

THE HISTORY OF BURGESS, FRASER & CO LTD

by HUGH FRASER

SECTION 1

This narrative, which tells of the founding and expansion of the well-known general merchandise firm of Burgess, Fraser & Co Ltd, which operates throughout Taranaki and the Waikato from its headquarters in New Plymouth, is a record of spectacular success built over many years upon the courage and enterprise of its founders, two men who were no longer very young when they launched their ambitious project. They had some years of business training, they had robust health and optimistic visions, but very little else - certainly when the venture was first contemplated they had no money!

The story of how it all originated belongs to the later years of last century and as it develops it will capture some of the colourful romance of those times. It begins with the birth of a boy in 1847 in a raw, snow covered village in Nova Scotia, while about the same time, but 13,000 miles away in Auckland, New Zealand, another boy was born. They were destined in the years ahead to meet in Auckland, to become neighbours and close friends. The boy from Nova Scotia was Murdoch Fraser and his friend in Auckland was Charles Burgess, and they were the founders of Burgess, Fraser and Co.

How chance played its part and they came to meet is a story in itself. It was Murdoch Fraser, at the early age of 14 or 15 years, who took his first step which brought him into contact with Charles Burgess. Murdoch Fraser, like most children of the early settlers in New Zealand, had what would be considered today a hard life in a grim world, but it was full of adventure.

His parents, driven from Scotland by famine and unemployment, emigrated in a party of brave Scots to Nova Scotia. There they found life just as grim as in Scotland so, building and manning their own ships, they sailed away to find greener pastures in the New World. This is not the place to recall that adventurous and thrilling saga - suffice to say that after many setbacks they arrived safely at Waipu, in Northland. There Murdoch Fraser grew up a sturdy lad, but there was not much future in sight because Waipu

was not then the centre of the rich agricultural country that Northland is today.

But young Murdoch Fraser and some of his friends were hearing tales of a big city far away called Auckland. It was a challenge to many Waipu youths and it became a familiar story of those days - how they set out over the muddy track crossing the Brynderwyn range of hills to the nearest township, Maungaturoto, many miles away, cutting scrub and doing other odd jobs for settlers in order to make a few shillings to help them on their way.

And it was here in this northern township that Murdoch Fraser had his first piece of luck and took the first step which was to bring him into contact with Charles Burgess. The local storekeeper offered him a job at four or five shillings a week and he readily went to work. More luck was to come. He became friendly with a young commercial traveller from Auckland but it soon transpired that this man was more than a traveller - he was a partner in one of the leading wholesale grocery firms in Auckland, Heather, Robertson and Co, and one day he offered to take the boy to Auckland and employ him in his firm. Murdoch readily accepted, moved to Auckland and started work in what he afterwards described as "a really big warehouse". There he met and became friendly with a young accountant - his name was Charles Burgess.

It is interesting to digress here to tell that many years later, when the firm of Burgess, Fraser and Co had been firmly established, when its founders had died, and the firm was in the control of Mr Gordon Fraser, the eldest son of Murdoch, and Mr Sidney Burgess, a nephew of Charles, they made an unsuccessful bid to take over the firm of Heather, Robertson and Co, then one of Auckland's largest mercantile firms. There might have been some sentiment in the move, but as they were two very progressive businessmen it is more likely that they wanted to share in the prosperity of the growing city of Auckland. However, when it appeared that the deal would be completed there was an eleventh hour hitch - it was revealed that one of the most lucrative agencies held by Heather, Robertson and Co, the chief agency for passengers and freight of the Cunard Shipping Line and its subsidiary, the Port Line, had already been transferred to another Auckland firm and therefore was not included in the take-over. The negotiations were therefore broken off and subsequently Heather, Robertson and Co ceased to operate. It is a pity the move failed - two old boys, Murdoch and Charles, wherever they are, would have been pleased!

So we now come to the period - the eighties of last century - when Murdoch

Fraser and Charles Burgess worked together, both married, lived in the same suburb (Devonport), and travelled daily to the city in the old ferry boats. It was on these trips when, month after month, they talked of the day when they could have their own business. They lost no opportunity to learn and become well equipped for such a venture - Mr Burgess was now a qualified accountant and Mr Fraser was an energetic and popular salesman. They had imagination and courage but they lacked the chief essential for the enterprise - they had insufficient money.

Here Mr Burgess seemed to be the best prospect because he did not have a family and had been able, despite a small salary, to make some savings. Mr Fraser, also on a small salary, was no help because he had to shelter and nourish a large family. But one day he said he had a plan, and, brushing aside the doubts of a more conservative partner-to-be, he went ahead. He had married a nineteen-year old Scottish girl who had come to New Zealand with an unmarried brother, a young clergyman, and she had left in far-away Scotland an older brother who was a successful lawyer. What Mr Fraser said to his brother-in-law in Scotland is not recorded, but he must have convinced him of the integrity and ability of two budding merchants because his brother-in-law agreed to lend to them, without security, the sum of two hundred pounds. It was a lot of money in those days but was it enough to justify giving up secure positions to launch an ambitious business venture? However, with this two hundred pounds added to the savings of Mr Burgess, they took the plunge! In the years ahead they paid back every penny, plus interest, to their Scottish benefactor. Let it never be said that the Scot is a hard and cautious man, because many years later, when the young firm of Burgess, Fraser and Co, faced collapse because of lack of finance, another Scot, a banker, came to the rescue, and helped them on the road to better times.

Having reached the decision to form a partnership and establish a wholesale grocery business there was never any doubt where they would go - it would be New Plymouth. Mr Fraser had earlier seen the prospects there when he made regular trips to Taranaki as a senior traveller for Heather, Robertson and Co, and found that there was no firm in North Taranaki dealing exclusively in groceries. The only one in the whole province was that established in Hawera by Levin and Co, of Wellington. Other Wellington and Auckland firms were for a time content to send travellers to Taranaki and ship their orders through Patea and New Plymouth. In the years ahead Hawera and, to a lesser extent, New Plymouth, were to see other southern firms establish branches,

and, riding comfortably on its earlier progress Burgess, Fraser and Co moved to Hawera. We will hear more of this later; now it is the period 1890-91 that marks the start of the operations of Burgess, Fraser and Co in New Plymouth.

To have left secure employment to embark on this venture with such slender financial resources must have required great courage, especially for Mr Fraser, with a young family of five children. Mr Burgess had no children so he could face the future with less anxiety. New Plymouth was familiar ground for Mr Fraser so it fell to him to take the first steps by going there to find premises in which to launch their business. The building chosen would have to be leased; there was no money to buy. The choice was a far from imposing and old building comprising a basement and a floor above, situated at the corner of Devon Street and Currie Street where the ANZ Bank now stands.

Back in Auckland Mr Fraser set about the purchase and shipment of merchandise, a task in which one would not look for adventure, yet it came.

The goods were bought and paid for and transported to Onehunga, but they had not been insured for the good reason that after all charges had been met there was not enough money to pay the insurance. Mr Burgess, always a strict custodian of financial operations, refused to borrow money to pay the insurance bill so he, with Mr Fraser, took the only alternative - they would travel from Onehunga to New Plymouth with their precious merchandise - all their worldly possessions.

Arriving at Onehunga they looked in vain for one of the small but comfortable steamers which maintained a regular passage and cargo service between Onehunga and New Plymouth. The only craft in sight was an auxiliary scow, one of the fleet built to trade out of Auckland and Onehunga to the northern ports, sturdy and very suitable for the carriage of goods and farm animals, but certainly not designed for passengers. But this scow was to have two passengers that day - Mr Burgess and Mr Fraser.

The trip was a nightmare - the notorious Manukau bar was in a violent mood and the scow tossed and rolled, shipping seas which swept over everything and penetrated the passengers' "cabin". This "cabin" was simply a corner of the hold in which two bunks had been built and there, after sharing a meal with the friendly skipper and his crew and accepting from the skipper oilskin coats, the passengers "turned in, boots and all", as one recalled later. The trip down the coast continued to be rough and stormy and they arrived at

New Plymouth in heavy rain and a bitterly cold mountain wind - not a happy omen, but a false one, as was to be revealed in the years ahead.

On previous visits to New Plymouth Mr Fraser had recruited a small staff, which duly assembled to greet the arrival of the principals and arrange for the transfer of their merchandise into the store. There was no ceremony, it was just a day's hard work, for tomorrow they were to be open for business. The actual date is not clear as the early records were lost in a fire which destroyed the second premises occupied by the firm, but it was most likely to have been toward the end of 1891.

The original staff was headed by the two founders of the company. Mr Burgess was the accountant and responsible for the control of the slender financial resources of the firm, while Mr Fraser was the buyer and the one and only traveller. Mr Burgess had as his assistant the eldest daughter of Mr Fraser, and Mr Fraser chose for his assistant a bright young lad by the name of Tom Shaw who became in subsequent years one of the most valuable members of the staff. The head storeman, to give him a title somewhat higher than his task, was brought from Auckland where he had had several years' experience in the grocery trade. He was Mr Dick White, and, like Mr Shaw, he remained with the firm for many years. Another original member of the staff was Mr Bill Hughes who had the imposing title of head (the one and only) of the delivery department. There were several applicants for the job and the story was that Bill Hughes got it because he owned a cart and horse - essential but somewhat rare equipment in those days, and it gave him something approaching special status. He remained with the firm long after the coming of motor transport, being employed in the despatch department. Two boys engaged on a part-time basis competed the staff.

The two principals were men of different temperament yet overall they blended successfully in partnership. Mr Burgess took overall control of finance and administration almost to the end of his life and, no doubt based on his early training, was often to reveal a more cautious approach to progress than his partner. Of a genial nature, which enabled him to make friends easily, and with his knowledge of the trade, Mr Fraser was well equipped to take his share of the undertaking and so he went "on the road", the term used to describe the "travellers" who went abroad to sell their wares. And, based on his knowledge of what he could sell, Mr Fraser also became the firm's buyer.

Six days a week (there was no thought of a 40-hour week in those days) Mr Fraser boarded the morning train (the luxury of a motor-car was in the distant

future) for Inglewood, Midhurst, Stratford, Eltham, Hawera or Manaia, spending a day in each town. He made many life-long friends and he generally returned with well-filled order books.

If that sounds like a week of hard work, and it mostly was, it was luxury compared with Mr Fraser's next move, his venture "down the coast" as it was called. This took him to Opunake, with stops at the smaller settlements on the way. Here there was no Wellington express to speed him on his way - the choice of transport was a horse to ride or an uncomfortable contraption which bore the flattering description of a coach. There were no tar-sealed roads; most of the route was not even metalled, so one can imagine their condition in winter. The coaches frequently broke down, usually choosing isolated places to "call it a day". It was as well that Mr Fraser was a man of robust health. He could tell many stories of uncomfortable experiences but he carried on for many years until younger men took over.

It was during these years that Mr Fraser made many friends with the Maoris, particularly those "down the coast". He was very interested in the history of the Maoris and taught himself to speak their language fluently. There was scope for mutual trading with the Maoris in those days and the great majority always paid up on the due day which could not be said of all the pakeha customers.

Almost from its inception the young business prospered in spite of strong competition from outside firms, particularly those in Wellington shipping their supplies through Patea to their South Taranaki customers. Nevertheless, plenty of orders were being brought in by Mr Fraser, but the size of the orders was not being matched by the amount of cash being received. Mr Fraser was happy with the results of his almost endless travelling and he had every reason to be, but Mr Burgess was a very worried man. He broke the news to his partner that they had been struggling along with the help of a bank overdraft, but as that had been exceeded (it was slightly over two hundred pounds) the bank refused to extend it. "How could they carry on?" asked Mr Burgess, but Mr Fraser took a more optimistic view. His solution was that they must have larger premises to carry more stock to sell. "How?" asked Mr Burgess. "We will change our bankers," replied Mr Fraser, and this they did.

The new banker Mr N K MacDiamid chosen by Mr Fraser was, like himself, a Scot and his bank was the Bank of New South Wales. He guided the firm over all its financial problems to secure a larger warehouse and to expand its

business. That Scot bank manager did two good turns that day. He saved a promising business from "going to the wall" and he brought a lot of business to his bank, as the firm is still a valued customer and many of Mr Fraser's descendants have banked with the Wales for years.

With the financial clouds dispersed the firm made its first move, this time to leased premises at the corner of Brougham Street and St Aubyn Street, next to where the Royal Hotel now stands. It was a two-storey building with adequate space for merchandise on both floors, with ample office accommodation on the ground floor, and the staff was increased. So brisk was business at this time (about 1902) that Mr Fraser had with him "on the road" two assistants, Tom Shaw and Frank Pinson (both to have long service with the firm), while to the office came, among others, a youth of 17 and a girl about the same age. The youth was Mr Gordon Fraser, Murdoch's eldest son, who eventually became a director and chairman and was the most dynamic force in the business until his retirement shortly before his death in 1958. The "girl", now in her early nineties, is alive, bright and hearty in her home in New Plymouth - she is Mrs Dora Reid, the oldest surviving former employee of the firm.

This was early in the new century and the outlook was promising. But soon disaster struck the firm in the form of a major fire which destroyed building and stock, and once again a new site had to be found. It was back to Currie Street, but not the original site. A larger corner section on Currie Street and Gill Street was purchased and here was erected the first three-storeyed brick warehouse in New Plymouth, a building which was described at the time as the town's first skyscraper! Currie Street must have had some particular attraction to merchants in the early years of the century because three other well-known firms opened branches there. They were J H Cock and Co, from Nelson, and L D Nathan and Co, from Auckland, both in the grocery trade, and Sargood, Son and Ewen, in the soft goods trade. All have long since ceased to trade in New Plymouth.

In the meantime the disruption caused by the fire had led Burgess, Fraser and Co, to expand a small branch which it had opened at Waitara because, strange as it might appear today, there was a feeling in some quarters that Waitara, rather than New Plymouth, would be the principal port of Taranaki.

Why Waitara, one may ask. Well, in those days, back in the late nineties and the early years of the present century, Waitara was a prosperous export port and there were many who predicted that it would become the principal

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city in Taranaki. Very few, if any, in those days visualised the Port of Taranaki, at New Plymouth, as it is today. But the meat and dairying industries had been developed and were expanding and so Taranaki had to utilise its two river ports - Waitara mostly for the export of meat and Patea for dairy produce. At Waitara the ships anchored off the port and cargoes were loaded from barges, while from Patea dairy produce was shipped to Wellington. And so it came about that Burgess, Fraser and Co, had to finance the building of what was then a large warehouse on the waterfront at Waitara and cater for the needs of a rapidly growing and prosperous centre.

But the dream of "the city" of Waitara dissolved as the roadstead loading of ships became too expensive and often precarious and the vision of today's Port Taranaki came nearer. And with the change came the closing of the first branch of Burgess, Fraser and Co, but not before it had made a substantial contribution to the resources of the business.

It is surprising to recall that for many years there was considerable opposition in South Taranaki to the plan to develop New Plymouth as an export port to be used by overseas ships. The dairy companies declared that they would always ship their butter and cheese through Patea, to be loaded into the overseas ships at Wellington. Public meetings were held to make it clear to New Plymouth what South Taranaki thought of the project and at one of these meetings a leading citizen was reported to have declared: "If Mr Newton King (the leading advocate of the port) and his friends try to have a big ship berthed at New Plymouth the best thing that can happen is that it should pile up on the beach, and that will be the end of their fantastic scheme." How Mr Newton King and his many supporters have been proved right is a well known story that does not belong here.

Back in New Plymouth rapid progress had been made with the "skyscraper" for Burgess, Fraser and Co, and the new century had not advanced far when the building was opened. The partners had come a long way since the day they had arrived in New Plymouth from Onehunga in a scow! With faith and vision they had surmounted many difficulties and had reaped success. How that success was to be exploited and expanded in future years will be told in the next part of this narrative.