

P&T/72

FALKLAND ISLANDS

P&T/7/2

MAI/STA/13#4

SECRETARIAT

WCT

URCH HARRIS

STAMP SALES

ARCHIVE

File Opened

11-11-74

Closed

24.11.77

EXPECTED FILES:-
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DCS	14/0		CS	28/0
HE			Bu	8/5/75
FS	11	19/11	DCS	42/13
CS	12		CS	43/9
FS	13		R	22/8
CS	14		DCS	58/20/5
HE	15		Bu	27/5
CS		5/3	Reg	30/5
FS	17		CS	21/1/1
CS	18	5/7	CS	40/1/1
FS	19		CS	42/1/1
DCS		13/1	DCS	43/1/1
FS			FS	49/1/1
DCS			CS	22/22/1
IC			Per	
DCS		5/3	DCS	43
CS	35/33		Bu	20/11/16/13
PA			DCS	84
CS			Bu	6/12/12/6
DCS			DCS	84
HE	20		Bu	16/1/16
R	21		DCS	134/Per
PA				
CS	41			
R	22			

Handwritten scribbles and a large diagonal line across the grid.

~~41~~ 1

Hon. Colin Tennant
10, Buckingham Place;
London S.W.1.

from Mrs. S.
McDowall

01 - 828 - 8251

O.F. Urch of Urch, Harris Ltd.
BRISTOL.

Urch Harris & Co. Ltd
7 Richmond Hill Avenue
Bristol BS8 1BQ
Tel: Bristol 39267-8-9.

CS

to D.R. Morrison

Extract from a personal letter from Mr M D Barton, Secretary of the Falkland Islands Stamp Study Group.

" I am personally very much concerned with the quality of design of Falkland Islands stamps in the recent past. It would seem that recess (intaglio) printing such as the 1964 Battle issue is now out of the question owing to the very high cost, and indeed this has not been used for any Falkland stamps since 1964. The standard of photogravure printing of some recent issues has also not been of very high quality e.g. Defence Force and Bishop Stirling issues. And of the others there has been a sameness about them largely I suppose because the U.K. designers are often employed to produce issues for a large number of Commonwealth issues.

Amongst the most successful postal administrations that have managed to treat the narrow path between boosting sales and over exploiting the collecting public have been the Channel Islands, and more recently the Isle of Man. Sales of these small islands regularly exceed 250,000 four times the sales of Falkland Islands stamps of a commemorative type. The Channel Islands have a geographical advantage, of course but there is no real reason why the sales of Falkland stamps should not be closer to 100,000, if the designs are outstanding and the philatelic services are carefully promoted. I am not thinking of miniature sheets and similar trivia, but the Channel Islands sell attractive aerogrammes, postal stationery, and issue Maximum cards for most of their commemorative issues."

SAMPLE OF
GUERNSEY
STAMP ISSUE



(47) ~~47~~ L.

Mr McDowall has mentioned the revenue derived from stamp sales by St. Vincent which seems an amazing amount of money. St. Vincent had the following commemoratives in 1973

Columbus	5c, 12c, 30c, 50c	total 97c
Easter	15c, 60c, 1 8	£1.75
Wilberforce Death	30c, 40c, 50c	£1.20
IPPF	12c, 40c	0.52

In view of the remarks of Mr M D Barton, Secretary of the Falkland Islands Stamp Study Group that we should be able to double our sales and the fortuitous meeting of Mr S. McDowall and the Hon. S. Tennent perhaps we should be having a serious look at our stamp sales and procedures. I have asked Mr Barton to let me have his views on the Crown Agents.

If St. Vincent did indeed reap a good harvest of \$200,000 from four commemoratives in 1973 they must have cornered a good market. I have not so far been able to find out what the St. Vincent dollar is worth.

Although the Hon. C Tennent offered to fly here and discuss the project I imagine it is Urch Harris who have the expertise.

Another well known stamp dealer, John Lister of London offered me (as Postmaster) to handle our stamp affairs for something like half the rate of Crown Agents charges.

H.E. mentioned that we should have another meeting of the Stamp Committee soon. I agree, as it will keep B.A.S. in the picture and we should agree on what we are going to announce to the public - we haven't announced ~~yet~~ the UPU issue (I know this depends on the coinage issue), the Coinage issue, or the fact that we are going to participate in the Churchill issue.

(48) 2

DTH
17.4.74

YE Mr McD also mentioned to me how Mr Tennent reckons he can make our future in stamps.

I think this is a good one to get John Camben onto - he will soon smell out any rats if there are some around. I was therefore proposing to write to him to ask him to contact & cross-examine Messrs Tennent & Urch.

19/4

40/3

6. 5. / This year we should make at least £80,000 from our A bank which is not lost but by all means worth the trouble. We are still in a strong position to stay the G. L. O. questions on A bank & reserves.

2 / Please note G. L. O. the first not from London what is the total charge of the May in regard to the loanings.

X || 3 / Meeting of the A bank & committee on G. L. O. not 11 a.m. on Saturday, 11 May.

4 / I really think all the more for the year our good work will sell well - we may even break the £100,000 figure for sales.

E. G.

19/4

DCS

To note x11 & (49). The A bank Res to attack Coarse File & send back to me

19/4

C.S.

Certainly our stamp marketing programme needs a 'shot in the arm' - Crown Agents sales of our Tourism Issue has, to date, only realized £5,259, which is very disappointing indeed.

Urch Harris proposition sounds very nice but I think we should consider this issue very carefully before making any final decision - certainly not before we hear further from Mr. Comben. Although Mr. Layng does not appear to take FCO too seriously (R.73) I think we must abide by any advice they may give us.

The main points to consider, as I see them, are:

- (a) The possibility of quadrupling our present sales.
- (b) Urch Harris commission rate is at present 20% as opposed to the Crown Agents 15%. C/A have however intimated an increase in their commission rate. There will also be additional expenses - advertising etc. The suggested off-setting of expenses by the free issue of stamps is unusual - Financial Secretary will no doubt comment accordingly.
- (c) If Crown Agents loose our sales commission they may become less interested in the designing/printing aspect of our stamps.
- (d) With more and more territories withdrawing from Crown Agents it is possible that they will ultimately 'give up' the stamp business. By accepting Urch Harris may we not be hastening this unhappy day? On the other hand with less territories to look after their marketing service may improve.
- (e) It would be nice to see the proposed Stamp Bureau operating in Stanley but sad to say there are untold disadvantages to a local bureau. Isolation, lack of staff and advertising facilities to mention only a few.
- (f) It is possible that in future Urch Harris may also also become overburdened and find themselves in a similiar situation to Crown Agents (background information - Crown Agents - para 4)

66. 6.

~~yes~~
The minute from the Post Master at 57 was received on Friday. He leaves for Argentina today and I have not managed to speak to him about it. I wanted to do so as p. 77 has since been put on the file and has not yet been seen by him.

Papers submitted as per directed pl.

§

13. 7. 74.

2

by 13. 8. 74

B/W 20 SEP 74

M.H.

§ 8

Postmaster,

P. 81. Would you please minute to HE on this.

29. 8. 74.

Y.E.

I think we have reached the stage now when there are too many experts on the horizon - FCO, Crown Agents, Comben, Philatelic Study Group, FIC. It is akin to the problem of bird conservation, some are out and out conservationists and throw up their hands at the thought of molesting any bird of any species.

2. Knowledgeable as the individuals are on the Philatelic Study Group I do not think we should take too much notice of what they say at this stage; if we do we are going to be fettered for the rest of our days. I am at a loss to see how they became involved in this affair as it was supposed to be a confidential matter. Members of the Study Group are not beyond wanting the Post Office here to issue aerogrammes printed with the 'Falkland Islands', hoping for further issues of postal stationery eg registered envelopes of various sizes etc. When it suits them they are happy to have extra little items which add interest to their hobby.

3. There is no doubt in my mind that Urch Harris could increase the sales of our stamps and thereby increase our revenue. They have the knowledge and would undoubtedly maintain deposit accounts, mailing lists and sell to the smaller dealer. Crown Agents do not deal with small orders and I think lay down a minimum of £50 before they will look at an order.

4. The Crown Agents have professed to have had a look at their sales side of the business and indeed have come up with proposals for our stamp issues on a greater than usual scale.

5. I think we should let Mr Comben have a further talk with Urch and Tennant and see what the outcome is.

Y.E.
7.11.74

£10.

YE

We spoke the other day on the Urch Harris proposals and asked for a draft letter to Mr Comben: draft sp. pl

Y.E.
14.11.74

"

F.S.

Grateful you advise me what role Comben plays in our philately? Is he paid by FIC, by C.A. or does he do it for free. He seems to be trying to wear us away from C.A.

Sos
18/11

B. S.

John Lambert who was Director of the Overseas Territories
Income Tax Office until it closed came to the colony under
Technical Assistance terms with Harold Keller as a Special
advisory team selected by S. I. S.

2. On the closure of O.T. 170 he was appointed
by the General as Income Tax Agent in U.K. and is paid
a fee for his services by S. I. S. His fee is very
high for the quality and quantity of the work undertaken.
I have assumed that the fee, which varies according to
the amount of work involved, includes the various matters
which he ~~handles~~ deals with ~~concerning~~ outside his role
as Income Tax Agent. He is extremely able and energetic
despite his health and age. He is always eager to help and
emphasized this to me when I was in U.K. this year.
John Lambert realizes the Falkland Islands Government is
in need of cash and this I assume is the reason
why he is interested in obtaining more money for
the Falkland Islands from the sale of stamps.

3. Stuart McDonald told your predecessor
of the Tennant/McNeil/Harris Organisation and John Lambert
was asked to investigate - see Layng's letter dated 2/5/74 (2) herein.

13 19/11

FS 12
Thank you. What is his stipend p? H.O. X/ have been billed
yet for additional advice?
on
22/11

A.S.

For 1974 we agreed that £1250 was fair and reasonable. Negotiations on the 1975 fee will take place shortly

at

15

JE 10/11

(B) 9 to 14

I am a bit worried about Condon's activities on 2 counts. First, he seems to be complicating our already convoluted procedures for stamp issues for which we rely on CA. Second, we seem to be gutting ourselves due to giving Condon an open-ended commission to advise us as he sees fit. I believe we shd retain him as our Income Tax agent in UK on a fixed fee basis of £2000/year. Subject to what JE & FS has to say should we cast him out gently?

CA 25/11

16

C.S.

1. I agree that too many people are becoming involved in our stamp issuing policy and, in my view, we should aim at easing Comben out quietly.

2. From the correspondence it appears that Urch Harris are simply making proposals to take over responsibility for our sales of stamps and that the Crown Agents will still do the designing and be responsible for security etc. I am quite certain that if Urch Harris do obtain our sales franchise that they would want to have a say in such matters as the design of our stamps and the number of issues each year.

3. Personally I am not satisfied with the quality of the designs being submitted to us by artists commissioned by the Crown Agents and, equally, I think some of the actual stamp production by the security printing firms is indifferent: the latest batch of preliminary designs for the wool issue are, in my view, atrocious.

4. In the meantime, your letter to Comben should issue but we should send a copy to Miss Harrison in the Communications Department of the FCO so that she is kept in the picture.

26th November, 1974

E G Lewis

FS

N. see 16 & 19. We may discuss after sig Co?

S 29/11

b.s.

I would like to place on record that the Sub-Committee Governor did ask the members to investigate the Tennant/Hugh Harris proposal. During his visit to the body John Comben was asked to investigate and follow up the currency issue and later the Governor in Executive Council agreed that he should remain as the co-ordinator and was given full authority to negotiate with the Royal Mint.

2. Dewey talks with low hatched of the
F.I. 1. in London on taxation he conferred
me with the letter which had been sent to
the Falkland Islands Government by the F.I. Stamp
Study Group and he made such a strong
protest that I felt it could not be ignored.
He asked me to send an immediate
message to H.E. to prevent the release of
the miniature sheets because Falkland Islands
revenue was in jeopardy. I advised him
that I knew nothing about philately and after
questioning him I agreed that I would seek
Linda's advice.

3. I was aware that this was the first
ever issue of miniature sheets for the colony and I
knew that there would be no point in awaiting
a reply from the Falkland Islands as nobody locally
would have had the experience of miniature sheets to
advise. As I was discussing the Birch/Henris
proposal with John Bamber the following day I passed
Bamber a copy of the letter from the Stamp Group
and suggested that he should meet them and
endeavour to find out the background to their
criticism and report back to H.E. After meeting
Gerrard and Birch I told Bamber that there would
be no harm in consulting them also on the Birch/Henris proposal.

4. John Barber does not have an open ended
commission to advise on any subject and as far
as I know he has not done more than he has
been asked to do. It is me to blame
for having got him involved in the last episode
of stamp business.

5. I could not see that there was any harm
in obtaining information on the subject but if I
took the wrong action I apologise.

6. I don't mind writing to Barber and
telling him that I should not have got him
involved in our stamp business but I would
like to discuss with you first.

A

3/4/11

19

ES H.
Th. you. I should welcome a discussion as it is clear
from your 18 that I have over-stated the commission
given to Barber on my 15. There seems no harm to have
been done by getting his views on V-H.

When we discuss perhaps we can decide on the level
of his fee?

A.

SM
5/1/12

20

YE

P. at centre may come when re-furied?

SM 27/3

21

E/P/A (40) SM 3/4

22

(41). Will you pl. cross-reference this to my letter of 25 Feb. referred to by Sims & BLU.

SM 18/4

21

BU 8/5/75 (22)

BU 27/5/75 to KIV22

CS

Ref 22. (41) referred to above has got itself into P+T/7/3. The refs are now complete.

then 30/5

22

A.S.

(42) Accr. #4.

dl 21/8/75

then 22/8

23

2nd May,

74

Dear Sir,

We have recently had a visit from Mr Stuart McDowall of St. Andrews University who mentioned that you might be interested in assisting this government in boosting revenue from philatelic sales.

2. Like so many small single industry territories we are keenly interested in all possible sources of additional income. I have therefore taken the liberty of asking our financial adviser in the United Kingdom, Mr J.E. Comben, O.B.E. of 1 Angrove House, Goldsmith Avenue, Crowborough, Sussex TN6 1RN to make contact with you and discuss whether any possibility exists of our coming to a mutually advantageous arrangement.

3. I expect he will be making contact with you as soon as his other commitments permit.

Yours faithfully,

(T.H. Layng)
Chief Secretary

The Hon. Colin Tennant,
10 Buckingham Place,
London, S.W.1.

c.c. J.E. Comben, Esq, O.B.E.

B.J. Baxter, Esq.,
WIAD,
FCO.

(15)
66
(2)

2nd May,

74

We had a visit here last week from Stuart McDowall of St Andrews University who came out to arbitrate in the first major industrial dispute in the Colony's history. He told us of a chance meeting he had had with The Hon. Colin Tennant of 10 Buckingham Place, London SW1 Tel. 01-828-8251 who is apparently some form of philatelic broker.

2. Mr Tennant told McDowall of how he had been engaged by one or two overseas governments to boost the sales of their postage stamps, and claimed for instance that he had helped St. Vincent to make some £200,000 net profit from four commemorative issues during 1973. He operates through Urch Harris and Co. of 7 Richmond Hill Avenue, Bristol BS8 1BQ (tel. Bristol 39267).

3. McDowall was impressed (and he is no fool) and agreed to pass on Mr Tennant's offer of placing his services at our disposal - he had mentioned that he was just on the way out here. Tennant would apparently be prepared to fly out to discuss our stamp programme with us.

4. You probably know that we are not entirely satisfied with the philatelic service provided by the Crown Agents. Their commission seems to increase regularly and recently HE has had to remind them that we are their principals and they are our agents - not vice-versa. We are therefore wondering whether you would be good enough to have a sniff round the Honourable Colin - and perhaps even Urch as well - and let us have your views on his set up. If he is going to make us a net quarter of a million from our stamps, coupled with the wealth you are arranging to get us from coinage, we shall be able to weather with ease any depression in wool prices!

5. I am copying this letter to Brian Baxter in the West Indian and Atlantic Department of the FCO who may be able to obtain some information for you and us on these two gentlemen. I also enclose a copy of a letter I have taken the liberty of sending to Mr Tennant.

(T.H. Layng)

J.E. Comben, Esq., O.B.E.
1 Angrove House,
Goldsmit Avenue,
Crowborough,
Sussex TN6 1RH
England.

c.c. B.J. Baxter, Esq.,
WIAD,
FCO.

ENCL:

From:
J. F. COMBEN, O.B.E.
Telephone Crowborough 3606

15/74
1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX 3

14th May 1974

T. H. Layng Esq.,
Chief Secretary,
Falkland Islands.

Your P & T/7/1

Dear Tom,

Philately

I am following up your letter of 2nd May and have written to Colin Tennant suggesting an interview in London so that I can find out what he has to propose.

He is surely the man who has undertaken the development of the island of Mustique in the Grenadines just south of St. Vincent. This would explain his connection with St. Vincent postage stamps. If I am right he gets in the papers occasionally because he arranges for Princess Margaret to go to Mustique on holiday. He is the son and heir of the second Lord Glenconner and was educated at Eton and New College although, as Lady Bracknell would say, nowadays that is no guarantee of respectability.

A stamp collecting friend tells me that Urch, Harris & Co. Ltd. are a well-known and reputable firm of dealers. They have four display advertisements in this month's "Stamp Magazine".

I will keep you informed.

Yours sincerely,
John

Copy to B. J. Baxter Esq., FCO.

CONFIDENTIAL

72
(4)



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

T H Layng Esq
Falkland Islands

Your reference

Our reference YFP8/492/1

Date 22 May 1974

Dear Mr. Layng,

File eds ✓

POSTAGE STAMPS

1. I am commenting on your letter (P&T/7/1 of 2 May to Comben, copied to Brian Baxter, since questions concerning postage stamp policy are dealt with in this Department.

2. The FCO attitude towards transferring postage stamp business from the Crown Agents to private firms is set out in paragraphs 14 & 15 of the memorandum on stamp policy enclosed with Circular Saving Despatch 21/71 of 15 April 1971. This attitude has, if anything, been hardened by the results of the activities of such firms since the memorandum was issued, and we would have advised you against pursuing Mr Tennant's offer.

3. This is not to say that Urch Harris and Company are not reputable stamp dealers (or to accuse Mr Tennant of acting in bad faith). However the interests of stamp dealers are sometimes directly opposed to those of postal administrations and it is generally a mistake to place responsibility for the production and marketing of stamps in the hands of a dealer. Furthermore, we see no prospect of a drastic increase in your profit from philatelic sales except by methods which will produce extra revenue in the short term at the expense of the reputation of your postal administration and your revenue in the long term.

4. If, in spite of what I have said, you wish to probe a little further into the offer I suggest that you get Mr Tennant to:

- (a) give full details of his activities on behalf of overseas governments with figures (preferably audited) to support his claim to have boosted revenue;
- (b) state precisely how he will produce an annual profit of £250,000 on philatelic sales;
- (c) give the terms of the contract he would enter into with your Government.

We would be happy to comment on Mr Tennant's replies.

5. I see that you are not entirely satisfied with the Crown Agents. Please let us know if there is any matter you would like

/us

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us to take up with them. They are by no means perfect but they do try to act in the best interests of their principals.

*Yours sincerely
Nora Farrell*

for H N P Harrison (Miss) (AOD)
Communications Operations
Department : I.O.S.

Copied to Mrs. Lambert

*ll
10/6/74*

Copied to: Mr B J Baxter (WIAD : FCO)

CONFIDENTIAL

T 17/1
From:
J. COMBEN, O.B.E.
Telephone Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX

① 24
5
TNG IRH

8th June 1974

T. H. Layng Esq.,
Chief Secretary,
Falkland Islands.

Your: P & T /7/1

Dear Tom,

Philately

I went to London yesterday and saw Colin Tennant as arranged. With him was Joe Urch of Urch, Harris and Co. Ltd who had come up from Bristol for the purpose. It was Urch who did all the serious talking about stamps. Tennant said he was not himself a philatelist. I gathered that they had come together through Tennant's interest in St. Vincent (especially Mustique) and Urch's belief that he could do much better than the Crown Agents in the marketing of stamps for small countries. CAs still design and print the stamps for St. Vincent but Urch's company arrange for their sale. He has set up in St. Vincent an office for this purpose (under the Minister of Communications) with a staff which varies between 10 and 20 people. I was told that, as a result, the Government's income from philately had been quadrupled.

Crown Agents do not, of course, sell stamps themselves to the public. They have a list of about fifty "Crown Agents dealers" who constitute their outlet. The essence of Urch's case is that he can adopt much more aggressive sales techniques. I gathered that these consisted to a large extent in the acquisition of personal lists - that is, lists of people who are interested in a particular territory. In the case of St. Vincent the sales seem to be made by the office in Kingstown (i.e. by the Government) but that office has the benefit of Urch's know-how and organisation. Urch, Harris are remunerated by commission - or by commission plus expenses.

Joe struck me as a very reasonable man. He is a member of the trade committee which advises the Crown Agents Stamp Bureau and he was very anxious not to antagonise the CAs or to seem to be trying to steal their business. He would, however, like to do for a limited number of Colonies (or Associated States) what he has done for St. Vincent. He said that he could not manage very many but would like to include the Falklands - and also mentioned GBIC and BSIP. Design and printing would remain with CAs; Joe is only interested in sales.

In order not to seem to be poaching he does not want to approach colonies himself. I said however that, as your representative, I was interested in what he had told me and would be obliged if he would set out in writing a detailed proposal for the Falklands. He is going to do this and send it to me. I will pass it on when I get it with my own observations.

Yours sincerely,
John

Copy to B. J. Baxter Esq., WIAD.

12
73 6

10th June, 74

Philately

Many thanks for your letter of the 14th May.

2. The FCO Communications Department has frowned upon my proposal that we should consider transferring our postage stamp business away from the Crown Agents. Doubtless they were consulted by Brian Baxter. We are not taking this too seriously and in order to keep you fully in the picture I enclose a copy of Miss Harrison's letter to me. I think, perhaps, it would be as well if you did not let on to anybody in the Office that I have done this. We have noted in other matters that the Communications Department of the FCO has no very high opinion of the Falkland Islands Government and I think rather suspects that we all here live in mud huts!

✓
(T.H. Layng)

J.E. Comben, Esq., O.B.E.
1 Angrove House,
Goldsmith Avenue,
Crowborough,
Sussex.

ENCL:

CONFIDENTIAL

~~12~~
7

20th June 74.

Philately

Many thanks for your letter of the 8th of June. We are delighted that you have made contact with Colin Tennant and Joe Urch; we look forward in due course to receiving the detailed proposal for the Falklands which Joe is working on.

This will be positively my last letter to you as I leave here on Monday.

✓
(T. H. Layng)

Mr. J. E. Comben, O.B.E.,
1 Angrove House,
Goldsmith Avenue,
Crowborough,
Sussex, TN6 1RH.

CB

From:
J. E. COMBEN, O.B.E.
Telephone Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX
TN6 1RH

*B.U. B/W
1/7/74*

25th June 1974

His Excellency E. G. Lewis Esq., CMG, OBE,
Government House,
Stanley,
Falkland Islands.

Your: P&T/7/1

My Dear Governor,

Philately

I have now received from Mr. Urch the proposals which, as reported in the last paragraph of my letter of 8th June, I asked him to put forward. I enclose a copy and also a copy of his accompanying letter.

As expected the proposal is that his organisation should become responsible for the philatelic marketing of your stamps, leaving design and printing in the hands of the Crown Agents. There were several questions which occurred to me on a first examination of these proposals and I thought it as well to set them out in my letter of acknowledgement - without of course committing you in any way. I therefore enclose a copy of my own letter.

Needless to say, I am ready to undertake any other negotiations you may think desirable.

With kind regards,

*Yours sincerely,
John Comben*

From:

J. E. COMBEN, O.B.E.
Telephone Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX

THL 1RH

25th June 1974

O. J. Urch Esq.,
Urch, Harris & Co. Ltd.,
7 Richmond Hill Avenue,
Bristol BS8 1BQ.

Dear Mr. Urch,

Many thanks for your letter of 21st June with its enclosures. I am immediately sending one of the copies to the Governor of the Falkland Islands and I must await his reactions.

I think you understand my position in this matter. I am an agent of the Falkland Islands Government making exploratory enquiries and without power to commit that Government. Moreover, we are not the only parties concerned. The Foreign and Commonwealth Office and the Crown Agents are bound to be involved before any decision can be taken. Nevertheless, in view of the slowness of communications with the Falklands, I think it would be as well if I raised with you at this stage such questions as occur to me - without prejudice to all other parties. They are as follows:

1. Could you describe in rather more detail the marketing methods which you would propose to adopt? It is upon these methods that the hoped-for increase in revenue depends and I think the Governor should have more idea of what they are so that they can be compared with the methods (which we already know) at present adopted by the Crown Agents.

2. My own opinion is that it would not be practicable to set up a marketing unit in the Falklands. The population is only about 2,000 and there is little or no surplus manpower. It is difficult enough already to keep the Public Service staffed. I think that, if your scheme were carried out, it would have to be through a unit set up in the UK. In any event communications would be a problem since there is at present only one aircraft in and out of the Colony every week. Which is the greater evil - poor communications between central government and the unit or poor communications between the unit and its customers? I should have thought the latter.

3. From what you said when we met I assumed that such a unit, wherever it was located, would be a part of the Colony's Public Service and would come under the Superintendent of Posts and Telecommunications in Stanley. Is that correct? Of course, in practice its operations would be determined by your advice but I want to be sure that I have the formal position right. It seems to me to be necessary that the unit should clearly appear to the public as a part of the Colony government and not be mistaken for a part of the Urch, Harris Organisation. I am not sure that this can be reconciled with your proposal that you should provide premises, furniture, equipment, manager and staff at your expense.

4. In view of the confidence you have in the success of your plans if they were adopted, would you be prepared to consider including in any contract that might be drawn up a guarantee of a stated net income to Government from the project? I know this is difficult. You would have to protect yourself against contingencies not attributable to either party - of which war and political change are the most obvious - but I should be very

interested to have your reactions in general terms to such a suggestion.

I shall of course keep you informed about developments but you will understand that consideration of your proposals in Stanley and the slowness of the post must mean that some time will have to elapse.

Yours sincerely,

URCH, HARRIS & CO. LTD.

DEALERS IN POSTAGE STAMPS

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B. PILLINGER
J. ROSSITER
R. S. CHESHIRE

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CABLES: STAMPWISE. BRISTOL

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REGISTERED OFFICE: 7 RICHMOND HILL AVENUE

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9 CHRISTMAS STEPS, BRISTOL BS1 5BS

PUBLISHERS OF "THE COMMONWEALTH CATALOGUE OF QE II STAMPS"
PROPRIETORS OF "THE COMMONWEALTH NEW ISSUE SERVICE"

V.A.T. REGISTRATION NUMBER 138 - 2878 - 38

OUR REF OJU/BMC

PRIVATE & CONFIDENTIAL

J. E. Comben, Esq.,
1, Angrove House,
Goldsmith Avenue,
CROWBOROUGH.
Sussex.
TN6 1RH

21st June, 1974.

Dear Mr. Comben,

It was good to have met you with The Hon. Colin Tennant on 7th instant and I hope that you have subsequently had a most pleasant holiday in Italy.

As promised, I now submit (in duplicate) my proposals for the establishment of a "Falkland Islands and South Georgia Philatelic Bureau" in U.K., in the confident belief that the experience and expertise of my organization, if entrusted with the management of such a Bureau, would at least double (and very probably treble or quadruple) the revenues accruing to these territories from their philatelic sales while, at the same time protecting, and probably enhancing their fine philatelic reputations. I can say without peradventure that the marketing enterprise of my organization is second to none in our trade.

I am also enclosing some background information which may be of assistance to the Falkland Island Government in any decision they may wish to make.

While I would naturally expect the Crown Agents to 'fight' to retain these marketing 'agencies' I nevertheless have sufficient confidence in their integrity to believe that they themselves would be magnanimous and honest enough to confirm that it would be in the interests of both the Falkland Islands and South Georgia (also British Antarctic Territory should it be possible to include this territory) to entrust the marketing of their stamps to our organization. I would go so far to say that it would be foolhardy and very wrong of the F.C.O. or the Crown Agents to endeavour to prevent go-ahead Crown Colonies from taking action which, in the short and long runs, would reduce their need of 'Grants in Aid' and would help to ensure maximum revenues from legitimate sources with the aid of thoroughly reliable agencies.

In confidence, I think you should know that during the past three weeks we have been approached by Canada, India and no less than five other independent territories of the British Commonwealth (excluding the Falkland Islands) - all of whom are seeking the

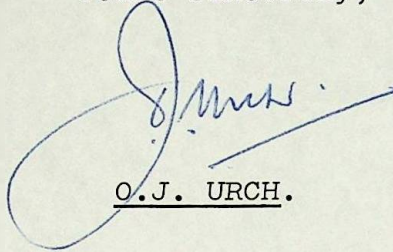
J. E. Comben, Esq.

21st June, 1974

assistance of our organization. We are tempted to accept Canada and one of the other independent territories but, as we believe it to be important to restrict our activities to a comparatively limited field, we are loth to accept the others. We would, however, be both pleased and proud to act for the Falkland Islands and South Georgia and now wait for as early a decision as possible.

With kind regards,

Yours sincerely,



O.J. URCH.

P.S. I would be happy to visit the Falkland Islands to discuss the whole matter with their Government should this be deemed desirable and I accept that the Government may consider it desirable to amend some of my proposals and to add some of their own.

encs:

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GENERAL BACKGROUND INFORMATION

During the last few years there has been a noticeable decline in the total philatelic sales of almost all individual sets of new issues of postage stamps. Whereas 20 years ago it was reasonable to expect sales of 100,000 plus of any special issue, it is today no longer possible to rely on total sales of even 20,000 of such sets (other than in the case of exceptional issues such as those for the Wedding of Princess Anne).

And yet during this same period the total amount of money spent on stamp collecting has increased enormously. Not only is there much more money about for such purposes but the extra leisure time available to the average person has encouraged the growth of all aspects of the hobby. Investors are using stamps as a hedge against inflation and additionally (and often overlooked) there is now a rapidly growing demand for stamps from developing areas of the world (i.e. those areas which were so underdeveloped a few years ago that very few inhabitants could consider collecting stamps.)

What are the reasons for this apparent paradox and how can it be turned to best advantage ?

1. There are far too many new issues these days. While the total amount of all philatelic sales of new issues (as well as other stamps) is greater, the revenue accruing from each individual set is smaller. (A larger cake but smaller slices !)
2. Increased overhead costs have resulted in many stamp dealers discontinuing operating new issue services on which they could obtain only a small percentage profit 'over face value'.
3. The policy of many territories themselves or their agents (including the Crown Agents) of only serving large dealers has done nothing to encourage the growth of sales of new issues - indeed such policies are self destructive and inevitably result in lower sales. Smaller dealers who in the past could purchase stamps at face value from the Crown Agents etc. are unwilling to purchase new issues from wholesalers at over face value in view of the small margin of profit involved and the fact that any errors or varieties are 'cornered' by the wholesalers. These smaller dealers consequently no longer encourage their customers to collect new issues and are concentrating on earlier issues except in the case of those more enlightened territories who will serve them at face value.

4. Certain 'notorious' territories (and agents) have endeavoured to increase their philatelic revenues by issuing far too many sets (often of no relevance to the territories concerned) and of inordinately high face values. While, on the whole, this has tended to disenchant collectors from collecting the stamps of these particular territories, it has also had a damaging effect on general sales. The Law of Diminishing Returns is relentless.
5. The really successful territories (of which there are very few indeed) are those who work on the basic principle that it is better to sell "twice the quantity of half as many sets than to sell half the quantity of double the number of sets". This they do by deciding in advance what is the optimum number of issues acceptable to collectors, what their face values should be and what really relevant and attractive issues should be released. Then, and of by far the greatest importance, they engage in promotional exercises to ensure maximum sales of these sets throughout the whole world.
6. Experience gained by the Urch, Harris organisation in the field of promotional activity during the last few years has shown without peradventure that there is an enormous potential benefit to be gained as a result of enterprising advertising campaigns on radio and T.V. and in the national press, etc. whereby large numbers of uncommitted collectors are encouraged not only to take up the hobby more seriously but to concentrate their attention on the stamps of those territories whose general responsibility merits such support.
7. It therefore follows that the market is wide open to go-ahead territories who are prepared to take logical steps to 'cash-in' on the huge potential open to them.

THE CROWN AGENTS

The Crown Agents as an organisation and those individual members of their staff who are involved in the work of their Stamp Bureau (H Division) at Sutton, deserve high praise for what they have achieved under extremely difficult circumstances. Having been represented on the Crown Agents "Trade Advisory Committee" for many years, the Urch, Harris organisation acknowledges freely the tremendous value and integrity which the Crown Agents have bestowed on the Stamp Trade and the hobby over the years.

In every case where it has been possible for the U.H. organisation to convince governments to continue to entrust their stamp issuing and marketing affairs with the Crown Agents rather than to 'sell their souls' to independent entrepreneurs, they have done so - sometimes with success, sometimes with failure.

There remains no doubt in our minds that if a territory has a straight forward choice between: (a) remaining with the Crown Agents or, (b) employing an independent agent, then their answer should always be (a) ! But, there is a third alternative which, in all conscience, must be better than either of these choices - (c) that a territory should dispense with the services of agents of any sort and should do the job themselves (either in their own territory or, with assistance, in U.K.

Disadvantages under which the Crown Agents have to operate are as follows:-

1. Representing as they do some 60 territories they are unable to give sufficient time and concentration to each individual territory.
2. Being a quasi-civil service organisation they are encumbered about by red tape and bureaucracy which seriously limits the commercial acumen and freedom of action of those in charge.
3. The high cost of labour etc. has resulted in the introduction of a restricted service whereby the Crown Agents now serve only a small handful of large dealers (a very retrograde and self destructive step).
4. The nature of the Crown Agents staff structure is such that as soon as anyone has become fully conversant with all the problems involved he or she is promoted to another department. It is essential that anyone controlling their stamp bureau should have had many years of continuous service in that bureau and be thoroughly conversant with all aspects of the Stamp Trade. How otherwise can they expect to succeed ?
5. The Crown Agents have to give equal publicity and space to each issue of stamps from the territories they represent. This means that those territories who insist on overissuing stamps tend to get more publicity and occupy more of the time of the agents to the disadvantage of more responsible territories.
6. The commission on sales which the Crown Agents at present receives is totally insufficient to allow them the necessary scope to perform more than the bare necessities. Hence their recent decision to restrict their services. With overhead costs continuing to rise it is only a matter of time before they will have to raise their rates to 20% or 25%.

OTHER INDEPENDENT AGENTS

Almost without exception independent agents (most of whom operate from the U.S.A.) enter into contracts with governments which give the agents freedom to decide on the number of issues, the subjects depicted and the face values of the stamps.

Their contracts are for a comparatively limited duration and it is therefore in their interests to issue the maximum number of stamps of the highest face values in the shortest time. This ensures (a) maximum commission for the agents and, (b) the delight of the territory in the short term.

After a year or two, however, the relentless Law of Diminishing Returns starts to make inroads into gross revenues and only by even further escalation of new issues and face values can revenues be maintained.

A quick glance through the pages of any stamp catalogue will quickly reveal which territories have been foolish enough to have fallen into this tempting trap. One small island in the Caribbean serves as a particularly good example. During the 15 years 1953 - 1967 this territory released 36 new special stamps to a total face value of a little over £1. In the 6 years 1968 - 73, this same territory (having left the Crown Agents and entered into

a contract with an independent agent) issued no less than 237 new special stamps plus a further 28 souvenir sheets with a total face value in excess of £25 ! It is doubtful if in real terms (considering the costs of printing etc.) the nett revenue achieved as a result of this nonsense is much greater than it was a few years ago and it can only be assumed that 'in order to stand still' it will soon be necessary for this territory to release some 100-150 stamps each year. Needless to say this territory has utterly lost the fine philatelic reputation of which it was once justifiably proud and has become the laughing stock of most collectors. There are no instances of which we are aware where independent agents have been employed without these same trends becoming clearly apparent (in some cases to a lesser and in others to a greater extent).

THE IDEAL 'SET UP' IN OUR OPINION

Forward thinking territories are advised to dispense altogether with the services of any type of agent. They should consider establishing their own philatelic bureau in their own country employing their own labour - under close government control.

Before doing this, however, it is absolutely essential that they should ensure that they possess the necessary expertise to operate their bureau to maximum effect and in a manner which is fully acceptable to the stamp collecting community.

To gain this expertise it may be necessary to employ the services of an Adviser who can, in a comparatively short time, train a manager and local staff to contend with all the complex affairs of the bureau - especially all matters involved in market research, sales promotion etc.

The Urch, Harris organization has been entrusted with this task by one forward thinking territory and has already achieved such outstanding success as to have suprised themselves. Sales of stamps in this territory have been increased by 300% and the reputation and popularity of the territory have been enhanced rather than prejudiced. A staff of 24 local men and women are employed and are being trained by a member of the U.H. organization who, within 2-3 years will be able to leave the territory to manage its own affairs. Surely this makes sense no matter what yardsticks are employed.

AN ALTERNATIVE FOR THE VERY SMALL TERRITORY

Where a territory is so small or so far distant as to be unable to provide the necessary staff and facilities to operate its own bureau, it should either (a) retain the services of the Crown Agents (with all its limitations) or (b) consider the advantages of establishing its own philatelic bureau in U.K. under the management and direction of a responsible and progressive organization.

Such a bureau would be under the direct control of the government of the territory insofar as stamp issuing policy is concerned and would, in effect, be merely a marketing centre for the stamps of that territory.

The bureau manager would work in close liaison with the Postmaster General of the territory and would act as Philatelic Adviser to the Government. He would have at his disposal all the experience and expertise of his parent organization.

Special arrangements for auditing stock are necessary and spot checks without warning should be insisted upon.

The Urch, Harris organization is at present engaged in discussions with a view to setting up of two such bureaux.

(NOTE:- Whether a National Philatelic Bureau is established in the territory concerned or in the U.K., it is very desirable indeed that all matters connected with the artwork, production and security printing of the stamps should remain with the Crown Agents who are nonpareil in these regards. The purpose of the Bureau would be exclusively one of marketing.)

The Company was founded in 1953 since which time it has developed into indisputably the world's leading stamp dealing concern specialising in the stamps of the British Commonwealth and continues to grow rapidly.

During the last ten years the 'U.H. Commonwealth New Issue Service' has grown in size from a membership of less than 200 to a current membership exceeding 4,000 and all indications are that this membership will, within the next few years, exceed 10,000. Such dramatic growth has been almost exclusively due to the adoption of enterprising T.V., radio and national press advertising etc. campaigns aimed at the 'uncommitted' rather than by 'sheeplike' attention to the already 'converted' collector which has been the cause of the failure of so many other companies. The Urch, Harris Organization, as a result of this policy, were themselves responsible for more than 15% of the total worldwide sales of the stamps issued to commemorate The Royal Wedding of Princess Anne and have become by far the largest customer for all British Commonwealth new issues.

The Company publishes "The Commonwealth Catalogue of Q.E. II Stamps" which is accepted and quoted throughout the world as the leading annual catalogue devoted to British Commonwealth stamps of the present reign.

With reluctance, but in order to save the territory concerned from falling into 'independent agency' hands, Mr. O.J. Urch agreed in 1973 to assist an Eastern Caribbean territory in the establishment of their own National Philatelic Bureau. It had never been the wish of the Company to become embroiled in this type of enterprise but circumstances dictated its advisability in this instance. The results have been startling. Not only have nett revenues from philatelic sales exceeded by more than 300% those which the Crown Agents had previously achieved for the territory, but a staff of 24 local employees (who might otherwise have been unemployed) are now happily engaged in working in the Bureau to the benefit of their own country. Within 2-3 years it should be possible for this territory to dispense with the services of the U.H. organization and 'go it alone' - This is the aim.

Consequent on the success and satisfaction achieved in this 'experimental' case the U.H. Organization has decided that it would be to the advantage of the Organization itself, of stamp collecting in general and of other territories in particular, that they should be prepared to lend their services to a limited number of other territories along similar lines. It is their considered belief that they would be failing in their mission were (a) the philatelic sales of such territories not to be at least doubled and (b) if the philatelic reputations of the territories were not enhanced as a result of their efforts.

The Organization feels that it would be a mistake to undertake such work for more than 5 or 6 territories simultaneously as this could lead to some of the problems which already beset the Crown Agents. While every endeavour is made to show impartiality in all matters connected with British Commonwealth stamps, it is inevitable that the degree of our personal involvement in specific territories must be reflected in the total efforts of the Organization.

Mr. O.J. Urch (the Managing Director of the Organization) is well-known and respected as a result of his many television and radio appearances and his advice is frequently sought after by leading newspapers. He is a member of virtually all leading philatelic societies, associations, etc., is a member of the Crown Agents Trade Advisory Committee, the British Economic Council and a Council Member of the Philatelic Traders' Society.

DETAILED PROPOSITION FOR THE ESTABLISHMENT OF A "FALKLAND ISLANDS AND SOUTH GEORGIA PHILATELIC BUREAU" IN U.K.

1. That the Urch, Harris Organization should provide suitable premises, furniture and equipment, and a Manager and staff at their own expense.
2. That the Bureau should be registered under the Business Names Act of U.K. as "THE FALKLAND ISLANDS AND SOUTH GEORGIA PHILATELIC BUREAU".
3. That, in consultation with the Government of the Falkland Islands, a detailed stamp issuing programme for 2-3 years in advance should be decided upon and that the Crown Agents should be instructed to see to all matters involved in the artwork production and security printing of these issues. (It would always be possible to amend such a programme if desired).
4. That a date be decided upon (fair to the Crown Agents) when all matters connected with the worldwide marketing of all stamps of the Falkland Islands and South Georgia should be transferred from the Crown Agents to the Urch, Harris Organization.
5. That on that date the Crown Agents should hand over to the Urch, Harris Organization all stocks of Falkland Islands and South Georgia stamps currently held by them.
6. That from that date the Urch, Harris Organization should open stock control books of a nature satisfactory to the Falkland Islands Government and that such stock control books, sales ledgers, etc. should be open to unadvised 'spot checks' by an auditor to be nominated by the Falkland Islands Government.
7. That in order to facilitate smooth operations, Mr. O.J. Urch should be empowered to act on behalf of the Falkland Islands and South Georgia Government in all matters concerning the placing of orders with the Crown Agents and the approval of final proofs (original proofs having been passed by Government) etc.
8. That, as and when each new issue becomes available, the proportion of the total printing required by the Post Offices in Falkland Islands and South Georgia should be despatched to them and that the balance be consigned to the Urch, Harris Organization (to be signed for and accounted for as in paragraph 6 above).
9. That in order to ensure the maximum success of promotional campaigns a quantity of each issue of stamps should be overprinted (by the security printers) with the word 'specimen' and that these should be distributed to T.V., radio and newspapers for publicity purposes.
10. That precise dates of issue should be decided upon and that the Urch, Harris Organization would not release any stamps until the date upon which such stamps are placed on sale in the Post Offices of the territory (the only exception being 'specimen' stamps).
11. That one specific person at Port Stanley should be approved by the Falkland Islands Government to act as a liaison between the Urch, Harris Organization and the Falkland Islands Government, and that this person should have access to telex and should be aware of the need to attend to all messages promptly ! (Telex is essential as it is 'next best' to an actual face to face conversation and has the further advantage of providing permanent written records).

12. That the cost of any advertising campaign specifically engaged upon on behalf of the Falkland Islands Government should be defrayed by the Falkland Islands Government in the form of 'free' postage stamps. (i.e. if an advertisement costs £100 and the face value of the set of stamps concerned is 50p, that Government should allow the Urch, Harris Organization 200 'free' sets - but only if such an advertisement results in new sales of stamps in excess of £100). The cost to the Falkland Islands Government would only represent the 'run on' printing cost of such stamps and this would be infinitesimal when viewed against the sales.)
13. That, on receipt of new stamps, the Falkland Islands and South Georgia Post Offices should immediately prepare the number of used stamps and first day covers required by the Urch, Harris Organization and that these should be despatched by air mail to U.K.
14. That the remuneration of the Urch, Harris Organization should be in the form of a commission of 20% of the gross philatelic sales of the stamps of Falkland Islands and South Georgia (such sales to include philatelic sales effected by the Post Offices in Falkland Islands and South Georgia as a result of direct orders.)
15. That any expenses incurred by the Urch, Harris Organization (other than normal administrative expenses) expressly in the interests of the Falkland Islands Government and with their foreknowledge should be defrayed by the Falkland Islands Government. (For instance, the air fares and expenses involved should it be deemed desirable for Mr. Urch and/or any other member of the Urch, Harris Organization to visit the Falkland Islands).
16. That such remuneration and expenses be deducted from payments to be made at six monthly intervals to the Falkland Island Government in respect of all philatelic sales.
17. That a contract incorporating the foregoing should be signed by the Government of Falkland Islands and the Urch, Harris Organization to cover a period of 3 to 5 years.

From:

J. E. COMBEN, O.B.E.
Telephone Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX
TN6 1RH

Handwritten:
B/W
8/7/74

29th June 1974

His Excellency E. G. Lewis Esq., CMG, OBE,
Government House,
Stanley,
Falkland Islands.

Your: PaT/7/1

My Dear Governor,

Philately

I enclose a copy of a reply I have received from Mr. Urch to my letter of 25th June.

I was under the impression (derived from his oral description of the set-up in St. Vincent) that the Sales Bureau he was suggesting would be part of your Government and that his organisation would supply to it advice and technical know-how. It now seems that I was wrong and that the Bureau would be an agent of Government. This puts it in the same position as the Crown Agents and makes the details of his scheme clearer. The Bureau would be selling your stamps on commission.

It may be that more information is required but my opinion so far is that we have a realistic proposal from responsible people. Of course, if the Urch Organisation were given this sales agency it would very soon be in a position, if it were successful, to dictate to Crown Agents on matters of design and production since sales considerations would determine such matters. But it might not be a bad thing if the energetic tail wagged the sluggish dog.

Yours sincerely,
John Comben

URCH, HARRIS & CO. LTD.

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V.A.T. REGISTRATION NUMBER 138 - 2378 - 38

OUR REF

OJU/BMC

J.E. Comben, Esq. O.B.E.,
1, Angrove House,
Goldsmith Avenue,
CROWBOROUGH,
Sussex. TN6 1RH.

26th June, 1974.

Dear Mr. Comben,

Thank you for your letter of the 25th June.

Yes, I fully understand your position and appreciate that it will take some time before any definite decisions can be reached.

I shall answer your questions in the order that you have raised them :-

1. The Crown Agents merely distribute stamps to a small handful of large dealers and leave it to those dealers to do their marketing for them. They engage in a certain amount of rather ineffectual advertising mainly to the 'committed' in stamp magazines. They do not sell retail at all. Our methods of marketing would be twofold:

(a) using the name and address of the 'Falkland Islands and South Georgia Philatelic Bureau' we would carry out the same basic functions as already undertaken by the Crown Agents but would cater for all dealers - not just a few large ones. By disseminating 'specimen' stamps from the Bureau to the B.B.C., press, etc., we would obtain wide general publicity;

(b) using the address of the Urch, Harris Organization we would carry out circularization and advertising campaigns to the general 'uncommitted' public (hence paragraph 12 of the Detailed Propositions which I have submitted). As a matter of interest, we have recently carried out such a campaign for St. Vincent. The total cost of the campaign was £5,679 (paid for by St. Vincent in the form of 'free' stamps and therefore only cost them the printing 'run-on' expense) and the revenue raised from the campaign was £18,820.

We have a number of similar campaigns in hand at present and have hardly scratched the surface - the potential is really enormous. Had we spent ten times as much on the St. Vincent campaign, we would almost certainly have increased the profit by 7-8 times.

J.E. Comben, Esq. O.B.E.

26th June, 1974.

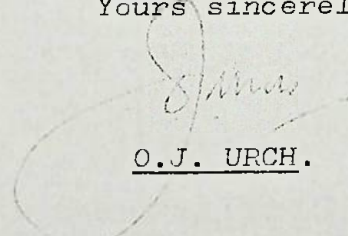
2. I agree that under the circumstances, it would clearly be best to establish the Bureau in U.K. The problems of communications and staff are too great otherwise.
3. I had not thought of the Bureau as being 'part of the Colony's Public Service' but rather as a privately run Bureau under the auspices of, and answerable to, the Colony. The stamps themselves would, of course, be the property of the Colony until sold. In effect, not dissimilar from the position of the Crown Agents at present. We would be most careful to keep the Bureau and the Urch, Harris Organization apart (both physically and geographically) but the Bureau would, nevertheless, be an 'offshoot' of the Organization. I do not see how else we could operate the Bureau.
4. There are so many imponderables that it is difficult to give any definite guarantees. For instance, this year we have both the U.P.U. and Churchill 'omnibus' issues (both of which should sell much better than normal special issues) and next year there is nothing similar (unless Prince Charles decides to get married !). What I can say is that I am certain that had we been handling the Falkland Islands and South Georgia U.P.U. and Churchill issues, we would have sold at least twice as many sets as will be achieved by the Crown Agents. As an illustration, I would point out that the Crown Agents sold only 80,737 pairs of the Princess Anne stamps inscribed "St. Vincent", whereas my 'set up' sold over 245,000 pairs of the same stamps inscribed "The Grenadines of St. Vincent" !

It is impracticable for me to give a positive guarantee but you have my word that I would anticipate our results to be at the very least twice those which would be achieved by the Crown Agents given identical circumstances.

I am leaving for St. Vincent on Monday next and shall be away until July 16th.

With kind regards,

Yours sincerely,


O.J. URCH.

P&T 7/1

16 July 1974

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10

J E Comben Esq OBE
1 Angrove House
Goldsmith Avenue
Crowborough
Sussex

Dear John

PHILATELY

Many thanks for your letter of 29 June. The proposals received from Mr Urch are certainly interesting although obviously there could be some snags. In any case I have written to Miss Harrison in the Communications Operations Department of the FCO advising her that you will let the Office have a copy of what Urch Harris and Company sent you so that they can comment on the proposals.

It is the marketing side of our stamp production which I consider to be weak. For example, the sales of our recent Tourism issue (to my mind an attractive issue) have so far only realised £5,200. Whether the Crown Agents would be willing to give up the sales side but continue to advise us on design and production is, of course, another matter.

Yours ever

E G Lewis

CONFIDENTIAL

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P&T 7/1

16 July 1974

Miss H N P Harrison
Communications Operations Department
FCO

Dear Miss Harrison

PHILATELY

1. Would you please refer to your letter YFP 8/492/1 of 22 May addressed to Mr Layng about postage stamp policy.
2. We have of course received a copy of Circular Saving Despatch 21/71 of 15 April 1971, and are well aware of the general policy regarding the issue of stamps, not only in the Falklands but in other Dependent Territories. However, this does not mean to say that we have to express satisfaction with everything done by the Crown Agents, and it is because some of our sales have been sluggish recently that we are having a hard, look at what is going on.
3. The tentative proposals received from Urch Harris and Company are with John Comben, who we retain as our Income Tax/Financial Adviser in the UK and who has met Mr Urch. We will ask him to let you have a copy of their proposals on marketing. Perhaps you would be good enough to let me have your comments on them.

Yours ever

E G Lewis

CONFIDENTIAL

From:

J. E. COMBEN, O.B.E.

Telephone: Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

30th July 1974

*B/ps
5 Aug 74*

His Excellency E. G. Lewis Esq. CMG, OBE,
Government House,
Falkland Islands.

My Dear Governor,

Philately - P&T 7/1

As requested in your letter of 16th July I have sent to Miss Harrison a copy of all the material from O. J. Urch which I sent to you with my letter of 25th June. I enclose a copy of my letter to her.

Yes, it will be interesting to observe Crown Agents' reaction if you should become convinced that Urch can greatly increase your sales without the use of undesirable advertising techniques. In the matter of the simultaneous issue of coins and commemorative stamps H Division behaved like those whom the gods wish to destroy. Cornell and I were only restrained from speaking our minds by the knowledge that we should have to continue to work with them.

*Yours sincerely,
John*

30th July 1974

Miss H. N. P. Harrison,
Communications Operations Department,
Foreign & Commonwealth Office,
London SW1A 2AL.

Your: YFP8/492/1

Falkland Islands
Philately

The Governor of the Falkland Islands has asked me to send you details of the proposals that have been made by Urch, Harris and Co. Ltd. for increasing the sales of the Colony's postage stamps. I accordingly enclose a copy of the material that was sent to me by Mr. O. J. Urch and which I have already sent to the Governor. I am sorry that the photo-copy is not of the quality I would have desired but I think it is quite legible.

You will see that the essence of the proposal is that Urch, Harris and Co. Ltd. should take over from the Crown Agents the philatelic marketing of the Colony's stamps and they claim that they could very considerably increase those sales by the adoption of more vigorous and personalised sales techniques. Mr. Urch has mentioned to me, for example, the creation of mailing lists to reach new stamp collectors and also collectors who have a specialised interest in the Falklands. You will know that the Crown Agents distribute stamps through a number of authorised "Crown Agents' dealers" and this, I suppose, is necessarily somewhat mechanical. The idea is that a Bureau should be set up (as part of the Urch, Harris organisation) to act as an agent of the Colony Government and sell its stamps on a commission basis. The design and printing of stamps would be left with the Crown Agents.

Mr. Urch struck me as a shrewd and reasonable man. There is no suggestion of a flashy salesman. He says that he does not want many agencies of the proposed type and he is clearly anxious not to quarrel with the Crown Agents. The reason for this is obvious. He himself is a member of the CA's advisory committee and his company is one of the authorised dealers. He will presumably have to walk very carefully.

At present we can only judge the possibilities by the successes achieved by Mr. Urch in acting on behalf of St. Vincent whose sales he claims to have increased by 300 per cent. In a letter to me he says that he has recently carried out a circularisation and advertising campaign for St. Vincent at a cost of £5,679 and that it brought in a revenue of £18,320. The cost was met by the St. Vincent government but was paid to Urch, Harris in stamps to that nominal value, the only outlay being the cost of production of those stamps.

If there is any further information you think should be obtained I shall be glad to seek it in my capacity of fiscal advisor to the Falkland Islands Government. I could come to the FCO to talk about the matter if you thought that desirable.



A. M. 26 Aug 1974 IN CONFIDENCE.

Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

~~4~~ 240
81
13

E G Lewis Esq CMG OBE
Governor and Commander-in-Chief,
FALKLAND ISLANDS

Your reference

Our reference YFP 8/492/1

Date 15 August 1974

Dear Mr Lewis,

FALKLAND ISLANDS: POSTAGE STAMPS

1. Thank you for your letter of 18 July. In the meantime we have received the Urch, Harris proposal from Mr Comben who tells me that he has copied the proposals to you.

2. Before commenting in detail I should like to say that the views expressed below are without prejudice to the good standing of Mr Urch in philatelic circles, where he is regarded as a shrewd, rational and vigorous dealer.

"Background Information"

3. In his opening paragraphs Mr Urch gives the impression that there is an expanding untapped market for postage stamps available to postal administrations energetic enough to take advantage of it. This is very much open to doubt. Our experience is rather that in the majority of Overseas Territories sales figures tend either to remain stable or to increase at a steady, rather than a spectacular, rate. Philately, like any other hobby, is a chancy business in that it can be taken up and dropped. The interest of the genuine collector can in itself be restrictive by being, for example, thematic, historic, or geographic, or because it is applied to another interest (train enthusiasts may collect only stamps which include railway trains in the design etc). Investment in philately itself as a hedge against inflation will stand or fall on its assessment as an investment by those collectors who have money to set aside for this purpose: in our view this field is limited.

"The Crown Agents"

4. While it is possible to believe that the wide range of the Crown Agents' responsibilities may mean that "they are unable to give sufficient time and concentration to each territory", this same breadth of interest provides the counter balancing factor

/of overall



of overall expertise. It is perhaps worth making the point in this context that the Crown Agents exist to perform services for client Governments, whose ultimate profit is the only source of their own. They have, moreover, relations with overseas administrations in fields other than stamps, and are unlikely to wish to prejudice these by falling down on a job in any one sphere, including that of stamp activities. It is in their interest therefore to look at the long term reputation of a postal administration in philatelic circles. A commercial agent, on the other hand, is in business first and foremost for his own - often short term - ends and in any conflict of interest his own will always come first.

5. None the less much of Mr Urch's comment in his paragraphs 1-6 is factual and not altogether ill-founded. However we have the impression of late that the Crown Agents are in the process of taking vigorous steps to improve their image in the stamp collecting world. A new appointment has been made on the sales promotion and marketing side of the organisation. It is hoped that the results of these recent changes will be beneficial and we would hope to see their effects within the next year or so.

"Other Independent Agents"

6. The engagement of independent agents has in far too many cases proved disastrous to the long-term reputation of territories who have been foolish enough to fall for their sales talk (coincidentally this applies particularly in the case of agents in or operating from the United States). Their methods of operation often lead to a quick killing by way of large profits in 2-3 years, often achieved by too many stamp issues in one year with inflated overall face values; too many denominations in any one issue, thereby increasing the cost of sets to collectors; use of poor design for cheap and tawdry issues (often described in the trade as "jampot labels"); selling below face value (for their own reasons). This leads - surprisingly quickly - to a falling off in the number of regular collectors of the territories' stamps (and a customer once lost is normally lost for ever).

"The Ideal Set-Up"

7. It is clear that in most of the Overseas Territories the situation is such that a stamp agent is required to carry out the duties and responsibilities involved in handling their stamp trade. It is however our view that for the reasons set out above there is no more reliable agent for Overseas Territories than the Crown Agents. We should in any case very much doubt whether newly recruited and newly trained local people would, as suggested by Mr Urch in his last paragraph in this section, be able to cope after 2 or 3 years with the complexities of handling the whole of a territory's stamp activities.

"The Detailed Proposition"

8. A Stamp Bureau is normally situated in the territory where
/the



the stamps are issued in order to ensure supervision and control by the issuing authorities. In the case of a Bureau located in the United Kingdom, it is not clear how the Falkland Islands Government could do this. There are, of course, also the questions of security arrangements which would need particularly close supervision. Perhaps I should here make it clear that it is not within the responsibility, nor indeed the competence, of the FCO, to become involved in the marketing, sales promotion, publicity etc problems of a territory's postage stamps. We do however have the responsibility not only for assisting with the administrative arrangements for the submission of design where appropriate to the Queen but also through the Secretary of State for the protection of the Queen's image and for drawing to the attention of the Palace cases in which association of the Monarch with the stamps of a particular issuing authority could bring the Monarchy into disrepute. If you did decide to appoint a stamp agent other than the Crown Agents we should of course continue to fulfil our obligations, on the understanding that questions other than the more routine handling of submission of designs for approval would be discussed direct with you.

9. The proposition in general appears to us to have the effect of making Mr Urch the prime mover in Falkland Islands stamp affairs,, by relegating the Crown Agents to the role of printers and designers only (in this context there is no particular reason to suppose that the Crown Agents would be prepared to take on this role). Particularly in the case of an area as sensitive politically as the Falkland Islands, the FCO would be most reluctant to see stamp questions handled by a commercial agent only loosely controlled by the FIG: we are all aware in particular that stamp issues can have quite serious repercussions if they are found to be ill advised or objectionable in any way. This, together with Clauses 7 and 8, seems to us to give sweeping powers to Mr Urch which we doubt if you would find acceptable and which we certainly could not recommend.

10. We find Clause 12 disingenuous: the real cost to the FIG would of course be not only the "infinitesimal" "run on" printing cost but also the loss of profit on the stamps handed over free to Mr Urch.

11. The proposals in Clauses 14 and 15 leave much to be desired. A 20% commission for Urch, Harris does not take into account the commission which would undoubtedly be charged by the Crown Agents for their printing/designing activities, nor does it include (as does the Crown Agents' 15%) advertising costs. We find the "any expense" phraseology of Clause 15 far too sweeping: it would be

/difficult



- 4 -

difficult for the FIG to satisfy itself from a distance that expenses were in fact justified ("fore-knowledge" or not!)

12. We shall be interested to hear your reactions both to the Urch, Harris proposal and to our comments. In the meantime I have copied this letter to Mr Comben and have taken up his suggestion that he call to see us to discuss the question further and to clarify any areas of doubt which he may have.

*Yours sincerely,
Heather Harris*

Miss H N P Harrison

*International Organisations Section,
Communications Operations Dept.*

P&T/7/1

From:

J. E. COMBEN, O.B.E.
Telephone Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX

24th August 1974

His Excellency E. G. Lewis Esq., CMG, OBE,
Government House,
Falkland Islands.

My Dear Governor,

Philately - P&T 7/1

I went up to the FCO two days ago and had a chat with Heather Harrison of the Communications Operations Department about the Joe Urch proposition. I was left with the general impression that, although the FCO are apprehensive about certain aspects of the proposals, they would not stand in your way if you wished to adopt the scheme provided they could have full reassurance about the subjects of their concern.

2. This point of view is expressed in Miss Harrison's letter to you of 15th August (para. 8). In that paragraph she also mentions their vital concern with protecting the Queen's image. Personally I cannot think that this would ever be seriously in danger. The designing of the stamps would still be in the hands of the Crown Agents and acceptance of the designs would always be a matter for you. If Joe, in his capacity of eager salesman, put up a suggestion which might reflect adversely on the monarchy it should be quite possible for you and the CAs to veto it. He would certainly have to give way if he were told that a certain design was not one which the Secretary of State could submit to the Palace.

3. A much more serious danger is that Joe might turn out to be one of the fly-by-night salesmen like the agency (USA) which ravished the philately of Grenada, taking a quick profit while his agency lasted and leaving the Colony's stamp reputation in ruins. This, of course, is a gross exaggeration. Joe himself has given several warnings against this type of agent and I am sure he is not one of them. But, in a less extreme way, the same sort of conflict of interest could occur. He is certain to want to increase the annual number of issues, for example. One can easily envisage a situation where he could say to us reproachfully that if we had not in our cautious way resisted some of his imaginative ideas he would have been able to make more money for us and himself. I consider that it should be made very clear to him that, while his interest might only extend for the 3 - 5 years covered by his agreement, Government's interest would be very long term and would extend to much more important matters than stamp collecting. Any contract drawn up should recite that for these reasons Government's interests must be paramount and its decisions final. As Miss Harrison says, paragraph 7 of Joe's detailed proposition needs to be looked at closely. Another peril against which she warned was the sale of stamps at less than their face value. As an author who has just had a book "remaindered" by his publisher I can't think of this as a very great evil but I suppose books are different from postage stamps.

4. Miss Harrison does not agree with Joe's estimate of a great potential world market. She thinks that the market is already saturated. There may not be the conflict here which there appears to be on the surface. Miss Harrison is probably referring to the committed collectors; Joe to the new and potential market in the developing world. If we are to follow the matter up I think I ought to find out what evidence he has for the existence of such a market and what steps he would take to get in touch with it.

5. Crown Agents are aware that their stamp marketing arrangements are under criticism. They also know about Joe's approach to us - presumably through some philatelic grapevine. They have expressed an intention of reforming and the day before I visited her Miss Harrison had been down to Sutton to see what their reforms amounted to. There were some staff changes and some intention to change their arrangements in the United States. I suppose it is a good thing that they are aware of competition but their reforms - and indeed their capacity for any very impressive reforms - seem to me to be extremely limited. Miss Harrison does not think that, if you transferred the marketing to Joe, they would sulk and refuse to continue with the design and printing but, if Joe's commission were higher than they have been accustomed to get, they would probably put up their charges for design and printing to match his commission.

6. I am taking it for granted that any agency that Joe set up would have to be in England. He talks lovingly of Telex and I understand that when Cable and Wireless take over your arrangements they will instal Telex facilities. It would be essential for you to exercise an oversight on such an agency and it would be difficult to do it from Stanley. I would be quite prepared to do this on your behalf if you wanted me to. I envisage the supervision as consisting of two elements - first the formal audits including spot investigations and stock control and second a general oversight to ensure that the wide interests of Government were not sacrificed to salesmanship. I got the impression that some such arrangement would keep the FCO happy.

7. What would you like me to do next? If you are still interested in the proposal I suggest that I see Joe again and go into all the matters of detail which have emerged in our correspondence since I saw him last. These would include especially the considerations referred to in 3 above. Without committing you I could probably get some idea of the sort of contract which might be contemplated.

8. One other point. Joe has spoken of the Falklands and South Georgia. But what about BAT? I suppose their philatelic revenue goes into the coffers of BAS and is ultimately the concern of the Department of Education and Science. Ought we to cut them in on anything we do?

Yours sincerely
John

From:

J. E. COMBEN, O.B.E.

Telephone: Crowborough 3606

08925

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

25th September 1974

15

H. T. Rowlands Esq.,
c/o 129 High Street,
Eton,
Berks SL4 6AR.

Dear Handt,

I do not know whether this letter will come under your eye before next Tuesday but I decided to write in case you pick up your mail before then.

Colin Tennant tells me that you are meeting him at 11 o'clock that morning and he has invited me to come as well. I decided to accept because I may have some reactions to this stamp project both from Stanley and from the FCO which you may not have seen. Perhaps it would have been slightly more convenient if we two could have had a meeting before we see Tennant but I don't think it matters much.

I have taken the opportunity of being in London to make an appointment to see Cornell of the Royal Mint that same afternoon and it would help us both if you could manage to be present then as well. We shall be talking about the marketing arrangements for the new coins and there are several points on which your views would be valuable. Besides, I should like you to meet Cornell.

I hope you are enjoying yourself. I apologize for this appalling English summer. Spring in the Falklands will be a relief after it.

Yours ever,
John

10.15

10 am

John Rowlands
Platform 13

CONFIDENTIAL

T. VINCENT PHILATELIC SERVICES

General Post Office,
Kingstown,
St. Vincent,
West Indies.
5th July, 1974.

COMPARISON OF SALES:

CROWN AGENTS SALES 1st JAN - 31 DEC, 1973: (12 Months)

Columbus Issue	\$ 22,648.67
Easter 1973	\$ 30,231.25
Wilberforce	\$ 16,135.20
Planned Parenthood	\$ 6,518.08
Royal Wedding Princess Anne (St.V),	\$ 99,883.40
University of West Indies	\$ 16,274.75
Definitives & Misc. Sales	\$ 3,370.00
	\$ 5,930.00
	<hr/>
TOTAL	\$ 205,991.00

ST. VINCENT PHILATELIC SERVICES 14th NOV 73-18th JUN 74: (6 Months)

Royal Wedding Princess Anne (Grens)	\$ 307,981.30
3 Provisional Definitive Values (St.V)	\$ 121,630.60
Grenadines Definitives (Grens)	\$ 172,138.93
Easter 1974 (StV)	\$ 27,901.90
Maps (Grens)	\$ 57,456.65
Definitives & Misc Sales (St.V & Grens)	\$ 10,114.58
	<hr/>
TOTAL	\$ 697,223.96

A further \$40,000 of sales effected between 18th June & 4th July 1974.

From:

J. E. COMBEN, O.B.E.

Telephone: Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

12th September 1974

H. T. Rowlands Esq.,
c/o 129 High Street,
Eton.

16

Dear Harold,

I've just had a phone call from Colin Tennant asking what progress has been made about the proposal from the Urch Harris organisation that they should take over the philatelic marketing of your stamps from the Crown Agents. I told him that no reply could be expected yet from Stanley in view of the fact that H.E. is not supported by his Deutenants. This lead me to mention that you are at present in this country and Tennant expressed a desire to meet you before you went back in order to talk over these matters. He is just about to leave the country but will be in London on Tuesday 1st October. I promised to pass on the message and I think that Tennant is also writing to you.

There have been some developments about postage stamps since you were in Crowborough and I have paid a visit to the Communications Operations Department at the FCO to talk about them.

Yours,
John

Tennant's Estates Ltd

REGISTERED OFFICE

10 Buckingham Place London SW1E 6JA

founded 1857

incorporated 1928

Directors:
HON. COLIN TENNANT (Governing)
LORD GLENCONNER
J. W. F. TENNANT
HON. T. TENNANT

Registered in England No. 233644
Telephone: 01-828 8251
Cables: TENSTATES LONDON SW1

Off Palace St

3rd floor

Sat 14th Sept 74

1st Oct
11 a.m.

16

Dear Mr. Rowlands,

I heard from Mr. Comben that you are over here on leave, and that he has mentioned to you our suggestion of assisting in setting up a Falkland Islands Philatelic Bureau.

I wonder if before you return you might like ^{to meet} my colleagues & myself here in London, so that if the Governor decides to look further into this possibility you would have made our acquaintance and have an idea of some of the pros & cons, philatelically & financially. My colleagues are returning from the West Indies early on the morning of Oct 1st and both of them would be glad to come here to my office before departing homewards, if there was an opportunity of meeting you.

with best wishes

Yours sincerely

Colin Tennant

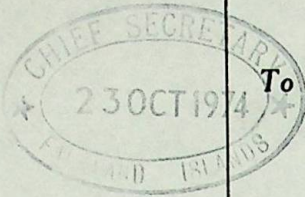
MEMORANDUM

Reference 12/B/I

Date 23rd October, 1974

From Financial Secretary

To The Chief Secretary



286
17

Falkland Islands
Postage Stamps
Colin Tennant/Urch Harris Company

During my stay in London John Comben and I met Colin Tennant, Urch Harris and two other of Tennant's colleagues.

Both Tennant and Harris are very eager to take over the marketing of Falkland Islands postage stamps from the Crown Agents. The Crown Agents would if we so wished be responsible for the security control of the stamps. Harris mentioned that he would prefer the security control to remain with the Crown Agents.

If it was agreed that Harris & Co. took over the sale of Falkland Islands stamps both Tennant and Harris said that they would also expect to take over the sale of both South Georgia and British Antarctic postage stamps in due course.

Tennant and Harris emphasised the increase in philatelic sales of St. Vincent postage stamps since they became responsible for the marketing arrangements and gave me a comparison list prepared by the G.P.O. St. Vincent. This confidential list is attached.

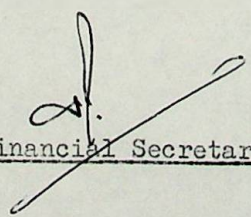
During the meeting Harris explained the reason that his sales were higher than the Crown Agents was due to the fact that his firm has built up an enormous mailing list over the past 20 odd years. He said the Crown Agents were mainly interested in the distribution of stamps to the large dealer whereas he also pushed sales in the direction of the small dealer and philatelist in addition to the big dealers.

The discussion covered many points regarding our philatelic sales.

I gained the impression that Urch Harris was extremely energetic.

The meeting ended with John Comben advising Colin Tennant and Urch Harris that a decision to their application for the marketing of Falkland Islands stamps would almost certainly have to wait until the Falkland Islands Executive Council was back to full strength.

Correspondence from Colin Tennant and John Comben is attached for record purposes.


Financial Secretary

HTR/LML

From:

J. E. COMBEN, O.B.E.

Telephone: Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

25th October 1974

His Excellency E. G. Lewis Esq., CMG, OBE,
Government House,
Falkland Islands.

My Dear Governor,

Philately - P&T 7/1

I went to the office of the FIC last Friday to hear the views of members of the Falkland Islands Study Group on the Urch Harris proposals. The members present were Mr. R. J. B. Leppard, Major R. N. Spafford and Mr. M. D. Barton. Mr. F. G. Mitchell was also there.

2. General apprehension was expressed that such a sales agency would, in the long term, result in a deterioration of the Falklands' philatelic reputation as has happened in the past with some small countries which have sold themselves for quick profits to American and German agents. This would, of course, depreciate the investment and the hobby interest of members of the Study Group and I made it clear that I was only concerned with Government revenue. They expressed a fear that this revenue would also decline over a long period.

3. They were very much inclined to look down their noses at Urch Harris and to suggest that their reputation in the trade was not very high (compared for instance with the impeccable Stanley Gibbons). What this amounted to in concrete terms was a charge that Urch Harris would find it impossible to keep their duties as your sales agents distinct from their interests as general stamp dealers. They might very well sell your stamps to one of their own subsidiaries as an investment and release them on the market subsequently in conditions which would cheapen your reputation. I am not quite sure how great a mischief this would be but I certainly accept that there is a potential conflict of interests and that we ought to get the best insurances against it that we can obtain.

4. I asked whether there were any signs that St. Vincent had suffered from their Urch Harris connection. I was told that it was too early yet to tell but there has been some criticism of the issue of a separate Mustique stamp (on the analogy of separate Scottish and Welsh stamps in the UK) because it is said that there is no post office on Mustique. I had heard a different account of Mustique postal arrangements from Colin Tennant and, in order to sample this point of philatelic ethics, I asked the members of the Study Group what they would think of a separate West Falkland stamp (with first day covers cancelled at Fox Bay). I thought they would pour scorn on the suggestion but, to my surprise, they were very divided about it and I got the impression that it was just about on the dividing line between the acceptable and the forbidden.

5. The Study Group wrote to you on 14th September protesting against certain shortcomings in the Falklands 1974 commemorative issues (Churchill and UPU). These were again referred to and I had to point out that they were sins ~~committed~~ committed under the present regime of the Crown Agents. What I did not say (although it is a fact) was that some of these offences had previously been condemned to me by Joe Urch himself as examples of the sort of thing he would not countenance.

One of the offences condemned by both parties is the issue of stamps in "miniature" or "souvenir" sheets. These are sheets of mixed denominations and the offence is that they are patently aimed at the collector and would not have any practical post office use. Major Spafford asked me to tell you that if, at this late stage, you could cancel these sheets of the Churchill issue he could give your change of heart such publicity that you would gain more from the cancellation than from the sale of the sheets. We agreed that it is very late but I promised to pass on the message and give you the opportunity of arousing that joy in heaven that is reserved for the one sinner that repenteth. 111

7. I think my advice remains what it was when I wrote my letter of 24th August. I suggest you authorise me to see Urch and Tennant again in order to represent to them as plainly - even as harshly - as I can the dangers which we visualise and to find out what security we can obtain against them, in a contract or otherwise. I think I can say that without those securities we could not go forward. Then we can make up our minds in the light of whatever assurances I can obtain.

Yours sincerely,
John Bowden

Copy to Miss H. N. P. Harrison, FCO.

19

J. Comben, Esq., O.B.E.,
1 Angrove House,
Goldsmith Avenue,
Crowborough,
Sussex TN6 1RH

Dear

Thank you very much for your helpful letter of 25th October regarding the Urch Harris proposals.

2. We do not want to let any possible source of revenue pass by but we are also acutely aware that we must preserve our good image in the stamp world and not do anything which might erode this and lead to a decline in sales in the long term. There has been much talk that stamps are a good investment as a hedge against inflation and that there is an untapped source of collectors waiting to be drawn into the stamp collecting world: if this is so we naturally do not want to be left out of it but we must avoid a "get rich quick" policy which would almost certainly rebound to our disadvantage.

3. The Falkland Islands Philatelic Stamp Study Group is undoubtedly an earnest body of knowledgeable stamp enthusiasts. We must however bear in mind that we are in business to sell stamps; we welcome any advice but must follow a course of sound economics, not overdoing issues and not yielding to every criticism from specialist collectors.

4. Urch Harris may be able to increase our sales as they undoubtedly have a wide knowledge and access into many corners of the stamp world. They may also be able to give us more individual attention than the Crown Agents who have sixty clients, but whether this would increase our sales is still a matter for conjecture.

5. We have been criticised recently for the issue of souvenir sheets where we acted on the advice of the Crown Agents who presumably considered them a fair and legitimate way of promoting interest in the sale of stamps. We are committed to these issues and cannot withdraw at this stage, but we will certainly take a further look at the wisdom of this type of issue, and would welcome your advice on this aspect.

Reply (21)

25th November 1974

19a

6 I agree that you should see Urch and Tennant again and, without committing us in any way, find out what guarantees they can offer. We should, in any event, still retain the Crown Agents for the design, artwork and security printing of our stamps with possibly the Urch Harris Organisation responsible for the sales side.



A.J.P. Monk
Chief Secretary

cc Miss H.N.P. Harrison,
International Organisational Section,
Communications Operations Dept.,
Foreign & Commonwealth Office,
London.

P&T/7/2

~~9/8~~

3rd /December 1974

20

10/7/74

My Dear General,

Philately - P&T 7/1

I have just had a letter from Joe Urch enquiring what progress has been made in the consideration of his proposal. He says: "You did warn me that it might be some time before I heard further from you but I did not expect it to be quite as long as this." I promised to pass his reminder on to you.

John

From:

J. E. COMBEN, O.B.E.

Telephone: Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

9th January 1975

P+T 7/2

A. J. P. Monk Esq.,
Chief Secretary,
Stanley,
Falkland Islands.



Dear Monk,

Philately - P & T 7/2

On receipt of your letter of 28th November I wrote to Joe Urch. Colin Tennant is out of the country but Urch and I met in London yesterday and had a conversation which lasted in all for about four hours. As a result I find myself as fully satisfied as it is humanly possible to be that the perils of loss of reputation which some people have feared are not very serious and that, to the extent that they exist, you can adequately protect the Colony Government from them. I do not think that you can come to any serious harm by taking your philatelic sales away from the Crown Agents and entering instead into a suitable contract with the Urch organisation. There is however a very good chance that you would considerably profit by such a change.

2. Mr. Urch (who I take to be a man of about 55 years) is giving up his post of Managing Director of Urch Harris and Co. Ltd. and handing it over to his son. He will call himself Chairman instead. This is in order to devote his time to the sales operations which he performs on behalf of St. Vincent and would like to perform on behalf of the Falklands. He repeated an earlier state that he would like about six small countries on this basis. He thinks that he will get St. Lucia and is negotiating with Mauritius. For this purpose he and Colin Tennant have formed a new company called Philatelists Ltd. and it would be with this company that you would enter into a contract if you decided to go on with the matter.

3. I found out more about the association of these two men. I gather that Tennant had no philatelic interests until he met Urch but he is, as you know, concerned in the development of the island of Mustique which is frequently visited, under his auspices, by Princess Margaret. Urch had a plot of land on the island and this seems to be how they met. While Urch was out there he met the Prime Minister of St. Vincent who complained of his country's poor return from philatelic sales. Urch advised him to set up his own Philatelic Bureau in St. Vincent and this was ultimately done. Urch and Tennant became business associates and the Urch organisation was asked to provide the management and expertise which were lacking in St. Vincent.

4. I made it plain that all decisions on the issue of postage stamps must rest with the Colony Government and that, if there were a conflict between commercial interests and Government policy, the latter would have to prevail. This could, if necessary, be emphasized by being explicitly stated in the written contract. Urch agreed with this and repeated that he was entirely opposed to any practices which might detract from the Colony's philatelic reputation. Nevertheless, it had to be accepted that he might sometimes recommend a course of action which Government, for reasons of its own, might refuse to take and, as a result, both parties lost money. In that event he said that he would loyally accept Government's decision.

27a

5. I mentioned various practices in order to test which of them he was disposed to condemn. I gathered that four commemorative issues in a year was about as many as he thought the Falklands should make. He was opposed to "miniature" sheets and so in this respect seems to be "purer" than the CAs. He confessed that he had been dubious about the issue of separate St. Vincent stamps for the Grenadines in spite of the fact that the UK Government sanctions separate stamps for Scotland and Wales. I tried on him the idea of a separate West Falkland stamp and received the impression that he thought that would be on the wrong side of the line. I also asked him what he would consider it his duty to do if, as sales agent for the FI Government, he received a sheet containing some imperfection which greatly increased its value. He said it would be his duty to return it for destruction and he was prepared to have such obligation written into the contract.

6. We discussed in more detail some of the clauses in the "Detailed Proposition" which constitute the last two pages of the enclosures with his letter to me of 21st June 1974. The clauses discussed were the following:

7. The reference to "all matters" is not intended to cover matters of design but only the quantities for sale.

12. I pointed out that the cost to Government of the free stamps would be confined to the "run on" printing costs only if the stamps in question were additional to those which Government would otherwise have sold. If Government could have sold those stamps it would be depriving itself of the full face value. It has to be acknowledged, however, that an advertising campaign designed specifically for the benefit of the Falklands would be a very poor thing if it did not result in sales greatly in excess of those which would have been achieved without such advertising so the point is probably only academic. I did suggest, however, that Urch should not have unrestricted authority to incur advertising expenditure of this sort. A provision might be inserted that if Urch contemplated a specific advertising campaign which would cost more than a certain named figure he should first obtain the consent of the Colony Government. This was accepted.

The sales resulting from any advertisement would be those which used the cut-out coupon or otherwise quoted the advertisement. Clearly no measurement is possible of sales resulting from general publicity.

17. It was agreed that, whatever the period of the contract, either party should have the right to cancel it on six months' notice.

7. It was agreed that, if you wanted to go on with the proposal, the next step would be for Urch to submit a draft contract for our consideration. In order to save time we arranged that he should prepare such a draft now although he clearly understands that you have not yet given any decision.

8. You asked me for my advice on "miniature" or "souvenir" sheets. I think I have answered this in 5 above. I should certainly keep clear of them for the time being.

9. In paragraph 8 of my letter of 24th August I enquired about the British Antarctic Territory but I do not seem to have had a reply. Do you think it should be included in any plans you agree to? Would you like me to get in touch with the Department of Education and Science?

10. It will be apparent from the foregoing that I am now in favour of the Urch scheme. If you agree and instruct me accordingly I will get on expeditiously with arrangements in detail.

Yours sincerely,
John Embury

Copy to Miss H. N. P. Harrison,
Communications Operations Department.

~~729~~
28

RESTRICTED

To Routine Stanley
Tel No 14 of 13 Jan

From FCO

Postage stamps in the Falkland Islands and Dependencies
and British Antarctic Territory

Ref? ²⁷
Comben's letter of 9 Jan.

1. Governor is briefed and will discuss with you on arrival.

52a

connected with the world wide marketing of all the stamps of the Falkland Islands, South Georgia and British Antarctic Territory as is at present handled by the Crown Agents as from the _____ day of _____ One Thousand Nine Hundred and Seventy-Five and as on that date the Government shall arrange with the Crown Agents to hand over to the Company all stocks of Falkland Islands, South Georgia and British Antarctic Territory stamps currently held by them

6. The Company as from the date specified in the preceding Clause shall open Stock Control Books of a nature satisfactory to the Government and such Stock Control Books Sales Ledgers and records shall be open to spot checks without prior communication or advice for audit by a nominee of the Government
7. In order to facilitate smooth operations the Company through its Chairman, Mr. O.J. Urch, and if necessary with that limited authority only shall be empowered to act on behalf of the Government in all matters concerning the placing of orders with the Crown Agents and the approval of final proofs on the understanding that the original proofs shall have been passed by the Government and/or its representatives
8. The ^{Crown Agents} ~~Company~~ shall as and when each new issue of stamps becomes available dispatch to the Post Offices in the Falkland Islands, South Georgia and British Antarctic Territory such proportion of the total issue as those Post Offices may require and the balance shall be consigned by the ^{Government's Crown Agents} ~~Government~~ to the Company and the Company will ensure that the consignments are correctly signed for and accounted for in its books of account as provided for in Clause 6 hereof
9. In order to ensure the maximum success of promotional campaigns the Company agrees to arrange for a quantity of each issue of stamps to be over-printed by the security printers with the word 'specimen' and that these 'specimen' stamps shall be distributed to T.V., Radio and Newspapers for publicity purposes
10. The Company shall agree with the Government or its representatives a precise date or dates of issue and shall not release any stamps until the date upon which such stamps are placed on sale in the Post Offices of the territories referred to with the exception of course of the 'specimen' stamps
11. The Government shall appoint one of its officers or a duly authorised person at Port Stanley to act on its behalf and to liaise with the Company and the Government on all matters arising

out of this Agreement and that person shall have all possible access to telex communications ^{IF POSSIBLE} and should be aware of the need to attend to all messages promptly

12. The Government agrees that the cost of any stamp ~~issue or~~ philatelic advertising campaign specifically engaged upon on behalf of it shall be defrayed by the Government in the form of postage stamps delivered to the Company free of charge with face values in total limited to the cost of the advertising campaign or the sale proceeds resulting therefrom whichever is the lower

13. The Government undertakes to arrange with the Postmasters of the various Post Offices in the Falkland Islands, South Georgia and British Antarctic Territory immediately on receipt of new stamp issues to prepare the requisite number of used stamps and first day covers required by the Company and to dispatch these by air mail immediately to the Company at its U.K. address

14. The Government agrees to defray any necessary and/or incidental expenses incurred by the Company in carrying out its duties under this agreement (other than normal administrative expenses) such expenses to be expressly in the interests of the Government and with their fore-knowledge inclusive of the air fares travelling hotel and accommodation expenses incurred by the officers of the Company or authorised employees on visits to the Falkland Islands on the business of the Bureau and that such expenses shall be deductible from payments to be made at six monthly intervals to the Government in respect of all philatelic sales

15. The Company shall arrange that in the event of it or its officers discovering any major printing errors on new issues stamps that they shall be withdrawn for destruction by the duly appointed representative of the Government

16. All differences arising out of this agreement shall be referred to the decision of the Governor of the Falkland Islands, South Georgia and British Antarctic Territory to act as an arbitrator who decision shall be final and binding upon the parties and the making of an award by him shall be a condition precedent to any right of action hereunder

AS WITNESS THE HANDS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN

Signed
Minister of Communications and
for and on behalf of the
Government

Signed
by Oliver Joseph Urch for
and on behalf of Philatelists
Limited

Ref: P&T/7/2

11th February 75

(31)

Reply (33)

J.E. Comben, Esq., O.B.E.,
1 Angrove House,
Goldsmith Avenue,
Crowborough,
Sussex, TN6 1RH

Dear

Thank you for your letters of the 9th and 13th January about the Urch Harris proposals. At about the same time as your letters arrived I received several criticising the decision even to contemplate a change from the Crown Agents, and it is timely, therefore, to let you know that we shall consider the Urch Harris proposals very fully but that in the meantime our position remains very much as set out in paragraph 6 of my letter to you of 25th November. In other words before we even think about switching to Urch Harris I feel we must have very much more information about guarantees for our sales and the safeguarding of our reputation than has so far been disclosed.

2. What it comes down to is that Urch Harris is being held out to us as a potential money spinner who will make considerable improvement on the return we get by utilising the Crown Agents, but that there is nothing tangible we can adduce to support this contention. Unless we can go more towards satisfying this criteria I doubt whether Government would consider a switch to Urch Harris.

3. At times it has been intimated that Urch Harris has made considerable improvements in revenue for places such as St. Vincent. On the other hand we are advised (admittedly by interested parties) that we should do irreparable harm to the integrity of our policy by such a switch.

4. In fairness I think it only right to tell you that I am submitting all my papers on this - including your letters - for advice by the Communications Operations Department of F.C.O. with a request that they look at these critically in conjunction with the Crown Agents.

Yours sincerely,

A.J.P. Monk
Chief Secretary

cc Miss H.N.P. Harrison
International Organisational Section,
Communications Operations Dept.,
Foreign & Commonwealth Office,
London

32

REF: P&T/7/2

11th February

75

Miss H.N.P. Harrison,
International Organisational Section,
Communications Operations Dept.,
Foreign & Commonwealth Office,
London, SW1

Dear

Further to my letter to Comben of today's date, I attach copies of our recent correspondence with him about Urch Harris. You will doubtless get the same impression that we have - that we are being pressurised, but that a great deal is being held out to us without any real proof that anything worth while will materialise. We are, of course particularly concerned about our long term image and any advice you can give in this connection would be very useful.

Yours sincerely,

A.J.P. Monk
Chief Secretary

Enc.

From:

J. E. COMBEN, O.B.E.
Telephone: Crowborough 3606

33
1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH



24th February 1975

A. J. P. Monk Esq.,
Chief Secretary,
Stanley,
Falkland Islands.

Dear Monk,

Reply 31

P & T 7/2

31

I received your letter of 11th February and I must say that I find myself rather puzzled by your sentence which reads "our position remains very much as set out in paragraph 6 of my letter to you of 25th November." That was the paragraph in which you asked me to see Urch and Tennant again in order to find out what guarantees they could offer. I did this and reported to you on 9th and 13th January. From your statements that the position is unchanged, that you need very much more information it would seem that my reports must have failed in their purpose. It may be helpful if I summarize briefly what I consider to be the situation.

On the possibility of increased sales it is obvious from the nature of things that no "guarantees" can be given. We can only make our estimates of the probable result of switching from the Crown Agents' method of selling through appointed dealers to an agent devoted to selling the stamps of a few territories by concentrated methods and exhibiting the vigour and efficiency that Urch has shown throughout these negotiations. There will be no conflict of interest here. Both parties will be keen to achieve the maximum sales.

The real problem has always seemed to me to be whether increased sales would be achieved at the expense of the Colony's reputation and thus a subsequent decline of sales. This is what I have concentrated on because it is precisely in this field that guarantees can be looked for. They can be incorporated in the contract and Urch is willing that this should be done. None of the unscrupulous agents that we are on guard against would accept, for example, a contract which made the Governor the arbitrator in the case of dispute and which could be cancelled by either side at six months' notice.

I hope it is clear that my only interest lies in strengthening the revenues of the Colony and that I do not in the least desire to press the Urch proposition upon you. I have always realized that there might be considerations to be taken into account other than those that I have been concerned with. But I am somewhat dismayed to find that my reports directed to the important point of loss of reputation are regarded in the Colony as so inadequate as to be brushed aside as if they had never been made.

Yours sincerely,
John Comben

Copy to Miss H. N. P. Harrison,
Communications Operations Department.



With the compliments of

**COMMUNICATIONS OPERATIONS DEPARTMENT
INTERNATIONAL ORGANISATIONS SECTION**

*Heather Harrison
17/1/75*

Miss Hunt

The attached minute is preliminary and defensive; by 13 Jan. we shall be able to produce to the Governor a counter-attack pro the

FOREIGN AND COMMONWEALTH OFFICE

LONDON SW1A 2AH

brown

Agents.

(34)

B.S. = Any. (Comments) M. 2/2

Miss Farrell

FALKLAND ISLANDS STAMPS

1. As you will see from the attached letter Mr Comber appears to have sold the pass and is now recommending acceptance of the Urch, Harris proposal.

2. It is now even more vital that there is no slip up on Monday and that we do indeed see the new Governor for the Falkland Islands and have time to explain the position to him. I should be grateful if you could let me have by 3 pm Monday any comments you have on Mr Comber's letter. At a very quick reading I have the following points:

1) Mr Urch's alleged retirement follows a pattern all too familiar to us: he appears to be following in the steps of Mr Manfred Lehmann with no doubt the same eventual result, i.e. that his "retirement" will not preclude his acting by, with and for his agency at all times. We can have no knowledge of the way in which his son will handle the agency, but if this should not meet with out approval, there would be no way of disentangling the reputation of the Falkland Islands from that of the agency.

2) I am completely unimpressed by the frequent references to St Vincent. This is an Associated State: they may do as they please with their stamp issues, provided only that the stamps do not bear the royal insignia nor cypher, but the Falkland Islands are still a dependent territory and every stamp issue must be submitted to us for the Queen's approval to be obtained. There is therefore no margin at all in the case of the Falkland Islands for "doubtful" cases. The opportunity for time-wasting whether with Mr Urch or with his agency in this respect is self-evident.

3) No matter what is written into the contract, I would deplore the association of a dependent territory with an agency of which we have no knowledge. The Crown Agents have a well established record of integrity and we have, so far as I know, never had any occasion to take them to task concerning malpractice. In the case of the new agency only time will tell whether they act in good faith and with scrupulous control.

3. With reference to the comments on various clauses of the Urch-Harris proposals I would say firstly that a) if the reference to "all matters" in Clause 7 is ambiguous it must be redefined or deleted.

notice

b. A six-months clause would have some advantage but I quail before the picture of the Falkland Islands being left in mid stamp programme. Even the Crown Agents might well, and rightly, be loath to take over at short notice and I very much doubt whether any other reputable

It is now agreed that we should continue with the C. Agents. I would urge retention of their services very strongly.

Although we haven't slammed the door shut on yet we have more or less made it clear we shall do so. - exp. 21/2

B.S. Thank you. Note. He keep me in close touch with developments. /agency 21/2

agency would wish to do so

[the
e/et
4. The political considerations involved in the handling of stamps for British Antarctic Territory have a certain importance. Conversely/handling of Falkland Islands stamps is, to some extent, involved in the BAT considerations. It seems to me wrong that a commercial agency getting into its first dependent territory should be allowed to do so in a territory as politically sensitive as the Falkland Islands: I frankly do not know which would be worse - to hand over FI and BAT stamps to Urch, Harris or to leave BAT stamps with the Crown Agents (supposing they were willing to carry on on this basis).

5. By coincidence we have just received Mr Bickford's legal opinion on how far we can go in reporting hearsay evidence of the activities of agents; roughly speaking we should be on very firm ground and as far as possible report only factual evidence in cases where we are naming an agency. This need not, however, preclude our discussing such questions within the FCO nor verbally with British Government Representatives visiting London. But in writing to BGRs we should be careful not to name names unless we have factual evidence.

||
6. I should also add that the Falkland Islands has a very active and vocal philatelic group (Mr Spafford and his friends) who already criticise even the smallest departure from what they consider to be the highest philatelic standards. The Governor will no doubt wish to consider this in the context of Mr Spafford's connections with the Falkland Islands Committee.

H N P Harrison (Miss)
International Organisations
Section:
Communications Operations
Department
K 108

10 January 1975

cc: Dr B R Roberts (Polar Regions
Dr J A Heap Section)
Miss M Hunt (WIAD)

From:

J. E. COMBEN, C.B.E.
Telephone: Crowborough 3606

1 ANGROVE HOUSE
GOLDSMITH AVENUE
CROWBOROUGH
SUSSEX TN6 1RH

9th January 1975

A. J. P. Monk Esq.,
Chief Secretary,
Stanley,
Falkland Islands.

There
Please discuss
are we not
seeing the new
gov. on Monday?

Philately - P 2 T 7/2

On receipt of your letter of 26th November I wrote to Joe Urch. Colin Tennant is out of the country but Urch and I met in London yesterday and had a conversation which lasted in all for about four hours. As a result I find myself as fully satisfied as it is humanly possible to be that the perils of loss of reputation which some people have feared are not very serious and that, to the extent that they exist, you can adequately protect the Colony Government from them. I do not think that you can come to any serious harm by taking your philatelic sales away from the Crown Agents and entering instead into a suitable contract with the Urch organisation. There is however a very good chance that you would considerably profit by such a change.

2. Mr. Urch (who I take to be a man of about 55 years) is giving up his post of Managing Director of Urch Harris and Co. Ltd. and handing it over to his son. He will call himself Chairman instead. This is in order to devote his time to the sales operations which he performs on behalf of St. Vincent and would like to perform on behalf of the Falklands. He repeated an earlier state that he would like about six small countries on this basis. He thinks that he will get St. Lucia and is negotiating with Mauritius. For this purpose he and Colin Tennant have formed a new company called Philatelists Ltd. and it would be with this company that you would enter into a contract if you decided to go on with the matter.

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6. We discussed in more detail some of the clauses in the "Detailed Proposition" which constitute the last two pages of the enclosures with his letter to me of 21st June 1974. The clauses discussed were the following:

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7. It was agreed that, if you wanted to go on with the proposal, the next step would be for Urch to submit a draft contract for our consideration. In order to save time we arranged that he should prepare such a draft now although he clearly understands that you have not yet given any decision.

8. You asked me for my advice on "miniature" or "souvenir" sheets. I think I have answered this in 5 above. I should certainly keep clear of them for the time being.

9. In paragraph 8 of my letter of 24th August I enquired about the British Antarctic Territory but I do not seem to have had a reply. Do you think it should be included in any plans you agree to? Would you like me to get in touch with the Department of Education and Science?

10. It will be apparent from the foregoing that I am now in favour of the Urch scheme. If you agree and instruct me accordingly I will get on expeditiously with arrangements in detail.

Miss Harrison (Communications Operations Department)

FALKLAND ISLAND STAMPS

1. I agree with your minute of 10 January, and particularly with paragraph 4. We have had quite enough political trouble already with Argentina and Chile over the stamp issues for the Falkland Islands, Falkland Islands Dependencies and the British Antarctic Territory. I would deplore the risks involved in handing over publicity for sales to an unknown commercial agent whose chief object must be to make as much money as possible out of each issue.
2. As regards your paragraph 6, I have read regularly the journal "The Upland Goose" issued by this philatelic group. Whatever criticisms there have been (e.g. The Churchill issue being "irrelevant" to the islands and their dislike of "miniature" sheets), they have consistently repeated in editorials that they have no complaints against the Crown Agents.
3. I would like to add my plea to yours that it would be a serious mistake to allow greatly increased and uncontrolled publicity about these particular issues. I do not believe that anything written into a contract can meet this.

B. B. Roberts

B. B. Roberts
Polar Regions Section
Latin America Dept.

10 January 1975

c.c. Miss Hunt (WIAD)

IN CONFIDENCE

35

H Division

H3/FALKLAND IS

13 January 1975

Miss H N P Harrison
International Organisation
Section
Communications Operations Dept
Foreign & Commonwealth Office
London SW1

B.S.
*This was handed to me
in London by Miss Harrison.
Have you a copy? If so may
I have your comments.*

Dear Miss Harrison,

You telephoned me on Friday last regarding a possible change to Urch Harris for the Falkland Islands philatelic agency. I would like to take this opportunity to comment on Urch Harris and also on our own approach to the Falklands' issuing policy.

Urch Harris are one of the largest dealers in the UK. Almost entirely their business is selling to collectors, but the head of the company Mr O J Urch has, in the last year, been looking at the possibility of expanding his operations to include philatelic agencies for some of the more philatelically popular territories which we at present represent. In doing so he has undoubtedly studied the efforts of other entrepreneurs in the trade who, as you know, are mainly American.

As a leader in the stamp selling trade, Mr Urch undoubtedly has a sound and business like approach to stamp distribution, but it follows from the nature of his background that his approach to philatelic agencies for overseas postal authorities is slanted towards maximizing profits in the short term rather than maintaining a good philatelic reputation over a long period.

On the other hand, our policy has always been to guard zealously the philatelic reputation in the conviction that by so doing we shall consistently maintain a reasonable level of sales, and hence income. As far as the Falklands are concerned, our problem in recent years has been to persuade the Government there of the virtue of increasing their commemorative issues to the maximum of four releases a year, as we consistently recommend.

/Admittedly

Miss H N P Harrison

13.1.75

Admittedly, with a remote area such as the Falklands it is far from easy to produce popular themes for collectors. Despite a continuing correspondence, we have in recent years been limited to:

- 1972 one commemorative issue
plus one high value definitive
- 1973 one commemorative
- 1974 four commemorative

and we have so far been able to obtain approval for only a limited programme for 1975-1977, as the attached ... copy letter dated 18 December from the Chief Secretary shows.

It is interesting to note that with the four issues last year our sales were almost treble those for each of the previous two years, and one issue was a complete sell out.

Meanwhile, for the St Vincent account which he recently took over, Mr Urch has proposed and obtained approval for issues on the following lines:-

- (1) 12 issues per year (6 for St Vincent and
6 for Grenadines).
- (2) Reprint of commemorative stamp with change of colour of one detail only.
- (3) Skeleton stamps, 24 stamps (12 for St Vincent and
12 for Grenadines)
with common design in different combinations of colour but with no value or subject. A good idea for overprinting in cases of emergency, but could be overdone and also there are bound to be many varieties because the overprint will not always be in exactly the same position.
- (4) Sheets of stamps produced with names of different Grenadine Islands in the selvedge. Thus a collector has to buy more than one copy of a stamp.
- (5) 2000 of each stamp are overprinted 'Specimen'. This could be legitimate but we have heard of samples available on the market at inflated prices.

/It

Miss H N P Harrison

13.1.75

Already there is strong reaction in the trade against so many issues and collectors are becoming suspicious of St Vincent and St Vincent Grenadines' stamps. This is bound to affect sales in the long term, but it may nonetheless be assumed that Mr Urch will be looking for a similar programme for the Falklands.

So, to sum up, what we in the Crown Agents need is a rather more comprehensive programme year by year in line with that we had in 1974. We also require that this kind of programme be maintained for South Georgia and British Antarctic Territories. Although these two territories have special problems of communication, or perhaps because of these problems, they too are extremely popular with collectors. A programme such as we envisage will certainly maintain the philatelic reputation of the three postal authorities and enhance their philatelic revenue.

In closing, I can perhaps remind you that Mr Urch recently upset the postal authorities in Mauritius when he tried to introduce overprints there. His visits to promote the idea gave rise to heavy criticism which is detailed in the attached copy exchange of correspondence. ...

If it can be arranged it would be most helpful if I, Mr Clark at Millbank, or any other of my senior colleagues in this Division, could have the opportunity of discussing the matter with the Governor Designate whilst he is in London. We can be available at very short notice.

Yours sincerely,



E J Sims
Head of Security Printing

REGISTERED OFFICE: 7 RICHMOND HILL AVENUE

BRISTOL BS8 1BQ

ENGLAND

DIRECTORS: O. J. URCH (MANAGING)

F. M. URCH
B. FILLINGER
J. ROSSITER
R. S. CHESHIRE

TELEPHONE: BRISTOL (0272) 39267/8/9 & 39378

CABLES: STAMPWISE, BRISTOL

BANKERS: NATIONAL WESTMINSTER BANK LTD.

30 REGENT STREET, BRISTOL BS8 4HX

BRANCHES: STRAND STAMP CENTRE

84 STRAND, LONDON WC2R 0DW

&

COURIER STAMP SHOP

9 CHRISTMAS STEPS, BRISTOL BS1 5BS

PUBLISHERS OF "THE COMMONWEALTH CATALOGUE OF QE II STAMPS"
PROPRIETORS OF "THE COMMONWEALTH NEW ISSUE SERVICE"

OUR REF OJU/CAM

YOUR REF

Jack Sims, Esq.,
Crown Agents Stamp Bureau,
St. Nicholas House,
Sutton,
Surrey.

24th October, 1974.

Dear Jack,

I feel it only right to advise you that I have spent the last ~~few~~ days in Mauritius, which Country I was invited to visit to discuss the possibility of establishing a local National Philatelic Bureau.

They are very enthusiastic and will I feel sure proceed along these lines either with or without our services.

I suggested to them they should apply to you for references, if required, and although I think this unlikely, I hope you will give a good report should you be asked.

My own view is that they should set up such a Bureau but that they have a sufficiency of administrative ability to be able to take over the whole operation once they've been given the necessary training in modern marketing techniques.

Every best wish to Vic and the others.

Kindest regards.

BRITISH
HIGH COMMISSION

CHAUSSEE · PORT LOUIS · MAURITIUS

28 October 1974

H Q Davies Esq
Controller of Security Printing
St Nicholas House
SUTTON Surrey

Dear Davis,

The Postmaster General, Mr Purmessur, called on me this morning. He said that two Englishmen, O J Urch and Colin Tennant, of the firm of Urch, Harris & Co, Bristol, had recently visited Mauritius, with proposals for the establishment of a philatelic bureau.

2. In the course of their discussions, these gentlemen produced Mauritian stamps, which they said they had purchased from the Crown Agents, to the face value of Rs 21,000, which had been overprinted with the words "Visit of HRH Princess Alexandra, Oct 1974". In some cases the face value of the stamp had been altered. Mr Purmessur pointed out that alterations to stamps of this nature rendered those responsible liable to imprisonment and heavy fines. Urch and Tennant have now left Mauritius; whether they took the stamps with them or left them here is not known.

3. Mr Purmessur told me that he did not intend to take any further action on the matter, but thought I should know about it. It is clearly important that we respect his confidence.

4. Is the Company known to you, and is any breach of UK law involved by their action?

Yours sincerely,

A H Brind

A H Brind

and 2c/4c
11000 3d
21000 5d
1
2.145d

h 2300

Oct

HARRIS
cc: Miss H Harrison F&CO. (with photostat of letter
under reply)

H Division

CONFIDENTIAL

H1/1638/

10 December 1974

Following your letter of 28 October about the visit to Mauritius of O J Urch and Colin Tennant, I have been investigating the position on private overprints of stamps.

As far as I have been able to trace, the stamps were indeed bought from this organization at the beginning of October but, of course, without the overprint. Urch Harris & Company must, obviously, themselves then arranged for someone to overprint the sheets of stamps.

Without going to law we would not attempt to give an indisputable answer on whether any breach of UK law is involved by this action. However, as far as we understand, unless the stamps are offered for sale for postal purposes, the answer is almost certainly that there would be a breach if they were available on the philatelic market. So far they have not been offered for sale and if they do appear we will immediately seek details.

Urch Harris & Co. Ltd., of Bristol, are a large firm of philatelic dealers and as such are well known to us.

I hope to be in Mauritius during the third week of January, and will gladly call on you if there is any further information I can give.

(H Q Davies)

A H Brind Esq
British High Commission
Chaussee, Port Louis
MAURITIUS

NOTE TO MISS HARRISON - As a matter of interest I am sending you a photostat copy of Brind's letter together with this copy of my reply. It appears from my information that this attempt by Urch Harris badly misfired!

.....18th December.....1974.

Dear Sir,

MV
6/1/75Stamp Issuing Policy

I write in reply to your very helpful letter addressed to His Excellency the Governor: your suggestions and opinions have been read with interest.

2. I note that the proposals have all been agreed in principle with the Foreign and Commonwealth Office. The replies to the points raised are given below seriatim.

1. I note that the Foreign and Commonwealth office wish to separate South Georgia and British Antarctic Territory from the Falkland Islands so far as stamps are concerned. This will be somewhat restrictive but I will keep it in mind.

2. Although the Foreign and Commonwealth Office has approved a maximum of four issues a year for the Falkland Islands I doubt if we shall ever need to make use of this other than in exceptional circumstances. As regards the maximum of two issues per year for South Georgia and British Antarctic Territory it is also extremely unlikely that we shall reach this level in view of the difficulties of getting stamps to South Georgia and British Antarctic Territory.

3. Turning to the Falkland Island proposed stamp programme I have the following comments:-

1975 Coinage

Please see my recent letter no. P&T/2/17 of 13th December 1974

Wool Industry

Strange as it may seem in a wool producing country, we are having difficulties in obtaining suitable material for this and have had to commission a photographer to take photographs of various aspects of the industry such as sheep shearing. The late submission of material may well result in a delay of this issue until later in 1975 but this will not be an inconvenience; from the fiscal point of view it may well be better as it will fall within our next financial year, commencing on 1st July.

Heraldic Arms

We would appreciate further information on the subject of the Heraldic Issue particularly how this would be received and whether it is a popular theme. As an alternative we have in mind an Historical Issue which would depict the early settlements at Port Louis, Kappal Island etc. This subject could replace the Heraldic Issue or be used if the 1976 Airport Issue had to be

deferred because of delays in completing the airport.

1976

Plans are in hand for a Definitive Issue which will depict those ships which carried mail in and around these waters. I am writing separately on this subject.

Conservation

I think that this issue should feature the Nature Reserves of the Falklands.

Airport Opening

This is very much in our minds and preliminary thinking is that the airport may not take so long to complete as has been thought. We look forward to the receipt of designs. In view of the possibilities of a Silver Jubilee Issue it would seem appropriate to hold over featuring Her Majesty the Queen until the Silver Jubilee Issue but we would not wish to rule out the possibility of depicting Her Majesty in the Airport Issue.

1977

We should most certainly wish to participate in commemorating the 25th Anniversary of the Accession to the throne of Her Majesty the Queen. We will have a look at the material available locally and see if there is anything suitable.

10th Anniversary of Telephone Link

By itself it is thought that this is a bit weak but if it could be expanded into a telecommunications issue, it could embrace the 60th Anniversary of the opening of Fox Bay radio station (which falls in 1977) and still depict the telephone service. It might perhaps depict the old and the new telecommunications.

4. The difficulties of getting stamps and covers in and out of South Georgia during the short summer season has proved a problem for years and for this and other reasons it is considered that there should be no more than one commemorative issue a year. The present Churchill Issue is a case in point as this has had to be postponed from 30th November until some time in January 1975 because the stamps and covers failed to arrive in time to connect the first shipping opportunity.

New Definitive Issue

It was agreed some time ago that the Definitive issues of the three stamp-issuing territories should be kept apart i.e. if the Colony's definitive issue is released in 1976 then South Georgia should not have a definitive issue in the same year. There appears to be every reason to continue with this policy and the South Georgia definitive should be deferred one year. The subject of Ice Crystals would be more appropriate to the British Antarctic Territory and so would the

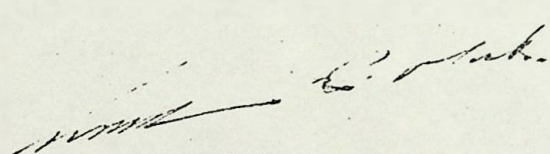
subject of Seals in connection with the Ratification of Seals Conservation Treaty. This means that the South Georgia stamp programme will be:-

1975	Cook Bicentenary
1976	50th Anniversary of Initiation of Discovery Investigations. A subject to be decided.
1977	New Definitive Silver Jubilee

5. British Antarctic Territory

The programme as set out in your letter is in order except that, as British Antarctic Territory only recently issued a new definitive, a change of definitive is not warranted in 1977 and should be deferred.

Yours faithfully,


A.J.P. Monk
CHIEF SECRETARY

CROWN AGENTS FOR OVERSEAS
GOVERNMENTS AND ADMINISTRATIONS

H Division
St Nicholas House
Sutton
Surrey

c.c. Officer in Charge
British Antarctic Survey
Post Master

(36)

Y.F.P 8/492/1

C.S.

[Signature]
26/1

Miss Farrell
FALKLAND ISLANDS: STAMPS.

1. My earlier minute of 9 January put forward some points which might be used against the acceptance of the Urch, Harris proposals. There are, however points which should be made in favour of the Crown Agents' present activities.
2. On 2 October ^{14x} this year Dr Roberts and Dr Heap, Miss Hunt, Miss Farrell and I met with Mr Hugh Davies of the Crown Agents for an exhaustive discussion of stamp programmes for the Falkland Islands, South Georgia and the British Antarctic territories. We went to some considerable trouble to identify suitable subjects and to ensure that the Crown Agents were fully aware not only of Polar Regions Section's interest or responsibility in questions of stamp design, but of their excellent sources of reference material. We further agreed a procedure to ensure that Polar Regions Section were put into direct contact with the artist as soon as he was commissioned with a view to obviating possible delays and the need for alteration to designs. At least one of the subjects proposed for 1975 (50th Anniversary of Heraldic Arms) we would never have thought of without the help of Polar Regions Section, and, in my view, it will provide an unusual and most attractive stamp issue.
3. I should be most reluctant to see all this effort go to waste. Firstly, I do not know how far Dr Roberts' sources of supply and contact with artists would be available to an agency about which we already have reservations, and, secondly, I believe that the stamp proposals put forward by the Crown Agents as a result of our meeting, should give an impetus to sales within the next eighteen months.
4. There are two further points. The Crown Agents are aware of the politically sensitive considerations involved and of the need not to imply a link (by indiscreet choice of subject) between the Falkland Islands and South Georgia and between the Falkland Islands and BAT. Secondly, we cannot repeat too often that any agent who is also a dealer must inevitably find that from time to time his interests conflict with those of the issuing postal administration or government; sadly, we have discovered that this normally means that his own interest will prevail. Only in the case of the Crown Agents is there no conflict of interest: their clients' interests are their own, and their reputation for integrity and scrupulous accounting is high.

H N P Harrison (Miss)
IOS: COD : Rm.K108

10 January 1975

Copied to: Dr Roberts (LAD) Polar Regions
 Dr Heap (LAD) Section
 Miss Hunt (WIAD)
 Mr Hutson (COD)

6th March

75

J R Comben Esq CBE
1 Angrove House
Goldsmith Avenue
Crawborough
Sussex TN36 1BN

33

Thank you for your letter of 24th February 1975. I am sorry if I have confused you but the fact of the matter is that our position does remain very much that we feel there is as yet insufficient evidence to make us forsake the Crown Agents, particularly as regards the design, artwork and security printing of our stamps. We should certainly not change our policy unless we had exhausted all possible sources of information and advice to satisfy ourselves that our sales in the long term will not suffer. This argument might not be quite so strong as regards sales promotion but it is important and requires very careful consideration as I am sure you will appreciate.

2. In fact the first sentence in your third paragraph quite adequately sums up our dilemma. If we put a foot wrong now it could take us a long time to get back on the proper track. I must confess that I am probably less optimistic than you are that guarantees can be given that increased sales can be achieved without damaging our reputation. This is not to say that I am convinced that they will, but we have to find an optimum point somewhere on the scale between perfectly clean stamps at one extreme and 'best sellers' exploiting every market at the other.

3. To preserve our reputation - as some experts would like to see it - we should issue no more stamps than are absolutely essential for our postage purposes. Other advice would have us go in for all sorts of promotional sales activity that will undoubtedly yield great immediate gains but would alienate the collectors.

4. I hope I am aware that collectors' interest, while important, is not paramount and their adverse influence if offended can be exaggerated. They naturally want to obtain the maximum appreciation in value of their stamps but unless we resort to extraordinary devices none of that appreciation will accrue to Government. However if we move too far away from the Specialist Collector's point of view the generally healthy reputation we now enjoy will almost certainly deteriorate. We must therefore find a suitable middle course.

5. I am of course glad that you have an interest in strengthening the revenues of our Colony and I do assure you that your reports are not brushed aside; we consider very carefully all advice on stamps, and we receive a very

deal from several quarters. I note with interest that you don't wish to press the Urch Harris proposition upon us, and I think this is right, although I note from paragraph 10 of your letter of the 9th January that you are in favour of their scheme. In the same paragraph you enquire if we will instruct you if we agree. I cannot of course commit Government in advance but should Government decide to accept the Urch proposals or any other it is likely that it will want to negotiate direct. I am nevertheless most grateful for your views.

(A. J. P. Monk)
CHIEF SECRETARY

cc Miss H. N. F. Harrison
International Organisations Section
Communications Operations Department
Foreign and Commonwealth Office
London W1

cc Mr. Vaughan Esq
H Division
Crown Agents
St Nicholas House
Totton
Burrey

STBJ

~~Letter~~
~~Handwritten~~
25th February

75

33A

B A R Taylor Esq
Marketing Manager
Crown Agents Stamp Bureau
St Nicholas House
Sutton
Surrey

Reply 41

Dear Sir,

Stamp Policy

Mr Morrison, my deputy, has passed your letter to me as it has come at a timely moment when we are being pressed from several concerns both to change our policy and not to change.

I have written to Mrs Harrison in PGO about my dilemma and she may already have been in touch with you. Our problem, as we are supposed to have one, is that by more forceful marketing we could earn very much more than we do from stamps. We are told that agencies have access into large markets not entered by the Crown Agents. Sometimes we are advised, too, to put our design and issue control in other hands but this is, I think, not so important a matter.

Of course we do wish to maximise our revenue in the long run and shall be properly criticised if we don't. However the advice we receive is so contradictory and of about equal intensity for and against change that I feel I must look to you for really professional advice. I should assure you that this Government is not considering imminent change in its links with the Crown Agents but what we badly need to know is how we are performing in the eyes of a professional, and whether we are really doing our utmost to maintain our high standing and if also we are doing as much as we can to ensure that our contacts and communications with you are really adequate.

For my personal part - and I am certainly not an expert by any means - I feel some of our designs and printing have not been as good as they might be. This seems to me to be vitally important and we ought always to go for the very best artists, designers and printers.

Another aspect that has sometimes worried me is whether we have always had enough sheets on hand to meet demand when it is in spate. It would be a great pity to lose revenue for this reason and doubtless it is better always to err on the side of over-production and destroy any unwanted ones rather than miss the boat.

I have steered clear of particular queries which we have in hand as they are dealt with separately. If you can advise me on these general questions I shall be most grateful.

Yours ever

cc Miss HNP Harrison
Stamp Policy

(A J P Monk)
CHIEF SECRETARY

33

CONFIDENTIAL



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

A J P Monk Esq
The Secretariat
Stanley
Falkland Islands

Your reference

Our reference

YFP 8/492/1

Date

14 March 1975

Dear Mr Monk,



Thank you for your letter of 11 February, with which you sent to us, for further comment, the most recent papers emerging from your exploration of the possibility of changing your stamp agents. I have also seen Mr Comben's letter to you of 24 February.

...

As a first step I have asked the COD Legal Adviser to look at the draft contract submitted by Mr Urch, and will let you have his comments as soon as possible. In the meantime I enclose a copy of my minute to him expressing my own first reactions; unlike Mr Comben, I am far from convinced that the contract contains adequate safeguards on the important points of maintenance of the philatelic reputation of the Falkland Islands, South Georgia and British Antarctic Territory, and control of essential points of design and issuing policy.

*Yours sincerely,
Heather Harrison*

H N P Harrison (Miss)
International Organisations
Section: Communications
Operations Department

CONFIDENTIAL

Enc:

STAMP POLICY : BASIC CONSIDERATIONS

- (i) The only interest of a government in the philatelic field is the sale of mint stamps at face value. Where a commercial agent who is also a dealer is appointed, there must inevitably be a conflict of interest between the agent and his principal: the agent will wish to look to his own profit, and his own relations with other dealers and with his customers, as well as to the interests of his principal. The only case in which no conflict arises is that of the Crown Agents, whose philatelic interests are identical with those of their principal and who, into the bargain, have a wider interest in maintaining their reputation and standing with their principal in non-philatelic fields.
- (ii) It is in the interest of any territory to make certain that it retains absolute control of its stamp policy. It is not unknown for pressure to be brought to bear by a commercial agent in the light of a particular interest or particular market of his own, and such pressure is often difficult to withstand if the consequence is accusations that lack of co-operation by the Government concerned have led to loss of a sales opportunity. Furthermore, it is next to impossible for busy government officials to become sufficiently well-informed in the activities of the philatelic trade to be aware of the implications of every course of action which the agent may urge upon them.
- (iii) The protection of the Monarchy is of paramount importance. It is advisable, for the protection of the territory concerned, that close day-to-day control be exercised on, for instance, design: a political misjudgement, or the association of the Queen with a shoddily produced issue or with an agent of dubious reputation, could have incalculable consequences, not least for the stamp revenue of the territory. Few agencies, other than the Crown Agents, have expertise in this area: the responsibility falling on the territory's government is correspondingly the greater.

In the case of the Falkland Islands there are available, of course, two excellent sources of advice and reference insofar as design and choice of subject is concerned. The first is the Polar Regions Section of Latin American Department, who are happy to cooperate and to provide source material; the second is the Falkland Islands Philatelic Study Group, which, although it looks at stamps from a rigidly purist philatelic/collectors'

/point

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point of view, can provide a useful point of reference insofar as the safeguarding of the Falkland Islands' philatelic reputation is concerned. Both, together with the FCO Memorandum on stamp policy, can provide guidance on the appropriate frequency and number of denominations of an issue. Given such good opportunities for the obtaining of source material, and bearing in mind the political sensitivity of the position of the Falkland Islands, we would most strongly urge that you give very careful consideration to the role in your stamp affairs of any agent: in our view this should be confined to production and sales, with no intromissions into the recommendation of subjects, design or frequency of issue.

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Mr J D P Bickford : Legal Advisers

cc: Dr B Roberts : Polar Regions Section, LAD (without encl.)
Miss M E Hunt : WIAD (without enclosure)

FALKLAND ISLANDS' STAMPS : "URCH, HARRIS" PROPOSALS

We spoke over the telephone about the attached ~~draft~~ contract, and you very kindly said that you would be prepared to comment on the draft contract. My own preliminary reactions are as follows:

Name of the agency

Flag A
"Philatelists Ltd" is presumably the new company formed by Mr O J Urch and Mr Colin Tennant for, I believe, the purposes of governmental agency work. The original approach was from Urch, Harris & Co. Ltd; the address of the new firm is the same as that of Urch Harris. Might it not be a good idea to get a confidential DOT status report: we might at least see whether the company has been registered and what information it gave, particularly as to its finances, shareholding, etc. Prima facie, it does not seem very wise to entrust the stamp issues of a politically sensitive area to a brand new agency. Perhaps we should also ask for a report on Urch, Harris, and whether there is any connection between the two agencies.

Paragraph 2

I do not care for the tone of this: there is a strong implication that the stamp issuing policy will be decided by the agency "in consultation with" the FIG. Could we not reword to emphasise that control must rest with the FIG and that the agency's rôle will be at best advisory? In particular, the phrases I have underlined illustrate this point.

Paragraph 4 (and 2)

Is it wise to register the proposed local Philatelic Bureau as "The Falkland Islands, South Georgia and British Antarctic Territory Philatelic Bureau"? Do we wish to imply a close connection between the stamps of all three territories? WIAD and Dr Roberts, to whom I have copied this minute, may wish to comment.

Paragraph 6

I fail to see how any nominee of the FIG can "spot check" the agency's stock control and sales ledgers while he is, at the same time, familiar with the local Bureau: surely no spot check would be worth while unless the nominee were in close touch with the Bureau, the FIG and the agency? If this is admitted, the time and distance factor would make any surprise check very difficult if not impossible.

/Paragraph 7

37a

Paragraph 7

If final proofs means a stage after royal approval of final artwork, I suppose it would be a check on technical details only (e.g. colour reproduction, clarity of design, omissions, errata etc.). But even so it is essential that final approval be given by FIG, who would then have to accept the responsibility to protect, to this extent, the reputation of the Monarchy.

Paragraph 9

I think this is all right, the Crown Agents look after the distribution of specimen stamps in their territories. But would the agency also undertake the mandatory distribution of specimen stamps to UPU and UN, etc.?

Paragraph 11

The guarantee of telex facilities for an agency liaison officer Stanley should be deleted; any message which really matters will be passed as government traffic with the appropriate priority. Neither we nor Cable and Wireless are in business to make life easy for commercial firms, who will have to take their chances with other commercial users when the proposed telex link starts.

Paragraph 13

Is not this an ingenious requirement? I thought I understood that geographical and climatic conditions can cause considerable and unavoidable delays in the production of, for instance, first day covers. Surely some caveat should be inserted?

Paragraph 16

At last, a clause of which I do approve - as far as it goes. But should it not be specifically stated what it covers? The Governor does not need to act as arbitrator in minor matters nor in disagreements regarding design or in questions of royal prerogative: his authority must be absolute.

Finally, would you wish, as in the case of a recent agreement between a territory and a commercial agency, to suggest an indemnity clause in case of default or negligence of the agent? Here again the FIG is a principal in the agreement.

H N P Harrison (Miss)
International Organisation
Section:
Communications Operations Dept.
K 103 MA 464.

13 March 1975

cc: Dr B Roberts LAD
See H E Hunt WEAD

} without enclosure

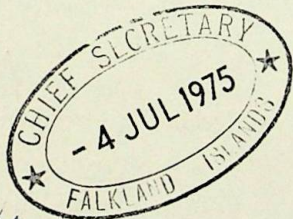
COMMERCIAL IN CONFIDENCE

38

Urch Harris Project. Deputy Chief Secretary advised the meeting that Government had decided, upon the advice of the FCO, not to pursue further the Urch Harris project.

I cannot trace the papers
in GM. Governor agrees that this
letter can be filed on Secretariat
file if all previous corres. to
which it refers are in your file.
Please confirm.

Julia
3.7.



R
B/S on file.

m
3/7

u/c

COVERING COMMERCIAL - IN - CONFIDENCE

60



Foreign and Commonwealth Office
London SW1A 2AL

Telephone 01-

N A French Esq MVO
Governor and Commander in Chief
Falkland Islands.

Your reference

Our reference

Date

4FP8/492/1
22 May 1975

Handwritten notes:
19/6
b/s

Handwritten notes:
B. see a & return.
Very revealing! Subject to your
views, we can now close
the Harkis chapter.

Dear Mr French,

FALKLAND ISLANDS : URCH HARRIS PROPOSALS

In my letter of 14 March I mentioned that I had asked our legal adviser to look at the draft Urch Harris contract. In the event and in the light of later correspondence I think for the present we have all decided not to proceed further regarding these proposals, but I now enclose Mr Bickford's pertinent (and amusing!) comments for your own and Mr Monk's personal information.

Yours sincerely,
Heather Harrison

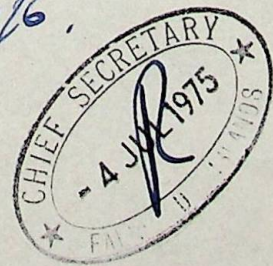
H N P Harrison (Miss)
International Organisations
Section:
Communications Operations
Department

Handwritten notes:
No. Thank you. Also HNP
we hardly agree the chapter was
never commenced. This is all useful
back-up information and is exactly what we expected

Handwritten notes:
P.B. on ~~the~~ file. 3/29/6.

Enc:

Handwritten notes:
30/6



Miss Harrison

Obviously the Falkland Islands Govt. legal adviser should look at this contract.

I agree all your comments.

As drafted this is an agreement whereby F.I. hand over all stamp sales to P.Ltd. and pay P.Ltd's overall expenses + 20% gross sales commission. This should be compared to what was paid to C.A. To the uninitiated like myself it seems to be taking candy from kids.

As you say there is little or no safeguard provision to enable F.I.G. to dictate the contents, design, programme or amount of stamps to be sold. It appears P.Ltd. will have an office in London and an agent in F.I. I wonder if this is satisfactory, particularly since F.I.G. will pay for both. If P.Ltd. is in the same office as Urch Harris you can bet your life Urch Harris will charge the rent he has to pay to his landlord to P.Ltd. which will be passed on to F.I.G.

Under what proprietors will the business name be registered?

Clause 7 is an open ended commitment on F.I.G. Cl. 12 means that F.I.G. lose the amount of face value of stamps (probably paying 20% of that to P.Ltd. under Cl. 1). P.Ltd. hold the stamps while sale value increases. Since no cash payment has been made to offset advertising costs this is marked down as a tax loss. Meanwhile face value increases and on sale all costs (quite possibly part of the earlier advertising costs) can be marked against proceeds as tax loss. Admittedly this is P.Ltd. business but I wonder if F.I.G. should not pay cash and benefit from the later cash income of delayed sales.

Incidentally there does not appear to be a clear obligation on P.Ltd. to pay the F.I.G. anything. There is a hint at Cl. 3 but no more. It is not clear but I presume all sales are not limited to being made from P.O.s in F.I. in Cl.1.

Cl.14 is open season.

Cl.15 What are "major" errors?

Please discuss when policy issues ~~and~~ decided.

David Bickford 21.5. 75

COMMERCIAL - IN CONFIDENCE

Chief
XXXXXX

41

P&T/7/2

7th July 1975

Miss H W P Harrison
International Organisations Section
Communications Operations Dept.,
Foreign & Commonwealth Office,
London SW1

URCH HARRIS

It was very kind of you to have the research made into the draft Urch Harris contract. The results are not unexpected and are most useful. They will buttress our objections to these and similar proposals.

2. It makes one wonder why John Comben ever thought there was merit in the proposal.

A J P Monk
Chief Secretary

COMMERCIAL - IN CONFIDENCE

(L)

6.5



The attached advertisement is sufficient proof, if we needed it, of the dubious nature of the Harris's operations.

This has appeared in "The Times", "Telegraph" etc, & a copy must have cost a great deal of money. It will not do St. Vincent's reputation any good!

[Signature]
18/8

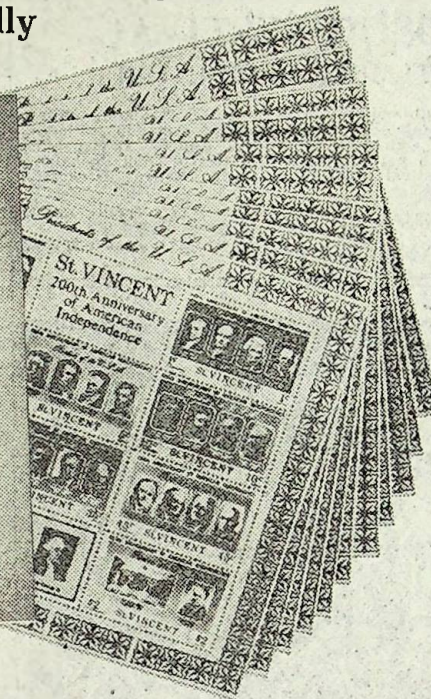
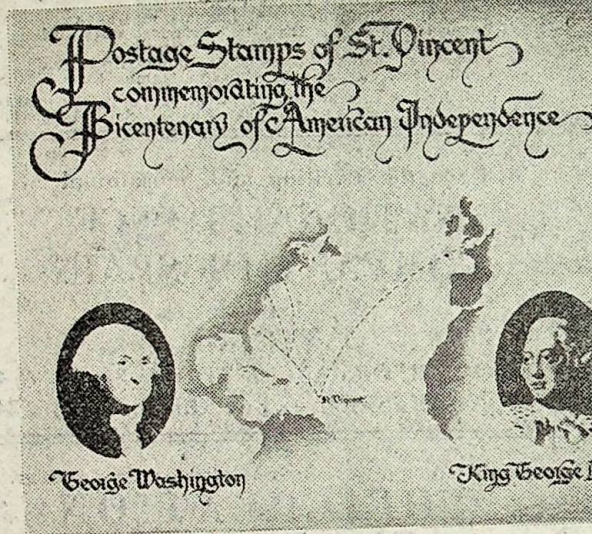
Collect stamps!

...a collector, investor,
...a mixture of both or someone looking for
...a superlative and lasting gift, you simply
...can't afford to ignore this offer of postage stamps of St. Vincent commemorating the

BICENTENARY of AMERICAN INDEPENDENCE

depicting
all 37 Presidents of the U.S.A. from George Washington
to Gerald Ford in a single set of beautifully
designed and printed postage stamps

The 37 Presidents
George Washington
John Adams
Thomas Jefferson
James Madison
James Monroe
John Quincy Adams
Andrew Jackson
Martin Van Buren
Wm. H. Harrison
John Tyler
James Polk
Zachary Taylor
Millard Fillmore
Franklin Pierce
James Buchanan
Abraham Lincoln
Andrew Johnson
Ulysses Grant
Rutherford Hayes
James Garfield
Chester Arthur
Grover Cleveland
Benjamin Harrison
Wm. McKinley
Theodore Roosevelt
William Taft
Woodrow Wilson
Warren Harding
Calvin Coolidge
Herbert Hoover
Franklin Roosevelt
Harry Truman
Dwight Eisenhower
John Kennedy
Lyndon Johnson
Richard Nixon
Gerald Ford



The Caribbean Island of ST. VINCENT (whose connections with the U.S.A. have been very close for all of the last 200 years) are commemorating the BICENTENARY OF AMERICAN INDEPENDENCE with an issue of Postage Stamps of OUTSTANDING HISTORICAL AND EDUCATIONAL INTEREST — due for release next month.

The issue consists of ten stamps (½c, 1c, 1½c, 5c, 10c, 25c, 35c, 45c, \$1 and \$2). The first nine values each show the portraits of four Presidents of the U.S.A., from George Washington to Richard Nixon, while the top value shows President Ford and the White House. THUS, IN A SINGLE SET OF 10 STAMPS, ALL 37 PRESIDENTS ARE PORTRAYED TOGETHER WITH THEIR DATES OF OFFICE.

Each separate value is printed in attractive sheets of 10 stamps with decorative borders and descriptive labels, showing the Capitol, the Lincoln Memorial, Mount Vernon, the Liberty Bell, etc. and in addition, there is a SPECIAL SOUVENIR SHEET incorporating in a single sheet, one copy of each of the ten stamps, also with descriptive labels.

Primarily for the benefit of American collectors (but of equal interest to those in Britain and elsewhere) a LIMITED EDITION of a MOST BEAUTIFUL PRESENTATION PACK has been prepared by the St. Vincent Post Office. This pack includes a map, portraits of George Washington and King George III, a facsimile copy of the Declaration of Independence, a brief history of the War of Independence in so far as it affected St. Vincent and details of all the Presidents. It contains the set of ten stamps, each in complete sheets of ten and also a souvenir sheet.

The design for special FIRST DAY COVERS includes a fine illustration of the famous Liberty Bell.

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BLOCK LETTERS PLEASE

Gerald Wareham
...by St John using a
...a flail—a piece of chain
...two wooden handles—
...was trying to detain the
...sed my truncheon in an
...to stop the attack with
...realising that as long
...on to the woman the
...ould remain and I had
...called for assistance.
...large crowd gathered in a
...but no one came to my
...d in fact people were
...ng at me to leave the man
...Pc Wareham, praised in
...for his courage, was off
...for 10 days and on light
...for several months.