



HIGHLIGHT



The House Magazine of
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Tanner's Quarterly Trade Journal

At long last the nettle of inflation has been grasped and it is of course early days to evaluate the effects and we still have to wait till the year end before passing opinions.

Of course nearly everyone has a gripe about their wages being frozen, some more than others, but surely we all must make sacrifices to conquer this insidious evil which has beset the world during the last ten years.

The paper trade is one which is caught in the standstill. Owing to the floating of the pound, pulp has risen sharply in cost, but the mills have only been allowed to increase their prices minimally and the merchants have only been permitted to pass on the increase without additional profits. Printers in their turn are permitted to pass on only 50 per cent. of the increased cost, and slightly more if the paper component of the job is in excess of 50 per cent. Our industry is therefore contributing to keeping prices still and accepting lower profit ratios in the interest of the Country.

Let us hope that people realise that it is in their own interest that these steps have been taken. With inflation galloping ahead no one was really benefiting, and many particularly the lower paid and those on fixed pensions were distinctly worse off. At the rate in which we were "progressing" we should have emulated one of the South American countries.

Let us hope that when we usher in 1974, we shall be able to look back and say that we have conquered the curse of inflation. Then we can once again hold up our heads and know that we ALL have contributed to winning this battle.

page one

Water, Water Everywhere . . .

A year ago last September the Board decided to instal a Sprinkler system throughout the factory and warehouse, following the gigantic increases in the cost of insurance throughout the paper industry. In spite of the fact that our modern buildings are as fireproof as it is possible to make them, we were saddled with the same increase as our competitors who occupy old wooden floored buildings many storeys high, such as those we vacated when we left the City many years ago.

After calling for estimates, we decided on a package deal with an estimated completion of six months. That all sounded delightful, but was only the start. We insisted on the water being obtained from the river Cray, which flows alongside the works and the permission of the river board had to be obtained. This was surprisingly the easy part and once plans were available permission was quickly given for an intake of 1,000 gallons per minute in times of emergency.

Then the fun began. Contractors arrived to build enormous power houses, sink a jackwell and break the river bank. When this was half built, it was discovered that they had not obtained planning permission from the council, but after a slight altercation this was remedied satisfactorily.

Next two huge generators were installed, each twice the size of a London Omnibus engine, meanwhile the installation of the piping continued in the roofing of the factory and warehouse.

Almost a year to the day, the first tests took place, whereupon water spouted out everywhere except where it was intended! More alterations followed, men came and went and the great day for the official opening arrived. Representatives arrived from the Insurance company, the insurance Brokers, the Sprinkler company, the generator makers, the electricians and Uncle Tom Cobleigh and all. Unfortunately nothing worked as it was intended, so it was back to the drawing board.

Again this last month, a further hand-over was intended with nearly as many notabilities present, but very shortly it was thumbs down again, embellished by a furious altercation between the Insurance Brokers and the Sprinkler Company.

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KENTISH WHITE BOARDS

TWIN-WIRE—MILL CONDITIONED

NEW STANDARD

		Under 6,000	6,000	12,000
Royal 521 × 635 mm				
2 sht.	200 microns	£1.13	1.09	1.04
3 sht.	230 ..	1.24	1.20	1.15
4 sht.	280 ..	1.52	1.47	1.40
Postal 572 × 724 mm				
2 sht.	200 microns	1.42	1.37	1.31
3 sht.	230 ..	1.55	1.49	1.43
4 sht.	280 ..	1.90	1.84	1.76
SRA1. 640 × 900 mm				
2 sht.	200 microns	1.98	1.90	1.83
3 sht.	230 ..	2.16	2.08	1.99
4 sht.	280 ..	2.61	2.51	2.41

all per 100 + V.A.T.

Packed in bundles of 200, which cannot be broken.

We have never advertised this board before as demand exceeded supply. We are now able to offer virtually unlimited supplies, and large stocks are maintained in Crayford and Leeds.

Tanners for Boards

Right in the middle of this chaos, the hot water in the office block ran dry for a day, and it was discovered that the contractors had drawn off a water supply from the main tank for the priming tank for the generator, which should use a pint or two a day, but due to the many leaks in the system the main tank had been run dry!

Now as we go to press, the leaks appear to be sealed and we now await the final hand over, eighteen months after the start.

Those of you contemplating an installation are hereby warned, though we hope it is all worthwhile in the end!

We have refrained from naming the company concerned, though it is one of the leading companies in the business.

When we moved from London to Crayford twelve years ago we changed over to contract transport. In charge of the drivers was a character by the name of Ted Atkins.

In spite of indifferent health Ted has continued as our head driver. Behind a rough exterior was a hard working, hard swearing, straight as a die character and he endeared himself to us all and in particular to a great many of our customers.

At the end of March Ted retired after a hard life extending to nigh on 70 years. We understand that he cannot give up altogether, and he will continue in a part time job maintaining our vehicles at the contractors garage.

We wish Ted good luck and a more restful existence than that of delivering our products in London.

The 'Poor' Paper Trade

Slowly but surely the paper industry is emerging from the doldrums in which it has existed over the last two years. Demand has increased sufficiently to enable most mills to fill up their order books several weeks ahead, and in some cases too far ahead, so delivery is not always when you want it.

It is always impossible to quantify the increases, although the Board of Trade produces various statistics, albeit somewhat belatedly, showing by grades the different alterations on the previous period of 1971. However the totals are always distorted by violent swings in such categories as newsprint, kraft, wrappings and Industrial papers. On the whole our guess is that for printing and writing which is the market largely interesting our company and our customers the tonnage increase is in the neighbourhood of 5 per cent., which although sounding small is sufficient to take up the slack of most mills.

The paper mills are of course seriously worried as to the profitability of their process. Due to the increase in pulp prices and the floating of the pound, many put up their prices at the beginning of Autumn, and have now only been authorised to compensate for this increase by 7 per cent. less what they increased prices in September last. This has resulted in a grand increase of £6 to £8 per tonne, and all the other overhead increases with which they have been faced during the last twelve months have to be absorbed. The increased demand therefore has come at a psychological moment to enable them to carry the increases but the margin is dangerously thin, and not nearly sufficient to enable them to re-equip and modernise.

The recent Inter Company Comparisons in its report on February, 1973 is extremely morbid and describe the paper and board results as "utterly uneconomic".

The report gives detailed financial statistics for 30 of the leading companies involved. It shows that the industry's average return on sales more than halved over a three year period coming down to 2.6 per cent. in 1971/72.

"Even given the downturn in the economy, when one would expect an indifferent performance from the paper industry, the figures revealed are not much short of disastrous", the company observed.

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**LEEDS
PERSONALITIES**

Trevor Wright has been with the Company six years, firstly in the office, and latterly as representative in the south area as far as Nottingham.



Bill Pearson joined the Company in 1967 and represents us in Durham, the East Riding and Lincolnshire.

CROXLEY TRANSCRIPT

Have you tried it yet?

We hold good stocks of R.A.2. at Crayford and Leeds.

RA1 and B1 in paper and SRA1 in boards are in most cases readily available from mill.

Tanners for paper

The Merchants and Printers will in their turn have to absorb the extra costs, as they are only permitted to recoup part of the increases. The recurring problem of long credit will therefore come under close scrutiny. It is no longer profitable with the high cost of borrowing, together with V.A.T. to allow extended credit, and those companies who make a habit of taking extensive credit, will find that their sources of supply will rapidly dry up, and no one will want their orders.

Now let us look to the future. It will take a brave man or a fool to forecast very far into the unknown. With the possibility of strikes, go slows, tightening up of the money market, international money crises, floating of currencies, devaluations, you name it and we are going to experience it.

In spite of all this, the image of paper and board is once again a universal growth market, and we should observe a continuing increase in demand.

GROWING UP

By our tame staff poet.

The Didums Darling—Goo Goo days
And Baby talk are past
The little lady's five years old
Developing quite fast
In growing up—it's rarely now
She sits on mummy's lap
She's started dancing classes
Acrobatic—Ballet—Tap.

Schoolgirlishly she giggles
It's impossible to stop her
In love with Donny Osmond now
Delightful—Weeny Bopper
As teenager—she lives her life
In one mad frantic rush
Yet if a boy should speak to her
My goodness—See her Blush.

page eight

Romantically she falls in love
Around the age of twenty
She's found the man she really wants
Just Boyfriends—she'd had plenty
She drags him round the jewellers shops
He finds it all a bore
As secretly she starts to buy
Things for her bottom drawer.

In wedding dress—comes down the aisle
Her father by her side
This is the day it's all been for
To be—A gorgeous Bride
But soon there's only photographs
To remind her of that day
Or that awful Vase—a present from
Her dear old Auntie May.

At twenty nine her birthdays stop
No more advancing years
Those laughter lines and crowsfeet
Washed away—by secret tears
Whilst Man gets fat and balding
Without cosmetic aid
The female of the species
Does not let her radiance fade

Supported by her uplift
To emphasise her sex
Slim waisted by restriction
Controlled by two way stretch.
Foundation Creams—Eye shadow
A touch of Chanel Five
An Auburn Tint put in her hair
Conditioned—to revive.

In later life it's natural
In her mirror it reflects
A waistline that has thickened
She's become size W.X.
Surrounded by young children
As they search each nook and cranny
For the presents she has brought them
This GIRL—They now call GRANNY.

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Welcome V.A.T. ?

At long last the doubts about V.A.T. are settled. Whatever the feelings about whether it should have been $7\frac{1}{2}$ per cent. rather than 10 per cent., we feel sure that the latter is the only one which will work. The confusion inevitable in the small retail shops attempting to add $7\frac{1}{2}$ per cent. to every sale would have been catastrophic. Surely everyone will be able to cope with 10 per cent., and now that we have all mastered decimal currency it is easier than ever.

Another great benefit which is not given to our friends in the EEC, is the single rate of 10 per cent. if one ignores the zero rating. So far, therefore, we must be grateful.

As a trade we surely must be overjoyed. Agreed that most of the products will be subject to V.A.T., but all the items which were subject to 25 per cent. are reduced, and what about the bespoke printed rate which was 25 per cent. of 90 per cent. of the value? Consider also the hundreds of anomalies with which our trade was riddled, and were the despair of even the experts of Customs and Excise. These are all to disappear, and an undisputed flat rate is to take its place.

No more purchase tax numbers; no more purchase tax letters; no more crediting of tax charged because the customer forgot to say it was to be put against his tax number. The man hours saved will be considerable and for all this we must be cheered, and thankful for *small mercies*.

Envelopes and Pockets

The demand for our envelopes and pockets continues unabated, and the stock position has not improved as much as we would like.

Now we must look into our crystal ball to see what will result from the changeover to V.A.T. The remission of purchase tax on large pockets completely altered the proportion of sales in various sizes. For instance the smaller sizes of pockets were no longer popular since they were subject to tax, and the customers changed from 9 x 6 (229 x 152 mm.) and C5 9 x $6\frac{3}{4}$ (229 x 162 mm.) to $9\frac{1}{2}$ x $6\frac{1}{2}$ (241 x 165 mm.), the sales of which have continued to rise phenomenally.

The burning question is will the customers return to the small sizes, now that all are taxed at the standard 10 per cent. Our guess is that there may be a slight return to the smaller

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page ten

And now unaltered in price

SUPERTUFF MANILLA POCKETS

Lighter in substance, yet stronger than ever—Double gummed flaps for easier sealing—Virtually untearable.

mm.	ins.	100,000	50,000	25,000	10,000
381 x 152	15 x 6	8.10	8.13	8.16	8.19
270 x 216	$10\frac{5}{8}$ x $8\frac{1}{2}$	8.05	8.08	8.11	8.14
305 x 254	12 x 10	9.90	9.93	9.96	9.99
324 x 229	$12\frac{3}{4}$ x 9	9.48	9.51	9.54	9.57
331 x 279	13 x 11	12.30	12.33	12.36	12.39
356 x 229	14 x 9	10.98	11.01	11.04	11.07
381 x 254	15 x 10	12.02	12.05	12.08	12.11
406 x 305	16 x 12	16.18	16.21	16.24	16.27

£ per 1,000. For quantities below 10,000 add £0.05 per 1,000.

All plus V.A.T.

sizes, but most people tend to continue with what they are using. Another aspect is the saving in man-hours. It costs more than a little to fold letters and inserts to go into a smaller pocket, against a probability of inserting flat into a large pocket. Not only is money saved, but the shortage of office labour is still acute, and therefore it is more than a possibility that we shall enjoy a *status quo*.

Perhaps we may be proved wrong, but only time will tell.

Prices

Once again we have witnessed an increase in prices, although on this occasion they are very small. It is well nigh impossible to keep up to date printed price lists available, but our representatives and inside staff are able to supply you with the latest prices if you contact them.

The prices of envelopes and pockets are as yet unaffected. Adjustments are badly needed especially with the cheapest grades, but the matter is in the hands of the D.T.I. and we must await their decisions.

TIME IS MONEY

USE OUR TELEX

TANNER CRAYFORD 896048

TANNER LEEDS 557201

It is cheaper and quicker

Tanners keep up with the times