



**HIGHLIGHT**



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

WHEATSHEAF WORKS,  
CRAYFORD, DARTFORD, Crayford (29) 26255  
DA1 4BQ

*Telex:* TANNER CRAYFORD 896048

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

*Telex:* TANNER LEEDS 557201

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# Tanner's Quarterly Trade Journal

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"I told you so". How many times will we hear this remark from the elderly wise old statesmen such as ourselves, now that the paper supply production has turned full circle?

Throughout 1974 we forecast in our Journal that towards the end of last year the demand for paper would recede and that supply would again become plentiful. The amount of plenty only being governed by the general trading position throughout the world. Unfortunately the world recession seems to be biting rather deeper than expected, powered by the huge oil deficits facing all industrialised nations. Until the leading nations overcome this problem, as overcome it they must, there is certain to be a slowing down in world trade and ever growing unemployment.

We are no economists and therefore do not propose to discuss ways and means of overcoming these difficulties even if we knew the answers, which we do not. All we would state is the obvious fact that unemployment is a canker which feeds on itself at a certain level, and once it gets rolling it tends to increase rapidly. One has only to look at the United States, Germany and Japan to see the effect in the leading industrialised countries, and it is now showing in this country.

It is apparent that urgent steps must be taken to get industry moving again, and in order to do this, most forms of taxation should be reduced. Reducing taxation does not cause inflation, but increasing certainly does. Increased taxation results in increased cost of living and very naturally increased demands for higher wages and salaries.

Another point overlooked by the Politicians is lack of confidence. Under our democratic system of Government legislation is debated and bandied around for many months before it becomes law. We have at present a glorious array of such acts, the Wealth tax, the Employment Protection Act, the Price code and the Capital Transfer Tax. All these are attempting to stultify business

in one form or another. Is it small wonder therefore that business is merely standing still and waiting? Frankly it is so punch-drunk with the various anticipated rules and regulations together with confiscatory penal taxes that no one in their senses would dream of expanding or starting new production lines or even replacing worn out plant. It no longer pays to be successful, so why bother? It is doubtful if it is generally realised that under the Capital Transfer Act in its present form it will be impossible to hand over a shop, private Company or partnership from a father to his son or daughter other than by paying penal taxation of a size no normal Company or person could afford. This is so even if the son or daughter is already employed in the Company and who has therefore contributed to make it successful.

This is the sort of stupidity which is causing uncertainty in business circles, at the very time the Government should be risking its neck and its money to revitalise British industry.

We say to the Government, get on with the international monetary problems caused by the oil crisis, and try and improve trading conditions throughout the world, and stop messing about with industry and commerce in this country.

We have rather strayed away from our original subject, namely the situation confronting the paper industry, but it is one so clearly tied up with general trade that we must study this before looking ahead at the position of our trade.

It is apparent that for several months paper will be in plentiful supply, so much so that many machines will have to close down for some periods. In times of shortage a great number of orders are duplicated in several directions in order to ensure some supplies. As soon as supplies become easier many of these duplicated orders are cancelled and mill order books previously solid for months ahead disintegrate.

It is quite remarkable that those mills who put their customers on quotas, at the beginning of 1974, based on previous years' usage, do not appear to be so seriously affected. They do not seem to be nearly so short of orders as the mills who took any orders from any source and whose delivery therefore became measured in months rather than weeks. Surely there is a lesson to be learned by many mills in that in times of shortage, supplies should be rationed out to regular customers according to previous usage.

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Now that many mills have discontinued stocks of  
10 × 8 and 13 × 8  
we offer our well known

## **EXETER BOND**

70 gm<sup>2</sup>

boxed in reams and cartoned in 5,000s

## **EXETER DUPLICATOR**

70 gm<sup>2</sup>

boxed in reams and cartoned in 4,000s

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Both stocked in 203 × 254mm  
and 203 × 330mm

*Adequate stocks always available*

*at competitive prices*

*Tanners for Paper*

Now we should look at the longer term, and here the outlook is somewhat cloudy. Paper could become scarce again possibly by the Autumn. The actual timing is so dependant on the world business outlook. The shortage of pulp will again dominate the position, as although supplies are adequate at present, there are few new supplies coming on stream and shortages will occur again. Of this we are certain, the only uncertainty is when.

## Waste not, Want not

It is somewhat of a tragedy when after much effort and exhortation the successful collection of waste paper has become an embarrassment.

The market has of course turned sour with the downturn of paper production and the complete collapse of the export potential, but for how long? The mills are unable to stockpile any further excess, simply due to lack of cash, yet before many months are up, they will be clamouring for more. They are doing their best to encourage the Government to fund temporarily this glut, and it seems a small amount to ask from a Government which is spending huge sums on propping up companies, whose future potential is doubtful. Some £5 million is the figure suggested, but whilst the Government is making gentle noises of approbation, nothing appears to be done.

Surely they must realise that any such wise housekeeping now, will save many times this amount on pulp imports when the market turns upwards again.

## Envelopes and Pockets

Although supplies of paper have again become plentiful, if perhaps only for a limited period, envelopes and pockets still remain in short supply.

The demand although not quite on a level experienced prior to Christmas continues healthy, and there is the heavy backlog of orders still to be worked off. Transparent window envelopes and pockets still remain in short supply merely owing to demand exceeding supply even though our output is being stepped up.

What will happen when the new postage rates come into operation remains to be seen. The Post Office anticipate a reduction of some 8% to start with, and generally allow 12 to 18 months to bring this back to normal again. Our crystal ball though somewhat cloudy by now shows this to be rather wishful thinking, and we envisage a much heavier reduction.

Although we as envelope makers should not attempt to show you how to economise, we must only tell you that our invoices will in future be collated and posted once a week.

The only consolation, if you can call it such, to us in the paper trade is that telephone charges are also being heavily increased, so that after a telex message, the cheapest form of communication will still remain a letter.

It is estimated that the charges for business telephones will increase by 41%, so that the over 50% increase in postal charges, does not look quite so catastrophic as at first envisaged, or does it?

Psychologically the telephone wins. You pick up a 'phone and dial a number and possibly wait three months for a bill, whereas you buy your stamps in advance and actually see the high cost of posting at the moment of action.



## Derek Tanner

President of the British Stationery and Office Products Federation, speaking at the Statindex dinner on 20th January 1975, in which according to the Stationery Trade Review "he delivered another blistering attack on the Post Office". On the left is Lord Thornycroft, the chief guest at the dinner.

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Recently our Managing Director, A. Derek Tanner, has been campaigning vigorously against the proposed new postal charges. At the Statindex Dinner held on the 20th January, he, as President of the British Stationery and Office Products Federation, in his speech in reply to Lord Thornycroft's toast to Statindex, rounded upon the guests, Lord Peddie, M.B.E., J.P., the Chairman of the Post Office Users National Council, Mr. Currall, Managing Director of Post, and Mr. White, Marketing Director to the Post Office.

He pointed out that the Post Office appeared only to consider raising prices as a means of balancing their books, rather than to look to their costs and wastage. He cited many instances of these, and finished off by asking if the Government had raised their contributions in the same proportion as the proposed postal increases, for the services which the Post Office carry out for them, such as the payment of pensions and the issuing of the many varieties of licences.

In certain quarters it was felt that the federation President had spoken out too harshly and critically before the Post Office guests, but those who know Derek Tanner are aware that he does not often speak out unless he is fully conversant with the facts and then only in front of the victims concerned.

It is now apparent that his remarks have carried some weight, as although the Post Office Users National Council have approved most of the proposed increases, they have added a strong plea to Mr. Benn, Industry Secretary, to authorise an official inquiry into the running and efficiency of the Post Office. Lord Peddie plans to outline the Council's suggestions for the inquiry, together with potential areas where efficiency might be improved. He also wants

outside consultants brought in to help with any investigations.

With a rise over the last seven years of 340% on postal charges, and even more on overseas mail, against a cost of living increase of 80%, coupled with a much reduced standard of delivery, we feel that there is ample scope for investigation.

The only comment our MD makes is: "If you don't shout these days, you don't get heard, and it's a pity more people don't shout".

## Credit

We have recently received many letters from our suppliers re-affirming their credit philosophy and their determination not to return to the chaotic conditions of extended credit which were permitted a few years ago. We quote from a recent letter from a leading mill. "Companies who take credit beyond normal trading terms of 30 days are, in effect, being subsidised by those companies who honour their obligations by adhering to the terms of trade agreed. Most of our customers comply fully with our standard terms of trading, and we request their continued co-operation in ensuring that our credit terms are STRICTLY complied with. The few companies who do not respect our request, and fail to settle their accounts within the stipulated credit period, will not be supplied with any further goods until the WHOLE of the balance of their account has been met. This would mean, in effect, that the normal 30 days' credit period no longer applied.

"We know that our views are shared by all responsible and well managed merchant companies. If our policy does result in the loss of a few accounts, we shall accept that this is the price we require to pay to keep faith with our main body of support, i.e. those merchant companies who will still be thriving in the 1980s".

We in our turn are not Bankers, and cannot be expected to give extended credit. If you turn to your Bankers for cash, you will pay substantially for this service, and you therefore cannot expect your merchant to carry out the same facility for no recompense, and in any case we are not licensed money lenders.

We are therefore continuing to insist that our customers continue to adhere to our terms of 30 days, with a few days' allowance for cheque signing, post delays, etc. We are grateful to the vast majority of our customers who comply with these terms, but we shall continue to exert pressure on the few who take advantage of our previous kindness.

In future therefore you have been warned.

## Look ahead Paper Mills

It will be interesting to know whether the present recession in the paper trade will finally teach the paper mills a salutary lesson.

Throughout the boom, mills in many cases discontinued several of their standard lines and certainly most of the thinner substances. The price structure was of course largely to blame for the latter as 45 GM2 paper never was adequately priced, and having started on the wrong platform it was impossible under the prices code to raise these immediately to a profitable level. The result was that British Bank became almost unobtainable, and pulp in short supply was put in 70 and 85 GM2 paper, thereby using much greater quantity but giving fair return to the maker.

We do not cross swords with the mills who stopped making short runs of special grades of paper, or insisted on minimum makings of several tonnes, but we disagree entirely with mills who arbitrarily ceased to make grades of paper which they had previously enjoyed making. It is interesting to note that these mills are now those with the shortest order books, and who are only too keen to welcome back the orders and contracts which they threw out with the bath water.

We would suggest that mills pay far more attention to their sales directors or managers in future. These people know the market, and further know the future potential, so those mills who have to face the cyclical consumption which is common to our trade should cease to be guided entirely by production or finance. It is pleasant for our mills to make quick profits, and no one deserves it more than they do after many years of small profits, but there is always a future and the salesman's view should always receive equal influence with production and finance.

# SPECIAL OFFER

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We have in stock a few discontinued lines and overmakes, which we are offering at really competitive prices, subject to intermediate sale. Minimum orders £20.

417,000s

Tanners Salmon Copier Bond A4     £1.90 per 1,000

307,000s

G. White Wove 430 × 570mm 61gm<sup>2</sup>     £4.50 per 1,000

199,000s

C. Yellow Bond A4 61gm<sup>2</sup>     £1.65 per 1,000

53,600

J. White Boards Royal 3 sht     £2.10 per 100  
+ V.A.T.

ALL IN PERFECT CONDITION

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REPRESENTATIVE EXAMPLES ENCLOSED

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FULL SAMPLES ON REQUEST

## Believe it or not

In the issue No. 91 of our Journal, published in October 1974, we reproduced the story of the firm in America who was selling a 'Nothing Book' of 200 blank pages.

We have now received the follow-up to the story: — "That old nasty feeling that all rationality has been suspended is creeping up again. The 'Nothing Book', £1.20 anthology of 200 blank pages, has sold so well that its publishers, not believing their luck, have been encouraged to bring out a £2.00 de luxe edition, which is doing 'fantastic'".

We understand the film rights are still available.

## Senior Citizens

Many of our readers may be interested to know about some of our senior citizen pensioners, all of whom worked for the Company throughout their working life.

Hugh Pearsall, the doyen of the select few is a spritely 88 years, and has recently undergone a severe operation, from which he has rapidly recovered. He and his wife live in Guernsey and they are in good form.

Bill Martin from the printing department, is still in good fettle, and the last we heard of him, was that he was the leading man in the Senior Citizens concert party!

Miss Tullett, Millie to everyone at Crayford, we have not heard much from, but no doubt after working 50 years for the Company, she may have wanted to get away from it all!

Eric Dennison, who was factory manager, has now enjoyed many years of retirement, and has been over to see us on several occasions. We heard lately that he is in good health and able to enjoy his pint!

# PURLEIGH BOARDS

*For many years we have sold hundreds of tonnes of these boards, mainly as a display paste board, for letterpress, litho and silk screen printing.*

*The mill have now improved this board by coating both sides, which has vastly increased its printing characteristics and it is now unique in its field.*

*Its main advantages are:—*

*Twinsidedness*

*Printability*

*Folding properties*

*Dimensional stability*

*Flatness*

*Ink holdout*

*Good lacquering properties*

*Flexibility of end use*

*Samples will gladly be sent on request.*

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# PURLEIGH BOARDS

*Royal 51 × 63.5 cms.*

		<i>under 1500</i>	<b>1500</b>	<b>3000</b>	<b>6000</b>
270 GM2	340 Microns	4.38	4.11	3.84	3.56
400 GM2	550 „	6.45	6.05	5.64	5.24
460 GM2	650 „	6.93	6.47	6.01	5.54
510 GM2	740 „	7.68	7.17	6.66	6.14

*SRAI 64 × 90 cms.*

270 GM2	340 Microns	7.86	7.37	6.87	6.38
400 GM2	550 „	10.69	9.98	9.27	8.56
460 GM2	650 „	12.33	11.51	10.69	9.86
510 GM2	740 „	13.67	12.75	11.84	10.93

all £ per 100 + V.A.T.

*Tanners for Boards*