

SCHOEBERLEIN & LOBENHOFFER
LONDON.

TELEGRAMS:
PELOPIDAS, LONDON.

Market Buildings,
29 Mincing Lane,

London, E.C. 3 3rd June, 1920.

Mr. D.L. Lacombe,

RIO DE JANEIRO.

Dear Mr. Lacombe,

I confirm my letter of the 27th ult., since when I have had the pleasure of the visit of your Son, Mario. I am glad to report that your Son looks very well, and Mr. West who has likewise visited us, speaks very highly of him.

We have spent yesterday and to-day together, and Mario being your Son we have not hesitated to take him into our confidence and tell him about our trouble with Mr. Vidal. We have also exchanged confidences with Mr. West and asked his opinion, and Mr. West whom we have known by reputation for many years as a businessman of very high standing was simply horrified at Mr. Vidal's request. He absolutely shares our views, in fact he feels much stronger on the point that I do personally.

Your Son seems to take the matter very much to heart, but we both assured him that whatever may be the outcome ~~to~~ of the present delicate negotiations, we shall always remain sincere friends to you as well as to him.

It is a great pity that Mr. Cox should have been suddenly thrown on his back with a very severe and dangerous illness. He already before his visit to Paris complained on and off about his state of health; he spoke more of indigestion

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and uric trouble which we naturally put down to the change of climate. The doctors now seem to think that he had a touch of influenza on him and caught a severe chill during his flying visit to Paris which brought about pneumonia. Coming back from Paris he went straight to bed and when I went to see him last Saturday he complained of fever but hoped he would be alright again in a day or two. He expressed great disappointment at Mr. Vidal's attitude. The chief object of his Paris visit was to finally arrange an agreement with Mr. Vidal about the Paris office, in fact he took with him a draft which he had proposed himself and in order to do our utmost we gave him even a discretion beyond his own proposals. But it seems that Vidal purposely left by train for Marseilles before Cox's arrival, and Cox maintains that he did so in order to avoid negotiations with Cox.

I need hardly mention that both Mr. Schoeberlein and myself were personally very sorry about Mr. Cox's illness and everything that medical science could do has been done for him. Pneumonia is always a very dangerous thing and even now the specialists still consider him in a critical condition. The fever and the cough seem to have subsided, but he appears to be very weak and exhausted. He is not allowed to receive

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visitors except his own brother, Mr. Oscar Cox and is not allowed to be approached about business matters.

As Mr. Cox will not be able to attend to business for a long time to come, the negotiations with Mr. Vidal through his intermediary have come to a standstill and other means must now be found to arrive at a satisfactory settlement. We have kept you posted by cable and asked your and Mr. Sion's advice. We are now awaiting the reply. We have made it quite clear and wish to emphasize once more towards you that our first concern is not the amount of compensation which we receive for the loss direct or indirect of giving over to Mr. Vidal Paris and the remaining markets which he desires, but we know for a certainty that this Paris business is not to the best interest of your firm. Moreover, Mr. Vidal claims the right to offer for Buenos Aires in every market he pleases. Even on that point we might come to an agreement, but from the various conversations which we have had, we have convinced ourselves that Mr. Vidal knows nothing about the River Plate business. He is not aware of the great dangers attached to this class of business, and we do wish to exercise the necessary control and in case of need restrain this business in order to safeguard and protect you from loss. The slightest want of care and circumspection in the Buenos Aires business would result in enormous losses which might bring down the whole of

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your firm with a crash. This must be avoided. Of course you and Mr. Sion may call us pessimists and unduly alarmed, but I can tell you in my long years experience I have seen things and I am fully alive to the great dangers ahead. If I am fighting so persistently on certain points of principle, I do so not only in our interest but also in your interest as well as Mr. Sion's, Mr. Cox's and Mr. Barton's. If there is a complete understanding between us and we agree to join hands and work the Brazil business on scientific lines such as we would like to work it with you, Messrs. Jessouroun's future would be absolutely brilliant and we could within a very few years be right at the top of the tree. But how can you expect us to work whole-heartedly if we must at every turn fear the interference of Mr. Vidal? To-day, for instance, we have again had letters informing us that persistent rumours are current that Mr. Vidal intends to open himself an office in Antwerp. This we simply cannot allow and we must ask you and Mr. Sion, who are the most influential partners and the ^{brains} ~~friends~~ of the firm, to ~~devise~~ devise means to render Mr. Vidal who we consider a danger to your firm, powerless. We entertain no hostility towards Mr. Vidal but in the interest of all parties concerned, we cannot allow him to interfere with our business. Let me give you one example:-

I introduced Mr. Vidal to one of our Antwerp correspondents who looks after the River Plate business, at our office and in my own

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presence he opened the conversation with our representative as follows:-

"We have no experience and it is up to you gentlemen to "organise the business for us and to teach us your end of the business".

He further volunteered the remark:-

"We need no capital in the River Plate as the banks are "only too glad to assist us and the brokers have expressed their "willingness towards us to assist us in order to create ~~the~~ "competition with the old-established big firms, such as Dreyfus, "Bunge, etc."

Our representative was speechless with astonishment and I had to put matters right privately, telling him that Mr. Vidal was only a figurehead and the business would be organised and guaranteed by us. But surely only a madman can talk like this to a representative and if he talked such nonsense to the buyers during his unsolicited and undesired visit at Antwerp, it is no wonder that buyers smile, and Messrs. Jessouroun's reputation in the eyes of buyers and agents is bound to suffer by such irresponsible talk on the part of the man who ~~ex~~ poses as your Senior Partner. This must be stopped.

Do not think I despair; on the contrary, I have the conviction that jointly we shall devise means of composing

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the present differences and prepare the field for further large
and satisfactory business.

I remain, dear Mr. Lacombe,

Yours very truly

Maximilian Lobenhoff
Please read this letter to Mr. Lacombe