

would protect them and frequently prevent later on a violation being filed for such allowances.

It is suggested that a uniform procedure be followed by all companies in this instance, whereby when such deductions are taken, a letter be sent coincident with the receipt of payment, calling attention to the disallowance and reinstatement of such amount to the account of the customer, and should accruals of these deductions taken be allowed to be carried beyond the filed terms, it would then become a violation and is subject to the summary action of the Regional Board.

CONSUMER COUPONS

There has been some apparent misunderstanding as to the interpretation and ruling of the Code Authority on the question of consumer coupons. A company is permitted to issue to consumers coupons redeemable in cash on the purchase of a pound of the issuing company's coffee, provided that the practice does not constitute or result in selling below cost or in destructive price cutting.

In order to determine such result a company is not permitted to average the cost of coupons redeemed over its entire volume of the brand or brands involved. Instead the following tests must be used:

1—Deducting the face value of the coupon from the wholesale selling price of the coffee, does the result constitute destructive price cutting?

2—Assuming that a coupon were issued for every pound sold, and assuming that the wholesale selling price be below cost? redeemed would the wholesale selling price be below cost?

If the answer in either case is yes, then the issuance of the coupon constitutes a violation of the Code.

In actual practice this ruling means that in most cases the face value of coupons issued cannot lawfully exceed one or two cents per pound.

GOVERNMENT OR CHARITABLE INSTITUTIONS

The wording which permits a member of the industry to make any terms to "government and other charitable institutions" he may see fit, does not mean that members may sell below cost to any government institution. It means that they may do so, if they desire, only to government charitable institutions.

In determining cost in case of bids on coffees for government institutions, cost must include the replacement basis of the green coffee, cost of roasting, grinding and packing, shrinkage, cost of packing materials, manufacturing overhead and delivery. It need include only such direct selling or administrative costs or overhead as is actually incurred or reasonably applicable.

CODE VIOLATIONS BY SALESMEN

It should be clear to all members of the industry from a careful reading of the code, that any practice engaged in directly by a member of the industry which constitutes a violation of the code is just as much a violation if it is practiced by a salesman either on his own initiative or under orders. This means that the greatest care must be exercised in controlling the actions of salesmen and in preventing practices by them which may result in charges against their company for code violations. Thus for example, it is a violation of the code for any salesman or agent to offer urn bags or other equipment under Section 10 of Article VI, even though he may offer or furnish such material at his own expense.

A member of the industry is fully liable for any code violation by one of his salesmen.

FREE URN CLEANING OR REPAIR

The Coffee Industries Committee has ruled that cleaning of urns free of charge clearly constitutes a violation of Section 10 of Article VI.

MOMBASA COFFEE EXPORTS

Special Correspondence

LONDON, May 1, 1934.—The January, 1934, coffee exports—in hundredweights, with values in shillings—of Kenya, Uganda and Tanganyika origin passing through (Mombasa), according to H. M. Eastern African Dependencies' Trade & Information Office, were: Kenya produce, 17,423 (931,335 sh.); Uganda, 16,113 (611,884 sh.); Tanganyika, 15,407 (595,433 sh.).—MINCING LANE.

Colombia now has 3,153 kilometres of railway and 8,937 kilometres of automobile roads.—I. A. M.

MAY TEA EXAMINATIONS

Special Correspondence

* WASHINGTON, June 7, 1934.—The monthly tea report of the U. S. Department of Agriculture, for May, 1934, has been issued. It shows actual amounts of tea examined and released or rejected during the month.

Variety	Pounds Passed	Pounds Rejected for Quality
Formosa oolong	36	....
India-Formosa-Congou	150	....
Congou	6,451	....
India	1,033,822	776
Ceylon	1,499,526	100
Blended Ceylon and India	18,817	....
Java	546,236	....
Sumatra	388,515	....
Ceylon green	46,000	....
Ping Suey green	6,203	....
Lapseng Souehong	13	....
Japan	214,728	180*
Japan dust	12,300	....
Tabloid	98	....
Miscellaneous Scented	112	....
Scented Canton	37,007	....
Canton oolong	5,566	5,375
Jasmine	2,121	....
Total pounds	3,817,701	6,431
<i>By Districts</i>		
Boston	1,010,617	....
New York	2,413,795	876
Honolulu (April)	22,205	....
Seattle	98,377	....
San Francisco	272,707	5,555
Total pounds	3,817,701	6,431

* Rejected for impurities.

N. W.

SWEDISH COFFEE STATISTICS

Special Correspondence

STOCKHOLM, May 22, 1934.—According to figures released by M. A. Seymer & Co., of this city, Swedish coffee imports, January-April, 1934, were 428,464 bags of 60 kilos each; same months, 1933, 218,410. Deliveries, January-April, 1934, 275,716; 1933, 283,728. Stocks, May 1, 1934, 314,740; 1933, 61,449.—S. C.

JAVA TEA SHIPMENTS

Special Correspondence

BATAVIA, April 26, 1934.—Tea exports from Java, in kilos, as reported by the Thee-Expert-Bureau, were: March, 1934, 4,596,965 kilos; March, 1933, 10,823,604; January-March, 1934, 12,645,243; January-March, 1933, 22,180,340.—A. B.

B. W. I. COFFEE EXPORTS, 1933

Special Correspondence

LONDON, May 15, 1934.—Exports of coffee from the British West Indies in 1933, according to *The West India Committee Circular*, in pounds, according to origin, were: British Guiana, 1,141,130; Dominica, 1,183; Jamaica, 9,824,230; and Trinidad, 339,196.—MINCING LANE.