

67/10/68.

10th May, 1933.

MEMORANDUM for:-

The Hon. Minister of Agriculture.

Adverting to the interview which Mr. J. Rentoul, Chairman of the N.Z. Honey Export Control Board, had with you on 11th ultimo, supporting the request made by Mr. Butland, Government Representative on the Board, in his letter to me dated 8th March last (see attached) for Government assistance in arranging an overdraft of £6,000 with the Bank of New Zealand, London, to enable the Board to purchase the "Imperial Bee" brand at present held by Messrs. C. & E. Morton, Ltd., as an asset of the N.Z. Honey Producers' Association, Ltd., in liquidation:

The position briefly is that the Honey Board is desirous of obtaining the brand referred to in the interests of the beekeeping industry of the Dominion, realising that considerable value pertains thereto by reason of the trade already built up under that brand on which some £48,000 in advertising has been expended in the past.

The Board has agreed to purchase the "Imperial Bee" brand from the liquidator for £6,000 as, failing such an arrangement, the liquidator would necessarily have had to offer the brand for public sale in the interest of the creditors, and, failing its acquisition by New Zealand, some other country would readily purchase it at that price.

The Board, having no funds or security other than the brand and its power to levy on honey exported, wishes to arrange an overdraft with the Bank of New Zealand, London, for £6,000 for the purpose of purchasing the brand, such overdraft to be reduced annually over a period which will ensure its liquidation at the end of six years, the funds for which will be raised by a per lb. levy on all honey exported during that period.

As security for the Board with the Bank on which to raise the overdraft, the Board now requests the Government to guarantee it for the amount stated, £6,000, which would be repayable as above indicated.

Mr. Butland will be in Wellington today. May I suggest that it might be advisable for you to see him in the matter if you can conveniently arrange the interview.

BY (SIGNED) C. J. REAKES

Director-General.