



HIGHLIGHT



The House Magazine of
R. T. TANNER & CO. LTD.

WHEATSHEAF WORKS,
CRAYFORD, DARTFORD, Crayford (CY) 26255
DA1 4BQ

Telex: TANNER CRAYFORD 896048

Leeds Office and Warehouse
CORNER HOUSE,
WHITEHALL ROAD, (0532) 30805
LEEDS LS12 1AQ

Telex: TANNER LEEDS 557201

NEW SERIES NO. 86

JULY 1973

The text of this Journal is printed on NIMROD ART
118 gm² and the cover on PEERLESS CAST COATED
board 290 gm²

Tanner's Quarterly Trade Journal

It is somewhat difficult to trace the genesis of the Trade Circular. Some so-called authorities affirm that it is of American extraction, whilst others hold that it is a natural evolution of the monthly Price List. Be this as it may, we have come to the conclusion that it provides an excellent means of communication between buyer and seller and must of necessity bring one into closer relationship with the other. Our aim will be to keep our wide circle of customers, both at home and abroad, in close touch with our movements. With this end in view we shall bring the notice of our new goods and special lines before them in portable doses, if we may so use the term, a system which, as competition increases, becomes a more and more important office. An endeavour will also be made to give in each issue a few practical notes; the articles will have a certain aim, and it is hoped will have a certain coherence which may make them acceptable to the clan of readers for whom they are primarily intended.

Was this written in June, 1973? In fact it was originally written for February, 1906 in Tanners' Trade Circular and is reprinted word for word. We think that what was written in 1906 holds good today, and this gives us confidence to continue to publish our journal.

On 27th June, the Mayor of Bexley accompanied by two councillors, the Borough Architect and Surveyor, the Borough Education Officer and the Mayor's Secretary paid an official visit to R. T. Tanner & Co. Ltd. The Mayor met every member of our office and works, and afterwards the party lunched with the directors of the Company.

page one

In our opinion . . .

Every day and everywhere we hear of boom, boom and more boom, and nowhere more so than in the paper trade. This of course has been apparent for a long time and we have consistently written in our last few journals that the paper mills were gradually getting busier, but even we have been taken aback at the speed at which this situation has developed.

We have always maintained that the difference between a buyer and a seller market in the paper trade has always been a matter of a small percentage, probably no more than 5 per cent. Demand has however increased far more than this, and hence we have jumped straight into a position of scarcity. Deliveries have shot out to 8, 12 and even 16 weeks, but again this is a common phenomenon in our trade on a rising market. So much of the large tonnage orders are for regular or contract usage that as soon as mills start to fill their order books beyond 4 weeks, printers, merchants and above all converters have to cover themselves ahead, thereby aggravating the situation and extending delivery dates even further, whereupon yet further covering has to be adopted. How often in the past have we seen that many of these covering orders are not worth the paper they are written on, and as soon as there is the slightest sign of delivery times shortening, the whole edifice crumbles and orders are cancelled even quicker than they were originally written.

The situation can only really be gauged by actual consumption and these statistics are very slow in being collected and even then are not wholly reliable, due to the difficulty in obtaining accurate stock figures of materials in the pipeline, either with the merchants, printer or user.

However there are at present many factors affecting the present situation, not all of which have been apparent in previous similar positions. To start with we all know that the paper industry is cyclical and with the pulp industry even more so. The two are seldom in step and then not for any length of time and yet in order to get stability it is very necessary that they should be.

(continued on page four)

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CROXLEY TRANSCRIPT

The sale graph of this paper has gone off the top of the page.

There must be a reason why?

We stock the whole range in RA2, and there is no increase in price.

Tanners for Transcript

For several years pulp has been in surplus whilst the paper making side has been virtually stagnant. Prices have been depressed in an endeavour to obtain whatever business was available, with the result that no paper mills were making an adequate return on capital employed. Many mills in this country closed down as a result, and they were not only small mills. The resulting shortage of output has during the last two or three years been made up with steadily increased imports mainly from Scandinavia.

Meantime the pulp mills were marking time waiting for demand to catch up with their production. The demand for pulp has however caught them somewhat unawares, and the boom demand is world-wide, hence the outstanding turn around from surplus to shortage.

It takes several years and many millions of pounds to start a new pulp mill, and not much will be done in this direction until it is seen that the demand is here to stay.

This country is affected more than most because our demand has escalated faster than others, our home production has dropped due to mill closures, and recently the Scandinavians have found the European market more remunerative than ours and are tending to divert their exports away from Great Britain.

The change-over of marketing was hastened by the floating of the £, which dropped approximately 10 per cent. on the foreign exchange markets, but lately has shown considerable improvement and may well return to its *status quo* before long.

At the present time the United States has found itself short of pulp supplies to meet the exceptionally heavy demand for paper and is now importing all the pulp she can get from Scandinavia, and as usual price is less material than it is here, so again the shortage is aggravated.

What is going to be the effect? Paper is going to be in short supply, not to the extent of being rationed, but more by length of delivery than anything else. The wise person is therefore going to have to accept alternative qualities, and in many cases this should not matter. Perhaps for too long we have got used to demanding certain grades of paper and turning our noses up at alternatives which are almost identical.

Converters may well find that unofficial rationing is taking place. M. G. Manillas in particular are already proving difficult to obtain, as several of the smaller mills have closed or changed over to alternative paper. For far too long this type of material has been underpriced and we are now going to pay for it in more ways than one. There has been no capital investment in M. G. Machines for many years, only curtailment in production. The Country must realise that if it wants investment to increase production to equal the demand then it must be prepared to pay an economic price and thus allow the manufacturer to finance investment. At a time of freeze this is going to prove difficult, but the present price increases are the subject of a separate article, and here we are only concerned with the adequacies of supply.

Certainly for the remainder of this year we can only see a growing shortage of the most popular brands, but not a serious shortage if alternative qualities are acceptable. The future for 1974 is too uncertain to foresee. So much depends not only on the unprecedented growth continuing in this country, but on whether the EEC market will also step up the growth. The American market is also an unknown quantity, and there are signs that the over-heating there may have to be reduced.

Truly it is a difficult world in which we live!

Leeds staff

In the last issue of our Journal we published the photographs of our Leeds representatives Bill Pearson and Trevor Wright. Several customers commented on the fact that they looked so youthful.

Agreed the photographs were reproduced from those printed a few years ago, but our only comment is that you must be responsible for ageing them prematurely with all the cares and worries which a representative carries on your behalf!

Next time we publish them, we will see that they are up to date photographs, and you can judge for yourselves.



Ted Atkins

Following the report in our last issue of the retirement of our driver, Ted Atkins, a pleasing ceremony took place on 14th May, 1973 at the office of our transport contractors L. V. Mays Transport.

Our Managing Director, Derek Tanner and our Sales Distribution Manager, Bob Kent, together with the staff of L. V. Mays attended a cocktail party at which a presentation of a television set was made to Ted Atkins.

We are pleased to publish a photograph on the facing page of Ted Atkins and Bob Kent.

Statistics

Imports of paper and board for the first four months of this year cost about £106 million compared with £88 million in the comparable period of last year. These imports accounted for just under 42 per cent. of total paper and board consumption in Britain, which although marginally less than the proportion last year will no doubt increase rapidly now that the British Mills are working to capacity. The proportion of printings and writings already showed a 2 per cent. increase on 1972 figures.

Exports were up £5 million on the corresponding period and totalled £27 million.

The demand for paper and board was about 11 per cent. up by the end of April on the equivalent period of last year, and shows little sign of diminishing.

Paper Prices

We are going to have to pay in a big way for our paper, board and envelopes. Due to the phenomenal increase in pulp prices, the floating down of the £, and the extraordinary demand, the D.T.I. have had to agree to a very sharp increase in permitted prices. The paper mills, out of all manufacturing industries, have had no fat upon which to live even temporarily. They have only been saved from extinction during the past few months by raising their production to the limit.

From the beginning of July prices are being sharply increased, 10 to 15 per cent. being the average, and each grade being treated individually. The greatest increases are in cut sizes as these have never been realistically priced.

These prices should hold good until the end of the year when they will be reviewed again.

We are busily engaged in producing new price lists which will be issued just as fast as possible, but as we write this article only a few new prices have been received from the mills.

At the same time we are busy rationalising our stocks. The days when a merchant stocked virtually a bit of everything are past. Many of these lines were slow moving and frequently some colours were dead, so we have decided to keep less variety, but stick to certain proven grades and stock these in depth.

The international sizes have at last taken on and most of the old imperial sizes are now out. It has been a painful time stocking both the old and new, but now we can concentrate on the I.S.O. sizes to the eventual exhaustion of the old.

Pending the receipt of our new price lists, our representatives and staff will be pleased to tell you the latest prices on request.

NIMROD ART

If you want to save money on coated papers try
NIMROD ART.

Stocked in SRA1 and SRA2 in 100, 118 and
140 gm².

It is much cheaper.

Tanners for Paper

A. D. P. Tanner

Our Managing Director has recently been honoured by two appointments.

On the 17th May, The Secretary of State for Employment appointed him to the Industrial Training Board for the Paper and Paper Products Industry Training Board. He has been a member of the Industrial Advisory Training Board for some years and will continue also to serve on this Board.

On 11th June, he was elected to the Office of President of the British Stationery and Office Products Federation. This Federation came into being in 1972 being formed out of the British Stationery and Office Equipment Association and is the mouthpiece of the retail, wholesale and manufacturing stationers. To this Federation the following associations are affiliated:—

Artificial Flower Trade, British Pencil Manufacturers, Diary Publishers, Envelope Makers and Manufacturing Stationers, Greeting Card & Calendars, Greeting Card Distributors' Group, Letter File, National Association of Engravers and Die Stampers, Postcards, Ribbon Stamp Manufacturers' Guild, Writing Instrument Manufacturers.

Mr. Derek Tanner, who is a past president and now treasurer of the Envelope Makers and Manufacturing Stationers Association, is the first President of the Federation to be elected from one of the affiliated Associations.

NAPM Results—Leeds Office

Part 1 — Pass — Jeremy Akeroyd

Part 2 — Credit — Mike Booth

We offer our congratulations.

Envelopes and Pockets

Following upon the considerable rise in raw material prices, together with the recent wages increase, the prices of our envelopes and pockets will be substantially increased as from 30th July.

New price lists will be issued as soon as possible.

Have a Scotch !

During the absence of our Managing Director, who was in Scotland for his election to the Office of President of the British Stationery and Office Products Federation, on the occasion of his birthday the following telex was sent by the directors:—

GLENOTEL AARDER

A D P TANNER ESQ
GLENEAGLES HOTEL
PERTHSHIRE

HERE'S TAE YE ON REACHING SAE MUCKLE
AN AGE. YE CAN FORK OOT LATER FOR A'
THE WEE DRAMS WERE HAVING THE DAY.
LANG MAY YER LUM REEK.

MC.P MC.F MC.H AND MC.T VIA MC.DWA

With the aid of some local translation experts the reply sent was as follows:—

TANNER CRAYFORD
GLENOTEL
AARDER

OCH NO. AH'M NO THAT AULD. AS FOR FORKIN
OOT LATER AH'VE CHARGED IT TAE MA SO-
CALLED FREENDS. AS A MATTER O' INTEREST
MA LUM NEEDS SWEEPIN.

MCFEARLESS DEREK

For the benefit of the Sassenachs, LUM means
CHIMNEY.

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TIME IS MONEY

USE OUR TELEX

TANNER CRAYFORD 896048

TANNER LEEDS 557201

It is cheaper and quicker

Tanners keep up with the times