

# RECIPROCAL TRADE WITH EAST

## Australia Urged to Grasp Opportunities

### POSSIBILITIES DISCUSSED BY MERCHANT

Intensive, specialised marketing effort is as important in selling goods in foreign fields as in the domestic market. The true exporter is constantly combing the markets of the world, neglecting no place where goods can be sold at a profit.

**G**EOGRAPHICALLY the East is the market for Australian products, and Mr. Wolf Dorfman, who will represent George Selth and McRae Limited there, believes that boundless opportunities exist there for trade. The time is opportune to grasp them, he says.

The great impetus given to business between the United States and the East is one of the most striking features of the post-war period. The policy of manufacturers and producers in the United States today, Mr. Dorfman says, is toward a concerted drive for markets other than those in Europe. His opinions have been formed after close observation of trade in many countries. He knows conditions in the East well, especially those in China.

Changes in the outlook on the outer world have taken place gradually in China. This is probably more noticeable in the provinces than in Peking. The politicians, scholars, merchants, and bankers represent the most pronounced

politicians, scholars, merchants, and bankers represent the most pronounced civic force in China. Today China is a



**MR. GEORGE SELTH,**  
of the firm of Selth & McRae.

place vastly different from what it was at the time of its first powerful awakening after the Sino-Japanese war in 1894-5.

If we would have a nation buy our goods, Mr. Dorfman declares, we must show a genuine interest in the welfare of that nation. A country cannot be expected to take large quantities of our goods if we do not import a reasonable quantity from them. For that reason Mr.

quantity from them. For that reason Mr. Dorfman advocates reciprocal trade with the East. Some people hold that Australia must buy only where her goods are sold, or sell where her goods are bought. Experience has shown, he says, that commerce is too complex to conform to such an absurd theory.

## Neglected Markets

The true exporter, in Mr. Dorfman's opinion, is the man who neglects no part of the world's markets. The East has been neglected. There must be specialised marketing; the man who is handling the goods must be conversant with conditions and customs, and familiar with the goods he offers. Selling requires real salesmanship and continuous effort.

He is confident that Australia's export business can be greatly increased if manufacturers will give more attention to the neglected markets. The time is opportune, he believes, to deal with Japan. Travel in the East has shown him that, although Australia excludes the Japanese, there is no feeling against her. There is, however, against the United States now that the Japanese have been excluded from that country.

The United States boasts that two-thirds of her exports in 1923 were products of American industry, and that more than half the imports were needed in the manufacture of goods for home and foreign consumption. The Americans are optimistic concerning the outlook for foreign trade this year. In 1923 the foreign trade of the United States averaged more than £5,300,000 each working day. Exports on an average were £256,000 more than imports each day. Mr. Dorfman says Americans know the opportunities for extension, and will be quick to embrace them.

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Mr. Dorfman says that much of that trade can be obtained by Australia, but the methods must be right. Producers must see to it that the packing and presentation of the goods are of the best, and that they are backed by quality.

## Requirements of East

Acquainted with many Chinese and Japanese merchants, Mr. Dorfman describes the former as conservative buyers, who, when satisfied, will not cavil at prices. Goods must be consistently good if trade is to be held. The Japanese are more prone to seek cheaper markets.

To obtain the trade of the East it is necessary to bring the goods before the people. Dealings should be as direct as possible, and middlemen should be cut out in order to ensure maximum profit to the producer.

Shanghai is making wonderful strides, he says. That port, with Hankow, Tientsin, which is a cosmopolitan city, are the chief ports for trade with China. It is proposed to open the main sample rooms at Shanghai, and branches at the places named, also one at Tokyo and other centres in Japan to be selected.

China requires Australian primary products, and Mr. Dorfman says that there is a good market for wheat, flour, dairy produce, tallow, fruits, both fresh and

canned, jams, wines, and other primary lines. There is also a market for minerals, including tin, lead, silver, zinc, and especially copper. Opportunities, too, for the sale of textile materials are boundless, but Australians, he emphasises, must be quick or competitors will secure a monopoly of the trade.

Much of the goods exported from China to other countries in the East, he states, come to Australia by way of America. China exports large quanti-

the states, come to Australia by way of America. China exports large quantities of shooks for cases. Chinese carpets are almost unknown in Australia. Furs could be brought through from Russia and Mongolia. Silks should be imported direct. Many other lines could be obtained if reciprocal trade were properly organized. Mr. Dorfman is against indirect trading.

## Canned Foodstuffs

From a small beginning in 1821 the canning of foodstuffs in the United States has grown to be one of the most important of the food industries in the country. Canned foods from that country are to be found in every part of the world. It is possible to procure there nearly 150 distinct varieties of food hermetically sealed in tin and sterilised by heat. That Australia can develop on these lines Mr. Dorfman is confident. There seems to be a lack of initiative to produce and to find the right markets here, he says. In California there is efficiency everywhere. The foodstuffs are regarded as of the best quality. That is the reputation which Australian goods should have in the East. Manufacturers in the United States are careful in the choice of salesmen sent to foreign markets. The average American salesman is prone to exaggerate. The Chinese merchant is noted for business integrity, and expects the same.

Trade marks are important in the East. Colors are noted by the Chinese who cannot read, and therefore the colorings and marks should be explanatory wherever possible. Shippers cannot be expected to know all the different reasons for care, but they should endeavor to learn, Mr. Dorfman says.

An important consideration with the Oriental is shipment on the date or-

Oriental is shipment on the date ordered. There is always a good reason for stipulation, and the opportunity convenient to the shipper is one of the surest means of failing to get repeat orders.

Selling from samples is coming into vogue in many countries. Business with



**MR. W. DORFMAN,**  
who will represent Selth & McRae in the  
East.

Japan is expected in the United States to be better for the next four or five years than ever before. That may also be applied to many other parts of the

years than ever before. That may also be applied to many other parts of the East.

## Organisation Urged

It is not always the largest markets which pay best, Mr. Dorfman says. Organisation is required, and Governments should give every facility toward that end. Without it trade in the East cannot be obtained, and both goods and methods must be up to the standard of other nations, and if possible a little better.

Although only 38 years of age Mr. Dorfman has had world-wide experience. Born at Rovna, Russia, he has visited Australia several times. He is a British subject, and served four years with the A.I.F., enlisting at the outbreak of war from Sydney. He was a prisoner in Germany for 13 months.

Mr. Dorfman is also conversant with conditions in Russia, Great Britain, America, Poland, Germany, France, Belgium, South Africa, Philippine Islands, and India. He speaks five languages, and the principal Chinese dialects.

Mr. McRae, of George Selth & McRae, Limited, has great confidence in Mr. Dorfman's ability to handle the trade in the East.

Mr. Dorfman's optimism was born of experience in the world's markets, he said. Trade must be pursued with the same keenness as was shown by American competitors. That was one reason why they were entrusting the management of the Shanghai office and branches to Mr. Dorfman. Freight costs merit consideration; they should be at a minimum in order to assist producers and manufacturers. Export rebates should be revised to the utmost to enable local producers to meet competition in the world's markets.

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