WORLD WAR I IMPACTS ON CHILE’S SECURITY PRINTING PLANT DEVELOPMENT

Bill Lenarz for Blount Symposium
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This story on the development of Chile’s Security Printing Plant (TEV) mostly takes place in Santiago and London

Why London, it was three weeks from Santiago by steamship?

- It was a major center of security printing, with many competent tradesmen, and good sources of needed machines and materials.

- Chilean ambassador to England Agustin Edwards was from publishing family, interested in printing technology, and supported development of the TEV.
1913

Thomas Macdonald

Was contracted to prepare proposal for development of TEV.

The proposal submitted July 14, 1913 included cost estimates, plans for the building, needed machines and supplies, and photos of some of machines.
The proposal included purchase of three types of presses.

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>Cost (£)</th>
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</thead>
<tbody>
<tr>
<td>2</td>
<td>Taille Douce Press</td>
<td>3,500</td>
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<tr>
<td>3</td>
<td>Paynes Typographic Press</td>
<td>1,500</td>
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<tr>
<td>2</td>
<td>Waite &amp; Saville Offset Press</td>
<td>1,100</td>
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Proposal accepted and Thomas Macdonald began acting as agent to purchase equipment and supplies, contract experienced British printers for three years to train Chileans and help start plant, and contract architect to design building.

Orders began to be placed by November, 1913 including order for Taille Douce presses to John Macdonald, son of Thomas.

John had an established business in Brussels similar to his father’s and had an arrangement with Hoe & Co. in London to build Taille Douce presses following a French design said to be the best available for security printing. He and his Belgian wife left Belgium when the Germans invaded.

Construction of the TEV building was well along and British printers started arriving in Santiago, August, 1914 just after start of World War I.
Development of the plant continued during the War, but not without problems necessitating considerable communication among Ignacio Ugarte, TEV director located in Santiago; Edwards and the London Embassy staff; and Thomas Macdonald and sons.

Ugarte was not a printer, but was a very determined manager on top of the problems at the plant and did not hesitate to nag the others until the problems were solved.

The rest of the talk will cover the problems and how Ugarte, Edwards, and the Macdonalds coped with them.
WAR RELATED COST INCREASES

Each year, anticipated needs and costs were estimated for the next year and orders placed as soon as feasible. Sometimes more than anticipated needs were purchased. Paper represented 37% of annual costs estimated by Thomas Macdonald in his proposal.

The policy of sometimes buying more than needed paid off in 1917 when paper costs increased 50% but not much was needed because of previous large purchases.

Roller composition cost increased because England prohibited its export and it was necessary to obtain it in US.

Shipping costs increased 30% faster than supplies and equipment between 1915 and 1918 even though England instituted restrictions on such increases.
Export Permits and Restrictions

September 16, 1916 Order placed for ink and sundries.

October 10, 1916 Embassy submitted export permit forms.

October 30, 1916 Roller composition request refused others OK.
Loss of Workers and Factory Production to War Service

Translation from 3/23/1916 letter by Edwards to Ugarte: “You can’t imagine the strong efforts I have made to Macdonald to hurry shipment of materials. But we stumble with the grave inconvenience of the war that has all the factories short of personnel. No one wants to provide a date for anything.”

Macdonald also found that some factories could not produce needed products because they were required to devote much of their capability to produce things for the war effort.
German Attacks on and British Commandeering of Merchant Vessels

The “Mexico” was damaged by a German mine March 23, 1917 while carrying material for the TEV and returned to port stern first with the goods intact. The cargo was transferred to the “Galicia” which was sunk by a German mine May 12, 1917. Insurance was collected, goods replaced, and finally shipped to Chile about end of September, 1917.
Thomas Macdonald’s son Lieutenant Robert, who was allowed to work in the office while recovering from war injuries, reported May 6, 1918 that goods “have been at Liverpool since January & although they have twice been loaded on boats, each time the ship has been commandeered by the Government & the goods restored to the wharf”. They were soon shipped.
WAR IMPACT ON TEV POSTAGE STAMP PRINTING METHODS

By 14 June 1916, the presses did not have sufficient capacity to meet all the printing demands placed on TEV, “Senor Ugarte considers that another taille-douce machine, another perforator and another lithographic machine are indispensable”.

It was not possible to ship another offset press until March 1, 1917 and taille-douce press until October, 1918, but the need was greatest for the taille-douce press. The TEV had to make do.

John Macdonald had been sent to Santiago December 1915 because of problems with two British workers sent to be technical plant manager and head of taille-douce department. They were sent back to England by Ugarte. Macdonald stayed for three years filling in for the two. He played a major role in adjustments the TEV needed to meet printing demands.
Printing Method Changes

Plan called for using Taille Douce press to print all denominations greater than 4c.

The greatest postage stamp taille-douce printing demand was for bi-colored 10c stamp, which exceeded printing needs for all other denominations combined. The TEV first issued a 10c stamp with offset frame and engraved center June, 1916.

That wasn’t enough so they issued stamps with offset center and frame March, 1917 and then with offset center and electro frame in July 1917 because demand for offset press time was too great. The TEV ordered engraving of both center and frame dies for electrotype printing from Thomas Macdonald. The dies were sent March 1918.
Concluding Remarks

There is no evidence that the War related difficulties resulted in serious stamp shortages, and the stamps were widely used.
My reading of many documents gave me favorable impressions of Ignacio Ugarte, Agustin Edwards, and Thomas and John Macdonald as they successfully coped with War related challenges. They professionally tackled the problems with little emotion expressed other than some of Ugarte’s nagging and complaining about the two British workers and need for more presses.
Addendum

It took a lot of effort by the key people to obtain the needed taille douce press.

Thomas Macdonald found that the British government required Hoe & Co. to devote most of its capabilities to the War effort. Its US facility had no experience with the press and it would have been very expensive in terms of both time and money to bring it up to speed. However the company was holding a press for the Belgium government until war ended.

Efforts through diplomatic channels by Edwards in London and Ugarte in Santiago to obtain permission for Chile to use the Belgium press, with a guarantee that it would be replaced when the war was over, failed.

A Madame J. Verschueren, apparently John Macdonald’s mother in law, wrote a letter to the Belgium Administration des Postes in Le Havre asking permission for the press to be sent to Chile and received a positive response. John’s mother in law and two sister in laws were refuges in London. The father in law Jacques Verschueren, remained in Belgium. He was a printer and apparently he was the J. Verschueren who printed the Belgium lithograph semi-postals that were issued a few days before the Germans invaded. A Macdonald, probably John, engraved and designed the stamps.