

55, Mercers Road,  
London, N.

March 16<sup>th</sup>, 1900.

H. W. P. 4

Dear Brother White,

I have received your letters of Jan. 14th, 15th and 25th, the last one containing the order on the International Tract Society for £10. being tithe paid by the Mate of a ship to Dr. Rand, and handed to you by him. We have credited it to the Plymouth Church as requested, and thank you for your kindness in forwarding it to us.

I should be glad if it were possible to have a day's talk with you over this matter of the publishing business. I could then perhaps explain more clearly our situation than I can well do in writing. The matters seem to be getting sadly mixed up between this office and the Echo office, and I often feel rather hopeless about our being able to straighten them out. It takes so long to get letters back and forth, and the situation seems to be changing constantly so that we never catch up with the actual condition of things. I think, however, it will be best for me to try to make a general statement of the situation so far as this office is concerned, and to refer in particular to some of the books concerning which we have already had correspondence.

When Brother Evans, the President of the Foreign Mission Board (which now owns the 1000 shares of stock in this office, formerly held by the G.C.A.), was in London a short time ago, I had a very plain talk with him about our whole situation, and asked him to look into our matters carefully, and to give any counsel for the future.

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He took the recent Trial Balances and the last Annual Statement and made such inquiry from Brother Bacon as he thought desirable, and tried to get as good an understanding of the business as far as he could without spending the long time necessary to become personally acquainted with the management in detail. After going through the accounts and looking up matters as far as he thought best, he reported to the Board of Directors that he regarded the office as in a safe condition financially, but at the same time it was evident to him that the work was narrowing down, and that some aggressive efforts must be put forth in order to extend the sale of the books and otherwise build up the publishing work. We also talked to him about the general policy of the management of the business, showing him that the office had largely been managed from America in years past, and that the local Board of Directors had been little more than so many figure-heads, simply filling the places according to the legal requirements. As a result of this general policy the local board of Directors had taken but little responsibility and the Managing Director had regarded himself as rather in the employment and under the direction of the General Conference Association.

After talking this matter over ~~more~~ plainly with Brother Evans and Brother Bacon in private, it was brought forward at a Directors' Meeting, in which Brother Evans and Brother Loughborough were present. The question of the management of the office was then very fully and plainly considered, and the Directors expressed themselves as they had never felt free to do before. As a result of this plain consideration of the whole situation, and in harmony with counsel given by Brother Evans, it was voted that the local Board

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of Directors assume the management of the office, taking such responsibility upon themselves as they had not assumed before, and they requested that I, as Chairman of the Board, should give such personal attention to the office work, and make such personal investigation of its management and present condition that I should be able understandingly to advise concerning its future policy and plans.

Whether this action taken will result in any better condition of things I am not able to say as yet. There are some embarrassments in the situation which are very difficult to meet, and whether we shall be able to overcome them without making an entire change in the whole office management is yet to be seen. This possibility was, however, plainly considered both in our private consultation and in the meeting of the Board of Directors, but we shall be glad to avoid it if we can successfully carry forward the work without doing so. It seemed to me that one of the first things for me to give some particular attention to was our relation to the Echo Office and bring about a better understanding of the situation. You will remember, I think, that something over a year ago, the General Conference Association instructed us that they would not be any longer responsible for any indebtedness of the Echo Office to this office and that we must expect to make our own collections and that on the other hand they would withdraw the privilege previously granted of using funds arising from the sale of the books in Australia in meeting the general expenses of the work in that field. At that time we wrote the Echo Office that we should be unable to supply them with books hereafter unless it could be on the basis of prompt payment, and that we could not carry an increased credit for them. In

spite of our best endeavours in this direction, however, their account has steadily increased. At the beginning of March 1899 the balance was £7205. 7. 5 $\frac{1}{2}$ . Now the balance according to our books is £7683. 9. 2 $\frac{1}{2}$ , which shows an increase of £478. 1. 9 during the year. I know that there have been some large shipments just lately which have not yet been received in Australia, but even after taking these into consideration you will see that the indebtedness has been increased. Besides this there seems to be a constant friction between the two offices, and the correspondence does not make pleasant reading. The Echo Company indicate that they are making plans as fast as possible to manufacture their own books and otherwise be able to work on an independent basis. After receiving such statements as these Brother Bacon has not felt free to stock such books as are used almost exclusively in Australia; then perhaps a large order would come in by cable, and this office would have to send to America for the sheets before being able to execute the order; then the Echo Company would blame this office, and as you know, has written to all its canvassers making this office responsible for the delay in supplying the books. They then wrote plainly to us that they were turning off their agents from "Home Handbook" and other health books to the "Desire of Ages" and other books which they themselves could manufacture. Now we have received another cablegram from them telling us to stock up with "Home Handbook", that we can depend upon them, that a very large quantity was selling just now. You can readily see that such a way of managing affairs as this keeps this office in a constant uncertainty, not knowing whether to order from America or not, uncertain from

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month to month whether we shall receive any orders from Australia, and then the office is severely blamed if it is unable to supply cable orders promptly.

Now I think there ought to be a change in this whole manner of conducting the business. We ought to know plainly what is expected from this office, and we ought to know it in time so that we can be prepared to fill any orders promptly, but beside this, and as a primary condition, of our continuing the supply of books to Australia, the accounts ought to be paid more promptly. You know full well that this office does not have the capital to carry on a large credit for Australia. This office seems to be a very small affair as compared with the Australian House with its large and increasing supply of machinery and its large force of workers. Why it should be expected that this office should furnish capital on which the Echo office should conduct its business is more than I can understand. We cannot possibly do this. At the meeting of Directors to which I have referred above, and in harmony with the counsel of Brother Evans given at that time, it was voted by the Directors that hereafter we should conduct our business with all foreign fields upon a cash basis, that is, that remittances must be made promptly and no large accounts could be permitted to accumulate. This was to apply to Australia as well as to any other field. Now we propose to act upon this decision and we are sending notice accordingly to all the fields <sup>with</sup> to which we <sup>deal</sup> belong. Of course we do not expect to cut these fields off arbitrarily without due notice, but it must be understood that unless remittances are made and the accounts kept in good condition we shall decline to fill orders.

I do not see how any field can reasonably complain of this basis of doing our business. If we continue to give credit we shall soon put our publishing house here where the Christiania house is, viz. in hopeless bankruptcy, and this we must certainly avoid.

In order to make the matter definite I think it will be best to fix upon some date after which orders will be declined unless remittances are made to keep the account in satisfactory condition. You will receive this letter about the 1st May, and it will of course take a little time for you to confer with the Echo Company, and for them to adjust themselves to this basis. I will therefore name July 1st as a definite date after which we shall not expect to fill orders from the Echo Company if their account continues to increase. Not only this, but we shall expect them to reduce the present increase so that we shall not be obliged to carry so heavy an account with them. If the Echo Company regard this plan as working hardship to them they will of course understand that they are at full liberty to cease any dealings with this office and to deal with those with whom they think they could secure more favourable terms.

We are obliged to pay cash down for all books received from the Modern Medecine Company and then wait months for our pay from the Echo Company with their account increasing all the time. It is certain that we cannot conduct business on this basis, and if any other office can afford to do so we are quite willing to give them the opportunity. We do not wish to hinder or embarrass the work in any part of the field, but we are stating the simple truth when we tell you that it is impossible for us to conduct our business on the indefinite credit system, and that so long as we are responsible for the management of the office we must receive payment within a

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reasonable time for all supplies furnished. In looking over his letter book I find that in almost all his letters to the Echo Company Brother Bacon has urged that they should forward money on account, but it seems to have very little practical effect in preventing an increase of their indebtedness. I hope our definite statement of a date after which we shall not fill orders unless remittances have been made on account of past shipments will make it unnecessary for us to refer to this matter constantly, and that the Echo office will not look upon us as dealing harshly with them if we decline to fill orders except upon the basis stated. I have tried to fix a date sufficiently far in advance so that there will be no reason to complain that proper notice was not given.

I will now come to some special matters referred to in your different letters.

#### DIVISION OF TERRITORY.

In my former correspondence over this matter I have written simply from the personal standpoint and not as a representative in connection with the Board of Directors. Although I have nominally been chairman of the Board since coming to this field, yet for the reasons I have already given I have had very little to do in any practical way with the policy and management of the office. In harmony, however, with the request of the Board made at a recent meeting I shall try now to give more definite attention to this work and to represent the sentiments of the Board of Directors in my correspondence. In your letter dated Jan. 15th you say:- "I must ask to what extent we may understand your letter as representing the minds of your fellow-labourers regarding the matter of books and

territory. Do they concur with you in consenting to the division of territory proposed for those <sup>of</sup> "Mothers' Books" which are published both in London and Melbourne? We have taken it for granted that they do." In reply I must say plainly that I was not representing anyone else but simply my own personal feeling in the matter. Writing now on behalf of the Board of Directors I will ~~now~~ say that at a recent meeting it was voted that this Board did not think it proper that any changes in territory should be made until there was an opportunity for all the publishing houses interested to have a conference over the matter. This of course means that no decision of this kind should be made before the next general conference, when the representatives of the various publishing interests and the Foreign Mission Board can meet for mutual consideration of these things. In the meantime we of course recognise the fact that you have the matter practically in your own hands, and that we can simply enter a protest against the matter being settled in Australia without conference with other parties interested. You express a desire for co-operation between Great Britain and Australia in our publishing work, and at the same time you state decisions which have been made in Australia which cut off practically all our territory outside of the United Kingdom, such territory as the Continent of Europe already occupied by two or three of our publishing houses; Northern Africa where we have no work whatever, and South America, a field which simply runs in debt for books, taken altogether does not count for anything with us. India and South Africa are the only fields from which we can derive any benefit, and these you claim for the Echo Company, simply announcing your decision in the matter to us. Of course you can carry out your decision because



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you own the books and there is no other course left to us than simply to protest against it and wait for future developments. It seems to us that if there is to be any co-operation, a decision of such importance as this should not be ex parte, but we can only express our judgment in the matter and leave it. It should be distinctly understood, however, that the Board of Directors of this publishing house are not prepared, as a Board, to concur in this arrangement until there can be a mutual consideration by all the parties interested.

"THOUGHTS FROM THE MOUNT OF BLESSING."

In your letter of Nov. 1st, 1899 to Brother C.H. Jones of the "Pacific Press", you make some propositions with reference to the division of the initial expense in bringing out the new edition of this book, and then say: "If you agree to these propositions you may ship to Brother Bacon in London a complete set of plates for the new English Edition." Brother Jones must have received this letter more than three months ago but as yet we have had no word from him about the matter. We are therefore forced to conclude that your propositions were not acceptable to him and that he has not forwarded the set of plates. I have expressed myself so fully already on the way this matter has been handled that I do not think I need to repeat it here, but will simply say that we are still waiting.

"COMING KING."

I have received the copy of this book forwarded by the Echo Company and have looked it through with some care. The question of using it in this field was considered by our Board of Directors at a recent meeting. We find on examination that only a portion of the

illustrations which are copyrighted in this country have been omitted from the Australian Edition. All those cuts in the chapter on the "Distress of Nations" representing the soldiers of the different nations, belong to Raphael Tuck & Co., and they refuse to sell the rights to use them. A portion of the cuts in the previous chapter, representing the navies of the nations also belong to the same firm, and these they refuse to sell. This will be sufficient to prevent our using the book in this field. Of course you have no more legal right to use them in Australia than we have in England, but we must leave that with you to consider. We find, furthermore, that the statistics with reference to the armies and navies and the expense of maintaining them are not reliable. According to Whittaker's Almanac the war footing of most of the nations is nearly double that given in the book, and the expenditure correspondingly greater. There are various other features of the book to which I might refer and which would not be favourable to its circulation in this country, but as we are absolutely prohibited from using the book on account of these copyrighted cuts, it is not necessary to speak of these. For the same reason I shall not need to discuss the question of price submitted by the Echo Company for printed sheets, merely remarking that the price quoted by them is anywhere from 50 to 100 per cent more than what it would cost us to print the sheets here if we had a set of plates.

"CHRIST OUR SAVIOUR".

I have looked over with care the revised edition of this book sent to me from the Echo Office, and, taking it altogether, am pleased with it. It is certainly a very marked improvement upon the former edition of this book. If we can arrange to do so on

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any reasonable basis we should be glad to substitute this edition for the edition we are now selling as soon as we have disposed of the sheets now in stock., but the terms quoted by the Echo Company for sheets or a set of plates are entirely out of our reach. You know that they have quoted 1/- per copy on sheets for 1000 books, with a reduction of 1d. per copy on each additional thousand ordered. After a careful estimate we find that we could supply the sheets ourselves for about 5d. per copy, if we had a set of plates. We should not use, however, quite so good a paper as the Echo Company have used in the book, but the same quality as we are now using in the old edition. We shall probably be obliged to sell the new edition at the same price as the old, (2/6) and we therefore cannot afford to use any better paper or to pay double the price for the sheets. The price asked for a set of plates, (£150), seems beyond all reason to us, and we could not think of accepting it. We find from a letter received this morning from the Echo Company that they purpose to revise these prices, and so we will simply let the matter rest until we hear further about it. I will only add that if the revised prices are anything like the original ones, there will be only two courses open to us, either to continue with the old edition or to drop the book entirely, as we could not possibly publish the new edition upon the terms stated.

"THE DESIRE OF AGES."

At the same meeting of the Board of Directors we carefully considered the prices quoted for sheets for this book, and the offer also made to rent us the use of the plates. The price quoted for sheets was 3/6 per book for 1000 copies with a reduction of 1d per

book for additional thousands. Comparing the expense of printing this book with "Patriarchs and Prophets" and making due allowance for the difference in the size of page, number of pages and so forth, we estimated that it would cost us about 1/6 per copy to print the book here, if we had a set of plates, and that the Echo Company were therefore charging us something over 100 per cent profit. On the other hand, if we should rent their set of plates on the terms stated, 5%, pay the expense of carriage to London and return and pay the insurance, it would put a tax upon such an edition as we should be able to print that we could not possibly carry it. No price was quoted for a set of plates for this book, but if the price should be on the same basis as for a set of plates for "Christ our Saviour" it would certainly be entirely beyond our reach. If the price quoted for sheets is the best that the Echo Company can do, it seems that we shall not be able to handle the subscription edition at present, but can only supply the trade edition from America. We will therefore leave the matter for your further consideration with the Echo Company. *We should be glad to see a copy of the Australian edition.*

"THE PARABLES."

I have read again the copy of your letter to Brother Irwin, in which you submit propositions with reference to the publishing of this book in the interest of the Educational work in the various fields. I have not presented this matter to our Board of Directors but I am sure that we shall be willing to do whatever we can consistently to co-operate with any plan upon this general basis. Whether this office will be able to donate the printing of these books both for Great Britain and South Africa I could not say with-

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out more careful consideration of the matter. It occurs to me, however, that if you are to take South Africa from us and are to have that as your territory hereafter, it would be perfectly proper for you to supply them with this book also. I do not now see just why we should be shut out from this territory with books on which there is a profit and asked to supply <sup>the</sup> territory free with this book on the Parables. Perhaps you will consider this matter further in connection with the general question of territory.

P. S. - Since the above was written out I have read it to the Directors and they have approved of it as representing their views on the subjects discussed. I am sending a copy of it to the Echo Co. so that they may have a full understanding of the matter. I shall hope to hear from you again in due time.

Yours faithfully,  
H. H. Prescott.