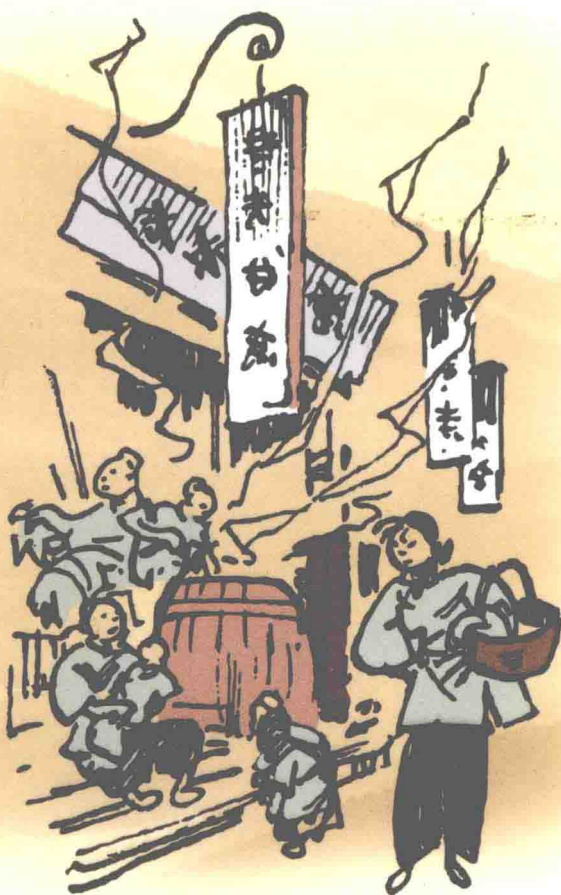


# 400 MILLION CUSTOMERS

BY CARL CROW

*With a New Foreword by Paul French*



**"Quite simply a masterpiece - if you only ever read  
one book on China then this has to be it"**

*Paul French*

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First published in 1937

Reprinted by  
Earnshaw Books  
Hong Kong 2008

EARNSHAW  
BOOKS

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ISBN-13: 978-988-17621-5-3

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*400 Million Customers* was first published in 1937.

This edition with a new foreword is reprinted by

China Economic Review Publishing (HK) Limited for Earnshaw Books

1804, 18/F New Victory House,

93-103 Wing Lok Street, Sheung Wan, Hong Kong

Series Editor: Andrew Chubb

This book has been reset in 10pt Book Antigua. Spellings and punctuations are left as in the original edition.

Carl Crow outdoor advertising billboard photo by John Cornelius, from the Fred Jewell Archive

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# Foreword

By Paul French

WHEN Hallett Abend, the veteran American journalist who was to become the longest serving *New York Times* correspondent in China arrived in Shanghai for the first time in 1926, it was a distinct letdown. As he sailed up the Huang Pu River and gazed upon the city for the first time from his porthole, all he could see were massive advertising hoardings for a famous brand of American chewing gum—he felt he might just as well have sailed up the Hudson. Fortunately, Abend got over this initial disappointment and went on to become one of the doyens of the old China press corps.

The man responsible for Abend's disappointment was probably Carl Crow, a Missouri-born journalist turned Shanghai advertising mogul, with his company Carl Crow Inc., who had the largest network of billboards in China concentrated on Shanghai and the Yangtze Valley. If you lived, visited or passed through Shanghai, the Yangtze Valley or as far away as Jiangxi, Chongqing or the Bohai Gulf between the Wars, you would have inevitably seen a Carl Crow advertising hoarding. In total he had a network of 15,000 billboard sites and they were striking, too, as the recently unearthed photograph on the back cover shows.

If you'd flipped through a magazine, read a newspaper or glanced up at your complimentary annual calendar sent by your favourite supplier in Shanghai in the 1920s or 1930s, the chances are you'd have seen examples of Carl Crow Inc.'s work. Between the Wars in China, Carl Crow Inc. wasn't the only advertising company but it was the largest, most extensive and had the most prestigious roster of clients—Buick, Ponds face cream, Colgate

toothpaste, Eastman Kodak cameras . . . to name but a few.

Carl came to Shanghai in 1911 as a newspaperman. After getting his start as a cub reporter in Missouri in the first years of the twentieth century (learning not just reporting and editing but also typesetting, selling advertising, printing and distribution on several small papers), he went on to cover the murder beat for the *Fort Worth Star-Telegram*. Then he received the call to Shanghai from fellow Missourian Thomas Millard, a man who had given up being a theatre critic in New York to report on the Boxer Rebellion (1900) and stayed on in China, becoming one of the most widely regarded and liberal China Hands in Shanghai. Millard was launching a new English language newspaper with an American slant on events to be called the *China Press*, and hired Carl as part of the founding team. After covering the 1911 nationalist revolution and the creation of the Chinese Republic, the uncertain years of Yuan Shih-kai, the start of the warlord period and terrible flooding of the Yangtze, Carl moved briefly to Japan and then back to America during World War I before resurfacing in Shanghai and launching Carl Crow Inc. in 1918.

He certainly knew where the money was in newspapers in China at the time and it wasn't in journalism. Rather, it was in advertising as Shanghai's economy boomed after the Great War on the back of strong demand for Chinese products and commodities coupled with a new and energetic consumer market among Shanghai's emerging middle class and wealthy tycoons. The agency quickly flourished – after several smaller offices, he established himself at 81 Jinkee Road (now Dianchi Lu), just off the city's landmark Bund, trading as *Ka-loo-kwang-ko-kung-sze* in Chinese.

Over the years, Crow invariably maintained a staff of about a dozen who were engaged in various activities: buying space in local newspapers and magazines across China, organising direct mail campaigns, overseeing his billboards empire and designing advertising campaigns in both English and Chinese.

He became a relatively rich man, offering a unique service to

foreign clients. He employed half a dozen crews of men to act as billposters working their way from Shanghai up the Yangtze as far as Hubei and covering 60 cities, some of which were over a thousand miles upriver from the International Settlement. The crews constantly experienced problems with local officials who demanded all manner of bribes and unofficial "taxes" for permission to post the ads.

Crow's art department was the largest in Shanghai after those operated by the Commercial Press ("The Largest Publishing House in the Orient") and British American Tobacco (BAT), whose internal art department was so large it operated out of a Pudong warehouse. At times he hired most of the best known Chinese commercial artists as well as others such as the popular White Russian cartoonist Sapajou, who was to also provide the marvellous illustrations for *400 Million Customers*. The artwork produced by Carl Crow Inc. was a blend of East and West, of the traditional and the *avant garde*, and was an essential component of the Shanghai Modern style that emerged in the entrepôt beside the Huang Pu River between the Wars.

In *400 Million Customers*, Carl is slightly coy about just how well he profited from the business. The book is a fascinating series of anecdotes detailing the problems and pitfalls of foreign business in China and he rather delights in the foolishness and naivety of the Western businessman of the time. But personally he did well in both the boom and the bust periods of the twenties and thirties. As well as getting preferential rates from old friends and colleagues in the China Coast newspaper business, Crow could also negotiate favourable rates from the Chinese press by buying in bulk. As he placed twice as many adverts in newspapers as any other agency, it was all good for his margins and his clients' budgets. The outdoor advertising business was highly profitable too. He established himself in a fine house in the International Settlement with a large car and travelled regularly throughout China. He became a man of note in Shanghai – President of the American Club, served on the board of numerous

committees and charities while also establishing a half-dozen magazines and newspapers.

All of Crow's adventures in the advertising business were eventually condensed into the book that was to make his name as a best-selling author around the world: *Four Hundred Million Customers: The Experiences – Some Happy, Some Sad of an American in China, and What They Taught Him* – first published in 1937. The original publishers, Harper & Brothers of New York, described *400 Million Customers* as a "fascinating and hilarious book, which is giving tens of thousands of readers a candid, discerning picture of our oriental neighbors". The book caught on and was reprinted in a variety of languages and editions including, later, a pocket book edition printed by the American army for soldiers stationed in Shanghai. Upon publication, the book received universal praise from the British and American press, was a Book of the Month Club choice and a Harper's magazine "Find". The Pulitzer Prize winner, Carl Van Doren, writing in the *Boston Herald*, described the book as "a feast of human nature for almost any reader"; the writer and O'Henry Prize winner Dorothy Canfield in the *Book of the Month Club News* said it was "one of the most convincing and lifelike descriptions of Chinese life we have ever had". The *London Times* stated, "No one who wants to do business in China can safely neglect it." *Newsweek* described the book as ". . . a rollicking human interest story of Chinese eccentricity and immovability".

Carl's tone in *400 Million Customers* is amusing but always observant and informative. His fascination with the advertising business had allowed him time to study the ordinary Chinese man and woman, as a consumer, a shopper and a person in a new society tempted by an ever-growing range of products and services to choose (or reject), while looking at the misconceptions foreign companies persistently held about China and Chinese consumers. He regularly described himself as an 'amateur anthropologist'. The book achieved a level of fame that meant Crow was still receiving fan mail up until his death in 1945. One

American radio announcer reviewed it as an essential read for the visitor to China and recommended anyone going to Shanghai should look up Crow. He came to dread the arrival of every passenger liner from America for a while as it brought eager readers and tourists to his office door demanding a tour of the city as promised on the wireless back home.

The book's popularity derived largely from Crow's style and wit as he seeks to explain why the seemingly boundless market of China had proved to be more a money-pit than a goldmine for so many foreign businesses. His conclusion shattered many illusions about China among companies queuing up to catch their bit of the China Dream: "No matter what you may be selling, your business in China should be enormous, if the Chinese who should buy your goods would only do so." This alone should indicate why the book remains relevant—perhaps more so today than at any time since its original publication. And so it does, revealing that while there are specifics to doing business in China in the twenty-first century, there are also a host of eternal truths that are too often overlooked, misunderstood or simply ignored in the scramble for today's 1.3 billion customers.

Carl Crow Inc. flourished from 1918 until August 1937 when war came violently to Shanghai. Carl, an early critic of Japanese expansionism in China, became a wanted man and was forced to leave Shanghai and his business. He was unable to take most of his money or possessions, lost his house and ultimately his business. Upon arriving home again on American soil after 25 years in China, *400 Million's* success allowed him to start over again with his reputation enhanced while his business had been destroyed. For the next few years, until his untimely death, he was to devote his energies to writing a string of books about China and the Chinese—including the previously republished *Foreign Devils in the Flowery Kingdom*—that sought to articulate his time in Shanghai, help America understand China and, by design rather than default, encourage American support for China in its life-or-death struggle with Japan during the Second World War.



*400 Million Customers* offers the insights of a China Hand who knew and understood more than most about his adopted city while never straying into the all-too-common (at the time) writing style of stereotypes and assumed Western superiority. In the late 1930s it was one of the most widely read books on China ever to have been published – it instantly became and remains today a true example of that most overused expression: 'a classic'.

Paul French

Shanghai

April 2008

Author of *Carl Crow – A Tough Old China Hand: The Life, Times and Adventures of an American in Shanghai*  
(Hong Kong University Press, 2006)

## Carl Crow Chronology

- 1883 - Herbert Carl Crow born in Highland, Missouri
- 1889 - Becomes apprentice printer in Missouri
- 1902 - Works as a typesetter on the *Lead Belt News* in Flat River, Missouri
- 1906 - Attends Carleton College in Northfield, Minnesota
- 1908 - Attends Missouri University for several months before joining the *Columbia-Missouri Herald*
- 1909 - Joins the staff of the *Fort Worth Star-Telegram*
- 1911 - Arrives in Shanghai to launch the *China Press* and within months is covering the fall of the Qing Dynasty and the creation of the Chinese Republic
- 1912 - Meets and becomes friends with Dr Sun Yat-sen
- 1913 - Stays in Manila researching a book before moving on to work in Tokyo on the *Japan Advertiser*; breaks the story of Japan's '21 Demands' on China
- 1916 - Buys a fruit farm in California
- 1917 - Returns to Shanghai to work for the Committee on Public Information, America's wartime propaganda organisation
- 1918 - Establishes Carl Crow Inc., a firm of "Advertising and Merchandising Agents"
- 1923 - Takes part in negotiating the release of over 300 hostages during the Lincheng Outrage
- 1927 - Mobilised into the Shanghai Special Police as a sergeant to help protect the International Settlement during the disturbances that year
- 1928 - Meets Chiang Kai-shek and Madame Chiang for the first time
- 1929 - Supported by the tycoon CV Starr, Crow founds and edits the *Shanghai Evening Post*
- 1935 - Travels to the west of China and then to Manchuria where he witnesses the excesses of the Japanese occupation of Manchuria

- 1937 - War comes to Shanghai – Black Saturday and Crow is blown out of his chair by the bomb that fell outside the Cathay Hotel; Crow is named on a list of 'Most Wanted' foreigners by the Japanese and so leaves for America after 25 years; *400 Million Customers* published
- 1938 - From his home in New York state Crow travels across America promoting *400 Million Customers* and calling for American support of China
- 1939 - Travels up the Burma Road to the wartime capital of Chongqing to report China's war effort; meets again with Chiang Kai-shek and Madame Chiang as well as Zhou En-lai; travels back to America via French Indo-China and Hanoi
- 1940 - Continues to raise money in America for medical supplies for China and openly supports the INDUSCO co-operatives movement; conducts a tour of Latin America to estimate the strength and efficiency of the Axis Powers propaganda machine
- 1941 - Pearl Harbor; Crow immediately assigned to the Far East desk of the Office of War Information working with Owen Lattimore
- 1945 - Crow dies in Manhattan, New York City on June 8

## Carl Crow Bibliography

- 1913 - *The Travelers Handbook for China*, Hwa-Mei Book Concern, Shanghai.
- 1914 - *America and the Philippines*, Doubleday, Page & Company, New York.
- 1916 - *Japan and America: A Contrast*, Robert M McBride & Company, New York.
- 1937 - *I Speak for the Chinese*, Harper & Brothers, New York.
- 1937 - *Four Hundred Million Customers*, Harper & Brothers, New York.
- 1938 - *The Chinese Are Like That*, Harper & Brothers, New York  
(Also published as *My Friends, the Chinese*, Hamish Hamilton, London)
- 1939 - *He Opened the Door of Japan*, Harper & Brothers, New York.
- 1940 - *Foreign Devils in the Flowery Kingdom*, Harper & Brothers, New York.
- 1940 - *Meet the South Americans*, Harper & Brothers, New York.
- 1940 - *Master Kung: The Story of Confucius*, Harper & Brothers, New York.
- 1942 - *Japan's Dream of World Empire: The Tanaka Memorial*, Harper & Brothers, New York.
- 1943 - *The Great American Customer*, Harper & Brothers, New York.
- 1944 - *China Takes Her Place*, Harper & Brothers, New York.
- 1945 - *The City of Flint Grows Up*, Harper & Brothers, New York.

FOUR  
HUNDRED MILLION  
CUSTOMERS

*THE EXPERIENCES – SOME HAPPY, SOME SAD  
OF AN AMERICAN IN CHINA, AND WHAT  
THEY TAUGHT HIM*

BY

CARL CROW

*Drawings by G. Sapojnikoff*

To HELEN

## PREFACE

WITH the vast number of books on China which have already been published and are being constantly produced, the advent of a new volume on this very interesting country places the author on the defensive. The reading public is quite within its rights in asking him to explain why he thinks a new book necessary and why he has written it. With the shelves already crowded with books by writers on religion, by travellers, statesmen, humourists, philosophers, economists, and representatives of dozens of other branches of highly specialised knowledge, what hope have I, they may ask, to add anything to what has already been written and published, and why should I be audacious enough to attempt it?

My justification is found in my profession, which is that of an advertising and merchandising agent, and so represents a branch, if not of specialised knowledge, at least of specialised effort, which has not yet been represented by the many authors of books on China. Since the occupation is a comparatively new one, I perhaps should explain that we do not, as many laymen suppose, spend our time in selling advertising to anyone who can be induced to buy. Our entire efforts are devoted to helping our clients to sell their goods, paying particular attention to the part played by various forms of advertising. They pay us for this work and, since one of our vanities is to insist that we enjoy a professional standing, we use the term 'fees' in referring to our compensation. If we do our work efficiently, we should be able to give our clients advice on all manner of things, ranging from the colour and wording of a label to the relative merits of the various newspapers published in any one of dozens of Chinese cities. We

should be able to tell him whether or not there is any likelihood of his being able to build up a profitable sale for his brand, and measure the strength and the weakness of the competition he has to face. We thrive or suffer adversity with the ups and downs of our clients.

My work has naturally made my point of view that of one who looks on the Chinese as potential customers, to consider what articles they may purchase, how these articles should be packed and what advertising methods will be most effective in producing sales. My clients have sold everything from textile mills to perfumery. They have comprised many nationalities, English, American, German, French, Dutch, Belgian, Australian, Canadian, Japanese, Spanish, and one from the Duchy of Luxemburg. Each has had different problems to solve and different ideas as to how to solve them, but the main objective was always the same, to sell his goods to the Chinese. In order to do my work efficiently, I have had to study everything connected with China and to fit all kinds of knowledge into a merchandising pattern so as to make it useful to my clients. In this way, the studies of the advertising agent must range as wide as, though in a more humble field than, that of the anthropologist, for there is no information about the country and its people which may not at some time or other prove of value. It has been no hardship to me to study the Chinese, their character, history and institutions, for I am as keenly interested in them to-day as I was when I was thrilled by my first ricksha ride, a quarter of a century ago. It is the sympathetic study of China that, to many foreigners who live here, accounts for the fascination of the country.

It is a country so vast and so complex that it can never become hackneyed — so little known that one may with encouraging frequency enjoy the thrill of the explorer by discovering some new fact which appears to have escaped the attention of thousands who have travelled the same road with less observant eyes.

This is my excuse and my justification. I hope the reader will find it acceptable and that this new point of view will give him



a new understanding of the interesting, exasperating, puzzling, and, almost always, lovable Chinese people as I have known them.

CARL CROW