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## Reversals of Fortune in the Tea Industry

### Part XXVIII: Packet Tea Leads the Market

Illustration from *All About Tea, Volume II* by William Ukers. The Tea and Coffee Trade Journal Company, 1935.



SOME WELL-KNOWN AMERICAN PACKAGE TEA BRANDS

Only a few of the “well-known American package tea brands” of 1935, pictured above, remain today. The brands that do remain have long since been acquired by large multi-national conglomerates. Some of the brands that have disappeared completely, however, may have the most interesting history.

*Please turn to page 48.*

## Reversals of Fortune in the Tea Industry, Part XXVIII

As we noted in earlier installments of *Reversals of Fortune in the Tea Industry*, British tea production grew rapidly during the second half of the nineteenth century. Increased supply and lower shipping costs had predictable effects on the tea market throughout the world. As prices dropped, tea drinking transmuted from a rich person's luxury to an affordable, everyday staple.

The table below shows the rapid growth of tea consumption in the United Kingdom between 1768, when it was first imported as a commercial product, and 1900, by which time the population of the United Kingdom had grown from under 7 million to approximately 38 million.

Per capita consumption in the U.K. was a sizable 6.5 pounds per year by the end of the nineteenth century, and would reach over 11 pounds (yielding 2,200 cups) per year at its peak. With that level of consumption, the customary method of hand weighing and custom blending each customer's tea to their personal requirements had to yield to a more efficient concept.

Pre-packaged tea, known in the industry as *packet tea*, was first introduced by John

Horniman, who started hand packing and hand sealing lead-lined packets of unadulterated tea. Horniman's enterprise was founded in 1826 at Newport, Isle of Wight, where he packed tea in a small room above a stable.

Horniman believed his sealed packets of pure tea would be popular, but distributors initially shunned his tea. Adulteration of tea was rampant at the time, both at the source and along the distribution chain. A small (or not so small) portion of local ash tree leaves (or worse), dried and lightly roasted, could easily be blended into pure tea. This unsavory act added greatly to the distributor's profits, but Horniman's sealed packets made such adulteration impossible.

Locked out of normal distribution channels, Horniman hired peddlers to sell his tea directly to consumers. For some, Horniman's tea was the first pure tea they had ever tasted. Soon, he convinced chemists and confectioners to sell his tea. Eventually, wholesale grocers realized that the popularity of Horniman's teas could no longer be ignored. Horniman eventually moved his headquarters to London, and retired in 1868 leaving his two sons in charge of operations.

The packet tea industry really exploded in 1884, when the Mazawattee Tea Company produced a pure Ceylon packet tea, which

Year	Total British Tea Consumption (metric tons)	Origin of Imported Tea				Per-cent British Grown	Per-cent Foreign Grown
		China	(British)		(Dutch)		
			India	Ceylon	Indonesia		
1768	2,900	2,900					100.0%
1785	5,400	5,400					100.0%
1815	13,000	13,000					100.0%
1830	15,000	15,000					100.0%
1836	24,500	24,500					100.0%
1857	34,500	33,500	1,000			2.9%	97.1%
1865	48,500	47,000	1,500			3.1%	96.9%
1870	58,750	52,000	6,750			11.5%	88.5%
1875	72,100	60,500	11,600			16.1%	83.9%
1880	79,100	57,250	21,850			27.6%	72.4%
1885	91,125	56,750	32,750	1,625		37.7%	62.3%
1890	97,000	29,000	50,000	18,000		70.1%	29.9%
1900	124,750	6,500	69,000	46,250	3,000	92.4%	7.6%

Table adapted from *The House of Twining 1706 - 1956*, by Stephen H. Twining, M.B.E.

according to William Ukers, was extensively advertised and high priced. The success of the product, despite the high price, did not go unnoticed by the competition. Suddenly, there were so many imitators that for a few years there was a run on Ceylon teas. Tea packers promptly learned that packaging, promotion, and presentation held the keys to higher profits.

Many tea merchants continued to offer their customary blending service long after packet teas became the norm, but in doing so they limited their market to those that enjoyed, and could afford, the traditional personal service. Few merchants could afford to hold out forever. Even the conservative *Twinings* yielded to the packet concept by the 1930s.

Ukers states that the first packet tea to be sold in the U.S. was imported by a Baltimore firm in 1874:

Martin Gillet & Co., Inc., tea importing firm, Baltimore, was founded in 1811 by Mr. Martin Gillet. The business was incorporated in 1907. The first package tea sold in this country – cylindrical paper packets – was put up in Japan for this firm in 1874. When the packages arrived, they were dubbed “sausages,” by other tea men in this country.

The picture on the front cover of this newsletter shows a packet of Martin Gillet’s “tea sausage,” which bears the claim, “pure and free from all adulteration.” Martin Gillet & Co. was quick to point out that most bulk teas of the time contained a variety of adulterations, including coloring agents, spent tea, spurious plant matter, and frightful miscellanea. They registered the trademark, *Standard He-No Tea*, and marketed the tea throughout the western and southern states. It was not really a tea standard of any sort, as the name *He-No* was a fabrication of the company.

After several years, Martin Gillet’s tea achieved a fairly strong following. Roughly a decade after *He-No Tea* was introduced, Cornelius D. Kenny created a look-alike “tea sausage,” which he labeled *Hi-Hi Tea*. Martin Gillet sued, seeking damages for lost revenue

and trademark infringement. An injunction was placed against the sale of *Hi-Hi Tea*, and an award of damages was granted. Success was fleeting, however.

C. D. Kenny appealed, claiming that Martin Gillet was guilty of fraudulent misrepresentation of the trademarked brand *He-No Tea*, and thus trademark protection should not apply. Simply stated, lawyers for C. D. Kenny succeeded in demonstrating that *He-No Tea* was fraudulently claimed by Martin Gillet & Co. to be a pure, unadulterated China tea, enjoyed by Chinese connoisseurs.

The Court of Appeals discovered that there was no China tea, standard or otherwise, called *He-No Tea*. Rather, it was a blend of various teas, “compounded” in Baltimore by Martin Gillet & Co. The injunction was repealed, as was the award of damages.

Details of the Maryland Court of Appeals decision are well documented in the *Atlantic Reporter, Volume 17*, which covered, among other court proceedings, those of the Maryland Court of Appeals from April 3 to July 31, 1889. Less detailed, but supportive documentation can be found in *Maryland Reports: Cases Adjudged in the Court of Appeals of Maryland, Volume 70*.

The court agreed that the issue of trademark infringement was without merit since the packaging of *He-No Tea* was “calculated to deceive and mislead purchasers.” The follow-



A detailed view of the He-No Tea packet wrapper.  
From the NIH's U.S. National Library of Medicine website.

ing lengthy sentence summarizes the decision of the Maryland Court of Appeals:

The conclusion we have reached renders it unnecessary for us to decide whether appellant [C.D. Kenny] has simulated the appellees' trade-mark; for we are clearly of opinion that though he may have done so, as the Circuit Court of Baltimore decided he had done, but about which we express no opinion, still the appellees are not entitled to the relief asked for, because their trade-mark is accompanied with statements in their label so plainly calculated to deceive and mislead purchasers, that they cannot rightfully claim equitable interference.

A single dissenting judge believed that Martin Gillet & Co. had successfully argued that their brand, *He-No Tea*, was composed of pure China teas that *individually* were of the type consumed in China. He further supported the claim by Martin Gillet & Co. that the Kenny packaging was intended to divert unknowing customers to the simulated product:

A rival dealer has simulated the trademark, and packages, symbols, and devices by which their merchandise was known, and has endeavored to divert to his own benefit, by these fraudulent means, the profits which they were most justly entitled to reap from the reputation and merits of an article which was the result of their own skill and experience; and to escape from responsibility for his misconduct he charges them with attempting to deceive and defraud the public by false statements made in reference to this article.

Those interested in full details of the case are encouraged to consult the two sources mentioned above. Precisely how long *Hi-Hi Tea* and *He-No Tea* were marketed, after the Maryland Court of Appeals ruled in favor of C. D. Kenny, is unclear. Attempts to find any reference for *Hi-Hi Tea* have been unsuccessful. The death knell for *He-No Tea* came when it was finally discovered that not all of the components were tea.

It is unclear whether Martin Gillet's "tea sausages" were at any time packed in Japan, as William Ukers states. The detailed account of the appeals case of Kenny vs. Gillet mentions only a blend of various teas, represented by Martin Gillet & Co. to be pure China teas.

Perhaps this was the case at the time. But apparently at some point (if not from the start) *He-No Tea* may not have been pure tea.

The website of the *U.S. National Library of Medicine*, from which the illustration on the previous page was sourced, states:

Among the memorable seizures of tea in the nation's history, is that of He No Tea. Consisting principally of dried Kentucky bluegrass, it was certainly not a standard tea in any traditional sense, and it was seized and charged with misbranding. In court, the product was reportedly defended by a Chinese attorney, however, who argued (and lost) that the name was entirely accurate since it was "hay" and had "No Tea."

In 1947, Martin Gillet & Co. filed a U.S. federal trademark registration for *House of Lords*, a brand to be applied to tea, coffee, mayonnaise, sandwich spread, mustard, tartar sauce, pudding powder, and chocolate syrup for food purposes. After the demise of *He-No Tea*, Martin Gillet & Co. introduced *House of Lords Orange Pekoe and Pekoe Tea*. A picture of a packet of this tea appears at the upper left corner of our cover illustration.



Martin Gillet & Co. was acquired in 1999 by Ralcorp Holdings, a major producer of private label brands. Ralcorp Holdings was subsequently acquired in 2013 by ConAgra Foods.

No source for the information quoted above from the *U.S. National Library of Medicine* website was provided. As we shall see, however, Martin Gillet & Co. was not the only tea purveyor to utilize highly creative marketing strategies at the turn of the century, so...

Our series on *Reversals of Fortune in the Tea Industry* will continue this topic in the next issue of the *Upton Tea Quarterly*.