

OLYPHANT & CO.'S FAILURE.

FEARS OF DISASTROUS LOSSES TO CREDITORS.

ONE OF THE FIRST FIRMS TO GO INTO THE CHINA TRADE—PARTICULARS OF THE UNSUCCESSFUL COOLIE SPECULATIONS.

The failure of the firm of Olyphant & Co., of China, is a surprise to the mercantile community. For 50 years the firm has been looked upon as one of the best-founded business establishments having head-quarters in this City; and, although the estimates of its capital have been lessened recently by the commercial agencies, the fact was looked upon rather as a proof that it was withdrawing gradually from a trade in which profits are not so great as formerly than as an indication of financial weakness. When, therefore, toward the close of business hours on Saturday, it was reported in Wall-street that Olyphant & Co. had made an assignment, the rumor was not generally credited. A number of merchants took the trouble to call at the office, at No. 104 Wall-street, and seemed to be unwilling to be convinced that the old firm had succumbed to stress of business troubles until they had talked with the Assignee or his representative. They were all assured by those gentlemen that the creditors will not suffer through the failure. It was added, however, that the assets and liabilities of the firm will not be accurately known until advices are received from China, Australia, New-Zealand, and Peru as to the condition of the books of the firm's agencies in those countries. The facts that the Assignee does not yet know how the accounts of the firm stand, and that in the assignment preferences were given to several classes of creditors, now create a fear among business men that the failure may prove very disastrous when all the circumstances attending it are revealed. The realization or dissipation of this fear must await the proof of time. The preferred creditors are, first, Drexel, Morgan & Co.; second, the Government of the Republic of Peru; third, in stated order, the holders of notes made, or indorsed, by Olyphant & Co. to the amount of \$69,750, and, fourth, eight drafts drawn by H. Atkinson, of Lima, Peru, upon firms of this and foreign cities for \$43,830. Any other persons having claims against the suspended firm must await the liquidation of the debts mentioned in the assignment. It is not known how much, if anything, is due Drexel, Morgan & Co. and the Government of Peru. Olyphant & Co. had running accounts with these creditors, and both hold collateral of the firm that may adjust matters.

The members of the suspended firm are: William W. Parkin, George W. Talbot, Hobart Seymour Geary, and Talbot Olyphant, of this City; Tobias Pim, of Belfast, Ireland; and John F. Seaman, of Newburg. Mr. Parkin leased his house at No. 49 Fifth-avenue, last week, and left this City on Thursday. Before going he made an assignment of his individual property to Mr. Henry Rogers. It is reported by some that he has gone to Europe, and by others that he is now at New-London, Conn., where he owns a fine estate on which he and his family have lived every Summer for many years. Mr. George W. Talbot, the second member of the firm, is sick, and has not left his home, at No. 149 West Thirteenth-street, for two months. He was unable to receive visitors either on Saturday night or yesterday, and he sent word to a reporter of THE TIMES that he did not know where either Mr. Parkin or Mr. Hobart Seymour Geary, the third member of the firm, could be found. The three junior members of the firm—Messrs. Talbot Olyphant, Tobias Pim, and John F. Seaman—are in China.

The firm of Olyphant & Co. was founded in 1827 by Messrs. David W. C. Olyphant and Charles N. Talbot, who were among the pioneers in the American trade with China. Canton was then the only port in that empire open to foreigners. Business was then transacted on behalf of foreign merchants by supercargoes. These were necessarily men of great business experience and proved integrity. They had full power to dispose of the cargoes placed in their charge, and to expend the money derived from their sale in the purchase of teas, silks, mattings, and fancy articles. Messrs. Olyphant & Talbot both went to Canton as supercargoes. They saw the advantage of establishing a house there to do a commission business, thus enabling home merchants to dispense with the services of supercargoes. They put their idea into practice by forming a copartnership, and soon founded a large business. They became known in London as well as New-York, and their trade grew for 30 years. Their success drew competitors into the field. Among these competitors were the well-known houses of Augustine Heard & Co., Wetmore & Co., and Russell & Co. In the course of time lesser rivals appeared, and in such numbers that, though the proportions of the trade grew immensely, it was so divided that the individual profits derived from it became smaller and smaller. Still, Olyphant & Co. clung to its original commission business, declining to venture upon its own account in the hope of increased profits. In 1853 the old firm was changed, and Mr. Robert M. Olyphant, now Vice-President of the Delaware and Hudson Canal Company, became its head. He is the son of the founder, David W. C. Olyphant. He remained in the firm until about 10 years ago, and conducted it upon the system of his predecessors. Upon his retirement the present firm was formed, its head, Mr. Parkin being a grandson of David W. C. Olyphant. It was then decided to enlarge the scope of the business. Ventures were made on its own account by the firm at its branch houses in Canton, Hong Kong, Shanghai, and Foochow. Others were soon afterward made in the Australian and New-Zealand trade. They all proved successful, and the diminution of the profits of the commission business was less regarded than before. Then the firm became interested in the South American trade, and began to import cargoes of nitrate of soda from Peru. Success in this trade, and the "cutting" of the China trade, suggested retirement from the latter and embarkation in the former altogether, under the patronage of the Government of Peru, which controls the traffic in nitrate of soda. It is now said that the firm has been for a year or more steadily lessening its interest in China products.

About 18 months ago a new field of enterprise was opened to the firm, by a proposition from the Peruvian Government looking to the importation of a large number of coolies. A contract was made between the firm and the Government, the former agreeing to transport the coolies in comfort from China to Peru, and the latter binding itself to see that the immigrants were well treated in their new homes. Olyphant & Co. made every possible preliminary preparation for the proper performance of their part of the contract. Steamers were carefully fitted up, and sent to China, but upon their arrival there they were unable to procure cargoes. The jealousy of competitors appears to have been aroused and instigated by these rivals, the British Government seems to have induced the Chinese authorities to prevent the departure of the needed coolies to Peru. The losses thus caused to Olyphant & Co. are said to be the factors of the failure of the firm.

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