



EAST AFR. PROT
44978

C.O
44978
REC'D
SEP 15

Governor
Belfield 641

ENEMY FIRMS

1915
25th August

Confirms telegram of 25th August and regrets delay. Attaches memo. by Mr Barth showing action taken. Mr N.B. Cox, the Controller selected, is carrying on the work pending the arrival of the Official Liquidator.

last previous Paper.

Res
4009-8

Mr. ~~Barth~~ Sir G. Fiddes
Hansing Oswald & the
africana, also have
houses in Zbar which
are heavily in credit.
If the E.A.P. branches
show a deficit we might
consider pooling the assets
but I am afraid they
won't. Still? we should
find this out -

The ju speaks of a possible
sale of the E.A. Trading
Co's goodwill & assets
to the firms creditors

Mr. G. Cox 28 Oct 15 46524.15
Mr. and Mrs. 799-ans 30 Oct 15
Copy to Mr. Barth 30 Oct 15
Copy to Mr. Cox 31 Jan 16
Copy to Mr. Fiddes 31 Jan 16
Copy to Mr. G. Cox 31 Jan 16
Copy to Mr. G. Cox 31 Jan 16

subsequent Paper.

Res
46024

This would of course be
contrary to our general
policy. But it might be
possible to make an
exception - before de-
ciding however we
must find out more
exactly how the affairs
of the E.A.P. branch
stand. I can't help thinking
that a compulsory sale
to creditors might pre-
judice the chance of the
purchasing creditors of
recovering from the German
E.A. branch after the war.

? Perhaps pointing out
as above with
regard to the E.A.
Trading Co.
and asking for an
approximate estimate
of the assets & liabilities
of the enemy firms
distinguishing in
the case of liabilities

We will
the
this
6072

Domicile of the
creditors.

571

Ch. 23/10/15

H. J. R.
26/12/15

alone
Dec. 26. 10.

Rooms

C.O.
44978

REC^d
GOVERNMENT HOUSE
NAIROBI.

76 SEP 15

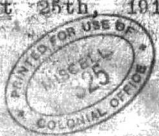
ST. AFRICA PROTECTORATE.

BRITISH EAST AFRICA.

No. 641.

August 25th, 1915.

6504-14



572

Sir,

With reference to your telegram of the 1st ultimo, I have the honour to confirm my telegram of to-day's date giving the names of enemy firms closed down and under supervision and to express my regret that owing to great pressure of work both in the Attorney General's office and the Secretariat the report for which you asked was not furnished at an earlier date.

2. I attach a copy of a memorandum by Mr. Barth showing the action which has been taken. The appointment referred to in paragraph 5 was made final by the High Court on the 6th instant and Mr. N.E. Cox, the Controller selected, is carrying on the work pending the arrival of the Official Liquidator.

I have the honour to be,
Sir,
Your humble, obedient servant,

A. Lawson Bayfield

GOVERNOR.

THE RIGHT HONOURABLE
ANDREW DONALD LAW, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,

dlg
29/8/15
30/2/15
Memorandum

INCLOSURE

In. Dispatch No. 64/1st August 25 1915

258/15

August 4th 1916.

• The Hon: Chief Secretary,

Reference No. S. 10471.

re Enemy Firms.

Enemy firms were, at first, not interfered with beyond interning all Enemy subjects managing or employed by such firms, and exercising a general supervision to safeguard against transactions in the nature of trading with the Enemy.

2. The majority of the firms were carried on by Indian and German brokers acting under Powers of Attorney granted by the local German managers. The exception being the West Deutsche Handels und Plantagen Gesellschaft (Westplant) and Messrs Shauer and Vetter. The manager of the former left without granting anyone a power to act but has subsequently granted a local firm of lawyers a power to collect outstandings and satisfy local creditors of the firm. The latter firm was closed soon after the outbreak of hostilities by the Military Authorities.

3. The premises of both the firms mentioned in paragraph (2) have been occupied by Government and care has been taken of the stock a good deal of which in the case of Westplant has been requisitioned for Military purposes.

4. Owing to some resentment felt by non-English European traders in Mombasa at the conduct of the business by Indian and Goanese brokers of the following firms:-

- Hansing and Company
- O'Swald and Company
- Africana Handels Gesellschaft
- Strathmann and Joachim
- Alois Schweiger and Company

and a fear that some violence might be attempted similar to that effected in London and Johannesburg the above firms were closed on the 2nd ultimo.

5. On the 23rd ultimo applications were made to the High Court under the Trading with the Enemy Ordinance, 1915, Section 4, for a controller to be appointed for the above five firms and for Westplant. Such applications were granted ad interim subject in each case to the firm showing cause why such order should not be made absolute. The final hearing of the applications is fixed for the 6th instant.

6. Owing to the perishable nature of some of the stock kept by the above firms and the danger of destruction from damp, white ants and other concomitants of the tropics it was considered advisable that the above action should be taken as a step towards the final liquidation of the firms.

7. There remain at Mombasa beside the firms mentioned two firms i.e. the East African Trading Company and Messrs. Max Klein whose actions have not been interfered with. The East African Trading Company which is in fact a partnership of two Austrian subjects, Messrs. Marcus and Levy is largely indebted to the National Bank

of India and to Messrs. David Sassoon of London and so far as one can tell by the documents submitted they are insolvent in this country, most of their assets being in German East Africa. It is, therefore, inadvisable to take any sudden step towards liquidating this firm, without at the same time seriously injuring British creditors. The firm has, I am informed, no branch outside East Africa. I have suggested to the Bank and to Messrs. Sassoon's correspondent, who is keeping some sort of control over the firm that the best scheme is for the creditors to take over the firm from whomever may ultimately be appointed to liquidate it provided there is some safeguard that the business will not be handed back to its original owners after the conclusion of hostilities.

8. Messrs. Max Klein's agent has produced proof that Mr. Max Klein is a naturalised American subject it is, therefore, necessary to deal somewhat cautiously with this business.

9. In Nairobi Messrs. Chas. Meyer and Company are at present being supervised by Messrs. Gill and Johnson and regular balance sheets are returned.

10. At Lamu Messrs. Denhardt and Company has practically ceased business.

11. In view of the apparent intention of the Secretary of State and the course of conduct pursued in West African Colonies and Protectorates it is proposed to introduce legislation giving power to liquidate all enemy firms and to proceed to such liquidation as speedily as possible.

53 J. W. BARTH
ATTORNEY GENERAL.
B.

Gov. 44978/415

Exp.

573

655-12



Draft

Exp

799

W. H. H. H. H.

Sir,

I have the honour to
ack. the receipt of your
dear No. 661 of the 25th of
Aug. on the subject of
the liquidation of enemy
firms in the W.I.

27/10/15
27-10-15
27-10-15
28/

(40734)

You will have seen from
2. my tel. of the 11th of Sept. that the
suggestion that the

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goods & assets of
the East India Trading
Co. should be sold
to the creditors of the
firm I have to declare
that this course would
be contrary to the
general policy of the
W.I. C. O. and
the Govt.

Gov. 44978/1415

Exp.

575

655-12

30 Oct 1915



Sir,

I have the honor to
ack. the receipt of your
dear No. 641 of the 25th of
Aug. on the subject of
the liquidation of enemy
firms in the East.

You will have seen from
2. ~~with~~ regard to the
my tel. of the 11th of Sept. that the
suggestion that the
goods + assets of
the East Africa Trading
Co. should be sold
to the creditors of the
firm I have to declare
that this course would
be contrary to the
general policy, ^{of the Gov.} and that

Exp.
No 799

Noted/Expid.

11/10/15

Monday 27.10.15

Tuesday 27.10.15

Wed 28/10

(40734)

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