

SCHOEBERLEIN & LOBENHOFFER
LONDON.

TELEGRAMS:
PELOPIDAS, LONDON.

Market Buildings,
29 Mincing Lane,

London, E.C.3. 15th June, 1918.

Mr. D. L. Lacombe,

RIO DE JANEIRO.

My dear Mr. Lacombe,

I have to thank you for your letter of the 17th March, the contents of which have greatly interested me.

I am pleased to learn that you had a pleasant holiday and have had the opportunity of inspecting the crops of the interior of Sao Paulo.

LARD. I can assure you that we have had at least as much annoyance and loss in money and business as Messrs.

Jessouroun. This Lard business has been most unfortunate and I wish to goodness that we had never touched it. We are,

however, prepared to go on on the distinct understanding that such shipments as the "MOSSORO" shipment will never happen again and that Messrs. Jessouroun will institute a strict control of the quality as well as the weight. The "MOSSORO" arbitration ^{is} ~~has~~ not finished yet, but I fear that there will be a heavy allowance owing to the enormous percentage of water. Switzerland also is very dissatisfied and it will be very difficult to do fresh business in Lard with the Swiss buying syndicate.

I am very pleased that Messrs. Jessouroun's financial position is so satisfactory. Judging from the volume of the business and the splendid prices which we have so far been able

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Mr. D. L. Lacombe, Rio.

to realise for Messrs. Jessouroun, we knew that their financial position was bound to be satisfactory. The actual working capital must now amount to a very handsome figure indeed.

WHEAT COMMISSION. It appears that the former decision to buy direct from the Brazils has been re-considered and that the purchases will, for the future, again be made through the medium of the London Rice Brokers' Association. We consider this ~~is~~ certainly more satisfactory from every point of view. We also hope to pull off next week a larger order in Mandioc. Of course your prices would have to be cheap owing to the keen competition especially on the part of Edw. Johnston & Co.

COFFEE. I thank you very much for your crop estimate. We were very puzzled about the recent rise in prices on your side for which we can see no justification and we are strongly of opinion that in view of the enormous stocks and the advent of the new crop which after all promises to be a fair medium-sized crop, there is no justification for any permanent rise. I know that a number of people argue that prices are bound to go much higher as soon as the prospects of an early peace becomes brighter, but even so, the tonnage available for the conveyance of coffee to the centres of consumption will be very limited and this fact ^{will} ~~might~~ act as a serious check to any greater advance in price. You can assure Messrs. Jessouroun that we are continuing

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our efforts in their interest and no labour will be spared on our part to continue to put a very large volume of business on profitable lines before them but business is becoming more and more difficult. All buyers complain bitterly that the never-ending stream of official orders affecting all articles of food greatly interferes with business and certainly does not encourage operators to incur the risk connected with large transactions.

SWITZERLAND. We understand that the French Government has issued a new decree under which special French licenses must be obtained before departure of the steamers otherwise there would be difficulties and delay on arrival of the goods at the French port. We understand that there has been considerable difficulty with the s/s "CORCOVADO", the Customs authorities at Cette maintaining that the necessary French licence had not been obtained by the Steamship Company. The matter is now the subject of negotiations between the French and Swiss Governments. As far as we can see there would be a possibility of doing a considerable business in coffee as well as Mandioca, Starch and Tapioca if we could offer on C.& Fr. or cif. terms with named steamer. We have no doubt that you are doing all you can to obtain from the Lloyd Nacional Comercio e Navegacao a steamer for Cette as promptly as possible. Switzerland writes that our competitors in Havre representing Prado Chaves are continuously offering cif. Cette, first available steamer without any reserves

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as to freight and insurance. How they can possibly do that is a riddle to me! Anyhow, I could never advise Messrs. Jessouroun to run such risks without having a firm freight engagement on the part of the Steamship company in hand.

Trusting that you are in good health,

I remain, dear Mr. Lacombe,

Yours very truly,

Maximilian Lobenhoffer