HIGHLIGHT

The House Magazine of

R. T. TANNER & CO. LTD.

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Tanner's Quarterly Trade Journal

The Directors and Staff of

R. T. TANNER & CO. LTD.

send you their best wishes for a happy and

prosperous new year

We make no apologies for once again publishing further photographs of our staff. We do this not because they are easy to take, and in many cases easy on the eye, but because these are the people who make the business tick. In these days of mergers and take-overs, huge organisations, computer installations and full mechanisation, the office staff are entirely divorced from contact with the customer and become button pushers or at least inhuman telephone voices saying yes or no, and precious little else.

We decry this in our trade which still requires the personal touch, advice and suggestion. We want you to know our staff, and our staff to know as much as possible about you, so that we can continue to offer personal service to all our customers.

In our opinion . . .

The position in the Paper Making Industry in this Country is exercising a lot of brains, and producing very few cogent reasons for the position in which it finds itself today. After two years of virtual stagnation in production through 1966/67, the year 1968 witnessed a sharp increase. True consumption did increase in the latter half of 1967, but this was all taken up by imports. In 1968 production in the U.K. increased 6 per cent., although this figure can only be arbitrary, since the returns for the last quarter are not yet available. Consumption on the other hand increased in 1968 by 8 per cent., at least up to the end of the third quarter, imports again increasing and now totalling 34.4 per cent.

Paper making has always been a service industry in as much as it takes its pattern from the fluctuations in general trade, normally following a few months in arrears. In spite of all the efforts to force a turn-down in internal consumption, retail sales have remained buoyant and the paper industry has followed suit. World demand for paper is still increasing particularly in the United States and Germany, and this should continue, but the problem facing the leaders of our industry is whether the demand will be sustained in this country. During the last three years 41 paper and board making machines have been shut down in the U.K. A few of them, old machines, were replaced by more modern machines, but in the main these went out of production because the return cash flow was insufficient to maintain them efficiently or to replace them with more modern machines. As for starting new mills this is almost unknown, and the only recent new installation has already caused more than a few furrows on the brows of the initiators.

Now we have to visualise what effect the latest government restrictions on imports are likely to bring. Imports of paper were steadily eating into the home market in spite of home production increasing sharply in 1968. It is certain that this procedure would have continued, as the Scandinavians and Canadians have such an advantage over mills in this Country as the tree to finished product is a continuous process, whereas our mills have been somewhat held to ransom on the price of their raw materials, particularly since devaluation. The U.K. was also a ready market for subsidised paper exports, Austria being one of the main culprits.

Without doubt the recent 50% down payment to Customs and Excise for 6 months is going to add to the costs of importation, but the overseas mills are not going to give up their traditional markets, for which they have laboured to increase so assiduously, without a struggle. In most cases the mills, agents and merchants will come to some arrangement to extend payment to 180 days, but this, of course, must involve a small increase in the final product.

In any event the price of home produced paper and board will move up in 1969 as the price of pulp was increased in the autumn of 1968, and the mills are having to meet many other increased costs. No one can assert that the paper mills have any spare profit margin in which to absorb the many increases which have faced all manufacturers during the last 12 months.

It seems unlikely that this attempt to restrict imports financially rather than physically will have much effect in the paper market, since once the first 6 months is over, the overseas mills having financed this, it merely becomes a roll-over procedure. The Customs & Excise having to return the 50% down payment, for it to be paid in again for the next shipment.

The next six months will be a more than usual testing period. Industry is all geared up for a great leap forward, and let us face the facts that without maximum production the profit margin is very thin, and in our industry virtually non-existent. Yet every possible obstruction is being put forward to reduce demand. It is anybody's guess as to what is now going to happen, but it would appear that the paper trade is slightly less vulnerable than many other trades. Come what may, it is very much a growth market, and even a recession would be unlikely to last very long. At the present the U.K. mills are busy—and long may it continue.

Postal Service

Communications and instant communications are the life-blood of industry, yet without a doubt we have traversed backwards many years during 1968. It was a fair bet that a letter posted by 5 p.m. would be delivered in most towns of England and Wales at least by second if not first post the following day. Now how do we fare? After a 25% increase in price we are informed that 95% of the 5d. post is delivered the following day. Maybe this is correct, but it is only 95% of a quarter of the total mail which now travels first-class. Of the remainder the less said the better. The extraordinary part is that there appears to be no pattern for the delays, many long distance letters taking 48 hours or less, and others for local delivery up to four days. Presumably this is entirely due to the manner in which local postmasters are interpreting their instructions regarding the handling of second class mail.

No doubt time will prove the great healer and aided by a vociferous campaign from the three P's, public, press and parliament and with the Christmas rush now over, we should expect and keep demanding a reasonable postal service.

Unfortunately the telephone service gives the impression that it is swiftly following the chaos into which the postal service has disintegrated. Recently we had reason to telephone regularly from Tunbridge Wells to Crayford in mid-morning, a distance of about 30 miles, yet the quickest time to get through was 1½ hours. The interminable report from the local exchange was "we regret there will be a delay in obtaining your number as all lines are engaged". This canned product was repeated *ad nauseum*, and was the same every day for nearly two weeks.

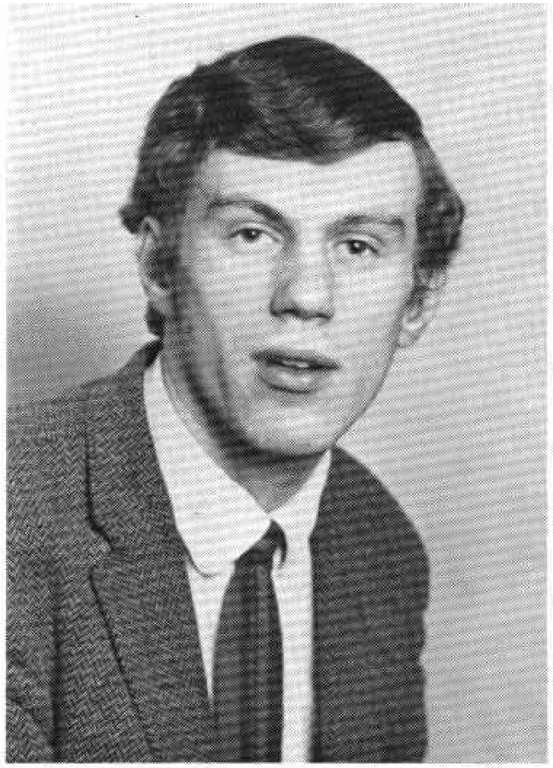
This is not an isolated case, and one has only to ask a telephone operator to realise quite how difficult it is to obtain numbers, and also the vast number of incorrect connections one gets with S.T.D.

We all know that this is a comparatively new innovation, but it has been installed in some places several years and teething troubles should have been ironed out long ago.

We have been hearing for a long time that the Post Office is to be turned into a corporation, and it is hoped that this will at last take place in 1969. Then and only then will the Post Office have to stand on its own feet and give a proper service to its customers who keep it in business. It is terribly important for everyone that it should not fail, as swift communications are vital to every industry.

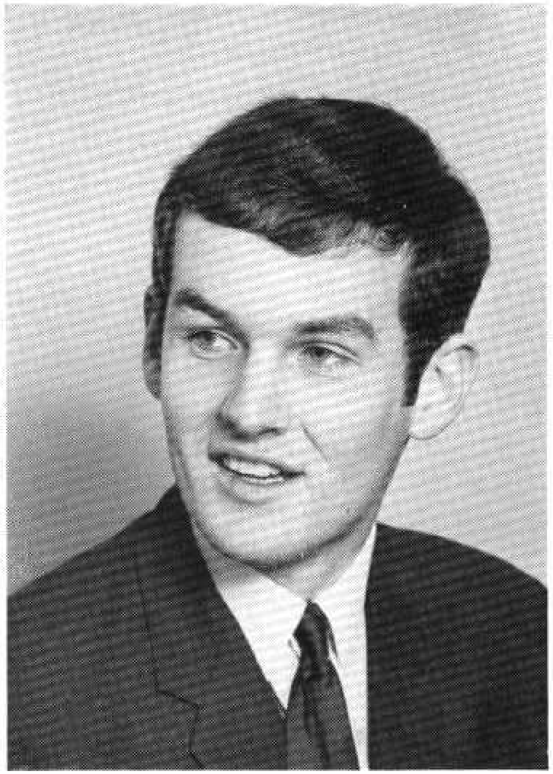
Crayford Personalities

Suzanne Jones
Accounts Dept.



Denis Appleby
Estimator - Manufacturing Dept

Paul Dalton
Distribution Dept.



Michael Washer
Distribution Dept.

Metrication

In the last issue of our Journal on the subject of metrication we stated that unless the British Paper and Board Makers Association started to lay down dates for the implementation of metric sizes we would not get this forward for years. We now see that the Directors of the British Paper & Board Makers Association have written to Mr. Wedgwood Benn, Minister of Technology, to ask the government to make it mandatory by 1975, otherwise it was unlikely to be implemented by that date.

Our Managing Director is feeling rather smug, because he was a member of the original committee set up by the British Standards Institute together with the British Federation of Master Printers to investigate this problem and to make arrangements for the implementation thereof. At the second meeting of this committee 35 members drawn from every interested party including H.M. Stationery Office were blithely talking about 1970 as the date of changeover in order to get this completed before Decimalisation comes into force in 1971.

The 36th member of the committee, our Managing Director, stated that if full metrication was required, and not merely conversion, there would be no chance of putting this over until, at least, 1975. This was sharply turned aside by representatives of B.S.I., B.F.M.P. and oh yes, the B.P. & A.M.A., but supported by the type and machinery makers. It appears that our Managing Director is not going to be so far wrong and then only if the government takes mandatory action.

Another interesting and may we say astonishing factor has emerged. The National Association of Paper Merchants recently carried out an investigation from some 500 assorted small, medium and large printers as to the most likely I.S.O. sizes required. In practically all cases of different types of paper and for different printing usages the most popular size was S.R.A. 1., 640 × 900 m.

From the start of the effort to bring the British printers to use I.S.O. sizes, the emphasis on all sides has been the A series and this is now produced by most mills and paper merchants. It seems however that the printers want the larger size, namely S.R.A. 1., but we wonder whether the printers have realised the extra weight involved with consequent waste.

Time will tell, but a great deal of thought will have to be given to this, even though we now seem to have plenty of time to do it in.

Price increases

As from early January 1969 prices of most papers and boards are increased on an average of about 1d. per lb. New price lists are being prepared and will be issued as soon as available.

Envelopes' and Pockets' prices are also being raised due to the increase in raw material costs, wages and the many, many additional increases which have been loaded on to manufacturing costs as the result of the latest government regulations -new price lists are also being reprinted and will be issued as soon as possible.

New plant

It was worth waiting for. The new envelope machine is now on its way to us and should be installed by the time this Journal reaches you. It is the latest fast running Winkler and Dunnebier, and with double shift working will add considerably to our output.

This will enable us to improve the delivery situation, which has been giving us so much concern, and will enable us to build up stocks to a healthier position.

During 1968 we had to turn down many special orders because we were not able to meet delivery dates. It being our belief that it is better to lose an order than to give a promise which we obviously cannot keep—now we shall be able to meet your requirements, and therefore invite your enquiries.

We do not wish to make excuses for past or even future failure in delivery, but it ought to be realised some of the difficulties which may arise in the manufacture of envelopes, apart from such major problems as breakdown of plant. The biggest snag is obtaining delivery of material on due date, and not infrequently this material is not up to required standard, necessitating remaking. Sometimes such matters as curling—a real menace to envelope making—is not apparent until cutting of blanks has actually started. This may put back delivery two or three weeks while the material is remade. Then a cutter possibly made specially for the job can break, steel under such pressures can frequently split or even break off in lumps. For standard sizes this is not much problem as one always has more than a solitary cutter, but on specials it can be embarrassing to say the least. Then there is the question of illness, prevalent at this time of year. Experienced machine operators can be inter-changed on envelope machines, but a 'flu epidemic or equivalent can wreak havoc with a week's programme.

These are a few of the many problems which can upset all the best laid plans, irrespective of such acts of God as the recent floods! Luckily these troubles do not often occur, but perhaps when they do, you can excuse us for slight delays and rest assured we always do our utmost to overcome them.

Next to knowing when to seize an opportunity, the most important thing in life is to know when to forgo an advantage.

DISRAELI

Envelopes & Pockets ?

Can we help? That is what we are in business for

For stock or specials first try:—

Tanners for Envelopes & Pockets

Stop press

Way back in 1961, when we moved our head office and factory from London to Crayford, we maintained a London Sales Office. It was always intended that this would be a temporary measure, and was designed to bridge the gap, while Crayford was built up virtually from scratch.

At the end of this period, approximately three years, we completely re-organised the Company following the investigation carried out by management consultants, and it was decided to maintain the London Office for a further period, while we digested the many alterations. Another big feature, which delayed the move, was the inadequacy of the telephone lines into the Crayford exchange, but we are pleased to say that these are being improved.

We now feel that the time has arrived to make the final change and close the London Sales Office and move this to Crayford. The move will not take place until the spring, and all our customers will be given adequate notice, and the date on which it will be effective.

The idea behind the move is to obviate duplication of much of the work, and the more hands that orders and inquiries pass through the more chance there is of errors and, of course, delays. By centralising our sales and administration, communication becomes quicker and easier, and in consequence the service we give will be considerably improved.

For sometime now we have been training up an adequate staff at Crayford to deal direct with the customer and this will be augmented by some of the staff from our London Office so that full continuity will be retained.

Until such time however as we officially inform you, customers should continue to use the London Sales Office.

Customers in the North of England, North Wales and as far south as Nottingham and Lincoln please note that our Leeds Office has now a coded address.

CORNER HOUSE
WHITEHALL ROAD

LS12 1AQ

Kindly adjust your records accordingly and contact them first for all your requirements.

Paper — Boards — Envelopes