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## MALAYAN PLANTING TOPICS.

*The Latex Situation—Rewards For Pioneers  
—Danger Of Over-Production—Some  
Singapore Queries—Buying Estate  
Supplies—Mr. "Archie" Russell  
—Java And Amsterdam  
Pointers.*

(By Our Planting Correspondent.)

THE reply made by Mr. Stutchbury, chairman of Revertex Ltd., to comments made in these notes on the array of patents with which rubber companies find themselves confronted if they wish to ship their latex in concentrated form, has been much appreciated in this country.

It is by no means certain at the present time that the market demand is good enough, or in other words that sufficiently attractive prices can be obtained, to justify estates in switching over to latex shipment. Nevertheless the importance of this product in industry, and its great possibilities in the future, are now fully understood by the planting community, thanks to persistent propaganda from the R.R.I. and other quarters, and it is realised that even if estates may not be directly affected by latex patent rights at the present moment they may have to take a much closer interest in these patents and processes at no very distant date.

Mr. Stutchbury has no doubt that the use of concentrated latex will eventually be universal. No doubt that day is a very long way off, but it seems to be generally agreed that the demand will grow, and as it grows so will the power of patent holders to regulate the

supply become more important and perhaps more open to criticism.

### NLB **Not A Free Market.** NLB

**A**LTHOUGH the market for the sale of ordinary field latex having a dry rubber content of 35 to 40 per cent. is free, this does not apply to the market for concentrated latex, in which development of extended uses is likely to be more rapid. At present there are three types of concentrated latex on the market:

(a) Centrifuged latex, prepared at present under the Utermark patents by the Dunlop Rubber Plantations and sold under the name of "Jatex," which contains approximately 60 per cent. of dry rubber.

(b) Revertex, a concentrated latex containing about 69 per cent. of dry rubber, prepared by an evaporation process from ordinary field latex, to which a stabiliser is added to prevent coagulation during evaporation. This concentrate is prepared on two estates in Malaya and one (if not two) in Sumatra on behalf of the Revertex Co. Ltd.


(c) A concentrate prepared by adding certain gums or mucilages to ordinary field latex, which accelerate creaming. This latex contains about 55 to 60 per cent. dry rubber. It is understood that creamed latex is finding extended application in America.

All of these processes are protected by various patents which to some extent probably restrict their use at the present time. In any case they restrict the production of such latex on estates. Whether all or certain of these patents are valid is a question which cannot be discussed here.


### **For Different Purposes.**

**O**WING to the different methods of preparation, these types of concentrated latex have different properties, and it is probably not possible to use all of them for the same purposes.

"Jatex" and creamed latex are similar to the extent that a large proportion of the serum constituents of the latex is removed by the method of preparation, although creamed latex contains a proportion of the creaming agent, which may be a disadvantage for certain manufacturing processes. Revertex contains not only all the rubber but all the serum constituents of the latex, since it consists of evaporated latex. This inclusion of all the serum constituents



may be an advantage for some processes of manufacture and for certain articles and a disadvantage in the case of others. This is a matter which can only be determined by manufacturing trials.




Concentrated latices, provided the cost of preparation is not prohibitive, have several advantages over ordinary field latex. In the first instance, the reduction in the water content of the latex means cheaper transport costs. Secondly, the concentrate can be diluted to any desired amount. Thirdly, owing to the lower water content, the concentrates can be used for the manufacture of various materials for which the ordinary field latex is unsuitable.

### **Slow Development.**


THE development of the use of latex instead of raw rubber for the manufacture of rubber goods as well as the extension of its use to other industries must of necessity be slow, owing to the amount of experimental work necessary, design of new plant and other factors.

It is quite reasonable that the pioneer in this field should derive benefits from




the time and money spent on the experimental work necessary for the development of the manufacturing processes.

### **The Price Factor.**



THE principal point for consideration is, however, whether the prices charged for these concentrates by those interested in the processes are restricting developments in the use of these products. This is a question which is very difficult, if not impossible, to answer at the present time. It can, however, be very confidently stated that at present, although much work is being carried out, the demand for either ordinary field latex or concentrated latex is definitely limited.

If a large number of estates were to place either type of latex on the market at the present time, such latex would either be unsaleable or would fetch an unremunerative price. The situation would be as bad, if not worse than, in the case of raw rubber, since in both cases the present possible supplies are excessive.



Similar remarks can be applied, for example, to sole crepe, which has a free market. The manufacture of sole crepe is still definitely remunerative compared with smoked sheet or crepe rubber. If.

however, a large number of estates decided to manufacture sole crepe it would either become unsaleable or saleable only in competition with other estates' first-grade rubber.

### **Latex for Roadways.**

**O**NLY some very extended application, such as a rubber roadway material or a flooring material, could cause a rapid and immediate extension in the use of concentrated latex. There are considerable possibilities in this direction, even if rubber were applied to pavements in towns quite apart from roads.

Unfortunately the application of latex mixtures to floorings, pavements or roadways has to undergo service tests over a long period before the material is likely to be adopted, although with the experience now available in connection with rubber-capped blocks a more economical material such as a latex mixture may be adopted much more rapidly.

It must be remembered in relation to the uses of latex that it is only new applications which are increasing consumption of raw material. The substitution of latex for raw rubber in articles at present manufactured will only increase consumption if such articles can be made more economically and therefore sold more cheaply.

### **More About Patents.**

**A** Singapore correspondent has been good enough to send me his views on what I recently wrote about latex patents in these notes, and as I know his views are similar to those widely held in planting circles I feel I cannot do better than quote extracts from his letter, in the hope that the authorities concerned will act on his suggestions. My correspondent writes:

"In your recent notes you referred to an extract from the R.G.A.'s new booklet entitled 'Rubber Latex.' The said extract, I believe, is a bit misleading, inasmuch as the terms under which patent rights are granted differ almost in every country. Whilst, as stated, 'increasing amounts become due after four years if the patents are to be kept alive' in accordance with the patent laws of one country, I know of other countries which require additional payments already in the second year, and again others which cover the whole period of 16 years with a single payment, i.e. the

original fees.

"Amongst the latter category, I believe, rank the Straits and F.M.S.—the most important in our case. In other words: if any of the inventors have been granted separate exclusive privileges in the Straits and F.M.S., these privileges appear to hold good under the provisions of the respective Ordinances

for 16 years without additional payment, and apply to the making, selling and using of the article patented.

### **Help From R.R.I. Requested.**

MY correspondent continues:

"I should also like to refer to your comments in the article which appeared on the 24th February, in which you, made the excellent suggestion that the whole 'position' in respect of the various patent rights may be thought worthy of a special article in the next Journal of the R.R.I.

"A clear—if possible legal—statement in regard to the point raised above would no doubt help materially towards a proper understanding of the position as far as this country is concerned and undo any erroneous impression that, if my point is sustained, may have been created by the article in the R.G.A. booklet.

"But there are more important matters at issue, such as: what actually are the patents, i.e., are the processes of making concentrated latex, or the product made by the various processes covered by the rights of exclusive privileges, or both? This appears to be the case with the Traube patent. Then again, as for instance in the case of the centrifuged product, is it the type of centrifuge used which may not be made use of by others, or is it the process proper?

"A final point: Do the F.M.S. patents cover the territories of the U.F.M.S. and Sultanates, or must (or can) patents be taken out in each separate State, and if so, has this been done?

"I am sure that if you will take up these matters publicly and press for proper investigations, you will do the rubber industry an excellent turn. It is difficult, often costly, for many to obtain all the requisite particulars from the various patent offices involved and to get a proper legal opinion, so if this could be done by a central body, such as the R.R.I., for the common information of the industry, I am sure there would be a grateful response."

These are points which only those possessed of expert knowledge of the field of latex patents can deal with, and I can endorse my correspondent's statement that if the R.R.I. can do anything to throw light on the matter such enlightenment will be welcomed by planters and others connected with estates.

### **Agents & Estate Supplies.**

**T**WO cases have recently been brought to my notice in which estate managers, when ordering rubber cases, have been compelled to pay a higher price per case than they need have done.

It is almost incredible that in these days the pernicious system by which managers are forced to buy their supplies through their own agency house should continue in Malaya. Indeed most of us thought that it was practically dead, and it is certainly true to say that many, perhaps the majority, of agency houses now only insist on managers purchasing supplies through them so long as they cannot buy more cheaply elsewhere. In other words they permit their managers to buy in the cheapest market.

However it appears that this practice is still not universally observed, and directors of rubber companies at Home will do well to assure themselves that this particular means of economy—incidentally one of those advocated in the I. S. P. memorandum on retrenchment in the rubber industry—has been adopted on their properties.

Only a short time ago a writer in the Financial Times insulted planters by stating that one of the safeguards of the agency system was that a manager was thereby prevented from taking a private commission on goods bought for the estate. An effective reply to this insinuation was made by the Incorporated Society of Planters, but the Financial Times would be doing a service to the industry if it drew attention to the fact that in some companies which are tied to agency houses freedom is still not

given to buy estate supplies in the cheapest market.

### **A Loss to Malaya.**

**M**Y notes would not be complete this week without reference to the great loss which Malayan agriculture has sustained in the passing of "Archie" Russell. While many obituary notices have referred to the various and exten-

sive enterprises that Mr. Russell so successfully built up during the last twenty years, few have given due weight to the practical interest he showed in the development of plantation agriculture in this country.

Going back nearly a quarter of a century I recall that his first venture was the obtaining of an option over Kamasan Estate, Kuala Selangor, in partnership with a planter. That company has since paid out 374 per cent. in dividends and passed its dividend for the first time this year.


In those early days Mr. Russell was also associated with the flotation of Sungei Ramal, New Serendah, Utan Simpan and other local companies and was a member of their boards for some years. More recently the pressure of other business compelled him to hand over these duties to Mr. R. C. Russell. He also built up substantial rubber interests of his own, so much so that at the date of his death he was, I believe, the largest private owner in Malaya.

Planters should not forget what they owe to "Archie," in his capacity as chairman of Malayan Collieries, for placing locally made rubber cases on the market at competitive prices. I think I am right in saying that until the Malaply cases made at Batu Arang, of Malayan timbers and with Malayan labour, were put on the market there was no tendency towards a material reduction in the prices of imported cases.

### **Other Enterprises.**

"ARCHIE'S" agricultural interests were not confined to rubber. The well-thought-out venture in highland tea known as Boh Plantations, carried out under very difficult pioneering conditions, is now approaching the bearing stage and for many years will constitute an enterprise of fundamental importance to Malaya.


Probably few people know that Mr. Russell conceived equally ambitious agricultural schemes which, but for the red-tape of government officials, might have been as well established today as Boh Plantations. To give an example, it was only the refusal of Government some years ago to alienate land except on very onerous terms that prevented this far-seeing man from planting up several thousand acres in high-yielding sugar cane, and it is not without significance that most of the land which he asked for at that time is still in virgin jungle today.



Possibly Government at that time had not appreciated the outstanding ability of Mr. Russell and his capacity to carry through very large schemes. I well remember the disappointment he expressed to me at the apathy of Government towards his sugar-planting venture.


Gone are the days when capital for enterprises of that magnitude could be easily raised, but apart from financial considerations we have to lament the fact that in "Archie" Russell Malaya has lost a powerful supporter of any well-considered enterprise, and it will be many years before we shall see his like again.

### ***Dr. Braddon in Java.***



**A** FORCEFUL letter from the pen of Dr. Braddon has appeared in the Java newspapers on the subject of international control of rubber exports.


He asks: "When will Java, Sumatra and Borneo wake from their year-long sleep"? He then goes on to put forward facts and figures which should do something towards opening the eyes of those who hitherto have seemed to accept the destruction of the rubber industry as a *fait accompli*. What is of special interest is the footnote appended to Dr. Braddon's letter in the newspaper *De Locomotief*:



"We very gladly give room to Dr. Braddon's summary. Not that our doubt over the value of the innumerable rubber schemes has been weakened, but that it is very encouraging to hear this voice from the other side, asking for combined effort and mutual understanding. Formerly it was otherwise.

"It would be very good, if interested parties, in Holland and the D.E.I., instead of their customary indifference to each new plan, were to calmly consider whether it will be possible to find a solution."

### ***Press Indications.***



**T**HIS footnote at least does not reflect an attitude of uncompromising op-

position towards rubber control, and another hopeful indication is to be found in a leading article by the *Effectenblad*, an Amsterdam newspaper, in which a strong appeal is made to the Dutch Government to do something about restriction, and the point was made that potential production is increasing to such an extent that without international agreement the industry is doomed, if not to ruin at any rate to degenerate into a



semi-native condition.

Since these notes were written Reuter has cabled an outline of another scheme that has originated in Amsterdam, but in the absence of details detailed comment must be withheld. One feature, however, which is mentioned in the Reuter cable is that of an international agreement to cease all further planting for a period of ten years. Planters will ask at once whether this would mean that estates which have paid a heavy premium and quit rent for some years on unopened reserve land are to be prevented from getting some return on it by planting budded rubber if finances permit of such extension.

Presumably a sacrifice of that kind would have to be made if any control scheme were to be adopted, but although the consent of the estates might be secured one is doubtful whether the Dutch can prevent planting of rubber by the natives of Sumatra and Borneo in jungle clearings in which, according to their traditional method of cultivation, they get one or two crops of padi and then plant some other crop (usually rubber) to prevent lalang getting in.

