

KENYA
49994

49994
P
R
E
S
S
O
C
T
20

RICHARD S.H.

1920
OCTOBER

POWELL WOOD PROCESS

States terms on which he is prepared to go out to Kenya to conduct experiment.

previous Paper.

43887

Mr. H. Read

Re Jaffin's note of the discussion
of the 50095.

In this letter Mr. Putchard
proposes that for the use of the
experimental plant & his services,
we should

- (a) If a commercial plant is
finally decided on,
buy £5000 for the patent rights
and give a royalty of \$4 a ton
cubic foot.

In 22006 the patent rights were
for £2000. On the other
hand the royalty was

estimated was of a higher
which seems to me to be very reasonable

gov. del. com. 14 Oct '20
Send to Oct '20

based on Paper.

MA
50096

more than 4" - a cubic foot

[For illustration, a shape 5'6" x 7'4"

would be slightly less than 3 cubic feet]

(b). Pay Dr. Pritchard (for running the experimental plant) £1200 per

month till the big plant is established

and no matter how long it

it costs 200,000 c.f. a year

(and if course pay for extra experimental

plant - cost that by Dr. Pritchard

at £1000 a - and the cost of

If it were decided not to go on for the

process on a large scale we should

have no obligation under (a) under

(b) - as Dr. Pritchard pays it - but

to finance him off at £1000 per month

perhaps he doesn't mean that.

his money he would use as well, in

addition, in most out-of-pocket matters,

the air is
concerned
it doesn't
transmit
any sound
except the

to the experimental plant, saying that

it would probably cost about £1000

more; that with the money for interest to

use it would mean about £1000

per year; and that in addition there

would be contingent commitments in the

course of the commercial use of the process.

C. G. 12.10.20

J. G. R.

at once.

J. G. R.

12/10/20

49994

135

Rec'd
11 OCT 20

Dulworthton

H. Haron.

9th October 1920.

The Under-Secretary
for the Colonies,
Colonial Office,
NEWING STREET S.W.1.

Sir:-

You will remember that it was arranged at the Conference held on the 7th instant, that I should forward to you the terms on which I should be prepared to go out to Kenya Colony to demonstrate what could be achieved by the Powell Wood Process in respect of local timbers for local purposes.

A further point was raised regarding the terms upon which the Syndicate owning that Process would sell its East Africa Patent Rights to the Government of Kenya Colony.

I have now interviewed the Board of the Powell Syndicate and have procured their consent to the establishment in the first place of an Experimental Plant, though, that arrangement differs widely from the expected establishment of a Plant of a minimum capacity of 200,000 cubic feet as stipulated in my offer to the Crown Agents about March 1919.

The syndicate and I had always reckoned on royalties after some six months of testing and demonstration work. If I am to go out in, say, five month's time, with an Experimental Plant and the Kenya Authorities keep me working on a small scale for 12 months, it is clear that a commercial-sized Plant would not be ordered for 12 months, more or less, from now. Further, when the larger Plant is ordered, there will also inevitably be a delay in

constructing and freighting it to Mombassa of some nine months, so that it will be over two years from today before any Royalties accrue to the Syndicate and myself. With the time already lost, then, we shall have had to wait for quite four years for any revenue from the date of my first bringing my proposals to the notice of the Colonial Office. That is a large slice out of a Patent-life of 14 years, and I take it that, in the event of the Kenya Government entering into an Agreement, this lost time will be made good.

I stipulated, therefore, on Thursday afternoon that, in the circumstances, I should not be bound by the terms I offered to the Crown Agents as late as 1919.

It seems to me to be only fair to the Powell Syndicate when, to state the terms on which they are prepared to face a further very considerable delay:

(1) A Contract shall be entered into under which (quite apart from the life of the Patent-Rights, now just under 7 1/2 years) Royalties shall be payable to the Powell Wood Syndicate and myself for a period of 14 years from the first day on which a plant of 200,000 cubic feet capacity has given its full proportion of that output. A provisional contract on these lines to be procured as soon as possible from Kenya Colony and handed to the Syndicate.

(2) That if and when the Commercial-sized Plant is definitely ordered, the Syndicate and I shall receive a cash consideration of £8,000, in return for which sum, the Patent Rights shall be handed over to the Government of Kenya, or to the nominee of that Government.

(3) The Royalties referred to in (1) shall be at the rate of 4s. per cubic foot. If the Kenya Colony license any other individuals or firms as users of the Powell Process, then such individuals or firms shall pay us (through the Kenya Government) 4s. per cubic foot, in addition to any Royalty payable to the Government as owners of the Patent Rights.

As regards myself; I have made it clear to Sir Edward Northey and to Mr. Bottomley, and I again disclosed the fact to Colonel Amery on the 7th instant, that I have the permission of the Board of the Powell Syndicate to accept commissions from any third party as they themselves are admittedly unable to recompense me adequately for work done.

I think it is only right again to draw attention to the fact that I am receiving some consideration from the Syndicate and that consideration is covered by clauses 2 and 3^a above. Nothing more is asked on my behalf of the Kenya Government, except a salary sufficient to enable me to keep my family at Home, and myself, for two years, more or less, in Kenya Colony.

The suggestion on Thursday that I should go to Kenya Colony came as a complete surprise to me. I had regarded the Powell Process as finished with so far as Kenya was concerned, and as you know, the proposal I wanted to put forward was entirely unconnected with the Powell Process.

With regard to salary, I ask for remuneration at the rate of £1,200 per annum, the monthly payments to commence from the date of acceptance of that figure by the Kenya Government and to continue until the large Plant is erected and Royalties become payable on a minimum output of 200,000 cubic feet per annum.

I desire to point out the necessity for paying me a

C.A.H.

salary arises only out of the fact that you are not yet prepared to recommend the Government of Kenya Colony to erect commercial-sized plants. The proposed experimental Plant certainly gives me a welcome opportunity of showing what the Powell Process can do in relation to local timbers for local purposes, but it also enables you to satisfy yourself that, sooner or later, within the next two years, you will be justified in recommending the purchase of a Plant of considerable capacity.

I beg, therefore, that you will regard the payment to me of a salary as being in reality a form of insurance, and I submit that the amount so paid to me can be added to the capital cost of any plant subsequently ordered. This earlier expenditure would not increase the cost of such plant to any extent.

I am, Sir,

Your obedient Servant,

C. H. Pritchard.

1999

DRAFT.

C. H. Pritchard Esq

15 October 1930

MINUTE.

- Mr. Bradley 13 Oct.
- Mr. Boultonley 13/10
- Mr.
- Mr. Grindle.
- Sir H. Lambert.
- Sir H. Reid.
- Sir F. Fiddes.
- Col. Amery
- Lord Milner.

Sir,

I am very glad to see the result of your letter of the 9th of Oct reporting the terms on which you would be prepared to proceed to Kenya to conduct an experiment there with the Powell wood Process on local timber & to inform you that a further letter on the subject will be sent to you as soon as possible.

[Handwritten scribbles]

part 11.22.0

odefactor
14 October
unpremed

by
Ind

Staff tel

Law tel of 7 Sept No. 499

Governor

had to receive ^{genopies} (1000/16)

Naval

reminds ungrateful
to my tel

around 5252

1937-38

an early date
annulging ^{evadings} ⁽³⁵²²¹⁾

substantive

especially as to ^{entertainment}

in it head

plant which ^{terminology} ^{illustrated}

would ^{rough sketch} ^{cost} probably ^{fair}

have been in addition to ^{attempts}

salant of ^{unpaid} ^{parentless} for ^{under}

for

to use ^{and} ^{consequent}

commitments ⁱⁿ ^{the} ^{event} of ^{english} ^{thick}

retaining
the subject of
enquiry

commercial use of process as a

result of ^{evadings} ^{enquiry}

Invent