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SHANGHAI FACTORIES CONTINUE FLIGHT;
FOREIGN BUSINESSMEN SEE DIM FUTURE

MORE FACTORIES MOVE TO TIENTSIN -- Hong Kong Hsing-tao Jih-pao, 15 Mar 50

Tientsin -- Shanghai public and private industries are now being moved to Tientsin. In their new location, they will be near their source of raw materials and their finished goods markets and will escape bombings and the blockade.

The following factories either have already moved from Shanghai and begun operations in Tientsin or are looking for suitable sites and making preparations: K'ang-lo Cigarette Factory, Min-chung Cigarette Factory, Huan-ch'iu Undergarment Factory, Mei-lo Printing Plant, Ssu-ta Liquid Ink Factory, Hsin-an Electrical Apparatus Plant, K'ai-ling Electrical Apparatus Plant, Ya-chou (Asia) Electrical Apparatus Plant, Sheng-sheng Glass and Iron and Steel Utensils Plant, and Ch'ing-ch'eng Dyestuffs Factory.

According to recent reports, the Ta-lai Electric Bulb Plant and the Wei-ch'ang Machine-Manufacturing Plant, which is under the jurisdiction of the United Shanghai Commerce and Industry Staff Office set up at Tientsin, are also among those plants planning to move or to establish branch plants there.

The various Shanghai industries which have moved to Tientsin and started operations, or which are preparing to open in Tientsin, have had great success in moving their machinery, finding plant sites, raising sufficient capital to market finished goods, arranging for their manufactured products, etc. Wages are comparatively low in the North, and the workmen's zeal for production is high. The problems of raw materials and marketing channels are all being easily solved with the help of the government and all public and private business enterprises in North China. Consequently, these facts serve to persuade industry to come to Tientsin.

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The K'ang-lo Cigarette Factory moved and began operations on 6 January 1950. In the following month, production improved daily, to the point where the original daily output of five cases has now increased to nine. The cigarettes are being marketed throughout Peiping, Tientsin, and Tsingtao.

The Huan-ch'iu Undergarment-Weaving Plant began operations in December 1949. In addition to retail sales, wholesale lots are sent to department stores in Tientsin, to cooperatives, and to all the large urban areas in the Northeast. This firm enjoys the security and the convenient communications facilities of the Tientsin section and holds high hopes for the future.

The Ya-chou (Asia) Electrical Apparatus Plant has already rented office and factory space on Chien-she and Pei-ching streets in Tientsin. Their machines and equipment in Shanghai are rapidly being dismantled and shipped. This plant specializes in the manufacture of insulated wire, electric cable, etc.

The K'ai-ling Electrical Apparatus Plant has arranged for the rental of factory and office space on Ma-ch'ang and Chien-she streets. Their Shanghai machines are now en route to Tientsin.

The Hsin-an Electrical Apparatus Plant has arranged to rent office space and a factory site on Chieh-fang South Street and Chien-she Street. Some of their machinery, equipment, and workmen are soon to be moved to Tientsin. They plan to start production sometime in April 1950 and have already secured many orders.

The Sheng-sheng Glass Iron and Steel Tools Plant has practically completed the job of moving into Tientsin and will be able to begin production within a matter of days. This plant specializes in the manufacture of thermos bottles and can produce 2,000 per day.

The Ch'ing-ch'eng Dyestuffs Factory has arranged to purchase a factory site in Tientsin and is preparing to build a dye plant. They intend to increase production, reduce costs, and supply the tremendous needs of the large agricultural towns. As a primary step, they are preparing to manufacture sulfide black, and expect a daily output of about 50 cases. Next they plan to set up machinery to manufacture basic colors (red, black, blue, etc.). This firm has already made a report to the Industry and Commerce Department of the city government and is now undertaking to build the plant.

FOREIGN MERCHANTS PLAN TO CLOSE BUSINESSES -- Hong Kong Kung-shang Jih-pao, 15 Mar 50

Foreign business firms in Hong Kong, in view of the reports that they are receiving from their representatives in the large trading centers and ports of the Chinese mainland, take a dim view of the future of foreign business in Communist China. Because of heavy taxation, forces purchase of bond issues, and high inflation of the people's currency, foreign businessmen believe that they will not be able to carry on more than 6 months longer. They are laying plans, therefore, to close up and move elsewhere.

Some reports from business sources indicate that in most of the large cities under Communist control one third of the Chinese business houses have already closed, another third are planning to close as soon as they dispose of present stocks, and the others see no hope of any real future for business. Approximately nine tenths of all gold and silver shops have gone or are going out of business as soon as they can.

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