

1947 2

REPORT ON THE EXPORT TRADE OF ILFORD LIMITED

---

History of Organisation.

Before 1930 the British sensitised material export trade apart from that of Kodak Limited, was principally in the hands of the following firms:-

Ilford Limited  
The Imperial Dry Plate Co. Ltd.  
Wellington & Ward Ltd.  
Apem Limited  
Thos. Illingworth & Co. Ltd.  
The Gem Dry Plate Co. Ltd.

An average of between £300,000 and £400,000 per year would be a fairly correct estimate of their total export trade. The Ilford trade, much of it with Japan, accounted for nearly half this total but, as a result of the Japanese policy of self-sufficiency, the Japanese trade dwindled rapidly after 1932 and practically disappeared after 1935.

The other companies did a modest export trade, mainly with medium-class distributors who were willing to push their brands, because they secured to them the prestige of a minor monopoly and a larger margin of profit than they could obtain by selling similar goods produced by the larger American and Continental factories.

All the firms mentioned above, although operating separately, were, at various periods before 1930, acquired by Ilford Limited. In 1931 a complete amalgamation was brought about. The separate brands were suppressed in favour of "Ilford" and a real attempt was made to create a world market for Ilford goods.

This involved the loss of a number of customers who had been agents for one or other of the companies mentioned above, and the goodwill of the non-Ilford brands had to be sacrificed.

The experiment, at first sight risky, proved a success, and even during the slump there was a steady increase of export trade. An export target of £1,000,000 sterling was fixed and there is little doubt that this figure, which is now being exceeded, would have been reached at a still earlier date if the war had not intervened.

Ilford Limited established subsidiary distributing companies in France, Belgium, Holland, Denmark, Italy and India, and sent Resident Representatives to China (covering the Far East) South Africa and Australia, and supplied them with office accommodation.

#### Export Totals.

Our total exports in 1938 amounted to £508,711, in 1939 to £549,642, and sales extended to every market in the world.

In 1940 as our contribution to the Export Drive we visited the United States of America and Canada, also the Argentine, Uruguay and Brazil, and secured sales which exceeded one million dollars from North America and about £200,000 from South America over a period of about two years, after which prohibitions on export and other causes restricted trade.

The Ilford export trade suffered during the war owing to concentration on Government orders and the effect of Lease-Lend restrictions, and in 1944 dropped to a record low figure of £299,017. In 1945 the figure rose to £379,481 and in 1946 to £928,108.

For the year 1947 we estimated to reach a total of £1,150,000. Our sales have been :-

1947	£	£	1946
January ...	144,519		£
February ...	86,202		
March ...	86,103		
April ...	73,569		
May ...	79,706		
June ...	131,626		
July ...	126,201		
August ...	<u>100,000</u>	827,926	564,922

The results already achieved, provided we are adequately supplied with raw material, labour and fuel, support our belief that during the current year we shall reach a total of £1,250,000, thus exceeding our target by nearly 10%.

Insufficient output has made it impracticable to reopen business with all our pre-war markets and we have so far neglected entirely France, Italy, the bulk of Eastern Europe and, in great measure, Belgium.

#### Hard Currency Trade.

An important feature of our export trade is the proportion which is done with hard currency countries, and which amounts to 42% of the total, as compared with 26% before the war in the same countries.

#### Belgian Competition.

Before the war, the world trade in sensitised materials was, in great measure, divided between the Kodak Companies (manufacturing in England, America, Australia, Germany, France and Hungary), the Agfa Company (a branch of the German I.G. Farbenindustrie) which was making rapid progress, the Gevaert Company of Belgium and ourselves. The disappearance of the Agfa Company as an exporter to most of the world markets, has produced a void which, in a measure, accounts for the present shortage of sensitised photographic material.

The question at the present time is, what firm will fill this void and excluding Kodak with its international production facilities, occupy the premier place in the world markets for sensitised photographic material?

In 1939, according to reliable information obtained in Belgium, Gevaert's export figure was closely similar to ours, but was done for the most part at prices below those practised by us. The Gevaert factory, unlike ours, showed no damage at the end of the war, and its resources were improved by the Germans who used it to supplement the production of their own German factories. Gevaert's recovery, therefore, has been rapid; they have

shown remarkable energy and have certainly been able to produce goods in a quantity exceeding the output of our factories. Their exports for 1946 are estimated at £1,445,700 and for the first four months of this year at £840,000. In the trade agreements made by Belgium with other countries, heavy amounts are provided under the heading of "Photographic Materials" which, of course, means Gevaert materials, because there is nothing else of the kind produced in Belgium.

From our own investigations in foreign markets, which are supported by tests we have made with Gevaert material here, it would seem that they have concentrated on producing goods in quantity rather than in achieving a high quality. We, on the other hand, have actually improved our quality since 1939 and even in Belgium itself we are able to sell as many X-ray films as we are able to spare, notwithstanding the fact that the national factory working on its own ground has a powerful and efficient organisation and is able to offer unlimited supplies.

The reputation for high quality which we always held and which we have enhanced since the war will, we hope, prove a valuable offset to the greater quantities of Gevaert material which have been made available.

Our production of plates has been restricted by the destruction of more than half of our plate factory but our output generally has been stepped up considerably as compared with 1939. Roll films for example are being produced in double the pre-war quantity and a great increase has been made in our X-ray film output. No further great increase in production can be expected for most of our lines until increased manufacturing resources are available, but given regular supplies of raw material, fuel, and sufficient labour, our paper output is still capable of expansion.

A large and regular production, however, is essential to the achievement and maintenance of a high standard of quality. A small output of high and regular quality is well nigh impossible, not to mention the high production costs which this would involve.

#### X-Ray and Cine Film.

To comply with the requirements of the Board of

Trade we have allocated to export markets 50% of our output, except as regards X-ray Films, for which as an essential product, the home market is given priority, and 35mm. Cine Film, the sale of which we have been obliged to confine practically to the home market in order to meet the needs of the British Cine Industry. This latter has been a source of regret to us because, before the war, we were beginning to establish a progressive trade in this commodity in export markets.

In the case of X-Ray Films our present allocation is 59% for home consumption and 41% for export.

1948 Programme.

For next year we contemplate increasing our overall export allocation to 60% of our output instead of 50% as at present.

Build-up of Trade.

The following based on 1946 figures shows the build-up of our trade, the figures for both home and export being calculated at export prices so as to afford a close comparison of the respective quantities:-

MATERIAL	1946		HOME SALES AT EXPORT PRICES (INCLUDING SALES TO H.M. GOVERNMENT).	
	EXPORT SALES			
	£	£	£	£
Plates	73,713		97,829	
Papers	340,877		327,300	
Roll Film	143,156		116,120	
Flat Film	71,242	628,988	64,804	606,053
X-Ray Film	255,736		367,716	
Accessories	3,147		16,412	
Screens	4,255	263,138	20,539	404,667
16mm. Cine	291		37,033	
35mm. Cine	15,650	15,941	185,396	222,429
Aerial Film etc.		6,757		82,997
Chemicals	7,961		33,729 <sup>x</sup>	
xx Photo. Accessories	1,806		19,119	
Books & Sundries	3,517	13,284	16,473	69,321
		£928,108		£1,385,467

XThe major part of these chemicals is supplied for X-ray work.

XXThis is a new branch of our business and being in an experimental stage we are not yet pushing it in foreign markets.

### Raw Material and Labour.

Until relatively recent years the British Photographic Industry was mainly dependent upon imports for its raw material. The position which has greatly improved is now as follows :-

Glass. Obtained mainly from Pilkington Bros. Ltd., St. Helens, Lancs; smaller quantities from Glace et Verre Glaver, Belgium and the Union des Verreries Mecaniques Belge of Charleroi.

Great difficulty is experienced in obtaining glass 18 oz. and over in weight, which is necessary for sizes over 12" x 10" largely used in the process industry and for export to the U.S.A.

Film base. We are now producing this in our Associated Company's factory, Bexford Limited at Brantham, Essex. The output of the factory is at present equal to about one-third of our total requirements and is mainly on the thin film base (3/1000") such as is used for roll film manufacture. For the base for X-ray film, cine film and to a large degree for portrait film, we are still dependent on the U.S.A. factories of DuPont de Nemours, supplemented by smaller supplies from the Gevaert factory at Antwerp.

Raw Paper. Raw paper is obtained from Wiggins Teape & Alex Pirie Ltd., the baryta coating being conducted by our Associated Company, Cassio Photographic Paper Co. Ltd., Watford.

Spools for Roll Films. These may be described as precision articles, because when in use they become

part of a precision instrument. We are now producing them in our own factory at Tottenham. Strip steel is in short supply.

Duplex Paper for Roll Films. Supplies from Tullis Russell & Co. Ltd., Markinch, Fife, give us anxiety owing to irregularity of supplies arising from shortage of pulp.

Black Paper for Packing Plates etc. The quality of our output is being affected through inability of the Turner Paper Mills Co. Ltd. (67 Fleet Street, E.C.) to supply chemically pure black paper. The use of substitute inferior grade paper is giving rise to deterioration of our material especially in export markets.

Industrial Solvents. These are in short supply. We need Methanol from I.C.I. which is used in producing the substratum for X-ray films.

Supplies of industrial alcohol from the distillers are also needed.

Boxes for Packing. The bulk of these is obtained from Hunt Partners Ltd., of Clapton, E.5., and smaller quantities from J. Deaton & Son, Old Ford. Labour shortage is causing interruption of supplies, especially for the hand-made boxes needed for X-ray film packing.

Gelatine. Supplies are obtained from George Nelson Dale & Co. Ltd., Warwick, C. Simeons & Co. Ltd., Luton, and English Gelatines & Phosphates Ltd., Runcorn, Ches.

Labour.

In all our factories, and especially at Ilford and Park Royal, we need more female labour for packing and

examining. The work is by no means unpleasant and absolutely clean.

It would help to maintain the morale of our people if an appropriate group classification were given to the industry. After deduction is made of the export figures and the value of such items as goods manufactured for medical and scientific purposes (e.g. X-ray films), material made for the printing industry, those supplied to the Government etc., the residue is so extremely small that there is every reason to claim that the sensitised material industry should be classified in the highest order of essentiality. During the war we suffered through an error of the Government Department responsible which classified the manufacture of cameras, x-ray apparatus etc. as essential but failed to give an equal status to the sensitised materials used in them. It is important in the national interest that this mistake should not be repeated.

Although this has little bearing upon our export trade, we think it right to mention that we have for many years been recognised as specialists in the manufacture of photographic materials for use in researches on nuclear physics and we are at present engaged on the development of special materials of this general type under contract to the Ministry of Supply in connection with the atomic energy project.

ILFORD LIMITED

(A.J.CATFORD)  
General Sales Manager.

4.9.1947.