Extracts from 'The British Brewing Industry and Decolonisation of the British Empire, 1945-70' a PhD Thesis by Dr Ken Thomas in 2004.

The chapters as they relate to H&G Simonds Ltd.

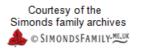
Introduction

In the summer of 1985 I was taken on by Courage's brewery to sort out their recent financial records that had been centralised in a former tobacco warehouse in Bristol. It was a six week contract. However, after 13 months I was made a permanent member of staff as the Company Archivist. One of the reasons for the change in my working arrangements was that, in amongst the hundreds and hundreds of boxes of modern financial records, lay a treasure trove of older records from the constituent companies that, by 1985, had been merged together to form what had become Courage Ltd.

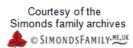
H & G Simonds of Reading was one of these constituent companies and there was a small scattering of original pre-1960 leather-bound ledgers from the company secretary's department, the estate's section, the staff office and so on. Then early in 1986 I met Peter Goodson, one of the company's senior secretariat who was based at the old Simonds' Broad Street site in central Reading. He had, he said, something I should see. The resulting trip up the M4 to Reading was a revelation ... he did have something worth seeing.

In a large storeroom lay the bulk of the H & G Simonds' company archive ... directors' minute books, audited accounts, property committee minutes, trade and public house information, personnel records, brewing books, shareholders' papers, company magazines and photographs of the brewery at work and play. The Broad Street site was soon to close, explained Peter, and he needed to find a safe home for this collection. It was duly shipped to Bristol, organised, catalogued and, eventually, used by researchers.

From a personal point of view, the most intriguing records in the collection were the papers and files that dealt with H & G Simonds' overseas businesses – in Malta from the 1920s through to the Second World War with Simonds Farsons Ltd; in wartime Libya with the captured Italian OEA Brewery; in post-war Kenya with the East African Brewery Company, and in Gibraltar with the wine merchants Saccone & Speed. I didn't know it on that daytrip to Reading in 1986, but these records were one day to underpin my PhD thesis on the history of the British brewing industry at the end of the British Empire and the beginning of the British Commonwealth.



Ken Thomas December 2015

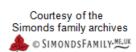


Abstract

The original trigger for this thesis was to try to answer an apparent contradiction in the history of the decolonisation of the British Empire. Why was it that, as the colonial empire progressed towards political self-government in the 1950s and 1960s. British business and commerce seemed to be expanding their imperial commitments? Surely the rise of colonial nationalism, along with the various small wars and emergencies, would have dissuaded anyone with business acumen from further investment of time and money in the colonies? An investigation into the colonial activities of the British brewing industry in these years served to show that other questions would also need addressing. What was the relationship between the brewers and official, government circles, and what role did British businessmen play in the latter days of the British Empire? The unqualified enthusiasm of businessmen in the brewing industry for a post-war, commercial presence in the colonial territories also prompted a larger, and more philosophical consideration. By the mid 1960s it was obvious that Britain had lost direct, political control of her Empire. This in itself is not in dispute, although the reasons why Britain found herself in these circumstances are still debated by political and military historians. However, it does not necessarily follow that, just because the British Empire ended abruptly on the political level, it also became superfluous on other levels. This thesis suggests that, certainly in terms of A SWETS the ordinary trade and commerce of British brewers lasting up to the present day, the 'Empire' was, and is, far from redundant.

Chapter 1

Cargoes



Three inter-connected *tranches* of information will be provided in this opening chapter. First is a consideration of the nature of British colonial trade, showing its breath taking diversity and resilience throughout the life of the British Empire. Then the history of the British brewing industry in the Empire up to the Second World War will be assessed, and will include a study of the Reading firm of H & G Simonds Ltd and their expansion into Malta. The final section, through an analysis of the experiences of Georges Bristol Brewery, will outline the domestic pressures on British brewers in the 1940s and 1950s. This uncertain domestic backdrop will be a constant theme throughout the thesis.

All that glitters ...

Quinquireme of Nineveh from distant Ophir, Rowing home to haven in sunny Palestine, With a cargo of ivory, And apes and peacocks, Sandalwood, cedarwood and sweet white wine.

Stately Spanish galleon coming from the isthmus, Dipping through the tropics by the palm-green shores, With a cargo of diamonds, Emeralds, amethysts, Topazes, and cinnamon, and gold moidores.

Dirty British coaster with a salt-caked smoke stack, Butting through the Channel in the mad March days, With a cargo of Tyne coal, Road-rails, pig lead, Firewood, ironware, and cheap tin trays.

Trade is as old as human civilization. As are empires. The two now have a profound inter-relationship, but it was not always so. The great empires of the ancient world, from the Persians of 500 – 330 BC through to the Roman Empire that finally fell in 565 AD, concerned themselves predominantly with territorial acquisition and human subjugation. Increased trade was just a by-product, and not an end in itself. However, these great empires were land based, and it was not until the Portuguese and Spanish sea-borne empires of the 1500s that trade itself became a motive underpinning such expansion. The Portuguese and Spanish empires had a significant limitation however: they were based on the rapidly decaying economic system of mercantilism. The leading features of this system were:

bullion and treasure as the key to wealth, regulation of foreign trade to produce a specie-inflow, promotion of industry by inducing cheap raw-material imports, protection against imported manufactures, export encouragement, trade viewed as a zero game.

In other words, there existed governmental control and regulation of trade. Then, in 1776, Adam Smith, a 53-year-old Scottish economist and philosopher, published *The Wealth of Nations*. In this vast work he questioned not just mercantilism itself, but the whole way in which men viewed the political economy. An economy based on the acquisition of ever-greater amounts of bullion and precious metals was absurd, observed Smith, as this would only lead to the devaluation of the bullion's worth. The monopoly of colonial trade in India by both the British

government and the East India Company was of no benefit to the mother country, he said. Indeed, the mercantilist monopoly in India 'had produced a totally indefensible combination of exploitation and corruption, and the existence of a continued surplus ... was highly doubtful'. To Adam Smith, the political economy of a nation ought to benefit the community as a whole, whereas the mercantilist system favoured only the government and merchants at the cost of everyone else. Only when the government adopted a *laissez faire* attitude, with free exchange and free trade, would the community as a whole experience the trickle-down benefits of that trade. Adam Smith himself was firmly against colonies, and thought that those existing should be either emancipated, or incorporated into Britain. However, from the mid-1820s later 'classical economists' like J R McCulloch and Sir R J Wilmot Horton began to see the economic benefits of colonial settlement as an outlet for Britain's surplus population. This idea was rapidly followed by Edward Gibbon Wakefield's theory that colonial land could actually be parcelled-up and sold to suitable settlers, thus making colonial expansion self-financing. None of these economists thought that, once established, such colonial settlements should be retained by the government, or ruled from Britain.

Economists can perhaps explain the operation of the political economy, but they cannot control or predict its movements. In 1776 Adam Smith, profoundly anti-colonial himself, had written disparagingly that 'to found a great empire for the sole purpose of raising up a people of customers, may appear at first sight a project fit only for a nation of shopkeepers'.xi However, by the middle of the nineteenth century, Britain's shopkeepers and manufacturers were ready for such a project. By about 1850 Britain had evolved into a recognisably modern nation. She was armed with products and capital from the industrial revolution, and with the enlightened free trade theories of Adam Smith and his followers. It was an unstoppable combination. It meant that British businessmen (it would not be in the spirit of Adam Smith to say 'Britain' as a nation) could manufacture almost anything that was required by almost anyone, anywhere in the world. Not only could they make it cheaper than anyone else, as in truth there were not as yet many industrial rivals, but the finished goods were invariably of the highest quality. Thanks to the massive British merchant navy, protected by the increasing might of the Royal Navy (a justifiable government action according to laissez faire theory), British goods could also be delivered almost anywhere in the world. By 1850 Britain was rather like a river, swollen with industrial goods and raging with free trade conviction.xii The pressure must have been enormous. It was only a matter of time before the riverbanks burst, and the world would be flooded with all things British: goods, capital, people and cultural attitudes. Like the Persians, Romans, Portuguese and Spanish before them, it was now Britain's turn to establish an empire. Unlike the Romans and Persians, this would not be just a land-based empire of territorial acquisition and subjugation, and unlike the Portuguese and Spanish it would not be mercantilist in nature, or be obsessed with gold bullion. It would be an empire based on free trade and commerce.xiii As Paget argues:

Trade ... was not merely a different means of pursuing similar universal objectives to the older imperial orders. It was an entirely different way of perceiving both what an empire was, and what it might become.xiv

The nature of British colonial trade

It has been suggested by Margery Perham that, in the British colonial empire, four broad and distinct groups represented the imperial power: soldiers, administrators, missionaries and traders.* The soldiers only ever made brief appearances in times of potential conflict, and the colonial administrators have been much studied and discussed by historians. Similarly, she argued, missionaries have enjoyed a high profile in the historiography of the Empire that matched their numbers and enthusiasm. The chartered company had also attracted a certain amount of historical scholarship** but, Perham noted, ordinary traders seemed to be almost anonymous in the colonies and were taken for granted by historians, even though trade made up the largest part of the economic motive for Empire.* Perhaps it is indeed because the British are a nation of shopkeepers, she argued, and trade and commerce were just too obvious to generate much comment. Perhaps it is also because traders effectively provided a service to the soldiers, administrators and missionaries so much so that their sheer ubiquity made them anonymous and almost invisible. In other words traders were everywhere on a constant basis and became an

unremarkable, and unremarked upon, aspect of Britain's imperial operation. *Laissez faire* was also a crucial factor in that trade and commerce were allowed (and expected) to pursue their business interests largely free of government regulation or public comment. In one sense these businessmen were the true pioneers of Empire and it was *laissez faire* that provided the perfect 'forcing house' for an expansion of trade.** Once the mercantilist era of the chartered company was over 'a stream of individual commercial energy was released, which spread to all quarters of the Empire'.**

Apart from the assurance of peaceful conditions in which to operate, these traders had no need or desire to influence the government, and the government in its turn had neither the desire nor the impulse to regulate British commerce. As British overseas commitments steadily grew, Adam Smith's theories of Free Trade and *laissez faire* were in the ascendant.

Trade was a continual feature of the operation of the British Empire, and never more so than in its latter stages. In financial terms, in the post-1945 era, Britain's directly ruled possessions played an increasingly significant part in the economy of the mother country as the following statistical tables show:

Table 1.1 Value of Britain's colonial trade (%)

rable 1:1 value of Britain's colonial trade (70)		4 4
	1938	1948
UK exports to colonial empire as a	11.2	11.9
Proportion of total UK exports		
UK imports from colonial empire as a	5.4	9.8
Proportion of total UK imports)
UK exports to colonial empire as a	25.0	26.0
Proportion of total colonial imports		
UK imports from colonial empire as a	27.0	36.7
Proportion of total colonial exports		

Source: K M Stahl, The Metropolitan Organisation of British Colonial Trade, p.2

Further statistics show that colonial trade accounted for 28.6 per cent of Britain's total trade in 1938 but after the rigours of the Second World War, this had increased to 32.6 per cent. The growing influence of the USA was also apparent in the post-war era and colonies like Malaya with her valuable commodities of rubber and tin were significant dollar earners. By 1948 colonial exports to the USA easily exceeded exports from the mother country to America (see Table 1.2). The dollars earned by the colonial empire of course ended up in London where the individual colonies were given a sterling credit, effectively encouraging them to buy goods for import into their colonies from within the sterling bloc. **xiiii*

Table 1.2 UK and colonial trade with the USA (£000)

	1938	1948
UK exports to the USA	20,484	66,107
UK imports from the USA	117,981	182,239
Colonial exports to the USA	30,182	103,345
Colonial imports from the USA	15,633	86,792

Source: K M Stahl, p2

In percentage terms, by 1948, 18.6 per cent of all colonial exports went to the USA, compared with only 4.2 per cent of the mother country's total exports. The war itself was significant not only in reducing Britain's power and wealth, but also in boosting the economic significance of the directly ruled colonial empire. During the war the doctrine of *laissez faire* was effectively suspended as the British government, planning all aspects of the war economy, used the colonies as providers of raw materials and food for the war effort. The Empire became a vast imperial warehouse and was exploited economically in time of war much as imperial federationists like Joseph Chamberlain and Leopold Amery would have liked to have done in peacetime. Both during and after the Second World War a series of Colonial Development and Welfare Acts^{xxv} either 'developed' or 'exploited' the dependent colonies depending on one's viewpoint^{xxvi}. The end result was perhaps the same: Britain used the resources of her colonies,

and the dollars they could earn, to shore up the domestic economy in very difficult times. It is perhaps an irony that as the Empire began to fragment in a political sense, it was becoming more important to Britain in economic terms.

This then is the uncertain environment facing British businessmen operating in the colonial empire after 1945. The government's reaction to this situation will be examined in Chapter 2 when the birth and coming of age of a decolonisation policy will be assessed. But what was the reaction of the businessmen engaged in trade and commerce over the whole sprawl of the colonial possessions? They had a tradition of trading in the colonies, had seen that trade enormously boosted by the Second World War, and were used to having a free hand to run their businesses as they saw fit. What would be their reaction to decolonisation? This is one of the central questions of this thesis and is one that historians have raised on more than one occasion. As early as 1951 Margery Perham considered that although it was possible to trace the influence of chartered companies in the mercantilist era:

The manifold activities of smaller groups and individual merchants outside their borders and since their dissolution, have been much harder to distinguish, interwoven as they often are with the entire body of metropolitan commerce. xxvii

Then, in 1986, D K Fieldhouse commented that:

It is far more difficult to know what attitudes British business as a whole took towards the prospect of decolonisation in Africa than to know what the officials thought. On the one hand it is not the concern of businessmen to state their attitudes publicly on this sort of issue and their records seldom spell out their views on general principles. On the other hand very little work has been done or published on what these men said within their boardrooms. The general impression, however, is that British business firms never thought very clearly about the prospects of decolonisation. **xviii*

In 1995, Philip Murphy concluded that 'the business bias inside the Conservative Party was certainly not sufficient for concerns about the interests of particular firms to play a major part in the debate about political developments in Africa'.xxix As late as 1999, John Darwin agreed with Fieldhouse and Murphy. Having assessed two recent studies of business in India and West Africa, Darwin strongly suggested that there was no evidence from official records of any commercial influence over British policy. Furthermore 'surprisingly little official account was taken of British commercial interests and opinions in the approach to independence'.xxx Indeed, the official documents are invariably silent on ordinary, private trade and commerce. xxxi In 2000, Sarah Stockwell, intrigued by the lack of detailed research into British business activities at the end of Empire, produced a study of the mining and cocoa industries in the Gold Coast, 'British businessmen,' she argued 'were more than spectators, or the victims or beneficiaries of developments beyond their control' xxxii Building upon this idea, it will argued in this thesis that British businessmen in the brewing industry did indeed give considerable thought to the prospects of decolonisation, that their views were closer to those of officials than is generally supposed, and at times it was difficult to determine who were the officials, and who the businessmen.

Finally the sheer breadth and scope of Britain's colonial trade should be considered not only to build up a picture of the diversity of products and raw materials, but also to underscore the sometimes-bewildering web of commerce and trade that was being transacted in the Empire. The 'great bugle' of British manufactured goods going out to the colonial empire will be discussed, and it is perhaps worth stressing the point that these British goods, beer included, became part and parcel of the colonial lifestyle. In the same way the raw materials and food exported by the colonies became a part of everyday life in the mother country, whether it was cocoa from the Gold Coast or sugar and bananas from the Caribbean or tea from Ceylon or Mauritius or Nyasaland or Kenya.

The range of products was simply vast. It is perhaps common knowledge that Malaya produced considerable quantities of rubber and tin, but few realise that in the 1930s she was the world's second largest producer of canned pineapples, or that her palm-oil was of superior quality to that in West Africa. Or that before the Second World War Malaya was the world's fourth largest exporter of coconut products such as coconut oil and copra. XXXIII It is also interesting to note that Malaya's canned pineapples and coconut products were rarely exported to Britain, but instead took advantage of colonial preference arrangements and established markets in other colonies. Colonial trade was, therefore, not merely a bilateral affair between Britain and her dependencies, but more of a spider's web of commerce that had the effect of knitting together the whole loose and far flung construction that was the colonial empire.

In a similar way in East Africa, Zanzibar produced cloves worth about £500,000 per annum in the inter-war period, almost all going to the unlikely market of Java. xxxiv In fact the colonies that made up Britain's East African empire were an Aladdin's Cave of valuable raw materials. Apart from the major products of coffee, cotton, and sisal, there was a sizeable trade in hides and skins, groundnuts, tobacco, cloves, copra, wattle bark, wattle extract, simsim, clovestem oil, mangrove bark, sesame, palm kernels, beeswax, honey, chillies, gum arabic, kapok, raffia, sea grass, ghee and cashew nuts. XXXV East Africa's rich diversity was mirrored in the West Indies with its heavy reliance on the export of sugar and bananas masking the output of cacao, chillies and spices, citrus products, coconuts and coconut products, coffee, rice, sea island cotton, cotton seed, arrowroot and cassava starch.xxxvi And then there was rice, coffee, cocoa and diamonds in Sierra Leone, and copper, maize, tobacco, coal, chrome and asbestos in the Rhodesias. Even tiny Aden, sitting strategically at the mouth of the Red Sea and guarding the route to India, exported millet, maize, sorghum, oats, mocha, coffee, fruits and oil. This is the complex nature of British colonial trade, carried on as it was by a small army of private British firms and agencies and covering a bewildering variety of raw materials and products from the commonplace to the obscure. It was not only a trade between the colonies and Britain, but also one carried out with other members of the Empire, with the USA, and with the possessions of other European empires. And the warehouses at tropical ports around the Empire, the cargo ships, the agency offices, the clerks, the British businessmen, and the products from home were all so commonplace as to be hardly noticed at all. Somewhere within this imperial fabric, as John Masefield reminds us, there was cedarwood and sandalwood and sweet white wine. There was also British beer. CHARLE SHAROLUSE

British Brewers and the Empire to 1914

The British brewing industry is one of the rare exceptions amongst British manufacturing industries in that it has only ever had a limited interest in, and reliance upon, exports and the export market. This is probably due to the twin factors of a strong domestic trade, and the short shelf life of beer with its potential for instability on long journeys. It has been estimated that exports never absorbed more than 3 per cent of Britain's total beer production. The first export market of any importance was the Baltic and, up to the 1820s, this lucrative trade came to be dominated by brewers in Burton-on-Trent, and in particular Bass Ratcliffe & Gretton. Indeed, the firm's growing strength in the home market at this time was partially underwritten by their Baltic profits. The Napoleonic wars in Europe, and their aftermath, severely disrupted this trade but its place was taken, and soon eclipsed, by the new market of India. As the Baltic trade declined and the East India Company lost its monopoly of the Indian sub-continent's trade in 1813, British brewers were well placed to take advantage of this new market in the early flowering of *laissez faire*. Exports of beer to India and the East Indies were therefore a concomitant part of Britain's expanding interest in this part of the world in the nineteenth century with trade statistics showing a steady increase in business:

Table 1.3 Export of beer to India and the East Indies

Year	Barrels exported
1697	695
1750	1,480
1800	9,000
1830	19,500

Source: PMathias, *The Brewing Industry in England, 1700-1830* (Cambridge, University Press, 1959) p.189

The first firm to gain a predominance in the Indian market was George Hodgson of the Bow Brewery in London, and up until 1821 his 'Hodgson's India Ale' was the most popular product available. The name 'Hodgson's' itself became a generic term for all beer exported to India. After 1821, lured by rising prices and growing demand and pushed by the collapse of the Baltic trade, other brewers entered the market. Once again it was the Burton brewers, particularly Bass Ratcliffe & Gretton, who came to dominate the trade with a specially designed beer that had the distinct advantage of arriving clear, bright and sparkling at its destination. The salts in the water supply of the Trent river basin enabled the Burton firms to produce an 'East India Pale Ale', fully aware that tropical markets favoured these clear, refreshing beers over the thick, dark porters of their London rivals.**

In their turn, Burton pale ales also came to dominate the domestic market as consumer tastes changed away from porter in the mid-nineteenth century, and the beer designed ostensibly for India was to bring commercial strength and prosperity to the midlands' town.

It was not just India that saw a rise in demand for British beers, but also Australia, New Zealand, Africa, and the West Indies. As Peter Mathias noted, perhaps unconsciously redolent of John Masefield:

Where Englishmen - perhaps more prominently Scotsmen – settled or worked abroad in these conditions, English beer went out to them with the mixed cargoes of cloth, ironmongery, bricks, tiles, nails, glassware, muskets, powder and shot, spirits and wine, puncheons of felt hats, the inevitable 'great bugle' going to Africa – all that mixed parcel of dry goods which life and trade inevitably demanded.^{xl}

In statistical terms, exports of British beer showed a steady growth rate until the 1850s. From the 1850s onwards, in the heyday of *laissez faire*, the volume of trade reached a plateau of about half a million barrels a year:

Table 1.4 Exports of British beer 1830-1910

Ye	ar Barrels exported
1830	61,272
1840	148,099
1850	182,479
1860	534,827
1870	521,199
1880	412,192
1890	503,221
1900	510,843
1910	590,346

Source: T R Gourvish & R G Wilson, pp.207-209

The final destinations of this exported beer can be seen in a complementary table of statistics that show the growing importance of colonial markets for British brewers:

Table 1.5 Exports of British beer by destination (as a percentage of total exports)

1872	1882	1892	1902	1912
8.5	7.0	10.0	8.0	10.5
-	9.0	4.0	7.0	10.0
5.0	5.0	4.5	4.0	3.5
17.0	23.0	26.0	14.0	18.0
32.0	20.0	21.0	23.0	15.0
-	-	-	-	3.5
-		-	-	3.5
37.0	35.0	32.0	40.0	40.0
	8.5 - 5.0 17.0 32.0 -	8.5 7.0 - 9.0 5.0 5.0 17.0 23.0 32.0 20.0 	8.5 7.0 10.0 - 9.0 4.0 5.0 5.0 4.5 17.0 23.0 26.0 32.0 20.0 21.0 - - - - - -	8.5 7.0 10.0 8.0 - 9.0 4.0 7.0 5.0 5.0 4.5 4.0 17.0 23.0 26.0 14.0 32.0 20.0 21.0 23.0 - - - - - - - -

Source: Ian Donnachie, 'Following the Flag: Scottish Brewers In Imperial and International Markets, 1850-1939' in T R Gourvish & R G Wilson, *The Dynamics of the International Brewing Industry* since 1800 (London, Routledge, 1998) p.129; *Brewery Manual*, 1912, p.34

Of course this is not to suggest that all British brewing firms were actively engaged in the export trade. In fact this export trade was concentrated in relatively few hands and comprised those brewers with a suitable pale ale product along with the skill and determination to exploit the new opportunities that the growing empire offered. By the 1840s Bass Ratcliffe & Gretton were exporting as much as 40 per cent of their total output, and although their principle markets were Australia and India they claimed by the 1870s that their beers could be found in every country in the world.xii At their peak in the 1890s Bass Ratcliffe & Gretton alone accounted for 25 per cent of all British beer exports. It has also been argued that it was the large Burton brewers along with Scottish firms from Edinburgh and Alloa, and Guinness that dominated the trade.xiii The Scottish brewers were particularly active at this time and took a disproportionate share of the export market relative to their English rivals. XIIII Size was naturally important in having the necessary support to trade in the empire, but size was not everything. Location, determination, and traditional links to the armed forces' trade were also important. These factors meant that quite small firms could also actively engage in the imperial market, and could successfully carve out a profitable niche in competition from much larger brewers. The significance lies in the number of players, all servicing the colonial demand for beers from home, and often in fierce competition with each other in a faraway marketplace. It was an unremarkable day-to-day trade that was an omnipresent and necessary part of the British imperial character. Perhaps a few examples of the ubiquity of the trade in the late nineteenth century would serve to underscore its significance.

George Younger & Son of Alloa exported beer to the West Indies, Australia and the USA before the 1880s, and then expanded their operation to include India, the Far East and South Africa. Like H & G Simonds of Reading, they built up a series of contracts with the armed forces both at home and abroad and this was to be the backbone of their export business. By the 1860s

William McEwan & Co of the Fountain Brewery in Edinburgh had a successful colonial trade, while their city neighbours, Maclachans Ltd of the Castle Brewery, had a large export trade mainly to India and South Africa. By the 1880s another Edinburgh brewer, Alexander Melvin & Co, was sending beer to the USA, South Africa, Australia, India and the West Indies. In the Isle of Wight, M B Mew Langton & Co built up a large army canteen trade that saw their business extend to China, India and Malta. Another Alloa brewer, James Calder & Co, bought a brewery in Ostend in 1921 and then in the 1930s further breweries in Marsa, Malta and Nairobi. In London, Barclay Perkins & Co had been exporting to the West Indies and Russia since the 1770s and, in the nineteenth century, expanded to India and the Far East. Truman Hanbury Buxton Ltd, Watney Combe Reid & Co, and Courage & Co all had their respective interests in some corner of colonial trade. Xiiv

The British brewing industry in many instances followed the flag, exporting their beers to an expanding empire, supplying the growing number of servicemen becoming active in all parts of the world, and generally providing a welcome product from home for those now working far away. It was never a large trade and took only about 3 per cent of the total output from Britain's breweries, but it was both persistent and widespread. Wherever the British went, suppliers of everyday goods such as beer were never far behind and the relationship and trade was mutually rewarding. Or, to put it another way, there were no troops without beer, and no beer without the troops. The following table shows a selected range of brewers who traded in the empire before the First World War, organised by size based on their authorised share capital. This serves to underline the argument that, although size was indeed one factor, smaller firms could also operate:

Table 1.7 Relative sizes of exporting British breweries, 1912

	Share capital (£)
Bass Ratcliffe & Gretton	2,720,000
William McEwan	1,000,000
George Younger & Son	750,000
H & G Simonds	350,000
W B Mew Langton	150,000
James Calder & Son	80,000

Source: Brewery Manual, 1912

CHARLES AND SERVICE OF THE SERVICE O

H & G Simonds and Malta to 1939

H & G Simonds were a medium-sized, family firm in Reading. An examination of their imperial activities will demonstrate the commercial and emotional impulses that drove them forward. Such an examination will not only underline the contention that size was not everything in the colonial marketplace, but also would show the sheer determination of H & G Simonds to survive and succeed. Further to these aims, it will also be a useful way of moving the story of the brewing industry and the Empire up to the start of the Second World War. It will also show a brewer beginning to venture beyond mere trade, and towards manufacturing beer out in the Empire itself.

The business of H & G Simonds had been built up in the nineteenth century on the twin pillars of supplying the rapidly expanding number of railway refreshment rooms, alongside a lucrative trade in sales of beer to army garrisons. In the 1850s nearby Aldershot became the home of the British army and in 1872 Simonds were awarded the contract to supply its permanent canteen with beer. The was to be the beginning of a long and successful relationship with the armed forces. In 1875 increased demand from the army led Simonds to appoint an agent in Malta to service the garrisons based on the island, and in 1890 this agency was transformed into a branch office of H & G Simonds. The Malta branch office imported bulk beer from the Reading brewery, bottled it on the island, and then sold it to the various military canteens. Certain beers that travelled better, like Milk Stout, were imported already bottled. The supplies that travelled better, like Milk Stout, were imported already bottled.

It was the start of a symbiotic relationship. As the British Empire grew to its zenith, so too did the export sales of H & G Simonds. Wherever the armed forces went, Simonds' beers were never far behind. XIVIIII All went well for Simonds in Malta until the end of the First World War when the first hint of competition began to emerge. An independent, Maltese-owned brewery was built on the island by the Farrugia brothers who called their firm and its beers 'Farsons'. This was a shortening of the name Farrugia & Sons, and had the desired effect of making the company and its products sound more English than they actually were. In the late 1920s further homegrown Maltese competition appeared in the shape of the Malta Export Brewery Company (also called the Cisk Brewery) that was owned by Marquis John Scicluna. Scicluna built a new, lager-producing brewery at extravagant cost. XIIIX In addition to these two manufacturing breweries, Simonds also faced a stiff fight from both Youngers and McEwans with the former poised to invest in pasteurising and refrigeration plant on the island. There was simply too much competition for the size of the market and, when a price war broke out in January 1929, it seems to have been the last straw for the Simonds' directors in Reading who had seen their dominance of Malta almost disappear within the previous three years.

Table 1.7 Imports of British beer into Malta, 1926-29

H & G Simonds (%)		All others (%)
1926	54.5	45.5
1927	42.5	57.5
1928	20.0	80
1929	7.5	92.5

Source: Courage BA/C/71, Trade Correspondence, 1926-29

The above table shows how much Simonds were suffering at the hands of their British rivals, most notably Youngers and McEwans, but it does not show the damage inflicted by the Farrugias who were brewing on the island itself. The Simonds' chairman, F A (Eric) Simonds, highlighted the Farsons brewery as a major cause for concern: 'the position out there at the moment is that his brewery has made great headway and has almost wiped out our business, while others are kept going – e.g. Youngers and McEwans, by cutting prices to an absurdly low level'. Simonds valued highly their links with the army and were determined to put up a fight to turn the situation around. In January 1929 Simonds sent their head brewer, Charles Stocker, out to Malta with a brief to review the situation and to suggest a course of action. When Stocker arrived in Malta he could see only one possible solution – that Simonds should link up with the Farrugia brothers. Stocker was initially doubtful if his suggestion would ever get off the ground as the Farrugias were making money hand over fist. He wondered whether he could persuade the

brothers into an alliance with a British brewery. III Stocker also met with John Scicluna but was unimpressed with what he found. The young Scicluna seemed to be heavily influenced by an advisor named J Gatt and, despite his having gained the monopoly to brew lager on the island, Stocker was unconvinced that Scicluna's extravagant brewery would ever return a reasonable profit. In a concise report written at the end of January 1929 Charles Stocker identified the two reasons why Simonds should seek a merger with the Farrugias: the first was to eliminate the competition within Malta; the second was to gain a productive base on the island which could be used to develop a further export trade to the near and far east. IV Within three days of his report Stocker had taken up bank references on the Farrugias brothers and had negotiated a draft contract. As it happened the Farrugias were not at all hesitant about joining forces with H & G Simonds – indeed they indicated a desire for a three-way merger between themselves, Simonds and the Cisk Brewery of Scicluna. The brothers were apparently concerned lest Youngers and McEwans made a counter move by allying with Scicluna, thus having the effect of formalising the competition for the beer market in Malta into a two-way fight. If this happened the Farrugias were worried that the traditionally cautious Maltese investor would steer clear of the proposed share issue in the new company to be called Simonds Farsons Ltd. V

Most of February 1929 was spent in negotiations with the Farrugia brothers. The Simonds' board asked one of their cousins, General Harry Simonds de Brett, to travel to Malta on their behalf and be their chief representative. On arriving the general's first reaction to the situation was to urge in favour of Scicluna being included in the proposed merger, but this only earned him a sharp rebuke from Eric Simonds in Reading who told him not to let anything muddy the waters of the agreed deal with the Farrugias. Slowly but surely, and with a certain amount of nervousness on both sides, the deal was completed and the share issue in the new company of Simonds Farsons Ltd was launched in the spring of 1929.

The share issue was not a great success. The Maltese public bought only 9,585 of the 50,000 £1 ordinary shares on offer, the remainder being bought by Simonds and the Farrugias who had jointly underwritten the issue. Lewis Farrugia had earlier warned that potential investors were being discouraged by persistent rumours, probably put about by competitors, that the new company would accrue no benefit from any export trade which, the detractors had claimed, would continue to be carried on by Simonds direct from Reading. This provoked the Simonds' directors to set out clearly their future intentions in a telegram to Lewis Farrugia: 'we will push your export trade by requesting our established agents find markets for Simonds Farsons' beers'. Livi

And so it had come about that H & G Simonds used Malta commercially for much the same reasons that the island was used strategically by the British government. To both the island offered a stable and friendly base (for the garrison of troops or the brewing of beer), as well as being a staging post for the further exporting of their respective products (troops or beer) to the more distant points of the British Empire. It was in many senses an interdependent relationship for, as already suggested, there were no troops without beer, and no beer without the troops. It was also a relationship that was classically informal in nature, and one that shows how laissez faire worked in practice. At no time did the Simonds' directors liaise with the British government over their planned expansion into Malta, at no time did the government or the armed forces suggest to Simonds that they required them to produce beer on the island itself. Moreover, at no time did the British government try to regulate the trade in any way. In an empire built on the foundations of laissez faire that was simply not the government's concern. If British subjects abroad created a natural demand for beer, then the operation of the free market would ensure that market was supplied. Trade and strategy therefore went hand in hand with both parties working towards the common goals of expansion and maintenance of the empire although, in reality, they were guite separate strands and operated on guite different levels. The expansion of H & G Simonds into Malta in the late 1920s is an example of the anonymous but ubiquitous position that business and commerce held in the imperial network.

It should have proved to have been an harmonious and profitable relationship although, as far as H & G Simonds were concerned, the 1930s in Malta were less than satisfactory. This had nothing to do with their arms-length relationship with official circles, but rather the actions of the Legislative Assembly of the Maltese people that had been established by the British in 1921 after over a hundred years of direct rule from London. This is not to argue that the Legislative Assembly was in any way anti-British or nationalistic, and it is fair to say that at this time the

Maltese were relatively contented subjects of the empire. However, it was the Maltese Legislative Assembly that struck and early and near fatal blow to Simonds Farsons Ltd, and General H S de Brett's caustic comments in the first annual directors' report in 1930 show the sense of outrage the new company felt:

The story of the year may be briefly summed up as one of bright prospects rudely shaken by a violent dislocation of trading conditions in the middle of the busiest season of the year. The cause of the violent dislocation referred to above may be given in one word - Tax^{|xiii}

Beer duty had been increased nine-fold by the Legislative Assembly and an expected dividend to shareholders of between 7 and 10 per cent was slashed to just 3 per cent. It was clear that the poor profits barely justified even this low dividend. There were also agitated calls from the floor of the first annual general meeting for talks to begin with a view to a further merger with the Cisk Brewery. This was to be a persistent call during the 1930s following a disappointing series of trading results from Simonds Farsons:

Table 1.8 Trading Performance of Simonds Farsons Ltd, 1930-39

4 <u>510 110 1140</u>	este tre trading t entermance of emiteriae t areene Eta, tees es				
	Net profit (£)	Ordinary Share	Capital		
		Dividends (%)	Employed (£)		
1930	1,450	3	150,000		
1931	1,650	4	150,000		
1932	3,848	4	150,000		
1933	2,826	5	150,000		
1934	9,500	5	150,000		
1935	11,505	5	150,000		
1936	10,758	5	150,000		
1937	9,717	5	150,000		
1938	6,306	5	150,000		
1939	12,800	5.5	150,000		

Source: Courage BG/C/4; BG/C/6

Heavy taxation, however, was not the only obstacle facing the new venture. Persistent pricecutting by competitors and a refusal by either side to come to any agreement about prices was viewed with dismay by the Simonds' directors far away in Reading. Ixvi

Despite the poor results of the 1930s the Simonds' directors consistently ruled out any thoughts of a further merger with Scicluna's Cisk Brewery. In 1933, after another year's poor trading, the Simonds' board rejected the notion out of hand. This was followed in 1935 by a refusal to provide Simonds Farsons with the further capital required to purchase the Cisk Brewery. Once again, in 1937, the board in Reading did not warmly receive a suggestion from de Brett in Malta that H & G Simonds should guarantee a £75,000 loan from Barclays Bank, to allow Simonds Farsons to buy out Scicluna. As the Second World War loomed, H & G Simonds found themselves with a little over £70,000 invested in a part-owned Maltese brewery that was not performing to expectations, and they were involved in a ferocious trade war with the other brewers on the island. However, the Second World War was indeed on the horizon and would prove to be the making of Simonds Farsons Ltd.

The British brewing industry, 1945-65

The story of the British brewing industry in the post-war years is one of rapid change. It involves declining consumption, the twilight of the family firm, changing consumer tastes, merger mania and, by the mid 1960s, the eventual concentration of production in fewer hands – most notably the so-called 'big six' firms of Bass, Courage, Scottish & Newcastle, Whitbread, Watney Mann and Ind Coope. The economic history of the post-war brewing industry has been well covered by secondary literature and it is not the intention of this section to merely re-tell this story in macro-economic terms. A Rather this section will attempt to analyse these sweeping changes in the context of the fate of one firm, the Bristol Brewery Georges & Co. A study of Georges will also serve to bring a more human element to what is normally presented as a predominantly economic story. Moreover, it will give a flavour of the times, and a feel for the pressures that faced brewers in their boardrooms across the country. From this will emerge the unsettling domestic backdrop that faced all brewers, as those operating in the Empire were as much affected as those whose trade was purely domestic. An understanding of the domestic British brewing industry in this period is therefore an essential prerequisite to the study of the exporting brewers and their colonial activities.

In the high summer of 1961 the Bristol Brewery Georges & Co were taken over by the London-based brewing firm of Courage Barclay & Simonds, thus finally removing the last independent brewer in the city of Bristol. Georges had begun life as an eighteenth century partnership initially led by Philip George, and since the 1880s had slowly but inexorably swallowed up the smaller brewing concerns in and around Bristol. In 1956, with the acquisition of their only remaining rivals, Bristol United Breweries, Georges became the pre-eminent brewers in the city. This pre-eminence was to last only five years as Georges were swept along by, and eventually swept away by, the tidal wave of change that had been working its way through the industry since the Second World War. It will be argued that not only did Georges disappear at the height of their power and influence, but also that there was little they could do to prevent or forestall their fate.

Initially, as the war came to a close in the summer of 1945, the directors of Georges at their Bath Street head office were in ebullient mood. Put simply, the war had been good for business. The war economy of Britain, if viewed from the micro-position of the brewing industry in Bristol, had produced a complex weave of economic and social conditions that had, in turn, produced a quite artificial but ideal trading environment. The war years had often seen demand for beer outstripping supply, and the retail price of beer increased from 3.3p a pint to 5.5p. At the firm's annual general meeting in December 1944 chairman Christopher George commented that:

In spite of numerous restrictions, labour shortage, transport difficulties and rationing of materials, we have sent out more than five thousand barrels more than in the previous twelve months. During the year under review our output of beer reached a new high record, and compared with that of 1938 was 30.5% higher^{lxxii}

It did not seem to cross the mind of Christopher George that these 'numerous restrictions' had only served to make the brewery more efficient. Transport costs had been cut under 'zoning agreements' whereby brewers supplied each other's public houses to save long delivery journeys, and the combination of a reduced workforce, raw material shortages, and record output strongly suggests that Georges were operating at a higher rate of efficiency than in peacetime.

The social effects of the war were also important, particularly as they seemed to stimulate the appetite of the British for beer as well as encouraging entirely new groups of customers into public houses. In the same way the war created a war economy, it also created an artificial and temporary 'war society'. Co-operation and pulling together, perhaps traditional British virtues in times of adversity, were the obvious and superficial results and these have long since passed into folklore about the home front in the Second World War. However, the pressure of living through the war years seems to have had another effect in that it encouraged people to act in more experimental ways, and in ways they would not have done in peacetime. Nowhere is this

better evoked than in Mary Wesley's novel The Camomile Lawn where the characters live their lives under the intense pressure of war all around them. Almost everyone seems to be in uniform, loved ones go off to war and sometimes they do not return. The essentially upper-middle class characters meet people from outside their class, they experiment with sex and, helped by the lack of alternative entertainment, they drink more. The pressure of war and the very real uncertainty of the future created a more dynamic society and nowhere was this more apparent than in the increased demand for beer. Naturally, the armed forces stimulated demand as hundreds of thousands of men from all backgrounds were herded into uniform. Furthermore, the unwillingness of government to regulate the industry (quite unlike the First World War) perhaps shows that beer was seen more as a morale-booster rather than a threat to the war effort. The vast numbers of American, Canadian and other Allied troops stationed in the UK undoubtedly swelled the customer base. Added to this demand was the relatively new market of women drinkers. This is difficult for an historian to prove statistically or empirically, but former land girls and factory workers all seem to tell the same story. Ixxv The war had caused them to enter the world of men and, like the men sent off to fight around the world, these women bonded together. When they relaxed they visited public houses and drank for the first time. This would not have happened in peacetime. These social changes served to add a depth and strength to the efficiencies of the war economy. It was almost as if the 1930s Georges' advertising slogan 'we do not want people to drink more beer, we want more people to drink beer' had come true.

It also did not seem to cross the mind of Christopher George that, although the firm had performed well in the heavily regulated war economy, the future success of Georges would rest on the ability of the directors to adapt the firm to a steadily de-regulated peacetime economy. It took about three or four years for the reality to sink in. By the time of the annual general meeting in December 1948, Christopher George's mood had turned distinctly sour. He launched a tirade against the Labour government's increase in beer duty, and their new excess profits tax that he claimed 'has resulted in a decrease in our sales'. Ixxvi This was serious. As Table 1.9 clearly shows, the burden of taxation (including corporation tax on profits, beer excise duty and the new excess profits tax) rose steadily during the war and showed little sign of falling again under the new Labour government. The dividend to ordinary shareholders was maintained, but the tax burden must have been unsettling. That same year the Georges' directors increased the unissued share capital of the firm by a million pounds. This resulted in the rather heady combination of the directors realising that something had to be done, and having the mechanism to raise the cash to do that something. The late 1940s and early 1950s were generally unsettling times for brewers and there were persistent worries about the Labour government nationalising the brewing industry. A great deal of this worry was probably self-induced as there is little evidence that Labour seriously thought of the brewing industry as one of the commanding heights of the economy. Nevertheless it was a persistent and unsettling theme. Ixxvii Naturally there was some agitation at Labour's increase in beer duty, and further agitation when the Conservative governments of the 1950s seemed unwilling to lower them again. || | downturn in sales mentioned by Christopher George was real enough as men were demobilised, women for the most part returned to their pre-war social norms, and the demand for beer tailed off. After an initial, temporary post-war boom, national beer sales fell sharply by twenty five per cent between 1945 and 1951. Ixxix Georges were caught between falling beer consumption and rising taxation (see Table 1.9) and it almost seems as if they were standing still in financial terms:

Table 1.9 Profits and taxation burden of Georges, 1938-50

	Capital	Gross Profits	Net profit	Taxation	Dividend***
	Employed*	before Tax	after Tax	Burden**	(%)
	(£)	(£)	(\mathfrak{L})	(%)	
1938	1,427,375	375,158	253,981	32	18
1939	1,427,375	418,556	270,147	35	18
1940	1,427,375	460,932	219,723	52	18
1941	1,427,375	568,262	241,953	57	18
1942	1,427,373	590,465	226,553	61	18
1943	1,427,375	565,830	227,400	60	18
1944	1,427,375	595,157	220,935	63	18

1945	1,427,375	625,282	217,616	65	18
1946	1,427,375	657,159	277,943	58	22
1947	1,427,375	603,709	283,251	53	22
1948	1,427,375	742,382	268,202	64	22
1949	1,427,375	613,342	211,034	65	18
1950	1,427,375	617,711	193,130	69	18

^{*} Issued share capital plus debenture stock

Source: Courage CA/C/1, Georges Annual Reports, 1938-50

The directors, to their credit, did indeed begin thinking of new ways to expand and consolidate the company. In 1947 and 1948 they seriously considered building a new brewery at Arusha in Tanganyika at a cost of half a million pounds but this rather bold move, fuelled by a rosy speculation about the future relationship with the Empire in East Africa, petered out as some of the board lost their nerve and initial enthusiasm. Ixxx This intriguing episode will be dealt with in a later chapter and, although other British breweries did indeed expand into Africa in the post-war years, this was a step too far for a firm that had little knowledge of the trade outside the Bristol area. Instead, and eventually, the directors took the more obvious route of acquiring their rivals Bristol United Breweries Ltd in 1956, thus making them absolute masters in their own city. The Bristol United brewery at Lewins Mead was quickly closed and all production centred at Georges's Bath Street site. The six hundred or so Bristol United public houses were added to the burgeoning Georges' estate and tied to Georges' beers. The history of the takeover of Bristol United Breweries is a fascinating story in itself and opens a window on the aims and methods of provincial businessmen in the 1950s, but ultimately it was a sideshow. It was a sideshow in the s profits increased dramatically in the years immediately after the takeover, with a 26 per cent dividend being paid to shareholders in 1957 and 1958, it was to be a very short-lived success. bxxxiii

It is perhaps fair to say that after the takeover of Bristol United there was almost a feeling of triumphalism within Georges. They were masters of all they surveyed and clerks in the managed house department would, for their own amusement, try to compile a list of the public houses in central Bristol that were not owned by Georges. There were no more than a dozen. The small number of Bristol United workers who were kept on were looked down upon by the Georges' employees when they were transferred to Bath Street, and the culture of the company was one of general self-satisfaction. It came as some surprise to the workforce in 1961 when the first stories of Georges' acquisition began to circulate. 'We thought this couldn't be true. We were too big to be taken over' remembers one worker, There was a genuine sense of bewilderment and even betrayal as the events of the spring and summer unfolded. The truth was that the directors of Georges safely ensconced in their fiefdom, could not protect themselves from still further pressures for change working their way through the industry.

The first of these pressures was a change in consumer taste, away from draught and cask beer and towards bottled beer and wines and spirits. The demand for bottled beer rose dramatically, from about twenty five per cent of the market before the Second World War, to over fifty per cent by the mid 1950s. Ixxxvi The steep rise in demand for bottled beer led to the growth of nationally advertised brands, and Mackeson Stout, Mann's Brown Ale, Guinness and Double Diamond became big selling household names. Georges could not really compete in this new, national marketplace and they had neither the product nor the wherewithal to overcome this obstacle. Their very provincialism was their undoing. They were unused to getting involved in the marketplace outside their traditional heartland and their one faltering step in this matter perhaps shows their uncertainty. In 1955 a new bottled beer was launched called Georges' Glucose Stout and a traveller was sent to Devon and Cornwall to drum up trade for this product. After a month the traveller returned with orders insufficient to warrant the delivery costs and any attempt at a national brand died as well. |xxxvii An agency for Glucose Stout was then established in 1956 with Ash & Son of Devonport, but to little avail. Ixxxviii This was to have more significance than the directors imagined – there was more of a profit margin on bottled beer and the demand for cask beer was dropping steadily. Consumers now had a wider possible range of leisure opportunities, and were spending less time in public houses and more time at home in front of the television.

^{**} Tax as a percentage of gross profit

^{***} On ordinary shares

Consequently the 'take home trade' grew as the British consumed more beer at home, and this rapidly expanding market was one that Georges could not take advantage of.

The other pressure on Georges was that, put simply, they were to become a victim of their own success, particularly in the field of public house ownership where they had a virtual monopoly in the Bristol area. It can be suggested that breweries like Georges, with their high ownership of public houses in a concentrated area, became of interest to much larger companies who were not traditional brewers. Foremost of the new breed of entrepreneurial businessmen were Charles Clore and Eddie Taylor. They viewed companies like Georges not just as provincial brewers, but also as property owners with hundreds of public houses, various production sites and a portfolio of unlicensed property. It has been suggested that, in fact, brewers in the 1950s were as much involved in the property market as in the brewing market lixxxix Dean argues that some companies used their property estate as a tool to support their primary business of brewing, either by closing and selling unprofitable public houses that had a greater value unlicensed, or by using the estate as collateral against which to borrow money to expand. Many others, however, ignored the financial strength their estates would provide and this is of particular significance when considering the prolonged post-war property boom in Britain. A company like Georges, with 1,300 public houses, should have benefited from this property boom, but the reality was that they consistently failed to value their estate at its true worth preferring instead to give each house a book value based on historic cost accumulation. Only at the eleventh hour, in 1960, did Georges appoint chartered surveyors S & G Motion to value their houses, and this was more of a defensive response to the growing takeover pressures rather than an offensive strategy. xc It was Georges' perceived strength in both the brewing and property markets of Bristol that was to be their final undoing. From outside Bristol, and from outside the industry, Georges must have appeared ripe for takeover.

Indeed it was Eddie Taylor, leading his United Breweries Ltd conglomeration that made the first offer for Georges in late January 1961. There was immediate hostility from the Georges' directors who thought his offer insufficient, and it came as a pleasant surprise when Courage Barclay & Simonds Ltd entered the battle for ownership a few days later. Taylor was a Canadian and an international businessman based in the Bahamas, and his cavalier style must have appeared bewildering to the Georges' directors. He wrote to Cecil Hadley, managing director of Georges, on 2 February 1961 before the interest of the Courage group was known:

As I am flying to the Bahamas tomorrow, I thought I should write a brief note to you. It is our plan ... to have at least one large and robust brewing company in each of the principal beer consuming areas of the United Kingdom. When this is accomplished, the Group will be in the position of producing and marketing nationally advertised brands. xci

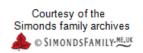
Taylor had big plans for the British brewing industry and Georges were to be part of them. A short but reasonably bitter battle began between the two prospective buyers, a battle that Courage Barclay & Simonds were not prepared to lose. Courage were also determined to get a foothold in the south west, and their failure to acquire the Somerset brewer Brutton Mitchell & Toms Ltd in October 1960 in another battle with Charrington & Co meant that a second failure could not be countenanced lest their reputation and share price be damaged. *cii

From the outset the Georges directors seemed to prefer the offer from Courage, and the tone of their correspondence with Richard Courage, chairman, is markedly more friendly than that between themselves and Taylor. Georges naturally had many questions to ask about the future of the Bath Street brewery and the employees, all of which the approachable and diplomatic Richard Courage answered to their complete satisfaction. The warmth towards Richard Courage, even though his firm's offer was less than Taylor's, shows that the Georges' directors felt that he was a man with whom they could do business, and in the summer of 1961 Georges became the western arm of the growing Courage Barclay & Simonds empire.

Georges were a victim of their own success and of their provincialism. When they took over Bristol United Breweries in 1956 they had really reached the limits of possible expansion, and at the very time they thought of themselves as at the apogee of their power they were in fact at their weakest. The 1956 acquisition of Bristol United Breweries was little more than two elderly relatives moving in together and tidying up their affairs before the inevitable end. Similar stories

can probably be told in boardrooms up and down the country. The industry underwent a sort of merger mania, and all the various pressures and changes outlined in the case of Georges impacted to some extent or other on most British brewers in the 1950s. To some, an increase in imperial trade was perhaps seen as a way round these pressures, and a way out of the domestic predicament.

Chapter 3



On safari: H & G Simonds and Kenya 1947-60

Malta under siege

The Second World War was to be the making of Simonds Farsons Ltd. Before the outbreak of war the firm wisely laid up a sizeable stock of Czechoslovakian malt that allowed them to continue brewing throughout the hostilities. This was fortuitous planning. The war provided British troops *en route* to the battle zones of the Middle East and North Africa, and Simonds Farsons found that their natural function of supplying beer to troops was not only a profitable enterprise, but also now a patriotic duty. Between 1940 and 1943 Malta was heavily bombed by both the Luftwaffe and the Italian air force, power on the island was often lost, the Simonds Farsons brewery at Hamrun was badly damaged, but the supply of beer kept flowing. The H & G Simonds nominee director on the board of Simonds Farsons during the war years was R Wingrave ('Gravey') Tench and his role on the besieged island was significant. He was soon co-opted by the Governor to act as the censor of posts and cables, and later extended his work to become the civil administrator in charge of food distribution, as well as the nominated leader of the Maltese underground should there be a German invasion and occupation. Despite these official and semi-official duties, Tench did not neglect his role as a brewery director — indeed the two functions seemed to be reciprocal.

In December 1942 Tench was asked by the Middle East Supply Centre to undertake an economic survey in Tripolitania and Cyrenaica and came across the OEA brewery that had been recently captured from the Italians.

... my first job was to go to Tripoli and find out which of the industries there could contribute to the war effort if we could find the raw materials for them – and of course the brewery was one of them. So I got Lewis Farrugia to come over and have a look and they sent some plant and machinery from Malta to enable the brewery in Tripoli to go on producing beer. Which turned out to be very useful in supplying the army.*

Tench arranged with the Middle East Supply Centre and NAAFI for Simonds Farsons to take over and operate the OEA brewery for the duration of the war and, with two breweries working to supply the almost unquenchable market provided by British troops, profits and dividends rose dramatically. The figures are astonishing.

Table 3.1 Trading performance of Simonds Farsons Ltd 1940-47

3.5 G	9 0	,	<u> </u>
4	Net Profit	Dividend*	Capital
	after Tax (£)	(%)	Employed ** (£)
1940	14,539	5.5	150,000
1941	-	5.5	150,000
1942	47,179	8	150,000
1943	85,106	10	150,000
1944	-	1	150,000
1945	280,268	30	150,000
1946	246,884	40	150,000
1947	222,896	40	150,000

^{*} Dividend on ordinary shares ** Issued share capital Source: Courage BG/C/6, Simonds Farsons Annual Reports; BG/C/4, Simonds Farsons 'Correspondence re Operation, 1932-46'

Government and commerce were therefore working hand in hand and the operation of *laissez faire* ensured that the two did not encroach on each other's responsibilities. Simonds Farsons were allowed to run the OEA brewery in Tripoli at their own expense. The beer then brewed was sold to the NAAFI and any profit or loss on the transaction was the concern of Simonds Farsons. At no stage did the government or the

military compel Simonds Farsons to take over the Tripoli brewery, and at no stage did they interfere in the running of this commercial operation. The role of Tench is very interesting. He is at the same time a businessman and a government administrator, completely at home in either camp and, particularly in time of war, the boundary between commerce and the national interest must have been significantly blurred.

Simonds Farsons and Gravey Tench, in their natural commercial desire to sell beer to the troops, continued to have a close but unofficial relationship with official circles. In 1944 the firm looked towards Egypt. As Tench recalls:

Eric Simonds sent me to try to arrange to have a bottling stores set up in Alexandria so he could ship beer in bulk and have it bottled for the army, particularly in Palestine. And so I went off not knowing how the hell I was going to tackle this thing, and I did my usual thing and went to the races. There I found myself looking at a rather nice Arab horse and found out it belonged to a man called Ahmed Maha Pasha. He turned out to be the Minister of Finance and, to cut a long story short, I bought a horse from the Minister of Finance and got permission to open a bottling stores into the bargain!xcvi

Again, what was in the national interest, in this case beer for troops, was also a commercial enterprise, and *laissez faire* provided the ideal environment in which the relationship could flourish.

Simonds Farsons Cisk Ltd

The war was the making of Simonds Farsons Ltd, but the war would not go on indefinitely. By 1947 there were fewer soldiers and sailors in Malta and North Africa, and the OEA brewery in Tripoli was handed back to its Italian owners in 1948. Lewis Farrugia tried unsuccessfully to buy the brewery from the Italians^{xcvii} and its loss was mourned by the H & G Simonds' directors back in Reading. Not only was there the loss of the goodwill that Simonds Farsons had built up on the North African coast with its Tripoli-brewed beer, but also that profits from the operation promptly ended. *cviii* To replace the OEA brewery Simonds Farsons established branch offices in both Tripoli and Benghazi, but these could not disguise the fact that they had lost a significant foothold in the region.

While these events were unfolding on the North African coast, Simonds Farsons had already begun a review of their position on Malta. In July 1945 Lewis Farrugia and General de Brett visited Reading and it gave the partners the opportunity to discuss the future development of the company's interests in the Mediterranean.xcix There were two related goals: to build a new modern brewery at Imriehel to replace the badly damaged plant at Hamrun; and to effect a merger between Simonds Farsons and Scicluna's Malta Export Brewery Co (the Cisk Brewery). A new brewery was viewed as essential as the Hamrun brewery needed such extensive refurbishment that it was estimated it would have to close for twelve months whilst repairs were carried out. It was decided to appoint Lewis Farrugia as architect and designer of the proposed new brewery and a start on its construction was made in 1946. On the subject of a merger, Marguis Scicluna was only too happy for his Cisk Brewery to join with Simonds Farsons, probably because he hoped to benefit disproportionately in financial terms.^c Therefore it was agreed that H & G Simonds should receive a cash sum of £210,000 so that the new partnership should represent equal proportions. A draft contract to merge the two firms was duly drawn up in December 1946. After a good deal of financial wrangling by the Simonds' side who refused to believe that the assets of the Cisk Brewery were worth a one-third share in the new company, negotiations were completed by July 1947.ci Finally, in April 1948, a prospectus was issued for the new company, to be called Simonds Farsons Cisk Ltd. Potential investors were assured that the aims of the proposed company would be economy of production from the new brewery at Imriehel, coupled with an increase in the export market. The resulting merger with Scicluna's

Cisk Brewery, which had been avoided so often before, left H & G Simonds with only a one-third share in what was now predominantly a Maltese firm.

Simonds Farsons Cisk Ltd began life in 1948 inauspiciously. The firm found itself caught between the dwindling number of service personnel who were its main customers, the low purchasing power of the Maltese (who anyway seemed to prefer wine), poor quality beers and a general inefficiency in production. Table 3.2 highlights the poor trading performance and profitability in the early years of the company.

Table 3.2 Trading Performance of Simonds Farsons Cisk Ltd, 1948-60

DIO O.L TTAGIT	7		aroono olok Eta, 1010	7 00
	Net Profit	Dividend *	Capital Employed**	
	after Tax (£)	(%)	(\mathfrak{L})	
1948***	184,508	8.5	800,000	CVA
1949	211,420	10	800,000	
1950	97,286	8	800,000	
1951	13,079	8	800,000	
1952****	1,618	8	800,000	. 6
1953	45,132	8	800,000	
1954	54,630	8	800,000	
1955	69,315	8	800,000	4
1956	64,783	8	800,000	Þ
1957 *****	127,458	9	800,000	
1958	31,253	9	800,000	
1959	149,102	10	800,000	
1960	161,954	11	800,000	
+ D: -			# W	•

^{*} Dividend on ordinary shares

Source: Courage BG/C/7, Simonds Farsons Cisk Annual Reports; BG/C/9, Profit & Loss Chart; BG/A/11-13, Audited Accounts

After the poor result of 1950 H & G Simonds seriously considered pulling out of Malta altogether, but there were good reasons to remain. Firstly, the directors were worried about the potential loss of goodwill and prestige attached to the Simonds name in the Mediterranean should they withdraw from the region. Secondly, they would probably have to write off a £73,553 'loan' that they had unwillingly given to the new company on its inception, something the directors in Reading would not countenance. Simonds' influence in Malta waned further when General H Simonds de Brett, chairman since 1929, finally retired in 1950 at the age of eighty. He was replaced as chairman by Marquis Scicluna, and the Simonds' nominee directors to the board of the Maltese firm were never again to play as dominant a role as had the general.

Simonds again thought about pulling out in April 1951 after another poor year's trading, and Eric Simonds met Lewis Farrugia on the French Riviera to discuss the situation. Lewis Farrugia arrived at the meeting with a prepared financial reorganisation plan, and he successfully persuaded Eric Simonds to hold onto the interest in Simonds Farsons Cisk. The cost and delay in finishing the new brewery at Imriehel undoubtedly exacerbated Simonds' post war jitters, and the directors in Reading complained bitterly about the 'endless and exasperating delays ... due to the failure of firms in England to make good deliveries of plant and machinery which should have been effected many months ago'. Simonds' desire to disentangle itself from Malta remained a constant feature of the 1950s. Elaborate arrangements were made for Simonds Farsons Cisk to repay the £73,553 loan in instalments and, in October 1955 when the loan had been redeemed, the H & G Simonds' board: agreed it would now be in our interest to dispose of our holding of 210,000 ordinary shares of £1 each in Simonds Farsons Cisk Ltd. It was also agreed that ... it was unnecessary for us to be represented by a resident director in Malta. Viii

^{**} Issued share capital

^{***} July 1947 - March 1948, i.e. 9 months

^{****} Dividend boosted by sale of Cisk premises

^{*****} Profits boosted by the Suez Crisis, 1956

There are several reasons why H & G Simonds wanted to take a step backward from Malta by the mid-1950s. They were under intense pressure in the domestic British brewing industry and, if they compared themselves to rival companies like Ind Coope or Courage & Barclay, H & G Simonds appeared relatively small, and vulnerable to takeover. By 1952 the firm had a massive £850,000 overdraft at the bank, and the traditional family control over the shares was slowly ebbing away. These domestic difficulties would undoubtedly have been at the forefront of the directors' thinking in these years. As it happened the shares were not sold and this, coupled with the lack of a resident director in Malta, meant that H & G Simonds' interest in Simonds Farsons Cisk was limited to that of a larger shareholder. But that in itself was not all bad news. When H & G Simonds entered into a trading agreement in 1959 with Courage & Barclay it was really the first tentative step towards a full merger the following year. In 1960 the interest in Simonds Farsons Cisk therefore passed to Courage Barclay & Simonds, and it became just another diversified investment of a much larger company. The fraught board minutes of the early years now gave way to long silences.

The allure of the East Africa

The story of H & G Simonds, the Farrugias and Marquis Scicluna opens a fascinating window on the ambitions and business methods of a British brewer expanding into the Empire to fuel the troops, and then partially withdrawing when both domestic and imperial circumstances changed. However, there is a further twist to this story and involves H & G Simonds' expansion into Kenya in 1947. By the late 1940s East Africa in general, and Kenya in particular, seemed to have almost a mythical quality about them. Much hope was expressed at all levels that Kenya, Uganda and Tanganyika might become prosperous white-ruled colonies, and the government scheme to grow groundnuts in Tanganyika again highlighted the potential of the region. There was much talk of another wave of white settlers, although those that eventually settled were few in number, and mainly of aristocratic birth with capital to invest. Generally Kenya acted as a magnet, and it was all the more powerful a draw when compared with the drab, austere conditions of post war Britain.

The height of interest and speculation in Kenya coincided with the merger in Malta of Simonds Farsons with the Cisk Brewery in 1947. One of the financial arrangements of the merger was that H & G Simonds should receive a cash sum of £210,000 and this gave rise to the question of what to do with it. Duncan Simonds, son of Eric Simonds, and himself a member of the Simonds' board, clearly remembers the dilemma facing the directors in 1947:

Although money was desperately needed at home, the outlook was so bleak and the government so hostile to the trade, that the decision was taken not to repatriate it but to find a better investment overseas. CXIII

The post-war Labour government apparently generated little enthusiasm or confidence among traditional industrialists and businessmen. Given the widespread interest in Kenya at the time, it was perhaps no surprise that H & G Simonds decided to re-invest their £210,000 in what every pundit had identified as an area of growth and promise.

The Simonds' directors asked Gravey Tench to go on a reconnaissance mission to Kenya in the autumn of 1947. Since the end of the war Tench had been serving General Sir Edward Spears in Syria and Lebanon as a civilian economic advisor and, coincidentally, as his work in the Middle East was drawing to an end so came the call from Simonds. Although Tench had enjoyed his two years in Damascus and Beirut he was nonetheless glad to investigate a new business opportunity on behalf of the Reading firm.

[Spears] had a very difficult job because he had two masters, Anthony Eden who was very pro-French, and Churchill who said that the only thing that mattered was to be friendly with the Arabs because there was going to be an Arab bloc in the Middle East. And so Spears was in this sandwich, but the reason we were there was that we'd agreed to give them both self-government as soon as possible. So we spent our time arranging self-government

which meant of course the French were edged out. Not that we particularly cared about that. cxiv

Gravey Tench, then aged 43, was an experienced, dynamic, sophisticated and well-connected imperial businessman and he soon found himself at the Nairobi Club being introduced to William 'Mac' Mackenzie, the chairman of the East African Breweries Ltd (EAB).

'What's your line of country' he asked and I said 'brewing, I've come to brew here'. Made him sit up a bit – it was competition coming. But he turned out to be an awfully nice chap and I found out they'd got a block of unissued shares. And I wrote to Eric Simonds about this and, to cut a long story short, they negotiated and bought the unissued shares. cxv

The agreement was that H & G Simonds, using the money received from the Maltese merger, would buy 76,178 shares in EAB at a cost of £209,489 thus giving the Reading firm about a 15 per cent holding. This new influx of capital was to be used to build a projected new brewery at Mombasa, and Tench was quick to assure the EAB directors that H & G Simonds would never want a controlling interest in their company.^{cxvi}

At the time, this further move into the Kenyan market must have seemed a natural course for H & G Simonds. The civil population was rising rapidly and Nairobi's population had doubled since 1939. It was expected to double again within ten years. New laws were being passed to allow the sale of beer to Africans^{cxvii} and, perhaps most significant of all was Gravey Trench's opinion that 'It was almost certain that there would be a large military, and possibly naval, base in these territories'. Cxviii It seemed that once again H & G Simonds would be supplying beer to the armed forces under the mantle of the British Empire. This was a business that Simonds were well used to, and even the personnel at EAB had their attractions. The EAB sales manager, Brian Hobson, had aristocratic connections and as Tench recalls:

Eric Simonds took to him and rather liked him. And Eric, as I said, was a bit of a snob and I think Brian Hobson's uncle was Lord Bessborough ... so he went down rather well!^{cxx}

In short, trading in Kenya was their sort of business, and it would be carried out with their sort of people. In contrast the prospect of repatriating their £210,000 Maltese windfall and reinvesting it in Britain must have appeared extremely unattractive to H & G Simonds. In reality H & G Simonds had not withdrawn from Malta at all – they still had a 33 per cent financial interest in Simonds Farsons Cisk and the Simonds' name, as well as their distinctive red hop leaf trademark, continued to be traded around the Mediterranean. They then extended their imperial interests by expansion to Kenya in 1947. At the time Kenya was seen as a colony of almost limitless potential, where Simonds felt naturally at home, and where their money would be safely out of reach of the despised Labour government.

Only one note of caution was sounded, and this came from F H V 'Derrick' Keighley, a cousin of Eric Simonds who was to become the Simonds nominated director of EAB in Nairobi. In January 1948, during a visit to Kenya, he wrote to the Simonds' board in Reading that, although he wholly supported the optimism of Tench and others:

All the leading businessmen I talked to said they did not believe Kenya could ever become a large scale base for a modern army and stressed the difficulties of lack of water and absence of communications. cxxi

These negative words do not seem to have dented the enthusiasm of the H & G Simonds' directors. However, it should be remembered that the groundnuts scheme was advancing in nearby Tanganyika and that colonial development was the mantra of the late 1940s. The future for British traders in the Empire seemed rosy and the deal between Simonds and EAB went ahead with some haste.

East African Breweries Ltd

For most of the nineteenth century British interest in East Africa was confined mainly to coastal trade around the port of Mombasa, and it was not until 1893 that the British formally established the East African Protectorate. In 1920 Kenya, as it was now called, became a Crown Colony and an existing legislative council was strengthened to give the white settlers greater powers to rule themselves. Two years later the East African Breweries Ltd was formed from an amalgamation of Kenya Breweries Ltd of Nairobi, and Tanganyika Breweries Ltd of Dar-es-Salaam. As with Simonds Farsons in Malta, the Second World War was a commercial bonanza for EAB and annual dividends for the years 1942-45 remained at a constant 40 per cent. However, the post-war years were more difficult as Table 3.3 shows:

	Net Profit	Dividend*	Capital	Overdraft
	after Tax (£)	(%)	Employed** (£)	(£)
1948	130,814	10	675,920	
1949	136,061	10	675,920	-
1950	161,042	10	1,089,579	
1951	181,502	10	1,166,713	194,492
1952	203,309	10	1,554,976	772,836
1953	109,189	0	1,640,406	923,730
1954	250,281	5	1,784,769	671,176
1955	500,881	15	1,978,037	232,664
1956	732,892	20	2,270,757	232,664
1957	-	20	-	-
1958-61	-	24	-	-

Table 3.3 Trading Performance of East African Breweries, 1948-60

Table 3.3 clearly shows that by 1953-54 the Mau Mau emergency had begun to affect the trading performance of EAB. At the height of the troubles there was an effective boycott by Africans of the white man's beer and, although Mau Mau is generally accepted to have ended in 1954, a State of Emergency persisted until 1960. These were hardly the ideal conditions for trade that Simonds had sought in Kenya. To make matters worse, and as Derrick Keighley had suggested, the hoped-for military bases did not materialise. There were to be no troops. H & G Simonds also found that the local directors of EAB in Nairobi could not be coerced or cajoled from Reading. When EAB chairman Mac Mackenzie died in 1950, Simonds proposed that Derrick Keighley take over as both chairman and managing director and made arrangements for Keighley to resign from the H & G Simonds' board to take up the mantle in Kenya. The arrangements were premature however and Keighley, perhaps, was not the right man for the job. As Gravey Tench recalls:

Derrick Keighley was a very great friend of mine, I liked him very much, but he was not the right man for the job. Well, he's rather pompous, very direct military attitude to everything and it didn't go down very well with the East Africans. Not very easy going or sympathetic. CXXV

Derrick Keighley was firmly rebuffed by the EAB directors, one of whom, C W Hurst, was described as a 'master of intrigue' at a Simonds' board meeting. The inability to exercise any sort of control over EAB deeply irritated the Simonds' directors in Reading. This irritation must have increased as events in Kenya adversely affected the trading performance and profits of the firm.

^{*} Dividend on ordinary shares

^{**} Issued share capital and general reserve capital Source: Courage BM/C/3, East African Breweries Annual Reports

As in the case of Malta, H & G Simonds considered selling their shareholding in EAB. In 1950, and again in 1951, they discussed the matter, by which time the original shareholding, along with additional shares from an increase in EAB's share capital, was worth about £400,000 at top market rates. They decided against such a drastic step so soon but once Mau Mau and the State of Emergency began in 1952, the share price dropped significantly. By 1953 EAB ordinary shares were worth only £1 3s, compared to the £1 17s Simonds had paid for them in 1948. Simonds could not therefore retreat from Kenya without losing a part of their initial investment, and so they looked to other remedies to make EAB more profitable.

In 1952, once again, Gravey Tench was called upon to visit Kenya on Simonds' behalf. This time he investigated the possibility of a merger between EAB and their main rival in Kenya in the shape of Taylor's Brewery of Nairobi. Taylor's was, by 1952, partly owned by Ind Coope & Allsopp of Burton-on-Trent, and Tench's report outlining the pros and cons of a merger generated some serious discussion by the Simonds' hierarchy in Reading. However, the matter was never brought before the board and the idea seems to have quickly died away. Next Simonds investigated the possibility of using EAB as a base to export to the Far East, and in 1952 Brian Hobson, EAB's sales manager, went on a reconnaissance tour of the region to determine the potential size of this export market. His detailed and entertaining report highlighted the domination of the Far Eastern market by high quality German and Australian lagers that, he concluded, left little room for EAB's own Tusker and Jumbo brands. On Simonds in Very Indian lagers that, he concluded, left little room for EAB's own Tusker and Jumbo brands.

As with Simonds Farsons Cisk in Malta, H & G Simonds had to be content with a back seat in their dealings with EAB, and their shareholding in both firms came to be seen more as a financial investment, and less of a 'hands on' project. Simonds retained these shareholdings until the end in 1960 when they themselves became part of the growing domestic empire of Courage Barclay & Simonds Ltd. Finally, in March 1961, the last Simonds' director resigned from the board of EAB in Nairobi because it was deemed 'politically wise' to do so. cxxx In one sense, even when trade took a slump in both Malta and Kenya, H & G Simonds could not completely pull out of their imperial connections. In 1950 and 1951 there was still no alternative as far as Simonds were concerned, and their money was still seen to be safer, and better employed, in the Empire than it would have been at home. Repatriation of the capital was unthinkable. Having retained the shares in both Simonds Farsons Cisk and EAB, and having accepted that they could not attempt to run either firm from faraway Reading, H & G Simonds seemed to have relaxed slightly. The annual dividends they accrued on their ordinary shares in both firms were always gratefully received and usually acknowledged in the annual chairman's report. In financial terms, therefore, H & G Simonds' investments in Malta and Kenya gave them an advantage in the domestic British marketplace of the 1950s that was undergoing a sort of 'merger mania'.cxxxi It did not give them the strength to survive as an independent family company, but it did give them enough muscle to choose their own fate, namely to join with Courage & Barclay Ltd in 1960 to form Courage Barclay & Simonds Ltd, one of the 'big six' brewers of the 1960s. Table 3.4 shows the income generated by H & G Simonds from their shareholdings in Simonds Farsons Cisk and EAB, or Associated Companies as they were called:

Table 3.4 Dividends Received by H & G Simonds from their Associated Companies, and compared with capital employed, 1949-60.

	Capital Employed	Dividends from	Yield**
Overseas by H&G		Associated	(%)
	Simonds (£)	Overseas	
		Companies* (£)	
1949	699,089	58,302	8.3
1950	779,776	56,585	7.2
1951	748,430	46,069	6.1
1952	763,948	40,886	5.3
1953	776,513	18,603	2.3
1954	736,512	37,649	5.1
1955	702,959	55,753	7.9
1956	703,122	73,994	10.5

1957	695,847	86,667	12.4
1958	-	-	-
1959	658,147	89,060	13.5
1960	658,147	164,732	25

^{*}Includes dividend from Saccone & Speed Ltd, an associated wines & spirits firm based in Gibraltar (see chapter 8)

** Dividends as a percentage of capital employed

Source: Courage BA/C/9, H & G Simonds Annual Reports; BA/C/104, H & G Simonds AGM Minute Book

Table 3.4 shows that, apart from a fall in income around 1952-54, H & G Simonds' investments in their imperial associated companies not only earned a relatively good return – but also that the return actually increased towards the end of the 1950s as colonial self-government approached. They held onto these shareholdings not only because there was nowhere else to realistically invest the money, but also because personalities within the company - Eric Simonds, Gravey Tench, Duncan Simonds, Derrick Keighley, General de Brett – held a deep, almost emotional, attachment to doing business in the Empire. They were imperial businessmen. Simonds had a long tradition of trading with the armed forces within the Empire, so much so that by the 1950s it had become an article of faith for them. The income they received from Simonds Farsons Cisk in Malta, and the EAB in Kenya, as shown in Table 3.4 could only have reinforced that faith. As Kenya moved towards independence that income increased, and progress on the political stage seems not to have dented the enthusiasm of the Simonds' directors for their imperial connections. Kenya would be 'under new management' but it was to be very much 'business as usual'.

Georges and Tanganvika, 1948-49

To conclude this chapter, a study of the Bristol Brewery Georges & Co (Georges) and their unsuccessful attempt to expand their operations to Tanganyika will highlight a number of useful issues. It will show that, compared to H & G Simonds, Georges were inexperienced in colonial trade, hesitant in their approach, less confident when dealing with imperial businessmen and, ultimately, unsuccessful. What is significant is that Georges even thought of East Africa at all. In other words this section will serve not only to show that, in many ways, H & G Simonds were a remarkable company, but also to highlight the underlying reasons for their colonial successes.

By 1948 the directors of Georges' brewery were in a quandary. They had seen sales of beer fall since the end of the war, a sharp rise in beer excise duty, and the introduction of an excess profits tax. They distrusted the intentions of the Labour government, and when the excess profits tax doubled in the interim budget of November 1947, and was made retrospective to January of that year, the directors were in turmoil and even delayed calling the annual general meeting. cxxxii In July 1948 Georges increased the share capital of the firm from £1,375,000 to £2,500,000 - they had money to spend. The directors, ever mindful of their own position within the domestic industry, knew that something had to be done. And so, in April 1948, Georges decided to investigate the possibility of brewing and trading in East Africa. CXXXIII This project was to be kept top secret and was given the code name 'Operation Pig and Whistle' CXXXIV A couple of months prior to this decision the directors had been contacted by a Mr Jan George in Nairobi. William John Hastings 'Jan' George was the youngest son of William Edwards George, a former chairman of the firm in the 1890s and one-time Sheriff of Bristol. Jan George had emigrated to Kenya in 1926 to take up farming in the White Highlands and it was he who suggested that Georges should move out to East Africa. He became an enthusiastic agent for the Bristol firm, and one letter to Georges' managing director Cecil Hadley encapsulates the utter disdain felt by many white settlers in Kenya towards the Labour government:

As far as we are concerned in Kenya we hope there will be a showdown in England and a Coalition government, at least, come into power before these damned socialists cum communists sell us all to the [Africans].cxxxv

With Jan George urging them forward, and with domestic pressures pushing them from behind, Georges took, for them, the extraordinary step of sending a survey party to Kenya in late April and early May 1948. The survey party consisted of managing director Cecil Hadley and John Berkett, a senior accountant who worked for Georges' auditors, Hudson Smith Briggs & Co. On their arrival in Kenya they met up with Jan George whose first suggestion was that Georges buy a controlling interest in the Nairobi brewery of Taylor & Co. The tireless Jan George had previously met with a Mr Vasey of Taylor's who was indeed very interested in Georges' capital and their technical knowledge, and had ambitious plans to build two new breweries at Mombasa and Dar-es-Salaam. Jan George outlined the advantages of effectively taking over Taylor & Co:

... this proposition is well worth your consideration and may give you an opportunity to enter the East African field.

As you will have seen in the press, great industrial developments are scheduled to take place in all three territories during the next few years. cxxxvi

However any intentions Georges might have held towards Taylor's were quickly thwarted when the Burton-on-Trent brewer Ind Coope & Allsopp, also simultaneously looking for an East African expansion, agreed to buy a controlling interest in the Nairobi firm in May 1948. Slightly disappointed, and perhaps slightly bewildered after their whistle-stop visit to Kenya, Cecil Hadley and John Berkett returned to Bristol to report to the Georges' board at the end of May 1948. The tentative deal with Taylor & Co may have broken down but the mantra of colonial development and the allure of East Africa were at their height, and the directors in Bristol 'decided that they were prepared to hear further reports on the trading possibilities in this area'. CXXXXVIII It had even occurred to the Georges' directors that, in the event of the British brewing industry being nationalised, then an East African subsidiary might actually escape this fate.

The other option was to build a brewery from scratch and, after Hadley and Berkett had returned to Bristol, Jan George wrote enthusiastically about a possible site he had identified on the Usa River in Tanganyika which 'could be acquired ... for a very small amount'. German brewers had previously earmarked the site for a brewery in the days before the territory's sequestration by the British Empire, and Jan George was, as ever, enthusiastic about its potential. He was quick to point out both the good rail links to the Usa River site and the excellent water supply, and that he had been in touch with the business agency of Bovill Matheson & Co about the possible purchase of the site:

Matheson and I would like to know if your Board are interested in pursuing this matter further, as we feel that if we do not do something about it soon others will. There should be no difficulty in raising the capital, provided Georges will come in on the show and give it some financial and technical backing. cxl

Still the Georges directors wanted more convincing. They asked the brewery construction and engineering firm of George Adlam, based in Fishponds, Bristol, to correspond directly with Jan George in Nairobi. G N Seton, a director of Adlam's, exchanged detailed letters with Jan George throughout October and November 1948. Subjects covered included potential set-up costs, the water supply, and rail transportation links. CXII

A final, detailed report by Bovill Matheson was sent by Jan George to the Bristol directors in late December 1948 – after nine months of quite thorough research the time had come to take a decision. After a board meeting in mid January 1949, John Hall the company secretary wrote to tell Jan George the bad news:

During the whole of the discussion regarding the East Africa project, it has been agreed that any decision to proceed ... must be unanimous; and it is very much regretted that I now have to inform you that such a decision cannot be reached. cxilii

The reasons given were the company's heavy commitments in the domestic brewing industry, and the fact that some of the board could not countenance the spending of £500,000 on a venture that would not show a profit for several years. Regrettably neither the discussion at this

crucial board meeting, nor the voting pattern, was recorded but it would seem that caution, conservatism and prudence won the day.

Unlike H & G Simonds, the Bristol firm lacked any sort of experience of trading in the Empire, and did not have a tradition of servicing the armed forces with beer. Georges were provincial and cautious and, in terms of personalities, they could not call on imperial businessmen of the calibre of Gravey Tench or Eric Simonds. Although Jan George acted very a signing in a sig much as a 'pull' factor in trying to entice the Bristol firm into East Africa, it is more significant that there was no real personal 'push' factor from any of the Georges' directors. The allure of Kenya and East Africa was real enough but Georges, unlike H & G Simonds, were well out of their depth - and the directors realised this.

Courtesy of the Simonds family archives © SIMONDSFAMILY-MEJUK

Chapter 8

The Rock of Gibraltar: Saccone & Speed

Wines and spirits

The relationship between beer and wines and spirits, and between brewers and wine merchants, is both obvious and natural as well as ambiguous and deceptive. Beer, wine and spirits are all alcoholic drinks – but there the similarity really ends. In contemporary Britain the consumer can choose from a range of wines covering the whole spectrum of quality, and from all corners of the world. But this is a fairly recent phenomenon and it must be remembered that in the immediate post war years few British people drank wine, and those that did tended to be from either the upper or the upper middle classes. In other words the market for alcoholic drinks was generally split along the lines of the British class system. Eric Simonds, chairman of H & G Simonds from 1938-52, is famously supposed to have commented that although he never drank beer himself, 'making it has given me a champagne lifestyle'. Indeed it is commonplace in the photographs of brewery staff parties to see the lunch tables of the workers adorned with flagons of beer, in contrast to the directors' high table with its bottles of wine and tall-stemmed glasses. Evelyn Waugh put it more lyrically when he wrote:

Once we grew wine in England. But in recent centuries wine has meant primarily the growths of France, Spain, Portugal and the Rhine, and their selection, import and care has been the business of men who early achieved a unique position amongst tradesmen corresponding to the unique position which wine has always held in the history of civilisation. cxiiii

The wine trade involved selling a high class and relatively expensive product to one's social equals or, in some cases, to one's social superiors. In contrast, the brewers sold a cheaper and more basic product to their social inferiors in the British working class. As Evelyn Waugh rather snobbishly saw it:

Social distinctions in trade have largely broken down, but even now it is rare to find men of gentle birth and liberal education selling shirts or ironmongery, but they have been common in the wine trade for generations. CXIIV

Waugh was writing in the late 1940s when the social distinction between beer and wine was still fairly rigid but, by the 1960s, this had begun to break down and, as Table 8.1 shows, the British working and middle classes acquired a taste previously the domain of their social betters.

Table 8.1: UK Consumption of Wines and Sprits, 1930-80

	Wine (barrels)	Spirits (barrels)	
1930	496,980	190,200	
1940	579,060	165,660	
1950	320,340	142,980	
1960	638,940	213,600	
1970	1,163,040	273,600	
1980	2,874,000	666,540	

Source: *Brewers' Society Statistical Handbook* (London, Brewers' Society, 1984) Tables C1 & C6

The growing demand for wine was just one concomitant part of the steady rise in the standard of living of the British in the 1950s and 1960s. More leisure time and wider opportunities, greater social security, commercial television, larger numbers of women drinkers and the growth of the 'take home' trade all in some way helped to widen both the experiences and the future expectations of the British. Harold Macmillan's glib remark that the British had 'never had it so good' was in many ways remarkably perceptive. As the class barrier to wine drinking eroded, the larger brewers saw an opportunity to increase the volume of trade in their tied public house estates. These houses, owned by the brewers and tied to the firm's beers, would in the future also be tied to sell the firm's range of wines and spirits, and even the firm's own mineral waters and soft drinks. To be fair, this diversification into wines, spirits and soft

drinks was not entirely new and breweries made initial steps in the inter-war years to extend their influence in these trades. Accordingly, Whitbread acquired wine merchants F S Stowell of Chelsea in 1921, H & G Simonds took over the Reading firm of Arthur Cooper in 1929, and Georges in Bristol became the owners of Wyld & Co in 1932. This first attempt to sell other drinks in their tied public houses was ostensibly designed to increase the 'wet' rent that brewers could charge tenants. However, it was not until the 1950s and 1960s, with the rapid rise in the popularity of wines and spirits, that breweries really began to think seriously about the value and importance of this allied trade. And for those firms that traded in the Empire, it was only natural to consider extending their wines and spirits interests overseas as well. In the forefront of this movement was the Reading firm of H & G Simonds. As early as 1945 Simonds added to its Mediterranean portfolio^{cxlvi} by buying about a 35 per cent interest in Saccone & Speed, a long established wines and spirits firm on the Rock of Gibraltar. Cxlvii

Jerome Saccone and James Speed

James Speed first established a wines and spirits firm on Gibraltar in 1839. Initially he acted simply as an agency for Spanish wine growers and merchants, but he was already aware of the potential commercial promise of Gibraltar.

The position of Gibraltar, which was British territory, was unique; a piece of Spain ... the first and last stop on the outward and homeward route between England and her growing empire. It was a place rapidly rising to world importance – with the opening of the Suez Canal it became the gateway to the whole British Empire of the East. cxlviii

Speed concentrated on the British fleet that used Gibraltar as a base and as a garrison, soon becoming the favoured supplier of both the daily rum ration enjoyed by naval ratings, and the finer wines and spirits demanded by the officers. It was a lucrative trade that naturally attracted competition and, in 1850, Jerome Saccone also set up in business on the rock. Rivalry was intense. Saccone established a particular connection with India 'both among military bases and the countless clubs which formed so vital a part of the social organisation of British India'. Eventually, in 1908, the two rivals joined together as a private company called Saccone & Speed, and by 1914 the firm had a virtual monopoly in supplying wines and spirits to Royal Navy ships, messes and other shore establishments. It also boasted a London office in Sackville Street, and agencies in naval towns such as Chatham, Devonport and Portsmouth as well as others further afield in Malta, Tangier and Auckland. At this time the connection between Saccone & Speed and the Royal Navy was such that on more than one occasion the firm was shown the blueprints of a planned ship so that they could comment on the storage facilities set aside for wines. The firm was universally known as 'the service to the Services'.

After the First World War the reduction in the size of the Royal Navy was a problem for Saccone & Speed and many thousands of pounds' worth of stock was returned to their bonded warehouses. This was the natural result of the system of wines and spirits being charged to the Navy as they were consumed, and not upon initial delivery. This was effectively a 'sale or return' system, and if a ship was lost at sea then the firm had to recover the value of the wines and spirits not yet consumed from insurers. Despite this setback, Saccone & Speed prospered in the inter-war years mainly because it was successful in expanding its customer base, from one relying on the Royal Navy to one encompassing retiring naval officers, British Embassies and Legations, expatriate clubs, and the post-prohibition US fleet. Saccone & Speed also set up in Washington under the trading name of The Marvin & Snead Sales Corporation, a subsidiary that was managed by Jimmie Speed, the great great grandson of the founder.

The Second World War saw a greater threat to the company with the increased demand from military messes corresponding with the fact that the wine stocks of France and Italy were now in enemy hands. Stocks in London and Liverpool were victims of the blitz and the Devonport branch was completely destroyed by the Luftwaffe. The Malta branch of the firm was trapped in the German siege of the island and Gibraltar itself felt very vulnerable.

New customers had to be refused and old customers severely rationed. Private customers were never allowed quite to forget the taste of good wine, but the Services and particularly the Navy, remained Saccone & Speed's first responsibility.

Indeed Saccone & Speed provided the wines for the Atlantic Conference in 1943, although Churchill insisted that the officers on board HMS Prince of Wales should not suffer from the exceptional demand on their wine stock.clv Buffeted by the wartime disruption of their trade, and perhaps still feeling vulnerable on the Gibraltar peninsula, Saccone & Speed welcomed the proposed association with the Reading brewer H & G Simonds once peace returned. Accordingly in 1945 Simonds purchased 13,490 ordinary shares in Saccone & Speed, at a little over £200,000, giving them about a 35 per cent shareholding. clvi To Simonds the investment made perfect sense and fitted with their other plans for Malta and East Africa. In the post-war Empire they would continue their traditional supply of beer for the armed forces and, with Saccone & Speed as an associated company, they would also supply wines and spirits to the officers, expatriate civil servants, settlers and businessmen. In turn, Saccone & Speed branches across the globe would act as agents for Simonds' beers. It was a mutually advantageous relationship. Until 1960 H & G Simonds and Saccone & Speed worked hand in hand throughout the Empire and what was good for one firm, was also good for the other. clvii Eric Simonds, chairman of the Reading firm, was in no doubt about the value of the association, and reported to shareholders in 1946 that:

We have during the past financial year recorded the first and substantial dividend from our investment in Saccone & Speed Ltd of Gibraltar. The merger of interests in this concern has proved to be most successful (and) we look forward hopefully to the day when, through the medium of the valuable and energetically controlled associated companies and agencies which we have established in the USA, Canada, and elsewhere throughout the world, we may see a wide distribution of brands bearing the well-known names of H & G Simonds and Saccone & Speed.

In 1960, when H & G Simonds merged with Courage & Barclay, the shareholding in the Gibraltar firm (along with Simonds' interests in Simonds Farsons Cisk and the East African Breweries) passed to the new, larger company of Courage Barclay & Simonds. By this time Saccone & Speed had established branches in Kenya, Uganda, Tanganyika, Malta, Morocco and Italy. The early 1960s, as illustrated by Guinness's Nigerian expansion, Whitbread in South Africa, and Courage's proposed Australian venture, was a time of confidence about business prospects in the emerging Commonwealth, and Saccone & Speed quickly came to be used by Courage Barclay & Simonds as a vehicle for an overseas expansion of their growing wines and spirits interests. In January 1961 the remainder of the Saccone & Speed shares were acquired (mainly from the Cottrell family who by this time had become the dominant force in the company) and the wines and spirits firm was neatly slotted into the increasingly complex export structure of Courage Barclay & Simonds, as shown in Figure 8.1:

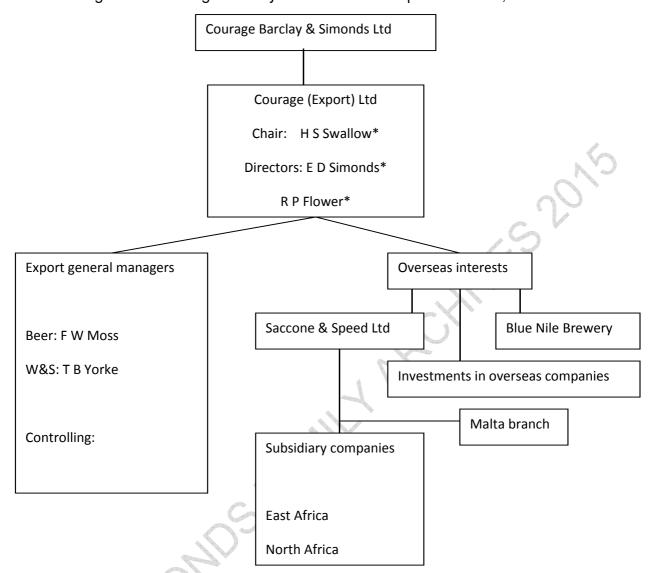


Figure 8.1 Courage Barclay & Simonds Ltd export structure, 1963

Source: Courage, EB/M/1, Staff News, No.6, Winter 1963, pp.12-13

In addition to this desire to expand the wines and spirits trade overseas, was a reciprocal objective to increase the domestic business in this field. The long established wholesale wine merchant, Charles Kinloch & Co, had already been acquired by Courage & Barclay in 1957, and the former Simonds' wines and spirits subsidiary of Arthur Cooper Ltd was now reconstituted as a chain of 160 retail off-licenses. Charles Kinloch, resplendent with a new trademark and an innovative, modern bonded warehouse and headquarters at Park Royal, London, not only supplied these tied off-licences with wines and spirits, but also the growing Courage estate of tied public houses. Clari Courage Barclay & Simonds heavily promoted their new wines and spirits arm, taking a stand at the Ideal Home Exhibition at Olympia in March 1963, clari advertising on television over Christmas 1966 clari and again two years later when the comedian Arthur Askey fronted the 'Twelve Days of Christmas' campaign. The once 'superior' and separate trade in wines and spirits had now become a part and parcel of the 1960s brewing industry, and was being sold to the working and middle classes through television commercials. How Evelyn Waugh must have shuddered.

^{*}also directors of Courage Barclay & Simonds Ltd

^{**} former directors of Saccone & Speed in Gibraltar

Clapham Junction

Courage Barclay & Simonds were also determined to extend their wines and spirits trade in overseas markets, and Saccone & Speed on the Rock of Gibraltar provided the perfect vehicle. And wherever Saccone & Speed went in the world, they would also act as suppliers of Courage beers. In the summer of 1963 the small beer bottling line at Gibraltar was completely modernised and upgraded with plant transferred from the former Charlton Brewery at Shepton Mallet. clxv Saccone & Speed then began to import beer in hogsheads from the group's Reading brewery, bottle it on the Rock, and sell it alongside their lines of wines and spirits. Clay The firm also imported bulk wine from Spain (or from Portugal depending on the ever-changeable level of border tension with the Spanish) and this too was bottled on Gibraltar. There were two main markets for Saccone & Speed's products, the first being the traditional 'service to the Services' coupled by the 1960s with an increasing trade with passing passenger ships. Gibraltar was, and remains, the Clapham Junction of the Mediterranean, and at any one time a visitor high up on the Rock can gaze out to sea and count dozens of ships of all sizes patiently waiting for their turn to dock. All these ships were potential customers to Saccone & Speed and an article in the Courage Barclay & Simonds' house journal of the time gives a touching description of the hustle and bustle of this trade.

Several thousand ships of all kinds call into Gibraltar every year. Many of these are cruise liners and during the long tourist season it is a case of 'we never close' for Saccone & Speed. Ships call in on all days of the week and at all hours of the day, and it is quite the norm for members of our staff to be hard at work at the crack of dawn on a Sunday dealing with the rush of business from the passengers of a ship that has only put in for a few hours. Often, too, there are several ships to deal with at the same time and messengers on motor scooters scurry backwards and forwards between the docks and the Saccone stores. clxvii

Invariably the first person to cross the gangplank and board a newly docked ship, whether naval or civilian, was the Saccone & Speed salesman with his clipboard, brochure and order pad. It became a common sight to regular seafarers. Then there was the lucrative trade done in duty-free ships' stores with both the Royal and merchant navies, and the supply of wines and spirits to the officers' wardrooms of the Royal Navy. In addition to supplying wines to the officers, Saccone & Speed now also built up a considerable trade in Courage beers with the mess decks. Saccone & Speed also found themselves perfectly placed to service the increasing number of NATO members' warships that made use of the port facilities at Gibraltar. The diplomatic trade was also strengthened and the firm could boast that 'today we are suppliers of beers, wines, spirits, tobacco and a hundred and one other lines to British and foreign embassies, legations, government houses, and clubs in almost all the major capitals of the world'. This 'service to the Services' had always been the bedrock of Saccone & Speed's trade, but Courage Barclay & Simonds had bigger plans for its subsidiary company, ones that would involve expanding its interests in the former East African colonies of Kenya, Tanganyika and Uganda.

Saccone & Speed had first established branches in East Africa in 1949, probably encouraged by H & G Simonds who had expanded into Kenya in 1947 when they bought about a 15 per cent shareholding in the East African Breweries Ltd. The magnetic force of post-war Kenya with its established white settler community, bolstered by the new breed of aristocratic *émigrés* and the hope of a future military presence, pulled Saccone & Speed towards East Africa. This expansion owed much to two personalities within the company: the chairman Sir Edward Cottrell and Terence 'Tegs' Stokes, a former naval officer and manager with Saccone & Speed in Nairobi since 1952^{clxxi}. Stokes was a restless, dynamic salesman. Other personnel were also to spend a large part of their working lives in the new branches at Nairobi, Dar-es-Salaam and Kampala: Eric Tinworth, George Fava, Maurice Glassborow, Peter Fleming and Robin Dickson. They were all faced with personal hardship and sacrifice as well as daunting conditions for trade. The three East African colonies covered 700,000 square miles, had a

diversity of climate, 23 million inhabitants of all races, and a very basic infrastructure and system of communication. The conditions described in Lord Hailey's *An African* Survey, the 1938 bible on colonial development, were now being encountered first hand by this small group of imperial businessmen. A mixture of dogged determination, skill, integrity and commitment would be needed to carry them through and make a success of Saccone & Speed's new venture. Significantly, Sir Edward Cottrell negotiated a licence in 1952 with the Kenyan colonial government allowing the firm to import wines and spirits in bulk, and then bottle them in Kenya. By about 1960 Saccone & Speed was bottling 90 different lines in 174 different sizes. The market for these products was initially the white settler community, the armed forces and the diplomatic trade, but everyone was also aware of the potential of the largely untapped African market. clixxiii

When Saccone & Speed became a wholly owned subsidiary of Courage Barclay & Simonds early in 1961, Hereward Swallow decided to re-establish these East African branches as separate limited companies and to try to exploit the potential of the African market. The firm explained its reasoning:

The African himself has featured prominently in the company's development plans, and while he is not a table wine drinker, he enjoys his spirits and fortified wines. Here Saccone & Speed are well to the fore. (In 1962) the Nairobi office opened a sub-branch in the heart of the African area with an African as manager, and this has proved to be a sound investment. Claxic

Initially two companies were incorporated to further this goal: Saccone & Speed (East Africa) Ltd based in Nairobi in January 1963^{clxxv}, and a month later Saccone & Speed (Tanganyika) Ltd in Dar-es-Salaam. Initially 'Tegs' Stokes chaired both companies, supported by another old East African hand Eric Tinworth, but Courage Barclay & Simonds soon bolstered the expatriate staff with B B C (Ben) Watson, a youthful accountant from their London head office. Ben Watson, educated at Eton and Trinity College, Cambridge, had joined Courage & Co in 1952 at the age of 22 and became a protégé of Hereward Swallow Leave and January and

'A challenge we must accept'

In an article in the April 1966 issue of *Golden Cockerel*, the house magazine of Courage Barclay & Simonds, Hereward Swallow was customarily bullish about the company's prospects for Saccone & Speed in East Africa:

On the political front, I had talks with a number of leaders of commerce in the area and it seems to me that Nairobi will become an increasingly important centre of affairs in Central Africa. The opportunities for producing and/or selling beer overseas on an increased scale are a challenge we must accept. It is a struggle, but if we apply ourselves to aggressive salesmanship offering locally acceptable products and the right types of package, there is a great deal more we should be able to do. clxxviii

This was the public message that the company wanted to project, and this was reflected within the boardroom of Courage (Export) where the directors felt a certain sense of purpose in their crusade to expand the overseas trade of their company. In a confidential report to his fellow directors, 'Tegs' Stokes produced a 1960s equivalent of the modern corporate 'mission statement'. The object of Courage (Export), he wrote, was to promote the overseas interests of the parent company and its products wherever and whenever was possible. 'The more we sell

overseas, the better, and we shall spread the name of the (Courage Barclay & Simonds) Group worldwide.' He singled out subsidiary overseas companies as the most satisfactory method of trading, despite the need for capital investment, and urged the formation of more companies along the lines of the Blue Nile Brewery and the Saccone & Speed subsidiaries in East Africa. Such subsidiaries, he added, would also attract locally invested capital. 'It will not be an easy task in the world today', he warned, 'but the export and overseas investment field offers great rewards. Our plans are progressive, and some may feel, too ambitious. However, we must succeed.' clxxix

Nevertheless, it would be wrong to assume that the sentiments expressed by Hereward Swallow and Stokes amounted to anything more than opportunism. There was no discussion as to how Saccone & Speed might dovetail their quite natural commercial desire for a profitable trade with the needs and hopes of the newly independent East African colonies. As with their concurrent Australian venture, the production and sale of wines, spirits and Courage beers in post-colonial East Africa was a business opportunity for Courage Barclay & Simonds, and little more. There was a large, and largely untapped, market in Kenya, Tanganyika and Uganda that was ripe for exploiting. The directors in Southwark, used to the *laissez faire* culture of the British Empire, thought this could be achieved without getting too close to the new African governments, and without becoming too involved in their everyday way of life. This was a long way from the attitudes of Guinness in Nigeria and Malaya, and a long way from the idea of the 'white man's burden' with its peculiarly British sense of duty, involvement, progress and development. The establishment of Saccone & Speed (East Africa) Ltd and Saccone & Speed (Tanganyika) Ltd in January 1963 was almost solely to take advantage of a commercial opportunity, and there was little empathy with the former colonies themselves. To underline this rather detached attitude, Courage Barclay & Simonds even thought about selling their East African business as early as April 1963, i.e. just a matter of weeks after the new limited liability companies had been registered. The board of Courage (Export) learned that the Bristol wine merchants John Harvey & Sons were interested in buying their East African business, and the prospect of a cash settlement had great appeal. The directors were told in a letter from Sir Edward Cottrell in Gibraltar that, although Saccone & Speed's profit in East Africa for 1962 had been a 'most satisfactory' £67,967, 'we should dispose of the business if a reasonable cash price can be obtained'. clxxx And any cash received from John Harvey & Sons could be kept at Gibraltar, thus circumnavigating the Bank of England's regulations regarding the export of capital from Britain. This capital could then be reinvested in one of the other overseas interests of Courage Barclay & Simonds. The directors were also told of Colonel Brian Bunting's recent visit to the Sudan and Kenya, and his suggestion that East African Breweries should be approached to buy the Saccone & Speed business in the region. As it happened, neither option bore fruit and by June 1963 negotiations with both John Harvey and East African Breweries had fallen through. clxxxi

This curious episode^{clxxxii} illustrated the philosophy of Courage Barclay & Simonds towards overseas trade. Their various export businesses (see Table 8.2) were not viewed separately, but as a whole. Individual ventures, like Saccone & Speed in East Africa and Courage Breweries (Australia), were not valued in themselves, but rather for the amount of profit they could contribute to the Group as a whole. There was little sentimental attachment to individual projects, and these could be sold off for cash as the opportunity arose. At the corporate level in Southwark, there was also little appreciation of conditions for trade in Kenya, Tanganyika or Uganda, or how Courage Barclay & Simonds would become integrated into the fabric of these newly independent Commonwealth members. The company assumed that hard work and competition in a *laissez faire* environment would be enough to ensure success. However, Hereward Swallow and Courage Barclay & Simonds miscalculated the strength of both political and economic nationalism in post-colonial East Africa, and their opportunistic venture with Saccone & Speed in the region would be rapidly found wanting. To be fair, the odds were heavily stacked against them.

White mischief

In East Africa itself, far away from the global view of the Courage Barclay & Simonds' directors in London, the resident expatriates ran the business with a kind of relentless

enthusiasm. There can be little doubt that Ben Watson, Peter Fleming, Eric Tinworth, George Fava, Robin Dickson and Maurice Glassborow believed that Saccone & Speed could and would succeed in the former colonies, and the minutes of the local companies reveal a tireless fervour in an increasingly hostile environment. They won important new accounts with East African Railways and Harbours to supply beers, wines and spirits to the railway stations at Nairobi and Mombasa, clxxxiii and reached an agreement with Booth's Distilleries Ltd about the local production and sale of their High & Dry brand of gin. Another agreement with distiller W & A Gilbey Ltd for the supply of bulk alcoholic spirit followed, and in December 1965 Saccone & Speed (East Africa) won the sole contract to distribute Guinness's Foreign Extra Stout in the duty free trade with the diplomatic corps, and the ship and aircraft stores throughout the region. Clxxxvi Then there were the constant efforts to expand the trade throughout the mid-1960s. The prospect of setting up business in Ethiopia was thoroughly investigated during 1965 and, although this idea was shelved over the problems of investing capital outside the sterling area, it never really went away. As late as 1968 the directors were still considering the possibility of the Ethiopian market, alongside a desire to break into the diplomatic trade in neighbouring Somalia. cixxxvii In early 1996 Robin Dickson undertook a week-long tour of Zambia and Malawi 'to survey possible trading opportunities since the political changes in Southern Rhodesia' and to consider whether these former colonies could be supplied with beer, wines and spirits from either Kenya or Tanganyika. cixxxviii Nothing seems to have come from Robin Dickson's expedition but still the Saccone & Speed directors in East Africa foraged for new markets. In August 1968 they made contact with Mahe Trading Ltd of the Seychelles who had shown great interest in selling Courage beers and Saccone & Speed wines and spirits on their islandschaxix - but by that time it was already too late and the directors in Nairobi and Dar-es-Salaam were beginning to realise this. cxc

As the 1960s progressed the firms found themselves caught between falling profits and rising capital expenditure. It was not that sales were falling, but that the margin of profit as a ratio to sales was shrinking. The annual Nairobi Show in September 1966 saw new record sales figures^{cxci} and the summer of 1967 brought a new production record of 20,000 gallons of wines and spirits bottled locally by the Saccone & Speed companies. cxcii Alongside these sales and production successes must be considered both the net profits of the firms and the capital employed by Courage Barclay & Simonds in East Africa. In 1962 there had been a net profit of £67,967 but by 1967 this had slumped to £40,690 and then to £23,253 in 1968. The following year only showed a slight improvement of £31,752. The surviving records, held in Gibraltar, do not reveal the total capital employed in East Africa, but it seems that cash was always short. The parent company in Southwark increased the working capital of its East African subsidiaries by £25,000 in 1964, and followed this with a further injection of £90,000 in October 1966. CXCIV By early 1968 more working capital was needed and Courage Barclay & Simonds sold about half its shareholding in East African Breweries to fund another £80,000. cxcv Only a month later yet another £25,000 was remitted to Saccone & Speed (East Africa) Ltd as an 'approved enterprise loan' from Gibraltar. cxcvi It was not just the amount of capital that needed to be sent from either Gibraltar or Southwark that was a source for unease, but also the spiralling local overdraft with Barclays Bank in Nairobi. Throughout 1966 this overdraft stood at about £EA200,000 and it peaked at £EA258.394 in December 1967, before being reduced to a little over £EA100,000 by April 1969. cxcvii

The financial situation of the East African firms became more stretched as time went on, but this in itself was not to be the main cause of their failure. Nor was it the almost constant skirmishing with the trades unions representing the African workforce, although this must have had an unsettling effect. The Brewing & Bottling Workers Union, recognised by the firm from the outset, grew increasingly confident in their dealings and took Saccone & Speed (East Africa) to an industrial arbitration court in 1966 over a pay dispute. Later that year the union staged a two-day walkout at the Mombasa branch and bottling factory over overtime rates. Undoubtedly Saccone & Speed's operating costs were also high, given the size of its territory and the remoteness of much of the market, but again this does not in itself explain or clarify the firm's problems as the 1960s progressed. Operating costs were the same for every business and Saccone & Speed, having first entered the Kenyan market in 1952, had over a decade's experience of the testing trading conditions.

The wind of change

The over-riding reason for Saccone & Speed's eventual failure in Kenya, Tanganyika and Uganda was the 'unravelling' effect of independence in the region, and this factor was completely outside the control of the company. Under British colonial rule the three East African colonies were largely administered as a sort of loose federation, with a common transport infrastructure, a common judicial service, common postal and telegraph services, a common market that acted as a free trade zone, and a common currency in East African pounds (£EA). To the British this had always made perfect sense. The idea was first espoused in the 1920s by Lord Milner's 'Kindergarten' of young imperial federationists as part of their grand design for a British Empire in Africa that would stretch from the Cape to Cairo. It was keenly felt by 'Kindergarten' members Leopold Amery and Sir Edward Grigg, later to be Colonial Secretary and Governor of Kenya respectively^{cc}, that closer political and economic union was desirable, if not essential, in East Africa. cci Up to the Second World War political integration and economic union were seen as essentially the same issue, but the war itself was subtly to change the thinking of the British. For the duration of the hostilities, with production of agricultural goods rationalised for efficiency, the three East African colonies operated with great success as a single economic and commercial unit. ccii Such was the success of these wartime arrangements that the East African High Commission was established in 1948 as a recognised regional authority to supervise the workings of the common market between Kenya, Tanganyika and Uganda. 'The colonial government made it clear that they did not envisage this structure as part of a movement towards closer political union, thus making it acceptable to the groups who feared political domination by a European minority. 'cciii The operation of the post war common market in East Africa was yet another factor that pulled British companies towards the region. As van Zwanenberg comments:

It may be argued that without the common market most of these firms would not have found it worthwhile to begin production in East Africa because, taken separately, the markets within each country were too small ... The setting up of a common market has (however) made their East African operations more profitable. CCCIV

Once Kenya, Tanganyika and Uganda became independent in the early 1960s, it was at first widely assumed that economic and commercial cooperation would continue. However, the operation of the East African common market since the war had tended to benefit the wealthier colony of Kenya, at the expense of her two, less developed neighbours. Tanganyika and Uganda saw themselves becoming comparatively and progressively poorer in relation to Kenya the longer the common market went on. The very since the common market went on the complex task of disentangling themselves from this economic federation. In 1965 Tanzania (a product of the union of Tanganyika and Zanzibar in 1964) established its own central bank, its own currency of Tanzanian Shillings, and also imposed strict import quotas on the amount of goods that could be brought in from Kenya. The East African common market was beginning to break up, and it was this new factor of economic nationalism that would seriously damage Saccone & Speed's attempts to continue trading in the region. The directors in Nairobi initially made arrangements to get round any inconvenience and disruption to their trade.

It was reported that Tanzania had imposed quotas on gin imported from Kenya. A three-month license had been obtained but in the future arrangements had been made to blend and bottle High & Dry gin and other local products at Tanganyika Cellars Ltd in Dar-es-Salaam at short notice should the license not be renewed.

Then in early 1966 the board, conscious of the imminent introduction of separate currencies into all three former colonies, found they had to establish an entirely new and separate company in order to keep trading in Uganda. Ugandan trade had always previously been administered from Nairobi, but the logical consequence of a separate Ugandan currency was the formation of Saccone & Speed (Uganda) Ltd in Kampala with a working capital of £10,000. COVIII Once each

independent country had its own currency, the company found that they now had to deal with three separate national currency exchange control boards in order to remit net profits back to Gibraltar. The board minutes of all three Saccone & Speed companies from the mid 1960s are littered with notes about their dealings with the exchange control authorities, with the Tanzanians usually proving the most obdurate. More financial restrictions followed. The East African budget for 1967 increased customs duties on imported still wines from 4/- a gallon to 16/- for importation in bulk, and from 4/- a gallon to 20/- for wine imported in bottles. Operating costs were increasing and the margin for profit was at the same time getting slimmer and slimmer.

The economic nationalism of the former colonies developed a natural political dimension, and from about the beginning of 1968 the Saccone & Speed directors found that their attempts to run their business, and their room for manoeuvre, were being severely restricted. Kenyan historian W R Ochieng has argued that this 'Africanisation of the economy' was an inevitable consequence of the struggles for independence from the British.

Africanisation, in particular, was one of the most emotive political slogans in the tumult before independence and Kenyatta's promise to the people ... before independence large—scale agriculture, industry and commerce were dominated by non-Kenyans. Europeans controlled agriculture and industry while commerce and trade were dominated by Asians. Thus, after independence one of the most urgent and pressing problems was to break the foreigners' dominance of the Kenyan economy and transfer it to Kenyans. This objective was tackled through the mechanism of legislation and licensing.^{ccx}

The Saccone & Speed companies in East Africa were to feel the practical effects of this mechanism. The 1967 Kenyan Immigration Act stipulated that non-Kenyans in a wide variety of non-management occupations were required to apply for entry permits and 'dependants passes' at a cost of £EA25 each, causing the directors to minute that 'the government was exerting strong pressure on employers to Africanise clerical and sales posts' ccxi In Uganda, the authorities were more pressing. Saccone & Speed (Uganda) Ltd were advised by Courage Barclay & Simonds in London that, following a meeting with the British High Commissioner for Uganda, 'the parent board felt that it was politically desirable for Mr Fleming and Mr Tinworth to resign from the board ... and subsequently be appointed in consulting capacities'. ccxii Previously the local directors in Kampala, George Fava and Dr Aliker, had considered that it would be 'politically unwise to sublease our shop premises to Flores Ltd as this might be construed as giving preference to a concern with strong Asian interests'. ccxiii In 1968 Uganda imposed a new sales tax on wines and spirits and, although the company got round this inconvenience by selling stocks to customers just across the Uganda-Kenya border, such ingenuity would only represent a shortterm victory. ccxiv Meanwhile, in Tanzania the Ministry of Industry and Power pressed Saccone & Speed to build a distillery in Dar-es-Salaam, and were disappointed that the company was only prepared to build a new bottling factory. ccxv A site for the new factory was duly acquired from British American Tobacco for £10,000 but the Tanzanians remained unimpressed.ccxvi

Most of the above can be seen as 'creeping' Africanisation and, as such, caused operational problems for the Saccone & Speed directors in Nairobi, Dar-es-Salaam and Kampala. The next stage of Africanisation would be more direct, more rapid, and would deliver a killer blow to the wines and spirits firm in all three of the newly independent countries. The first to act was Uganda. In March 1968, and only a month after Saccone & Speed (Uganda) Ltd opened a new bottling factory in Kampala, 'it was reported that imported wines and spirits had been gazetted as essential commodities and were now subject to import licensing. The Minister for Commerce had given sole distribution rights of the products to the Uganda National Trading Corporation (UNTC)'. CCXVIII In other words, the industry was being nationalised. Peter Fleming negotiated with the Ugandan authorities in the hope the decision would be reversed, but to no avail. Saccone & Speed (Uganda) Ltd were instead offered the unsuitable position as one of five 'sub-distributors' working for the Uganda National Trading Corporation. CCXVIII A year later, in March 1969, Peter Fleming tried again to negotiate the formation of a jointly-owned company in partnership with the UNTC, but this was turned down and the firm found itself increasingly marginalized in the Ugandan wines and spirits market. By September 1969 Saccone & Speed

(Uganda) Ltd had run out of all stocks of whisky with stocks of other products rapidly diminishing. The company was forced into liquidation barely three years after its inception. cexix

In Tanzania, the end came just as rapidly. In October 1968 the directors in Dar-es-Salaam noted that:

Following the formation of the State Trading Corporation as the sole importers and distributors of wines and spirits in Tanzania, proposals had been submitted whereby possibly a new company be formed to undertake the bottling of wines and spirits for the State Trading Corporation.

But there were to be no negotiations. Three months later, in January 1969, the bottling factory that had been bought from BAT for £10,000 was sold to the Tanzanian State Trading Corporation for £5,000 and Saccone & Speed (Tanganyika) Ltd ceased to trade. The company went into liquidation but nearly £47,000 in cash was held in a blocked account with the Tanzanian National Bank of Commerce in Dar-es-Salaam. By 1968 the Kenyan arm of Saccone & Speed was also in dire straits. In October of that year the firm, unable to compete with Asian grocers, considered withdrawing from the retail side of the wines and spirits trade, and duly closed down its shop in central Nairobi by May 1969. CCCXVIII The following year the company went into voluntary liquidation and sold off all its properties and other assets in Kenya, realising a cash sum of about £130,000 that was repatriated to Gibraltar. The Africanisation of Saccone & Speed's businesses in East Africa was complete — as the loose federation that was colonial East Africa unravelled in the mid-1960s, so too did the imperial hopes of Courage Barclay & Simonds.

Gibraltar may tumble? ...

Although Courage Barclay & Simonds found that they could not use Saccone & Speed's subsidiary East African companies to sell beers, wines and spirits in an increasingly hostile climate, the parent company in Gibraltar proved to be a continuing success story. Here was one part of the British Empire where the climate was always warm and welcoming, and which was always open for business. Profits rose satisfactorily.

Table 8.2 Financial Performance of Saccone & Speed, Gibraltar, 1962-64

	Net Profit (after tax) £	Capital Employed	
1962	39,876	600,000	
1963	42,154	600,000	
1964	60,311	600,000	

Source: LMA/2305/1, Courage (Export) Ltd Directors Minutes 1962-66, meetings of 18 April 1963 and 19 June 1964

In the summer of 1968 Courage Barclay & Simonds increased their presence on the Rock when they acquired the local family firm of Charles Gaggero & Company for a little over £275,000 in the name of Saccone & Speed. It was noted with some satisfaction that Gaggero held the franchise to bottle Coca Cola on Gibraltar and that 'the consumption of soft drinks produced by Gaggero was almost exclusively by the local population and that tourists accounted for a relatively small proportion of the total'. Coxxiv In other words, it was to be additional business. The senior family member, Charles Gaggero, then 38 and a Cambridge graduate in economics, joined the board of Saccone & Speed in Gibraltar bringing both valuable business acumen and market experience. Courage Barclay & Simonds then invested another £20,000 to update and improve Saccone & Speed's soft drink bottling facilities at their Devil's Tower Road premises. The new, highly automated bottling line was officially opened in June 1969 when the Bishop of Gibraltar, Monsignor John Healy, blessed the enterprise and sprinkled holy water on the plant.

Later in the same year Saccone & Speed saw a new opportunity in Malta and refurbished their branch office on the island that had been first established in 1908. Their motives were clear:

(Malta) has in recent years taken up a stiff challenge – to radically change her economy from one based mainly on expenditure from Britain on her naval dockyard and Services establishments, to that of a tourist centre. In the late 1950s, Saccone & Speed in Malta, sensitive to the inevitable changes, started to plan early for the new Malta that would emerge. CCCXXVI

Naval establishments were cut back, army units were no longer garrisoned on the island, and the British no longer used Malta as a staging post. However, in place of these traditional markets, Saccone & Speed identified and nurtured new commercial opportunities. Malta, with its perennially warm climate, was rapidly becoming a tourist destination with an increasing number of visitors from Britain, and with a constant passing trade in both passenger liners and private yachts. The Maltese hotel industry was growing to meet these demands and Saccone & Speed found themselves perfectly positioned to supply wines, spirits and Courage beers to these new customers. As ever, Malta was to some extent used as a base by Saccone & Speed for a further expansion of its diplomatic trade in the region. Their travelling representative was Rene Tonna-Barthet, a lifelong servant of the firm, and he undertook a series of successful sales tours of North Africa, Southern Europe and the capitals of the Middle East.

It is tempting to suggest that Saccone & Speed were invariably successful in their traditional and evolving markets in the Mediterranean, and in their long established and expanding diplomatic trade. However, when Courage Barclay & Simonds acquired the Gibraltar firm in 1961 and attempted to use it as a spearhead in the rapidly changing conditions of East Africa, they failed. It is also tempting to suggest that, despite being wholly-owned by Courage Barclay & Simonds from 1961, Saccone & Speed managed to retain some of their independence from the British brewing giant. Two connecting factors support this: the geographical isolation of Gibraltar on the end of a sometimes-hostile Spanish peninsula; and the tough frontier mentality of the Gibraltarians themselves. All companies have a unique culture, and it has already been suggested that the individual cultures of Guinness, Barclay Perkins, H & G Simonds and Courage Barclay & Simonds in some way guided and shaped the foreign adventures of these firms. In their way Saccone & Speed were also distinctive. The modern day visitor to Gibraltar cannot help noticing the overwhelming sense of loyalty to, and fondness for Britain, and indeed almost anything British. It is in the air itself and inhaled with every breath. But there is another factor at play at the same time. The Gibraltarians are plainly not at all British. The polyglot and exotic ethnic mix of the population owes more to Italy. Malta and the North African littoral than it does to the coast of Kent. It is this additional factor that underpins the Gibraltarians' fierce sense of independence, and the logical extension of this is a natural desire to be treated by the British as equals. Saccone & Speed themselves are an intrinsic part of this Gibraltarian view of the world, and as a company has an almost feline quality or culture. Like all cats, great and small, Saccone & Speed knew where their home was, made accommodation with those more powerful, but was simultaneously independent and confident that they knew their own business best. The firm was proud to be associated with the British brewers H & G Simonds and Courage Barclay & Simonds, but always retained enough autonomy and self-reliance to exude an air of independence - rather like Gibraltar itself.

Saccone & Speed remained a subsidiary of the Courage group until 1987, when an opportunity arose for the Gibraltar firm to buy itself back into private ownership. In late 1986 Courage came to be owned by the Australian multi-national firm of Elders IXL who almost immediately sold off the Courage wines and spirits arm to International Distillers and Vintners based in Harlow, Essex. As part of this 'unbundling', Saccone & Speed in Gibraltar were separated from the Courage group's wines and spirits portfolio of companies, and they became once again a Gibraltar company owned and managed by Gibraltarians. Their independence had been fully recovered and today the firm still operates from Devil's Tower Road, and is run by joint managing directors Denis Lafferty and Albert Trinidad, the latter being another life-long servant of Saccone & Speed. It is tempting to suggest further that Gibraltar is one place in the British Empire where the sun is unlikely ever to set.

9 Conclusion

Brewers and Empire

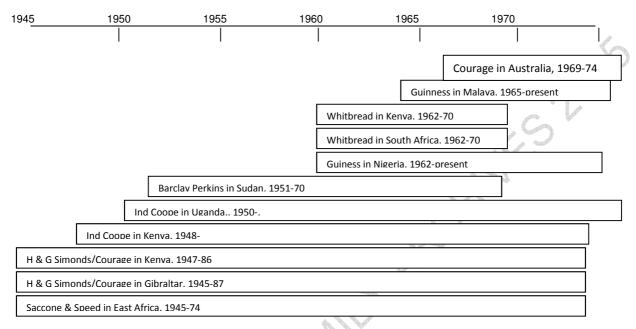
The history of the British brewing industry in the Empire mirrors the history of the Empire itself. At first, until the end of the nineteenth century, brewers carried on a simple and natural export trade with those areas of the world increasingly being settled by British emigrants. Then, as the Empire expanded and the armed forces grew in number and were stationed in Britain's new territorial acquisitions, brewers like H & G Simonds and Gibbs Mew & Co followed them and supplied their needs. Or, in the case of Saccone & Speed in Gibraltar, they followed the fleet. It is worth remembering that this was not the general policy of the brewing industry itself, but the commercial impulse of just a handful of firms. Slowly, agencies and then branch offices were established throughout the Empire until, in the inter-war years, brewers moved beyond the mere exporting of beer from Britain and began to produce it in the Empire itself. By about 1930 James Calder & Co and H & G Simonds had established themselves in Malta, and were able to take commercial advantage of their proximity to the British troops regularly passing through Malta *en route* to more far-flung parts of the Empire. But, essentially, this was still beer for the troops.

After the Second World War, in the exhilarating heyday of the faith in colonial development, a handful of brewers responded to the mood of the times. First in the field, once again, was the Reading firm of H & G Simonds who, in 1948, bought a substantial shareholding in the Nairobi-based East African Breweries. Simonds was closely followed by Ind Coope & Allsopp of Burton-on-Trent, who also bought a share of the already-established Nairobi firm of Taylor & Co. Both were attracted to East Africa by the promise of a thriving and expanding white settler colony, with the added advantage of an untapped African market for beer. Both Taylor & Co and East African Breweries had been founded in the 1920s by white settlers and, certainly as far as H & G Simonds were concerned, this was an added attraction. They would be doing business with their sort of people. Then in 1951, with the mantra of colonial development rising to its apogee, Barclay Perkins of Southwark effectively broke ranks and took the decision to build the Blue Nile Brewery from scratch in the desert on the edge of northern Khartoum. This brewery was not built to service the armed forces or to supply the white community in the Sudan. Not only did neither group exist in any number, but it was already known that negotiations between Britain and Egypt over the future of the Sudan 'condominium' would inevitably lead to the latter's independence from Britain. The future market was to be the Sudanese themselves, both the Christian and Muslim communities. Looking back, through the lens of decolonisation, this seems to be an astonishing risk on the part of the Barclay Perkins' directors - but it would not have appeared so to them. They assumed that an independent Sudan would still offer the same commercial freedom and opportunity that had existed in its days as a condominium, and that the British would still in some way have some sort of influence in the country. There was no reason to think anything different. There was also the feeling that their firm was a part and parcel of the economic future of the Sudan, which in turn would benefit Barclay Perkins, and the sheer commitment and dedication to the 'Khartoum Project' cannot be denied.

Around the early 1960s, when the British were assiduously constructing the new, multi-racial British Commonwealth, there was a flurry of activity within the British brewing industry. Whitbread & Co of London, previously inexperienced in any sort of foreign trade, entered the arena and not only built a new brewery in South Africa but also bought a substantial interest in the City Brewery, Nairobi. Then Guinness of London and Dublin opened the Ikeja Brewery in Nigeria in 1962, and a further Guinness brewery in Kuala Lumpur followed by 1965. Courage Barclay & Simonds, the successor company to both H & G Simonds and Barclay Perkins, also increased its imperial portfolio. First they acquired Saccone & Speed along with its East African branches and then, after interminable planning, a new brewery was finally built in the Melbourne suburbs by 1969. This Australian enterprise joined the former Simonds' and Barclay Perkins' interests in Malta, Kenya and the Sudan within the Courage Barclay & Simonds group of companies. Again, all these ventures of the 1960s were aimed at supplying beer to the local populations, rather than to the ever-dwindling number of white expatriates and British forces. If this information is displayed diagrammatically, as in Figure 9.1, then it can be seen plainly that

the height of British brewers' interest in the Empire coincided with the end of formal political control, and the formation and early years of the British Commonwealth's system of imperial preference. Activity was at its height between 1962 and 1970.





As the formal British Empire quickly crumbled in the late 1950s, and as the new Commonwealth was constructed in the 1960s, so the commercial interests of British brewers accelerated to their peak. At first sight there would seem to be a contradiction with this statement. Why did this activity not occur in the heyday of the formal Empire, rather than at its end? Surely business conditions were more favourable, and more secure, in almost any other period than the late 1950s and 1960s? They probably were, but the post-war brewery directors could not possibly have known this. From their vantage point the future was both rosy and exciting. And would not the imperial preference system of the new Commonwealth provide even more favourable conditions for business? Individual success varied considerably, and was dependent on a number of interconnecting factors. To be successful a brewery had to ensure that there was a market for its product; that the product was distinct and of a high quality; that an experienced local partner was found to aid marketing and distribution; and that cordial relations were maintained with the local authorities. Also significant was previous experience of trading in the Empire, and even the very manner in which the company undertook its imperial expansion. The individual cultures of the handful of active brewing companies in the post-war era essentially dictated their particular approach to imperial commerce. Guinness, H & G Simonds, Barclay Perkins & Co and Saccone & Speed all believed in what they were doing. This belief came naturally to them. The records of these companies are redolent of the emotional attachment to their overseas projects, with the unquestioned belief that the Commonwealth offered a secure future for their investments. Guinness in Nigeria provides the purest and most successful case. When Guinness built the Ikeia Brewery in 1962 they were expanding into a vibrant and growing market for their unique Foreign Extra Stout. A partnership with the experienced United Africa Company proved a perfect match, and the company's distinct approach to both business and Nigeria was ideal. Guinness did not question that it was their patrician duty to give something back to the community, as with the eye hospital at Kaduna, to aid the industrial development of Nigeria, and also to become a seamless part of local, Nigerian life. They succeeded and profits followed. And what was good for the Irish firm was also seen to be good for the rapidly industrialising and developing Nigeria. In short, the culture or philosophy of Guinness meshed

perfectly with the contemporary zeal for the colonial development programme, and for the building of the British Commonwealth.

Other companies failed or were only partially successful. Both Whitbread and Courage Barclay & Simonds experienced a turbulent time in South Africa and Australia respectively. In addition Courage Barclay & Simonds effectively oversaw the disintegration of their East African interests that had been inherited from H & G Simonds, Barclay Perkins and Saccone & Speed. Part of the reason for this commercial failure involved the character of Whitbread and Courage Barclay & Simonds themselves. Both London brewers were essentially opportunist in their very nature, both had become members of the 'Big Six' British brewers by taking over and devouring smaller firms, and this hard-nosed approach naturally extended to their imperial interests. In short, both firms were in it only for the money. And this in itself was not enough. Both brewers faced difficulties with the quality of their beers, both chose an unsuitable local partner, neither had a 'base trade' upon which to build, and neither had any sort of empathy with the local culture or way of life. Looking back, their efforts in Australia and South Africa have an exploitative feel to them, with almost a sense of clinical coldness. Significantly, unlike Guinness in Nigeria and Malaya, they remained outsiders. There was little emotional attachment to their overseas projects and, when the going got tough, they found they had no reserves of faith and determination to carry them through. In other words, there was no zeal and no element of colonial development. Courage Barclay and Simonds were driven out of Australia, about the same time and for the same reasons that Whitbread were herded out of South Africa.

It was not just the experience and approach of the individual companies that determined success. Also important was the historical experience and contemporary attitude of the individual territories themselves. A general pattern is evident. The most hospitable and welcoming colonies were those, like Nigeria and Malaya, which had formed part of the dependent Empire. When these colonies became self-governing members of the Commonwealth, they brought with them a positive attitude towards British business. This should not be altogether surprising. Industrialisation was seen as a positive force by Nigeria and Malaya, and there was still a sense of respect for British experience in business and commerce. Economic co-operation with the former mother country would be beneficial for these fledgling independent countries, and this factor undoubtedly helped Guinness when the Irish firm expanded into the Commonwealth. In stark contrast, the white Dominions of Australia and South Africa proved to be the least amenable to British brewers. Both countries had by this time developed a fierce sense of their own identity cxxviii and, unlike the trading colonies of Malaya and Nigeria, they had little respect or regard for anything British, business included. The brash arrival of Courage in Melbourne, and of Whitbread in Johannesburg, acted rather like a red rag to an already crabby bull. The white nationalism of the Afrikaners, and the antagonistic attitude of the Australians created a strikingly similar reaction of disrespect mixed with outright hostility. Both Courage Barclay & Simonds and Whitbread & Co were to find that these were far from ideal business conditions.

Somewhere between the welcome mat shown by the former directly-ruled colonies, and the sound of slamming doors in the white Commonwealth, lay the reactions of the East African territories of Kenya, Uganda and Tanganyika. At first the signs were good for British business and it was assumed quite logically that the East Africa Common Market would continue to work smoothly within the auspices of the Commonwealth. There was no reason to assume otherwise. As early as the mid-1960s this assumption was proved misguided, and the Common Market collapsed under the pressure of a growing nationalism within all three members. All three independent governments responded by moving towards a managed economy, the most obvious repercussions of which for British brewers were a wave of nationalisations. Again, these were hardly ideal conditions for private business, however zealous the approach.

Imperial businessmen

One final factor is also important in the history of British brewers in the Empire-Commonwealth – that of the individual human players. These range from chairmen and managing directors to quite ordinary staff members, and have often been referred to in this work as 'imperial businessmen'. Their experience of overseas trade, their invariable integrity, their ingenuity and their sheer determination in difficult conditions far from home were often vital components for a successful overseas venture. In the 1980s P J Cain and A G Hopkins

suggested, in a series of groundbreaking articles, that the initial expansion of the British Empire in the years before the First World War was largely guided by a group of 'gentlemanly capitalists'. ccxxix It is tempting to ask whether there is some sort of connection between the 'imperial businessmen' of the post-war period, and these 'gentlemanly capitalists' of an earlier era. Cain and Hopkins identified gentlemanly capitalism in the nineteenth century as a loose alliance of rentier wealth, the expanding financial service sector of the City of London, and the remnants of the landed gentry. Significantly these men were based in London and the South East, and the grouping did not include those based in the North or who had an industrial background. Industry was seen as 'ungentlemanly', finance as 'well mannered'. In the heyday of laissez faire the gentlemanly capitalists, comprising the majority of the investors in the City. created a worldwide 'invisible' empire of British investments, insurance and brokering and this. argued Cain and Hopkins, effectively compensated for Britain's declining industrial competitiveness in the 1880s and 1890s. This loose alliance of financiers, lawyers, politicians, aristocrats and bankers based in London and the Home Counties was then the real driving force behind the expansion of Britain's overseas influence. In the 1980s Cain and Hopkins put metropolitan economic factors for the growth of the British Empire firmly back on the agenda after two decades of academic fascination with the subtle, peripheral and non-metropolitan theories of Ronald Robinson and Jack Gallagher. CCXXX Robinson & Gallagher's emphasis on the significance of Free Trade imperialism, the growth of an informal empire, and the importance of events and individuals far away from London had effectively diverted the historical debate away from economic analyses of the growth of Britain's Empire. Cain and Hopkins would no doubt acknowledge a debt to earlier writers like V I Lenin, H N Brailsford and J A Hobson. ccxxxi Hobson himself had identified an influential cadre of London investors, mostly Jewish, behind British expansion and came to the conclusion that 'the modern foreign policy of Great Britain has been primarily a struggle for profitable markets of investment'. ccxxxii In essence this was also the conclusion of Cain and Hopkins, and the troupe of gentlemanly capitalists were said to be the spearhead of this movement.

It is perhaps already becoming clear that gentlemanly capitalists and imperial businessmen have, on the surface, little in common, and some further analysis of the latter group is required to pinpoint these differences. Appendix 1 shows the personal details and social background of those imperial businessmen in the brewing industry highlighted in this study. Some conclusions are self-evident. The first is that every imperial businessman was a man. Business and the Empire were, in times less gender-enlightened than our own, two bastions of maleness and it does not seem surprising that there should not be a single woman involved with this story. Of course this does not mean that women did not play an important part as *memsahibs*, and the hardship and frustration of supporting husbands and raising families far from home must have been both difficult and demanding work. Personal sacrifice was not just the preserve of the men.

Appendix 1 shows that, statistically, the average age of the imperial businessman was about 47 in 1955, and he was almost certainly educated at one of Britain's public schools before going up to university at either Oxford or Cambridge. The average age is indeed a useful indicator, although it should be noted that there is a considerable range of ages, and that a vounger generation of men in their twenties (Simon Whitmore, Charles Gaggero and Ben Watson) were growing up to one day take on the mantle. Again the glut of public schools and Oxbridge colleges should not cause astonishment, as this would have been the normal and accepted educational route for most senior British businessman across all industries. A more interesting factor is that almost every imperial businessman served in the armed forces, and predominantly in the British Army. The range of service was remarkable. The oldest imperial businessman, General Harry Simonds de Brett, fought on the Northwest Frontier in 1897-98 before joining his cousin, Eric Simonds, in the Second Boer War from 1899-1902. Harry Simonds de Brett then saw service in both China and Somaliland, before fighting in the First World War on the Western Front. CCXXXIII In his turn, Eric Simonds' son, Duncan, fought in North Africa during the Second World War with the Royal Horse Artillery. He was twice wounded, taken as a prisoner of war but escaped, and was mentioned in dispatches three times. CCXXXXIV Sir Miles Dempsev. who succeeded Eric Simonds as chairman of H & G Simonds in 1953, not only fought in the First World War in the Middle East, but also saw service as a General in Malaya, Singapore and the Middle East during the Second World War. CCXXXV It was mostly the same story for the others.

Hereward Swallow became the youngest Brigadier of his generation, Alan Lennox-Boyd commanded motor torpedo boats and lost a beloved brother shot by the Germans as a spy, and Colonel W H Whitbread always used his military title as chairman of the family firm. Even those too young to fight in any of the great wars of the twentieth century saw active National Service. As a young officer and National Serviceman, Simon Whitmore was posted to Northern Rhodesia in 1953, and there he fell in love with Africa. Even those without a public school background played their part. Geoffrey Hardwick, then a junior employee of H & G Simonds in Bridgend, South Wales, joined the Army on the outbreak of war and saw active service in East Africa.

Service in the armed forces for these men was a crucible. Britain fought three great imperial wars in fifty years - the Second Boer War and the two World Wars - and in every case. in every corner of Britain's Empire, the imperial businessmen saw service. This is what the gentlemanly capitalists of the late nineteenth century lacked. In terms of major wars, the 1880s and 1890s were an era of peace for the British and their isolation from the quagmire of European disputes was notable, if not actually 'splendid'. The gentlemanly capitalists had not experienced a total war, and for them the growing British Empire was a financial exercise rather than a great moral cause. It is doubtful whether Cain and Hopkins' financiers actually ever saw the Empire, or ever engaged with it much beyond an analysis of the balance sheet of some overseas project or other. In short, they had not been there. They had not seen it. They had not experienced it. Their educational and social backgrounds may well have been the same as the imperial businessmen of the 1950s and 1960s, but they had no opportunity, and no need, to gain any practical working knowledge of Britain's growing possessions around the globe. But the three momentous wars were to change the British businessman. As members of the upper and upper-middle classes of British society they had an innate duty to lead the country by their example, and they guite naturally became part of the officer class of the armed forces. And they saw action, and the wars changed them. Their natural leadership was reinforced by the bloody conflicts and they fought for the Empire, and in a variety of ways they became attached to the Empire. Some men developed a genuine fondness for the colonies in which they served, others just accepted and identified the Empire as Britain's natural place in the world. The Empire, black and white and brown and yellow, had almost unanimously supported Britain in the wars, and there was no reason to question that the Empire would always fulfil this role in the future.

The great wars, three in the space of just fifty years, sent British businessmen in uniform out into the Empire, and once there they bonded with it. Unlike the gentlemanly capitalists, they had been there, experienced its astonishing diversity, and had helped to fight for its very survival. Thus grew the commitment, practicality, and sheer faith of the imperial businessmen of the 1950s and 1960s. As Appendix 1 shows, some imperial businessman had additional Empire experience apart from the armed forces, and this only served to underpin their belief. Some, like Lewis Farrugia and Edward Cottrell, were either Maltese or Gibraltarian businessmen, and others, like Anthony Disney and Simon Whitmore, were part of the colonial administration service. Still others, like R Wingrave 'Gravey' Tench, managed effortlessly to combine civil administration with commerce and underground resistance organisation. He also acted as an economic advisor to the British Army at the highest level. But it was not just the officer class of imperial businessmen that was significant. There were also the 'non-commissioned officers', often vital and always reliable. Geoffrey Hardwick and John O'Shea, two working class Welshmen, were sent by Brigadier Hereward Swallow to sort out troublesome problems on the ground in Melbourne for Courage Barclay & Simonds, and men like George Fava, Rene Tonna-Barthet and John Loughnan gave a lifetime of service and commitment to the cause of Empire trade.

This breadth of first hand experience on the part of every imperial businessman suggests that, as a grouping, they had less in common with the gentlemanly capitalists of Cain and Hopkins, and rather more in common with the 'colonial sub-imperialists' of Robinson and Gallagher. These sub-imperialists, argued Robinson and Gallagher, may have been adventurers, traders, missionaries or soldiers, or even government servants, and their significance at the very beginning of the formal Empire lay in that they were the men on the spot. And men on the spot, in the far-flung reaches of the Empire, were less likely to take direction from London, and more likely to trust their own instincts and their own experience. As 'agents' of Empire, on the periphery and away from the gravitational pull of the metropolitan centre, these men were responsible for the expansion of Britain's colonial possessions. At the close of the formal Empire, in the late

1950s and early 1960s, the imperial businessmen of the British brewing industry acted as the sort of sub-imperialist of an earlier era identified by Robinson and Gallagher. They were now the men on the spot, and they set out to take natural advantage of the opportunity then offered by the creation of the imperial preference system of the British Commonwealth. Of course the final decision to expand into the Empire-Commonwealth was always taken by the board of directors in London, but this does not detract from the importance of the men on the spot. Indeed some of the imperial businessmen, Hereward Swallow, Eric Simonds and Alan Lennox-Boyd for example, had seats on their company's parent board, and were therefore perfectly placed to support overseas' projects when required. Their commitment, determination and resolve were the insistent engines of imperial business expansion in these years. Finally, it is interesting to note that, as Cain and Hopkins suggested of their gentlemanly capitalists, the majority of the British brewing companies engaged in imperial commerce were situated firmly in London and the Home Counties. Only Ind Coope, with its brewery at Burton-on-Trent in the Midlands, breaks the pattern. COUNTIES of the Counties of Simonds was a firm founded in Reading.

'All are kin in the sight of God'?

At the Heads of Government meeting at Singapore in 1971, the Commonwealth finally got round to a formal declaration of its principles. Such declarations, or mission statements, are generally concocted at the birth of an organisation. The usually noble rhetoric gives the organisation its philosophical *raison d'etre* and acts rather like a starter's pistol. Such was the case of the establishment of the League of Nations in 1919, and the United Nations in 1946. But the British Commonwealth was not 'established' nor 'founded' in quite the same way. It more or less 'evolved' into being sometime around the late 1950s, and to try to pinpoint its exact date of birth would be an interesting but unrewarding task. A permanent secretariat was not established until 1965 and, in this light, the delay in addressing a declaration of principles until Singapore in 1971 does not seem so odd. The section of the Singapore declaration regarding trade runs as follows, revealing not only the usual lofty ideals but also a painstakingly accurate syntax.

We believe that the wide disparities in wealth now existing between different sections of mankind are too great to be tolerated; they create world tensions; our aim is their progressive removal.

To this end our aim is to achieve the freest possible flow of international trade on terms fair and equitable to all, taking into account the special requirements of the developing countries, and to encourage the flow of adequate resources including governmental and private resources, to the developing countries, bearing in mind the importance of doing this in a true sprit of partnership and of establishing for this purpose in the developing countries conditions which are conducive to sustained investment and growth.

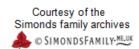
In short, free trade, or trade as free as possible, within the Commonwealth would benefit every member, and particularly those former colonies still in the early stages of economic development.

There is a slight irony to this statement in that Britain, the former mother country, was very soon to break rank with its offspring in the Commonwealth by joining the European Economic Community in 1972. At that point, the astonishingly complex system of imperial preference arrangements ceased, and the Sterling Area abruptly ended when the pound was allowed to 'float' on the international currency exchange market. Britain had been attempting to join the EEC since the early 1960s, at the very same time the Commonwealth was being constructed, and there seems to be some contradiction in British policy. Or, at the very least, some confusion. The hard fact was that Britain was trading comparatively more with continental Europe, and relatively less with its former possessions. In the late 1940s Britain conducted about half of her foreign trade with the Commonwealth and with other members of the sterling area, and about one quarter with Western Europe; by the early 1970s this position had been reversed. On paper Britain joined the EEC in 1972 but, psychologically, the attitude of the British right down to the present day has been one of being 'with' Europe, but not 'of' it.

British Empire, and so the creation of the Commonwealth took place at much the same time Britain was getting ever closer to membership of the EEC.

The 1960s were a torrid time for the newly evolved Commonwealth, with Lord Garner. then Permanent Under-Secretary of State at the British Commonwealth Office, commenting that the main achievement of the Commonwealth during the decade had been simply to survive. ccxli More bluntly, Denis Judd has argued convincingly that by the end of the 1960s the Commonwealth had failed. The establishment of one-party systems and the rejection of the Westminster political model, minor wars between member states, ethnic and tribal problems within former colonies, the ugly dictatorship of Idi Amin in Uganda, the declaration of UDI by Southern Rhodesia, and the British application to join the EEC all left their indelible mark on the organisation^{ccxlii} As the analysis of the British brewing industry has shown, the commercial hopes for the Commonwealth never quite lived up to expectations. But however difficult these conditions, a company like Guinness could still succeed. With the right product, market experience, and with effective and empathetic management by a cadre of imperial businessmen, Guinness became part of the very landscape of the new Commonwealth. In the same way that the American firm F W Woolworth has become part of the British way of life, so is Guinness viewed in Malaysia, Singapore, Jamaica, the Cameroon, and particularly in Nigeria where the firm currently has four breweries operating. Guinness, Courage, Whitbread, Bass and Ind Coope. have since the 1960s disappeared into very large 'leisure' conglomerates, and the British brewing industry is no longer an identifiable, family-centred industry. However, it was not so long before that Lord Iveagh had greeted the new Ikeja Brewery, and the emerging Commonwealth as:

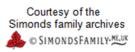
... a great mutual adventure. May this eventually prove to be as beneficial to Nigeria as the original brewery founded in Dublin ... has been to Ireland. I, as head of the House of Guinness welcome into the family fold this, our new relation. Everyone, whoever and whatever they may be, are kin in the sight of God. CCX IIII



Biographical details

Appendix 1: Imperial Businessmen, Biographical Details							
	e in 1955	School	University	Forces service	Other Empire experience		
		A	-				
Robert Barclay	48	Harrow	Cambridge	Army, Major	none		
Michael Blundell	49	Wellington	none	Army, Commander	Settler, Kenya		
Brian Bunting	56	Haileybury	none	Army, Major	none		
Edward Cottrell	59	Canterbury	none	none	Gibraltarian, businessman		
Miles Dempsey	58	Shrewsbury	RMC, Sandhurst	Army, General	none		
A W Disney					Sudan Political Service		
Lewis Farrugia	54	1	Royal Malta	Army, officer	Maltese, businessman		
Ronald Flower	51	# 7					
Charles Gaggero	24	Downside	Cambridge	Army, officer	Gibraltarian, businessman		
Peter Guinness	30	Eton	none	RN, officer	Banker		
Geoffrey Hardwick	34	Local high school	none	Army, Instructor	none		
Brian Hobson					Settler, Kenya		
Arthur Hughes	47	Merchant Taylors	Cambridge	none	Businessman		
Derrick Keighley				Army, Colonel	Businessman		
John Loughnan	65				Businessman		
Alan Lennox-Boyd	51	Sherborne	Oxford	RNVR, Lt-Commander	Colonial Secretary		
Oliver Lyttleton	63	Eton	Cambridge	Army, Brigadier-Major	Colonial Secretary, businessmar		
John O'Shea	11	Newport High	Exeter	none	none		
T G Rowe	36				Sudan Political Service		
Eric Simonds	d.1953	Eton	Oxford	Army, officer	none		
Duncan Simonds	38	Eton	Oxford	Army, Major	none		
H Simonds de Brett	85	Clifton	RMA, Woolwich	Army, General	none		
Terence Stokes	34		none	RN, Lt-Commander	Businessman		
Hereward Swallow	44			Army, Brigadier	none		
Rene Tonna-Barthet	23	Lyceum, Malta	Royal Malta	none	Maltese, businessman		
B B C Watson	25	Eton	Cambridge	Army, officer	none		
R Wingrave Tench	enne 49 Tho	mas &St.Beesonds F	Cable & Wireless	none	Civil administrator		
W H Whitbread	55	Eton	Cambridge	Army, Colonel	none		
Simon Whitmore	22	Wellington	Cambridge	Army, 2nd Lieutenant	Colonial Service		

Endnotes:



ⁱ John Masefield, 'Cargoes' (1903)

ii See Michael Wood, In The Footsteps of Alexander the Great (London, BBC Worldwide, 1997)

iii Anthony Pagden, Peoples and Empires (London, Weidenfeld & Nicolson, 2001) p.94

^{iv} Ibid., pp.65-66. See also C R Boxer, *The Portuguese Seaborn Empire*, 1415-1825 (London, Hutchinson, 1969)

^v D P O'Brien, *The Classical Economists* (Oxford, University Press, 1975) p.27

vi Pagden, pp.84-85

vii O'Brien, p288

viii Ibid., p.289

ix Ibid., p.291

^x Ibid., p.290

xi Quoted in O'Brien, p.290; see also James Morris, Pax Britannica (London, Penguin, 1979) p.110

xii Eric Hobsbawm, Industry and Empire (London, Penguin, 1962) pp.232-233

xiii See R Robinson & J Gallagher, 'The Imperialism of Free Trade', *Economic History Review*, VI, 1953 and D C M Platt, 'The Imperialism of Free Trade: Some Reservations', *Economic History Review*, XXI, 1968 xiv Paget, p.94

xv Margery Perham in preface to K M Stahl, *The Metropolitan Organisation of British Colonial Trade* (London, Faber & Faber, 1951) pp.ix-xiv

xvi See Anthony Kirk-Greene, *Britain's Imperial Administrators*, 1858-1966 (London, Macmillan, 2000); G H Mungeam, *British Rule in Kenya*, 1895-1912: The Establishment of Administration in the East African Protectorate (Oxford, University Press, 1966); Brian L Blakeley, *The Colonial Office*, 1868-1892 (Durham, Duke University Press, 1972); I F Nicolson & C A Hughes, 'A Provenance of Proconsuls: British Colonial Governors, 1900-1914', *Journal of Imperial and Commonwealth History*, IV, 1975

xvii See C P Groves, *The Planting of Christianity in Africa*, 4 vols. (London, Lutterworth Press, 1953); E A Ayandele, *The Missionary Impact on Modern Nigeria* (London, Longman, 1966); R Oliver, *The Missionary Factor in East Africa* (London, Longman, 1952); Andrew Porter, 'Religion and Empire: British Expansion in the Long Nineteenth Century, 1780-1914', *Journal of Imperial and Commonwealth Studies*, XX, 1992

xviii See John E Flint, Sir George Goldie and the Making of Nigeria (Oxford, University Press, 1960); K G Tregonning, Under Chartered Company Rule: North Borneo, 1881-1946 (Oxford, University Press, 1958); J S Galbraith, Mackinnon and East Africa, 1878-95 (Cambridge, University Press, 1972); C H Phillips, The East India Company (Manchester, University Press, 1940); Geoffrey Jones, Merchants to Multinationals (Oxford, University Press, 2000)

xix Perham in Stahl p.ix

xx Stahl, p.8

xxi Stahl, p.4

xxii Stahl, p.2

xxiii See A E Hinds, 'Imperial Policy and Colonial Sterling Balances, 1943-56', *Journal of Imperial and Commonwealth History*, XIX, 1991; A E Hinds, 'Sterling and Imperial Policy, 1945-51', *Journal of Imperial and Commonwealth History*, XV, 1987; Scott Newton, 'Britain, the Sterling Area and European Integration', *Journal of Imperial and Commonwealth History*, XIII, 1985

xxiv Stahl, p.2

xxv See Chapter 2 for a further discussion of Colonial Development & Welfare legislation.

xxvi See D K Fieldhouse, 'The Labour Governments and the Empire-Commonwealth' in Ritchie Ovendale, *The Foreign Policy of the British Labour Governments*, 1945-51 (Leicester, University Press, 1984) xxvii M Perham in Stahl, p.ix

xxviii D K Fieldhouse, Black Africa 1945-80 (London, Unwin Hyman, 1986) p.9

xxix Philip Murphy, Party Politics and Decolonisation: The Conservative party and British Colonial Policy in Tropical Africa, 1951-64 (Oxford, University Press, 1995) p.235

John Darwin, 'Decolonisation and the End of Empire' in Robin W Winks (ed.), *The Oxford History of the British Empire*, V, *Historiography* (Oxford, University Press, 1999) p. 546

xxxi⁻A search of official government archives began with the selective records published in the following volumes of the *British Documents on the End of Empire* series: Ronald Hyam (ed.) *The Labour Government and the End of Empire*, 1945-51, II, Economics and International Relations (London, HMSO, 1992); Ronald Hyam (ed.) *The Labour Government and the End of Empire*, 1945-51, IV, Race Relations and the Commonwealth (London, HMSO, 1992); David Goldsworthy (ed.) *The Conservative Government and the End of Empire*, 1951-57, III, Economic and Social Policies (London, HMSO, 1994); Ronald Hyam & Wm Roger Louis (eds.) *The Conservative Government and the End of Empire*, 1957-64, II, Economic, International Relations and the Commonwealth (London, HMSO, 2000); Anne Thurston, Sources for Colonial Studies in the PRO, II, Records of the Cabinet, Foreign Office, Treasury and Other Records (London, HMSO, 1998). Then Cabinet Office memoranda and notes were investigated covering 1945-63. These are available in a published microfilm series and the following records were studied: CAB 129/4/295,

Commercial Policy in the Dominions, 1945; CAB 129/16/4, East African Groundnuts Scheme, 1947; CAB 129/19/175, Development of Colonial Resources, 1947; CAB 129/30/237, The African Conference, 1948; CAB 129/30/244, The Commonwealth Relationship, 1948; CAB 129/37/231-231, East African Groundnuts Scheme, 1950; CAB 129/40/123, Commonwealth Consultative Committee on Economic Development in SE Asia, 1950; CAB 129/46/141, Annual Report of Colonial Development Corporation, 1951; CAB 129/61/167, Colonial Development and Welfare, 1953; CAB 129/77/144, Colonial Policy Committee, 1955; CAB 129/87/107, Commonwealth, Colonies and Customs Union, 1957; CAB 129/87/130, Colonial Development: Loan Finance Memorandum, 1957; CAB 129/88/160, Commonwealth Economic Development, 1957; CAB 129/95/252, Projection of the Commonwealth in the UK, 1958; CAB 129/97/75 and CAB 129/104/40, Commonwealth Education Conference, 1959; CAB 129/102/101, Reorganisation of the Commonwealth Development Corporation, 1959; CAB 129/104/40, The Commonwealth, 1961; CAB 129/105/84, The Commonwealth and Europe, 1961; CAB 129/110/123, The Commonwealth Development Corporation, 1962; CAB 129/114/106, Tropical Africa, 1963; CAB 129/116/6, Commonwealth Policy, 1963. The following files were consulted at the Public Record Office, Kew: CO 162/122, Commercial Edition, 1956; CO 554/1370-1372, Sir P Griffiths' report on Nigeria and Gold Coast and setting up of West Africa Commercial Association, 1955-57; CO 554/2468, UK commercial interest in Cameroon, 1961; CO 822/2768, Promotion of commercial and industrial expansion in Kenya, 1961; CO 850/260/10, Acceptance of government servants of directorships in commercial companies, 1951; CO 852/1037/3, CDC studies of colonial economies, 1950; CO 852/1063/1, Nigeria trade returns, 1950; CO 892/4/2, Trades Unions in Kenya's manufacturing industries, 1955; CO 892/15/10, Uganda - commercial and industrial development, 1953; CO 1029, Production and Marketing Dept: oil companies and mechanised agriculture, 1953; CO 1036/1487, Pacific and Indian area consular reports, 1963-64; FO 371/89514, Visit of Prince Philip to Saccone & Speed, Jerez, 1950. xxxii Sarah Stockwell, The Business of Decolonisation: British Business Strategies in the Gold Coast (Oxford, University Press, 2000) p.225 xxxiii Stahl, pp.83-85 xxxiv Stahl, p.283 xxxv Stahl, pp.283-285 xxxvi Stahl, p.32 xxxvii T R Gourvish and R G Wilson, The British Brewing Industry 1830-1980 (Cambridge, University Press, 1994) p.169
xxxviii Peter Mathias, *The Brewing Industry in England 1700-1830* (Cambridge, University Press, 1959) p.174 xxxix Mathias, p.192 xl Mathias, p.193 Gourvish and Wilson, British Brewing, p. 171 xlii Ibid., p.172 xliii Ian Donnachie, 'Following the Flag: Scottish Brewers in Imperial and International Markets' in T R Gourvish & R G Wilson, The Dynamics of the International Brewing Industry since 1800 (London, Routledge, 1998) p.123 xliv Brief brewery histories can be found in L Richmond and A Turton(eds.), The Brewing Industry: A Guide to Historical Records (Manchester, University Press, 1990) pp.54-55, 90, 219, 221, 232, 234, 381-382. xlv T A B Corley, *The Road to Worton Grange* (Reading, Courage, 1980) p.5 xlvi John Pudney, A Draught of Contentment (London, New English Library, 1971) p.90 xlvii Courage Archives, BA/C/71, H & G Simonds Trade Correspondence, no.93, 1912 xlviii Courage BA/C/59, H & G Simonds Annual Reports. The 1935 report lists Simonds' agencies in Ceylon, India, the Straits Settlements, Hong Kong, Shanghia, Tientsin, Palestine, Bermuda, Jamaica 'etc etc' xlix Courage BG/C/1, Simonds Farsons Correspondence, C Stocker to F A Simonds 19 Jan 1929. ¹ Courage BG/C/1, C Stocker to F A Simonds 16 Jan 1929. ^{li} Courage BG/C/1, F A Simonds to W Collins, 31 Jan 1929. lii Courage BG/C/1, C Stocker to F A Simonds, 16 Jan 1929. liii Courage BG/C/1, C Stocker to F A Simonds, 19 Jan 1929. liv Courage BG/C/1, Report by C Stocker for the board of H & G Simonds, 19 January 1929 ^{1v} Courage BG/C/1, L Farrugia to C Stocker, 28 Jan 1929. ^{1vi} Courage BA/C/3, H & G Simonds Directors Minute Book 1917-29, meeting of 4 Feb 1929. lvii Courage BG/C/1, H S de Brett to F A Simonds, 13 Feb 1929. lviii Courage BG/C/1, F A Simonds to H S de Brett, 16 Feb 1929. lix Courage BG/C/1, W Harding to F A Simonds, 20 Jul 1929. ^{lx} Courage BG/C/1, L Farrugia to F A Simonds, 30 Mar 1929. lxi Courage BG/C/1, F A Simonds to L Farrugia, 6 Apr 1929.

lkii Internal self-government for Malta followed in 1947, and in 1956 there were riots when Malta was refused a

lxiv Courage BA/C/4, H & G Simonds Directors Minute Book 1929-37, meeting of 30 Jun 1930.

lxv Courage BG/C/6, Simonds Farsons Annual Report 1930.

similar status to Northern Ireland within the United Kingdom. lxiii Courage BG/C/6, Simonds Farsons Annual Report 1930.

```
lxvi Courage BG/C/6, F A Simonds to H S de Brett 8 Jun 1935.
```

- lxxi For the early history of Georges brewery see Geoffrey Channon, 'Georges and Brewing in Bristol' in C E Harvey and J Press (eds.) *Studies in the Business History of Bristol* (Bristol, Redcliffe Press, 1988)
- lxxii Courage CA/C/1, Annual Report 1944.
- lxxiii Mary Wesley, *The Camomile Lawn* (London, Macmillan, 1984)
- lxxiv Brian Glover, Brewing for Victory (Cambridge, Lutterworth Press, 1995) p.14
- lxxv See Carol Twinch, Women on the Land (Cambridge, Lutterworth Press, 1990)
- lxxvi Courage, CA/C/1, Annual Report, 1948.
- lxxvii Brewing Trade Review 1945, p.505
- lxxviii Georges' taxation burden was not reduced until the 1959 budget, after which it stood at 45 per cent. See Courage CA/C/1, Georges' Annual Report for 1959. See also R G Wilson, 'The British Brewing Industry since 1750' in Richmond & Turton, *The Brewing Industry*, p.17
- lxxix Brewers Society Statistical Handbook 1988, Table A1, p.7
- lxxx Courage, CA/C/210, Africa Project, files and correspondence 1947-49
- lxxxi See Chapter 3, 'On Safari: H & G Simonds and Kenya, 1947-60'
- lxxxii See John Lyes, 'Bristol United Breweries', unpublished Postgraduate Diploma paper, UWE, 1993; Amanda Lisovsky, 'A Case Study of Bristol United Breweries and Georges & Co, 1888-1914', unpublished undergraduate extended essay, UWE, 1998
- lxxxiii Courage CA/C/1, Georges' Annual Reports for 1957 and 1958
- lxxxiv Peter Bays, Georges' employee, to the author 9 May 1999
- lxxxv Ibid.
- lxxxvi J E Vaizey, The British Brewing Industry, pp.399-400
- lxxxvii Peter Bays, 9 May 1999
- lxxxviii Courage CA/C/1, Georges' Annual Report for 1956
- lxxxix Alison Dean, 'Merger activity in the British brewing industry 1945-60: the implications of being a landlord' (University of Massachusetts, unpublished Ph.D. thesis, 1995) p.90
- xc Courage CA/C/125, Correspondence with United Breweries, press release, 31 Jan 1961.
- xci Courage CA/C/125, E Taylor to A C Hadley 2 Feb 1961.
- xcii Courage CA/C/126, Correspondence with Courage, clipping from Morning Advertiser, 10 Mar 1961.
- xciii Courage CA/C/126, A C Hadley to R H Courage 22 Feb 1961.
- xciv Courage Oral History Project: transcript of interview with R Wingrave Tench OBE, 16 April 1991, p.4
- xcv Ibid., p.5
- xcvi Ibid., p.4
- xcvii Ibid., p.5
- xcviii Courage BA/M/4, Hop Leaf Gazette, March 1950, p.91
- xcix Courage BA/C/5, H & G Simonds Directors Minute Book, 1937-45, meeting of 2 July 1945
- ^c Courage BG/C/5, Correspondence re Establishment of Simonds Farsons Cisk Ltd, minutes of meeting 2 December 1946
- ci Ibid., F A Simonds to Turquand Young & Co, 6 August 1947
- cii Ibid., Prospectus 16 April 1948
- ciii Ibid., report by F H V Keighley for the H & G Simonds board, n.d., but late 1940s
- civ Courage BA/C/6, H & G Simonds Directors Minute Book, 1946-52, meeting of 2 October 1950. The loan was to finance the building of the New Brewery at Imriehel and came out of the £210,000 cash sum received by Simonds upon the formation of Simonds Farsons Cisk.
- cv Ibid., meeting of 16 April 1951
- cvi Courage BA/C/1, H & G Simonds Annual Report 1950
- cvii Courage BA/C/7, H & G Simonds Directors Minute Book, 1952-56, meeting of 4 January 1954
- cviii Ibid., meeting of 3 October 1955
- cix Courage BA/C/6, meeting of 14 January 1952
- cx The 210,000 £1 shares were finally sold by Courage Ltd (formerly Courage Barclay & Simonds Ltd) in 1986 to the Farrugia family.
- cxi See Elspeth Huxley, 'Some Impressions of East Africa Today' *United Empire*, September-October 1948, pp.237-244; *Kenya: Britain's Most Attractive Colony* (Nairobi, Government of Kenya, 1950); Lord Tweedsmuir, article in *Daily Telegraph*, 14 December 1950; *The Kenya Settlement Handbook* (London, East Africa Office, 1949); *British East Africa: Review of Commercial Conditions* (London, HMSO, 1945); *Hints to British Businessmen Visiting East*

lxvii Courage BA/C/4, meetings of 20 Jun 1933 and 22 Jul 1935.

lxviii Courage BA/C/4, meeting of 31 May 1937.

lxix See Chapter 3, 'On Safari: H & G Simonds in Kenya, 1947-60'

lxx See Tony Milln, 'The British Brewing Industry 1945-95' in Gourvish and Wilson (eds.) *Dynamics*, pp.152-159; Gourvish and Wilson, *British Brewing*, chapter 11; John Vaizey, *The British Brewing Industry*, 1886-1952 (London, Pitman, 1960)

Africa (London, Department of Overseas Trade, 1945); Kenya: Your Questions Answered (Nairobi, Government of Kenya, 1951)

- cxii See Cmnd.7030, A Plan for the Mechanized Production of Groundnuts in East and Central Africa (London, HMSO, 1947)
- exiii E Duncan Simonds to the author, 20 March 1989
- cxiv Courage Oral History Project, Tench, p.6
- ^{cxv} Ibid., p.2. General Sir Edward Spears was later to become chairman of both Ashanti Goldfields and the Institute of Directors.
- cxvi Courage BM/C/4, EAB Special Board Meeting Minutes, 27 November 1947
- cxvii Ibid., Africans had previously been restricted to buying a government-produced alcoholic beverage called 'Posho'. See also Justin Willis, 'Demoralised Natives, Black-Coated Consumers and Clean Spirit: European Liquor in East Africa, 1880-1955' *Journal of Imperial and Commonwealth History*, vol.29, 3, September 2001, pp.62-63 cxviii Courage BM/C/4, meeting of 27 November 1947
- cxix See Cmnd.7167, *The Colonial Empire*, 1939-47 (London, HMSO, 1947) p.116. The number of military personnel in the East African colonies had risen from 11,000 in 1939 to 228,000 by 1945.
- cxx Courage Oral History Project, Tench, p.3
- cxxi Courage BM/C/6, Report by F H V 'Derrick' Keighley, January 1948.
- cxxii See G Bennett, *Kenya: A Political History* (Oxford, University Press, 1963); G H Mungeam, *British Rule in Kenya*, 1895-1912 (Oxford, University Press, 1966)
- cxxiii Courage BM/C/3, EAB Annual Reports 1942-56
- cxxiv Courage BM/M/9, sales graph showing 'Losses due to Mau Mau' 1952
- cxxv Courage Oral History Project, Tench, p.2
- cxxvi Courage BA/C/6, meeting of 17 April 1950
- cxxvii Courage BA/C/6, meetings of 17 April 1950 and 18 June 1951
- cxxviii Courage BM/C/25, Report of a visit to Kenya 1952 by R Wingrave Tench
- cxxix Courage BM/C/23, Report on a visit to the Far East 1952 by Brian Hobson
- cxxx Courage BA/C/9, H & G Simonds Directors Minutes 1952-61, meeting of 6 March 1961
- cxxxi See T R Gourvish and R G Wilson, *The British Brewing Industry, 1830-1980* (Cambridge, University Press, 1994) pp.447-497
- Courage CA/C/1, see directors report to the annual general meeting 18 December 1947
- cxxxiii London Metropolitan Archive (LMA) 2305/68/1/1, BBG Directors Minute Book 1949-51, meeting of 5 April 1948
- cxxxiv Ibid., meeting of 22 April 1948
- cxxxv Courage CA/C/210, BBG Africa Project 1948-49, W J H George to Cecil Hadley, Dated 'July 1948'
- cxxxvi Ibid., W J H George to Cecil Hadley, 13 April 1948
- cxxxvii LMA 2305/68/1/1, meeting of 27 May 1948
- cxxxviii Courage CA/C/210, anonymous comments, n.d. but probably late 1948
- cxxxix Ibid., Jan George to Cecil Hadley, 3 July 1948
- cxl Ibid., Jan George to Cecil Hadley, 4 September 1948
- ^{cxli} Ibid., G N Seton to Jan George, 20 October 1948; Jan George to G N Seton, 27 October 1948; G N Seton to Jan George, 18 November 1948
- cxlii Ibid., John Hall to Jan George, 20 January 1949
- cxliii Saccone & Speed archives, Gibraltar (S&S), Evelyn Waugh, *Wine in Peace and War* (privately published by Saccone & Speed in the late 1940s) p.10.
- cxliv Ibid., p.17
- ^{cxlv} T R Gourvish & R G Wilson, *The British Brewing Industry*, 1830-1980 (Cambridge, University Press, 1994) p.444
- cxlvi See Chapter 3, 'On Safari: H & G Simonds in Malta and Kenya'
- cxlvii Courage BA/C/5, H & G Simonds Directors Minute Book, meeting of 26 February 1945
- cxlviii Waugh, p.21
- cxlix Ibid., p.23
- cl Ibid., p.24
- cli Ibid., p.25
- clii Ibid. p.26
- cliii Ibid., p.30
- cliv Ibid., pp.31-32
- clv Ibid., p.33
- clvi S&S, Ordinary Share Register, from 1950.
- clvii For the financial background of this success, see Chapter 3, Tables 3.1 and 3.2.
- clviii Courage BA/C/59, H & G Simonds Annual Reports, report for 1946

```
clix Courage AJ/M/1, Courage & Barclay Journal, vol.2, no.2, February 1963, pp.14-15
clx Courage BA/C/9, H & G Simonds/Courage Barclay & Simonds Directors Minute Book, meeting of 27 January
clxi Courage EB/M/1, Golden Cockerel, vol.2, no.5, summer 1963, pp.1-5
clxii Ibid., p.29
clxiii Courage EG/P/1, Christmas Fable, 16mm film, 1966
clxiv Courage EG/P/2, Twelve Days of Christmas, 16mm film, 1968
clxv This firm had formerly been a subsidiary of Georges Bristol Brewery, acquired by Courage Barclay & Simonds in
clxvi Courage EB/M/1, Golden Cockerel, vol.3, no.8, summer 1963, p.17. A hogshead is 72 gallons.
clxvii Courage EB/M/7, Golden Cockerel, August 1965, p.6
clxviii Steven Feddery, former naval rating, to the author, May 2002
clxix Courage EB/M/7, Golden Cockerel, August 1965, p.7
clxx See chapter 3, 'On Safari: H & G Simonds in Kenya 1947-60'
clxxi Courage EB/M/1, Staff News, No.6, winter 1963, p.17
clxxii Courage EB/M/7, Golden Cockerel, April 1966, p.4
clxxiii Ibid., p.5
clxxiv Ibid., p.4
clxxv Saccone & Speed (East Africa) Ltd operated in Kenya and Uganda.
clxxvi S&S, Saccone & Speed (EA) Ltd Directors Minutes, 1963-74, meeting of 30 January 1963; Saccone & Speed
(Tanganyika) Ltd Directors Minutes, 1963-71, meeting of 7 February 1963. clxxvii Courage EB/M/1, Staff News, No.6, winter 1963, p.17. Ben Watson would later succeed his patron as managing
director of Courage Ltd in 1972.
clxxviii Courage EB/M/7, Golden Cockerel, April 1966, p.5
clxxix London Metropolitan Archive (LMA) 2305/12/1, Courage (Export) Ltd Directors Minutes, 1962-66, report by
Terence Stokes, 10 May 1964
clxxx Ibid., meeting of 18 April 1963
clxxxi Ibid., meeting of 13 June 1963
clxxxii In 1965 Courage Barclay & Simonds again tried to sell 49% of Saccone & Speed's East African arm to East
African Breweries. Once again they were rebuffed. Ibid., meeting of 27 August 1965
clxxxiii S&S, Saccone & Speed (East Africa) Ltd Directors Minutes, 1963-74, meeting of 20 November 1963
clxxxiv Ibid., meeting of 25 July 1964
clxxxv Ibid., meeting of 10 June 1965
clxxxvi Ibid., meeting of 16 December 1965
clxxxvii Ibid., meetings of 16 December 1965, 27 January 1966 and 27 March 1968. See also LMA, 2305/12/1,
Courage (Export) Ltd Directors Minutes, 1962-66, meeting of 19 March 1965
clxxxviii Ibid., meeting of 24 February 1966
clxxxix Ibid., meeting of 6 August 1968
exc Ibid., meetings of 29 October 1968 and 21 January 1969
exci Ibid., meeting of 28 October 1966
cxcii Ibid., meeting of 10 October 1967
cxciii LMA 2305/12/1, Courage (Export) Ltd Directors Minutes 1962-66, meeting of 18 April 1963; LMA 2305/12/2,
Courage (Export) Ltd Directors Minutes 1966-68, meetings of 14 July 1967, 19 July 1968 and 20 December 1968
exciv Ibid., meetings of 17 July 1964 and 28 October 1966
cxcv Ibid., meeting of 31 January 1968
cxcvi Ibid., meeting of 16 February 1968
cxcvii S&S, Saccone & Speed (East Africa) Ltd Directors Minutes 1963-74, meetings of 20 December 1967 and 29
April 1969
excviii Ibid., meeting of 30 March 1966
cxcix Ibid., meeting of 28 October 1966
<sup>cc</sup> Sir Edward Grigg (later Lord Altringham) was Governor of Kenya 1925-30; Leopold Amery was Colonial
Secretary 1924-29
cci R M A van Zwanenberg with Anne King, An Economic History of Kenya and Uganda, 1800-1970 (London,
Macmillan, 1975) pp.234-236
ccii Ibid., p.241
cciii Ibid., pp.241-242
cciv Ibid., pp.245-246
<sup>ccv</sup> Ibid., pp.244-245 and pp.248-249
ccvi S&S, Saccone & Speed (East Africa) Ltd Directors Minutes. 1963-74, meeting of 16 December 1965
ccvii Ibid., meeting of 24 February 1966
```

```
ccix S&S, Saccone & Speed (East Africa) Ltd Directors Minutes 1963-74, meeting of 29 June 1967
<sup>ccx</sup> B A Ogot and W R Ochieng' (eds.) Decolonisation and Independence in Kenya, 1940-93 (London, James Currie,
1995) p.85. See also D K Fieldhouse, Black Africa 1945-80 (London, Unwin, 1986) pp.173-186
ccxi S&S, Saccone & Speed (East Africa) Directors Minutes, 1963-74, meeting of 20 December 1967
cexii Ibid., meeting of 13 August 1969
ccxiii S&S, Saccone & Speed (Uganda) Ltd Directors Minutes 1966-69, meeting of 29 October 1968
ccxv S&S, Saccone & Speed (Tanganyika) Ltd Directors Minutes, 1963-71, meetings of 23 June 1966 and 28
September 1966
ccxvi Ibid., meeting of 26 January 1967
ccxvii S&S, Saccone & Speed (Uganda) Ltd Directors Minutes, 1966-69, meeting of 27 March 1968
ccxix Ibid., meeting of 29 September 1969
ccxx S&S, Saccone & Speed (Tanzania) Ltd Directors Minutes, 1963-71, meeting of 29 October 1968
ccxxi S&S, Saccone & Speed (East Africa) Ltd Directors Minutes, 1963-74, meeting of 4 January 1972
ccxxii Ibid., meetings of 29 October 1968 and 29 May 1969
ccxxiii Ibid., meeting of 4 January 1972
ccxxiv LMA 2305/2, Courage (Export) Ltd Directors Minutes 1966-68, meeting of 17 May 1968
ccxxv Courage EB/M/7, Golden Cockerel, June 1969, p.3
ccxxvi Ibid., October 1969, p.6
ccxxvii Ibid.
ccxxviii South Africa had even left the Commonwealth in 1961, a year before Whitbread began their planning.
ccxxix P J Cain & A G Hopkins, 'The Political Economy of British Expansion Overseas, 1750-1814', Economic History
Review, XXXIII, 1980; 'Gentlemanly Capitalism and British Expansion Overseas I: The Old Colonial System',
Economic History Review, XXXIX, 1986; 'Gentlemanly Capitalism and British Expansion Overseas II: New
Imperialism', Economic History Review, XL, 1987
cexxx R Robinson, J Gallagher with A Denny, Africa and the Victorians (London, Macmillan, 1961)
ccxxxi V I Lenin, Imperialism: the Highest Stage of Capitalism (1916); H N Brailsford, The War of Gold and Steel
(1914); J A Hobson, Imperialism: A Study (1902). The dates given show the original publication date but they have
since been reprinted on many occasions.
ccxxxii Quoted in A J P Taylor, 'Economic Imperialism' in Essays in English History (London, Penguin, 1976) p.169
ccxxxiii Who Was Who, 1951-60 (London, Adam & Charles Black, 1961) p.1002; Who Was Who 1961-70 (London,
Adam & Charles Black, 1971) p.291
ccxxxiv Obituary in The Times, 26 August 2002
ccxxxv Courage, BA/M/4, H & G Simonds Ltd, Hop Leaf Gazette, March 1951, pp.56-57
ccxxxvi Philip Murphy, Alan Lennox-Boyd (London, I B Tauris, 1999) pp.58-61
ccxxxvii Ind Coope & Allsopp of The Brewery, Station Street, Burton-on-Trent, merged in 1961 with both Tetley Walker
& Co and Ansells Brewery to form Allied Breweries Ltd. Unfortunately no records have been preserved to tell the
story of the firm's investments in Kenya and Uganda (see Table 9.2).
ccxxxviii www.thecommonwealth.org/whoweare/declarations/Singapore, p.2
ccxxxix Cain & Hopkins, British Imperialism, p.285 and Judd, Empire, pp.397-398
ccxl Cain & Hopkins, British Imperialism, p.281
ccxli Judd, Empire, p.388
ccxlii Ibid., pp.388-397
ccxliii Guinness (Nigeria) Ltd, Guinness Newsletter, vol.1, No.1, September 1965, p.1
```

ccviii S&S, Saccone & Speed (Tanganyika) Ltd Directors Minutes 1963-71, meeting of 22 November 1967