.

During the year attractive window displays of New Zealand scenery were arranged in the United Kingdom, Northern Europe, Canada, and the United States of America.

Travel organizations in the countries mentioned have been most helpful in co-operating in this respect.

The Department's representatives have been most active and successful in their efforts to place articles dealing with the scenic attractions of this country and various phases of New Zealand life in overseas newspapers and magazines. These articles, frequently well illustrated, appeared in some of the leading magazines throughout the English-speaking world, and valuable publicity was obtained.

Steps were taken during the year to arrange for the writing and placing of newspaper articles on New Zealand in German, French, Dutch, and Scandinavian languages in a number of suitable publications throughout Northern Europe.

The Department's publication "New Zealand in the News," which contains items of news interest, was widely distributed to the press in other countries, extracts therefrom being published in several newspapers, and useful publicity being thereby obtained.

The demand for publicity literature continues steadily to increase, with the result that large reprint orders for all classes of this material had to be placed before the end of the financial year.

The special booklets dealing with the Rotorua thermal region and the Southern fordland were in keen demand in the Dominion, many more of our own people visiting these resorts during the season. These booklets were also in great request in Australia and on the various cruise ships.

The larger and more comprehensive books covering all the leading resorts and centres of the Dominion were very widely distributed in all parts of the world, particularly in the United States, Canada, Australia, and the United Kingdom, while advantage was taken of the Johannesburg Exhibition to circulate some thousands of these to selected addresses in South Africa. As a result of this latter distribution many inquiries have been received from prospective visitors, and a number of people made the trip from Durban and Capetown before the close of the season.

For widest distribution throughout the world generally the folder type of publication is still found to be very popular, and the "General Folder," covering all phases of life and scenery in New Zealand, has again fulfilled a most useful purpose. This has been spread to all travel agents, shipping companies, and booking agencies, and has also been largely utilized for distribution at exhibitions.

The smaller booklets prepared for distribution from travel agency offices have proved very popular, and extra editions had to be printed during the year. These booklets, which fit a medium-sized envelope, are posted by agents to prospective clients and are not as expensive to post as the larger books, while containing a similar amount of information in condensed form.

"Facts and Figures," the small pocket Year-Book, has again proved to be one of the most useful publications produced by the Department. In the latest edition the title originally used, "New Zealand in a Nutshell," has been revived, with a suitable cover design making an attractive change from previous issues.

The distribution of publicity literature so as to prevent wastage presents a problem, and during the year the Department made an arrangement with a large American organization which caters for this class of service, and which has offices staffed with trained assistants in leading tourist hotels and