

KER AND COMPANY - A BRITISH BUSINESS FIRM IN THE SPANISH PHILIPPINES: 1827-1898

by Don Peterson

This is the third of a four-part series on the history of four major business firms in the Spanish Philippines. This article addresses the British-owned firm of Ker and Company. The two previous articles addressed the American firms of Peele, Hubbell and Company (Peterson, 1992) and Russell, Sturgis and Company (Peterson, 1993).

HISTORICAL BACKGROUND OF THE FIRM

Ker and Company was a British-owned firm, founded in Glasgow, England, in 1823. In 1827, a branch of this firm was inaugurated by a Scotsman named Ker in Manila, and was first known as Ker, McMickling and Company. The firm was also well established in Singapore as early as 1831. In 1834, the Manila firm was known as Ker, Murray and Company. In 1848, another Scotsman by the name of Robert McMickling arrived in Manila and joined the firm. He was known to be present in Manila in 1850.

From 1827 through the 1840s, the Manila firm was referred to by a number of names, such as Ker, McMickling and Company or Ker, Murray and Company. The names undoubtedly reflected the particular business relationship at the time. However, beginning in the 1850s, the firm was commonly referred to as Ker and Company.

Initially, the firm was involved in the import of British goods into the Islands. Later, beginning in the 1870s, it developed a substantial export trade, primarily in hemp, sugar, and copra (dried coconut meat). Ker and Company exported these products primarily to England, and to a lesser extent to other countries, such as the United States. As an exporter, Ker and Company also served as a shipping agent.

Although we know little about the people who established and ran the Manila office, more is known about the Iloilo office, due to the presence of a popular Englishman by the name of Nicholas Loney. When Iloilo was opened to foreign commerce in September 1855, the British Consul in Manila appointed Nicholas Loney as Vice-Consul for Great Britain in Iloilo. At that time, Mr. Loney was a clerk for Ker and Company, in Manila. He arrived in Iloilo to assume his consular duties on July 31, 1856. He returned to the export business in 1860, when he formed a business partnership with Ker and Company called Loney, Ker and Company, in Iloilo, becoming the first British commercial firm to be established in Iloilo.

Although sugar cane was growing on the Islands at the time of their discovery, it was Nicholas Loney, through his Iloilo firm, who was largely responsible for significantly expanding its development and export, particularly on the islands of Panay and Negros. He introduced sugar cane seed from Sumatra, financed sugar production, introduced 13 iron mills for processing sugar, and exported sugar to England and other foreign countries. He was also involved in other shipping-related business ventures. As a result of Loney's investments, the Island of Negros became the foremost sugar cane producing island in the Philippines. This firm was the largest firm outside of Manila in the 1860s-1870s.

Nicholas Loney died of typhoid fever on April 22, 1869, at the age of 41. In honor of Nicholas Loney, a large marble obelisk was erected at his grave in Iloilo which bears the inscription in four languages as a token of esteem and gratitude by the people of the Philippines. Thereafter, the Iloilo firm was known as Nicholas Loney and Company, and its connection with Ker and Company probably ceased.

In the mid 1870s, the firm's name, Ker and Company, was officially established throughout the Islands, which remained as such through 1898, and into the 20th century. Also in the 1870s, branch offices were opened in Iloilo (not associated with Nicholas Loney and Company), Cebu, and Calbayog (on the Island of Samar), to handle the expanding export trade of hemp, sugar, and copra.

In 1875, the firm was an agent for Union Marine and Insurance Company of Liverpool (Manila and Iloilo offices) and Sun Fire Company (Manila and Iloilo offices). It was also the first representative on the Islands of the most important British underwriter, Lloyds of London, specifically representing Lloyds Liverpool Underwriters Association - British and Foreign Marine Insurance Company (Manila office), and Merchant shipping and Underwriters Association of Melbourne Lloyd Anduluz.

In the 1870s, and probably earlier and later, this Manila firm was known to have owned several steamers involved in inter-island trade. These steamers also carried mail. One such steamer was the LEGASPI, which was known to have carried mail between Manila and other inter-island ports in 1875. In 1880, two businessmen, R. A. Ker and T. McMickling, were known in Manila. However, their relationship to this firm is not known.

One interesting financial note about this firm is that it and other 19th century British firms on the Islands continued into the 20th century

primarily due to the presence of several British-owned banks on the Islands. The British-owned Chartered Bank of India, Australia, and China; and Shanghai Banking Corporation, favored British firms in their loan practices, and not American firms, such as Peele, Hubbell and Company; and Russell, Sturgis and Company. As a result, British firms, such as Ker and Company, survived the worldwide drop of sugar prices in the 1870s, whereas many American firms, unable to obtain sufficient credit on the Islands, went bankrupt.

POSTAL HISTORY OF THE FIRM

There is a considerable amount of surviving postal history of Ker and Company. In this article, its postal history is considered in four parts: covers (letters), forwarding agent handstamps, business handstamps, and other markings.

Letters

Letters to and from Ker and Company in Manila are known from 1834 through 1898 and later, although earlier letters should exist, since the firm was founded in Manila in 1827. Letters from this firm in Iloilo are known from the 1890s, although earlier letters should exist, since the Iloilo office was in operation as early as 1860.

FIGURE 1 is an 1854 (February 21) letter from Ker and Company in Manila to Canton, China, rated 4 pence, via the Spanish naval steamer JORGE JUAN (Don Peterson collection). The folded letter contains "prices current," a list of current prices of agricultural products exported by this Manila firm. It was a common practice at that time for Philippine firms to send monthly "prices current" to their overseas clients. This letter also has the distinction of being the only surviving letter known to have been carried on the first run of the newly-established Manila-Hong Kong packet service, which departed Manila on February 21, 1854 (Scamp, 1983).

Forwarding Agent Handstamps

Forwarding agent handstamps are known from Ker and Company in Manila from 1871 through 1879. According to Rowe (1984), a forwarding agent is a "person or firm, who undertakes to see that the goods or correspondence of another are transported without himself acting as the carrier." Correspondence carried in this manner was usually marked by a handstamp, referred to as a forwarding agent handstamp. Forwarding agent handstamps usually contain the words "forwarded by".

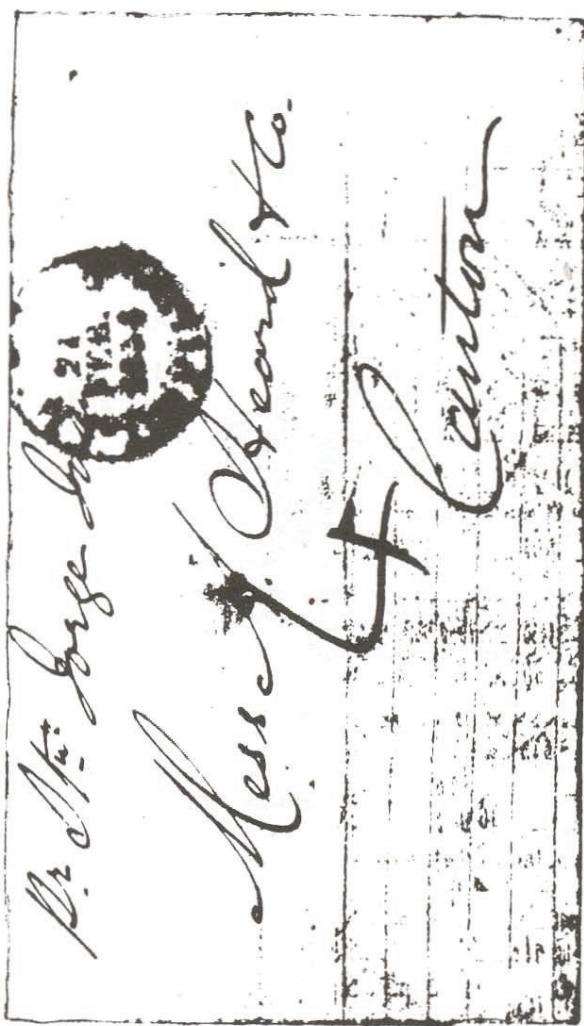


FIGURE 1. 1854 Manila-Canton, China, letter, containing "prices current" from Ker and Company. The letter, rated 4 pence, was carried via the Spanish naval steamer JORGE JUAN (Don Peterson collection).

Two different forwarding agent handstamps are known to have been used by Ker and Company in Manila. They are described as follows.

<u>Type</u>	<u>Size</u>	<u>Color</u>	<u>Period of Use</u>
1. Oval	30mm by 16mm	Black	1871
2. 3 Unframed Straight Lines	20mm	Red	1872

Type 1 was also used as a business handstamp, when applied by Ker and Company on its own mail, from 1865 through 1879 (see Business Handstamps below).

Business Handstamps

Business handstamps were commonly used by Ker and Company's Manila office on mail from 1865 through 1898; and to a lesser extent, by the Iloilo branch, from the 1890s. Business handstamps were used as a return address, for advertising purposes, or as a "control" to prevent the theft of the stamp (when applied directly over the stamp). Although business handstamps from Philippine firms can appear on either the front or back of letters, Ker and Company usually applied these handstamps to the reverse side. Occasionally, the handstamp was applied to postal, newspaper, or fiscal stamps affixed to a letter or revenue document. Many different types of business handstamps of this firm exist.

ATTACHMENT A describes and illustrates 9 known business handstamp types found on stamps, letters, and documents of Ker and Company (Peterson, 1996). FIGURE 2 is the reverse side of the 1898 Manila-Southend, England, letter (FIGURE 6) from Ker and Company, showing business handstamp Type 4 in blue-green (Don Peterson collection).

Other Markings

Several other postal-related markings are known. They are described as follows.

1. Several types of red wax seals are known from this firm used to seal letters in the 1890s. The name KER & Co. MANILA was pressed into the wax. FIGURE 2 shows an example of a wax seal from this firm.

2. A red rectangular-boxed, 67mm long, OVERLAND AT MARSEILLES handstamp was applied by Ker and Company on mail

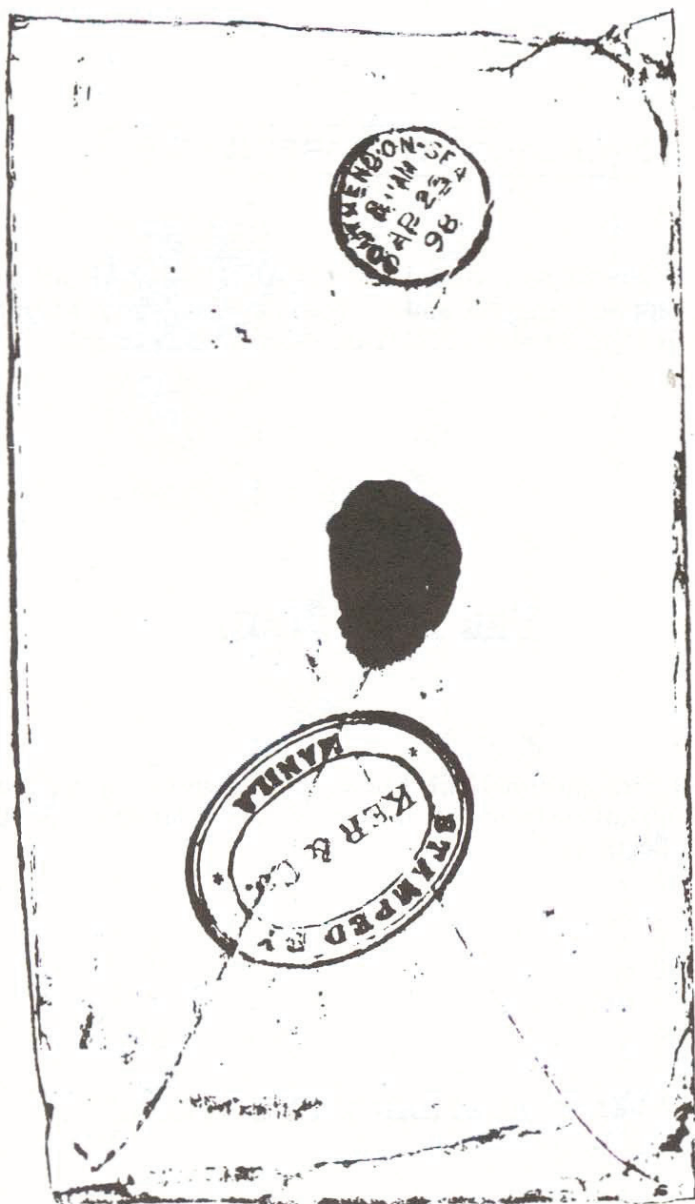


FIGURE 2. Reverse side of 1898 Manila-Southend, England, letter (FIGURE 6), from Ker and Company, showing business handstamp Type 4 in blue-green and a red wax seal (Don Peterson collection).

OVERLAND AT MARSEILLES

FIGURE 3. Rectangular-boxed OVERLAND AT MARSEILLES handstamp applied by KER and Company on mail from Manila to Europe from 1855 through 1857 (Don Peterson collection).

PER FIRST MAIL

FIGURE 4. Straight-lined PER FIRST MAIL handstamp applied by Ker and Company on its mail from the late 1880s through 1898 (Don Peterson collection).

VIA SINGAPORE Y MARSELLA

FIGURE 5. Straight-lined VIA SINGAPORE Y MARSELLA handstamp applied by Ker and Company on its mail from the late 1880s through 1898 (Don Peterson collection).

VIA SINGAPORE

POST



Mr. G. Williams,

6 Langthorne Terrace,
Abbeywood Lane Road,
Southend
Essex.

Figure 6

from Manila to Europe from 1855 through 1857 to indicate routing (FIGURE 3).

3. From the late 1880s through 1898, the straight-lined handstamps PER FIRST MAIL (FIGURE 4) and VIA SINGAPORE Y MARSELLA (FIGURE 5) were applied together, or separately, on letters, and occasionally, on the affixed stamps on such letters, from the Manila and Iloilo offices of this firm. The handstamps were blue-green, purple, or blue. The VIA SINGAPORE Y MARSELLA handstamp was 66mm long, and the PER FIRST MAIL handstamp was 42mm long. It is believed that the PER FIRST MAIL handstamp was applied to mail to indicate that the letter had first priority on the next departing ship out of Manila. During this period, most of the mail with this marking was addressed to England, via Singapore.

FIGURE 6 is an 1898 Manila-Southend, England, letter, from Ker and Company, showing the 16-centavos double-weight rate and the blue-green handstamps, VIA SINGAPORE Y MARSELLA and PER FIRST MAIL (Don Peterson collection).

ATTACHMENT A

BUSINESS HANDSTAMPS TYPES OF KER AND COMPANY, MANILA AND ILOILO, 1865-1898

TYPE 1 Single-lined oval with STAMPED BY on top, KER & Co. in the center, and MANILA on the bottom. Size: 30mm by 16mm. Color: black. See discussion under Forwarding Agent Handstamps in text. Known on covers dated from 1865 through 1879. Rare.



TYPE 2 Double-lined oval in two single lines with STAMPED By on top, KER & Co in the center, and MANILA on the bottom. Lower case y in By. KER is 3mm high. Right side of inner oval is broken. Size: 38mm by 27mm. Color: blue. Known on covers dated 1893 through 1894. Scarce.



TYPE 3 Same as TYPE 2, except KER is 4mm high and right side of inner oval is complete (not broken). Size: 40mm by 28mm. Known on covers dated from 1894 through 1895. Scarce.



TYPE 4 Double-lined oval with double outer line. Same inscriptions as TYPE 2 and 3, except Y of BY is in upper case. An asterisk is on each side of oval. Fine or blurred lettering. Size: 39mm by 29mm. Color: blue, blue-green, or violet. Known on covers dated from 1895 through 1898, and into the 20th century. Scarce.



TYPE 5 Double-lined oval with double outer line. STAMPED BY on top and MANILA in the center. Although not determined, we assume KER & Co is on the bottom. An asterix is on each side of the oval. Size: not determined. Color: blue. Known on 1890s covers. Rare.



TYPE 6 Double-lined oval with double outer line. KER & Coy on top, blank in the center, and ILOILO on the bottom. Diamond on each side of the oval. Size: 38mm by 23mm. Color: black. Known in covers and revenue documents dated from 1892 through 1895. Scarce.



TYPE 7 Double-lined oval with double outer line. KER Y C.o. on top, blank in the center, and ILOILO on the bottom. Smaller oval than previous types. No diamond on each end of oval. Size: not determined. Color: blue or black. Known on covers from the 1890s. Rare.



TYPE 8 Double-lined oval with double outer line. ESTACION on top, KER in the center, and MANILA on the bottom. Size: not determined. Color: blue-green. Known on revenue documents from the 1890s. Rare.

No
illustration
available.

TYPE 9 Double-lined oval in two single lines with STAMPED BY on top, KER & CA. in the center, and MANILA on the bottom. Asterix on each side of the oval. Size: 34.5mm by 21.5mm. Color: blue. Known on revenue stamps/documents of the 1890s. Rare.

No
Illustration
Available

My thanks to Dr. Goeffrey Lewis for reviewing the article and for his helpful suggestions. If anyone has any additional information about this firm and its postal history, contact Don Peterson, 7408 Alaska Ave., NW, Washington, DC 20012. The fourth part of this series on major business firms of the Spanish Philippines will feature the British-owned Smith, Bell and Company, and will be published in an upcoming issue of PPJ.

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