

Company Meetings

CARRERAS, LIMITED

DEMAND EXCEEDS PERMITTED
OUTPUT

RECORD PROFIT

SIR EDWARD BARON ON TOBACCO TRADE CONDITIONS

The THIRTY-NINTH ANNUAL GENERAL MEETING of Carreras, Limited, was held yesterday at Arcadia Works, London.

SIR EDWARD S. BARON, the chairman and managing director, presided.

The CHAIRMAN said:—Ladies and gentlemen,—In January last the sudden and untimely death of Mr. Mark Patrick, who had been a director of this company since 1937, deprived us of one whose counsel has been greatly missed during these difficult times. May I ask you to stand for a moment as a tribute to his memory?

The meeting stood in silence.

The SECRETARY (Mr. George F. Copeland) then read the notice convening the meeting and the report of the auditors.

The CHAIRMAN.—Ladies and gentlemen,—The report and accounts have been in your hands for some days, and you will have been able to study them in detail. I trust therefore that you will allow them to be taken as read. (Agreed.)

During the year under review several important events have occurred which have had considerable repercussions on our business. In the first place, as a result of the extension of the war into the Pacific, we have lost some extensive and profitable markets of which the most important was that in the Straits Settlements and Malaya and Government restrictions on shipments overseas have further curtailed our export trade.

FLOW OF SUPPLIES TO FORCES

I am pleased to inform you, however, that a steady flow of our products has reached His Majesty's Forces in the Middle East and elsewhere in large quantities, and we have met all the demands made upon us in these directions. This also applies to supplies for the Royal Navy and the Merchant Service as well as all the other fighting and defence services which it is our privilege and duty to serve. We have a special department for dealing with parcels for the Red Cross and prisoners of war, and the work is increasing as every week goes by. Our Canadian subsidiary has shown considerable development and its equipment is being taxed to the limit. It is proving a great asset in these times, as it enables us to supply certain markets from which we would otherwise be excluded.

The second occurrence was the unprecedented increase of no less than 10s. per lb. in the tobacco duty which was imposed in the last Budget.

COOPERATION OF MANUFACTURERS

The third event to which I wish to make reference is the scheme for interchange of manufacture voluntarily entered into between the principal manufacturers, which will enable a considerable saving of transport to be achieved. Every precaution is being taken by all the interests concerned to ensure that the particular blends, processes, and standards of quality of each manufacturer are maintained under the new conditions.

In this connexion I would like to pay tribute to the cooperation and assistance readily given by all the Government Departments, and all the other manufacturers concerned in this rearrangement. The Tobacco Controller and his associates have given invaluable assistance and their views on all these matters have been far-sighted and have shown a complete understanding of the many prob-

securities, &c., is almost wholly due to the purchase of Tax Reserve Certificates.

On the liabilities side the big addition to sundry creditors, &c., is accounted for by the taxation provisions already mentioned. These are, I think, the only items to which I need refer, as any other changes are of a minor character. Our balance-sheet is a remarkably strong one and I am sure you will agree with me when I express the view that our financial strength enables us to face an uncertain future with the greatest confidence.

LABOUR PROBLEM

At the commencement I referred to three of the big problems with which we have had to deal during the past year, but of course there have been many others. Our labour supply problem, as is only natural in war-time, is always with us, and with the continued intensification of the war becomes more pressing as time goes on. Many more of our staff, both men and women, have gone to the forces and other forms of national service, and they continue to receive full allowances from the company.

Those who remain with us and those who have joined us in a temporary capacity over the period of the war have given yeoman service during the year, and they deserve our very grateful thanks. You will, I know, endorse the action which the directors have taken in recognizing their efforts by making a Christmas gift of three weeks' wages to those who have served during the whole 12 months and of larger amounts to those with long service.

HOPEFUL OUTLOOK

With regard to the future, it is of course impossible to forecast the trend of events, and I must content myself with saying that, provided we have no unforeseen setback or dislocation we should be able to present quite favourable results to you in a year's time. Although for reasons which I have stated the profit figure may not be so high as in the past year the net amount available for dividends, &c., is, in such circumstances, unlikely to be greatly affected. In the meantime we continue to produce to the full extent of the limit imposed upon us by the clearance restrictions, and I assure you that all of us, directors, staff, and workpeople, will give of our utmost in maintaining the prosperity and efficiency of the company.

Your directors appreciate that their efforts and outlook must not be limited to achieving results during the days of war, and I can assure you that we have always in our minds the question of guarding and enhancing the goodwill of a business such as ours, so that in the freer and more spacious days to come we shall be in the strongest possible position to expand in any way that may be open to us.

DIVIDEND OF 27½ PER CENT.

I now move:—"That the directors' report and the accounts as at October 31, 1942, submitted to this meeting, be and the same are hereby received and adopted. That a dividend of 15 per cent., less income-tax, on the Ordinary, "A" Ordinary, and "B" Ordinary shares be and the same is hereby declared, making, with the interim dividend paid in June last, 27½ per cent., less income-tax, for the year on all classes of Ordinary shares, such dividend to be payable to all Ordinary, "A" Ordinary, and "B" Ordinary shareholders appearing on the register on the 24th day of November, 1942, the date on which the share register was closed."

Mr. WILLIAM J. YAPP seconded the resolution, and it was carried unanimously without comment.

Mr. W. J. Yapp, one of the retiring directors, was unanimously re-elected, but the re-election of Mr. W. M. Codrington, the other retiring director, was defeated on a show of hands and also on a poll which was demanded. Mr. William Henry Collins was elected to fill the vacancy on the board. The auditors, Messrs. J. H. Champness, Corderoy and Co., were re-appointed, and the proceedings terminated by a vote of thanks to the chairman.