

FOREWORD

For the American electrical manufacturer who is prepared to spend promotional money, opportunity is waiting in the Netherland East Indies. Within the memory of many now living these islands have been reputed a lingering stronghold of savagery, but that is not their status to-day. Rubber, coffee, and sugar, the principal products, have been made the bases for high industrialization. Wealth is being produced, almost wholly upon staples. Furthermore, the industries are of such recent origin that they are thoroughly modern in equipment and management.

American exporters can not be said to have overlooked this region, but it is true that they have not prized it to its full deserts. There has not been failure in trying for the market, but in lack of study of its requirements. This report advances two necessary rules for selling electrical equipment in the islands. They are more than rules, they are inflexible laws: (1) A factory representative on the spot working with agencies and with facilities for repair service, is the absolute minimum for successful selling; (2) the climate is humid and hot (the Equator bisects the group) and all metals, insulation, and protective coverings of every electrical item must be capable of standing up under extreme conditions.

The electrical imports of the islands during 1926 amounted to \$4,781,000, in 1927 \$6,570,000, and in 1928 (the last year for which figures are available) \$8,157,000. The Netherlands supplied approximately half and Germany about 40 per cent. The United States supplied, respectively, \$300,504, \$389,834, and \$560,342, or 6.4, 5.9, and 6.8 per cent. American export figures show for these years and for 1929, respectively, \$607,841, \$599,995, \$790,923, and \$1,448,802. The discrepancy between the American and Netherland figures is principally accounted for by difference in classification of commodities.

American manufacturers who are equipped to enter this market will find suitable products in demand. There appears to be no preferences or prejudices except as to Dutch goods. Although engineers are preponderantly German trained, this has no exceptional effect on the market.

The Bureau of Foreign and Domestic Commerce maintains an office in Batavia, Java, and district and cooperative offices throughout the United States for the benefit of American exporters of electrical goods. Inquiries may be addressed to the nearest district office or to the Electrical Equipment Division of the Bureau of Foreign and Domestic Commerce, Washington, D. C., where they will receive prompt attention.

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