E. file B

DEPARTMENT OF COMMERCE

OFFICE OF THE ASSISTANT SECRETARY

WASHINGTON

April 5, 1922.

Miss Ida M. Tarbell,
120 East Nineteenth St.,
New York, N. Y.

Dear Miss Tarbell:

I have your letter of March 31, and I assure you that it is a pleasure to try to answer your questions and to give you something of the point of view of the Department of Commerce and what it is attempting to do to assist business. The Department as a whole, of course, has many diverse functions many of which are indicated by the names of the Bureaus of which the Department is composed. Lighthouses, Steamboat Inspection, Coast and Geodetic Survey, Bureau of Mines, Bureau of Fisheries, Aeronautics, etc., are all carrying on specific work in their particular fields which are outside the type of questions which you ask.

Your questions refer very largely to the work of the Bureau of Foreign and Domestic Commerce and chiefly to the domestic activities of that Bureau. In the foreign service we do a certain type of trade promotion work, assisting American manufacturers to find markets for their products in foreign countries, furnishing them with specific opportunities to sell goods, assisting them to find agencies abroad and advising with regard to the opportunities for their products in specific markets.

In the domestic end of the Bureau's work such activities can not be carried on for obviously it would be improper for the Government to assist one manufacturer to find markets for his products in this country, which would probably be in direct competition with another manufacturer in the same line.

What we do attempt to do in the domestic commerce work is to carry on certain types of fact-finding which cannot be undertaken by private firms or trade organizations. These studies are, in almost every instance, undertaken only at the request and with the cooperation of organized business groups. We very rarely undertake a study on our initiative and then only to carry it far enough to see if the particular facts developed would be of assistance to business. Our work in these directions in recent years has shown that there is a very definite need for some

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governmental organization which can assist business through these fact-finding studies. It very often happens that business itself, even when well organized, cannot obtain the intimate details from individual firms which are necessary for the adequate guidance of that particular industry or trade. The Department has the reputation of not divulging the figures obtained from individual concerns and, consequently, we are able to get much information which would not be given to any private organization.

You ask: To what extent the Department advises people about their chances in going into a new business? The Department does not attempt to act as a consultant to private business. We feel that this is a field which should be covered by private enterprise and that to act as a consultant would mean we should have to study very carefully the particular characteristics of a given enterprise, which would require a far larger staff than the Department has.

What we do, however, is to place before inquirers such facts as we have either from our own studies or from those which are available to us regarding a certain trade or industry. In a great majority of cases these facts speak pretty clearly for themselves, but we let the inquirer draw his own conclusions from these facts. It seems to us that any other basis would be unsafe for a governmental organization.

We do have a very great many inquiries coming to us for this kind of information. From Washington alone we answer between 15,000 and 20,000 letters a year asking for specific information of this kind regarding domestic business. The Bureau of Foreign and Domestic Commerce also has District and Cooperative Offices in a number of the more important commercial cities. These offices act as service stations for local business and are called upon for all kinds of information which will help to guide particular firms in their operations.

We have ample evidence that this kind of a service is very greatly appreciated by business firms. We are able to furnish either definite information or references to where information can be found on a large variety of subjects, which makes it possible for the small concern to have material similar to that which the big corporations can develop through their research departments.

I am not sure whether this gives you all the information which you want but if there is anything further which I can furnish you either regarding the kinds of studies which we carry on in cooperation with business or the type of information which we are able to furnish, I should be glad to give you further details.

Sincerely yours,

Julius Klein
Assistant Sec. of Commerce

Julius Klein.

I think you might be interested in the attached copy of a booklet concerning the Department of Commerce and also the Annual Report of the Bureau of Foreign and Domestic Commerce.

J.K.

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