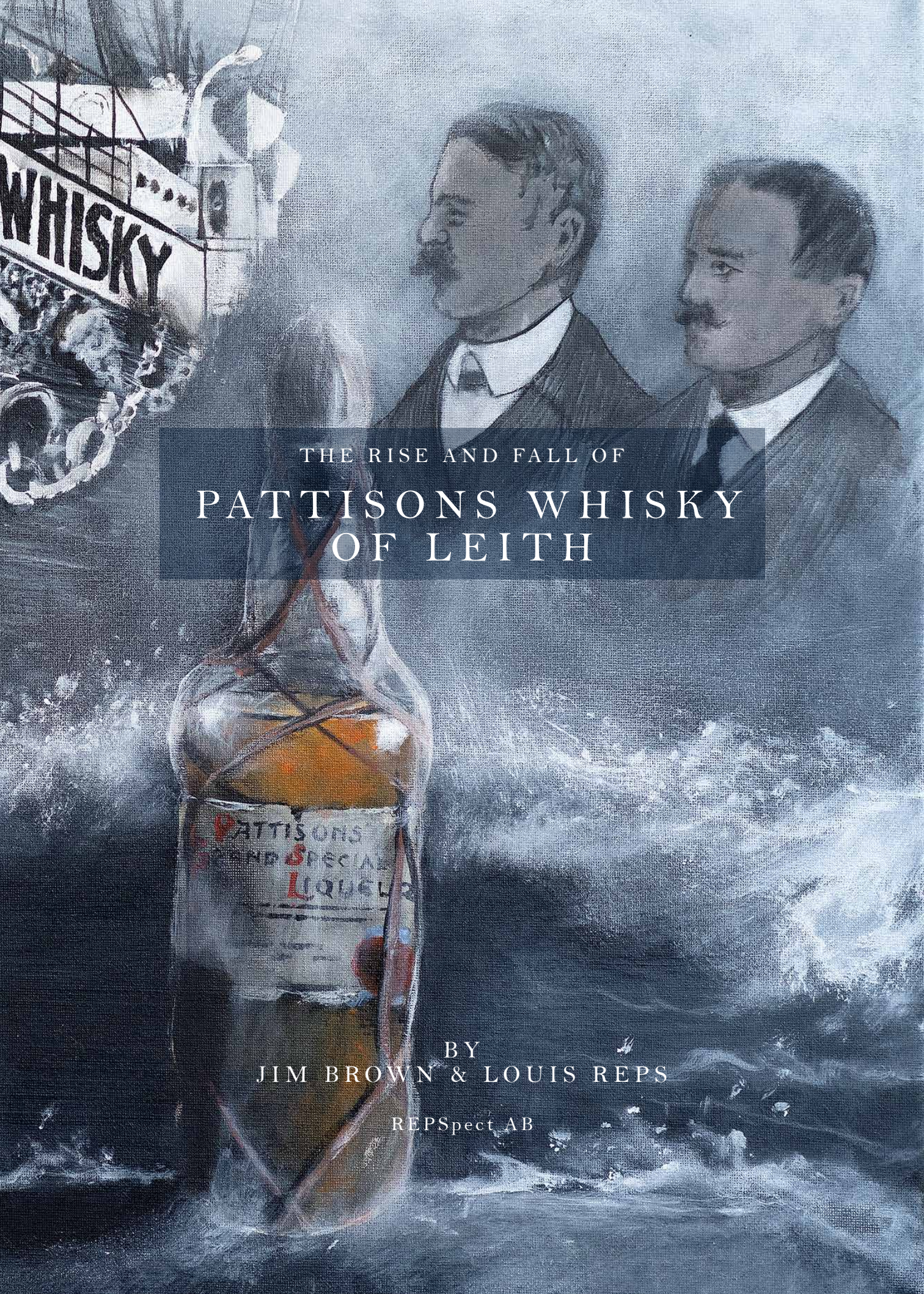
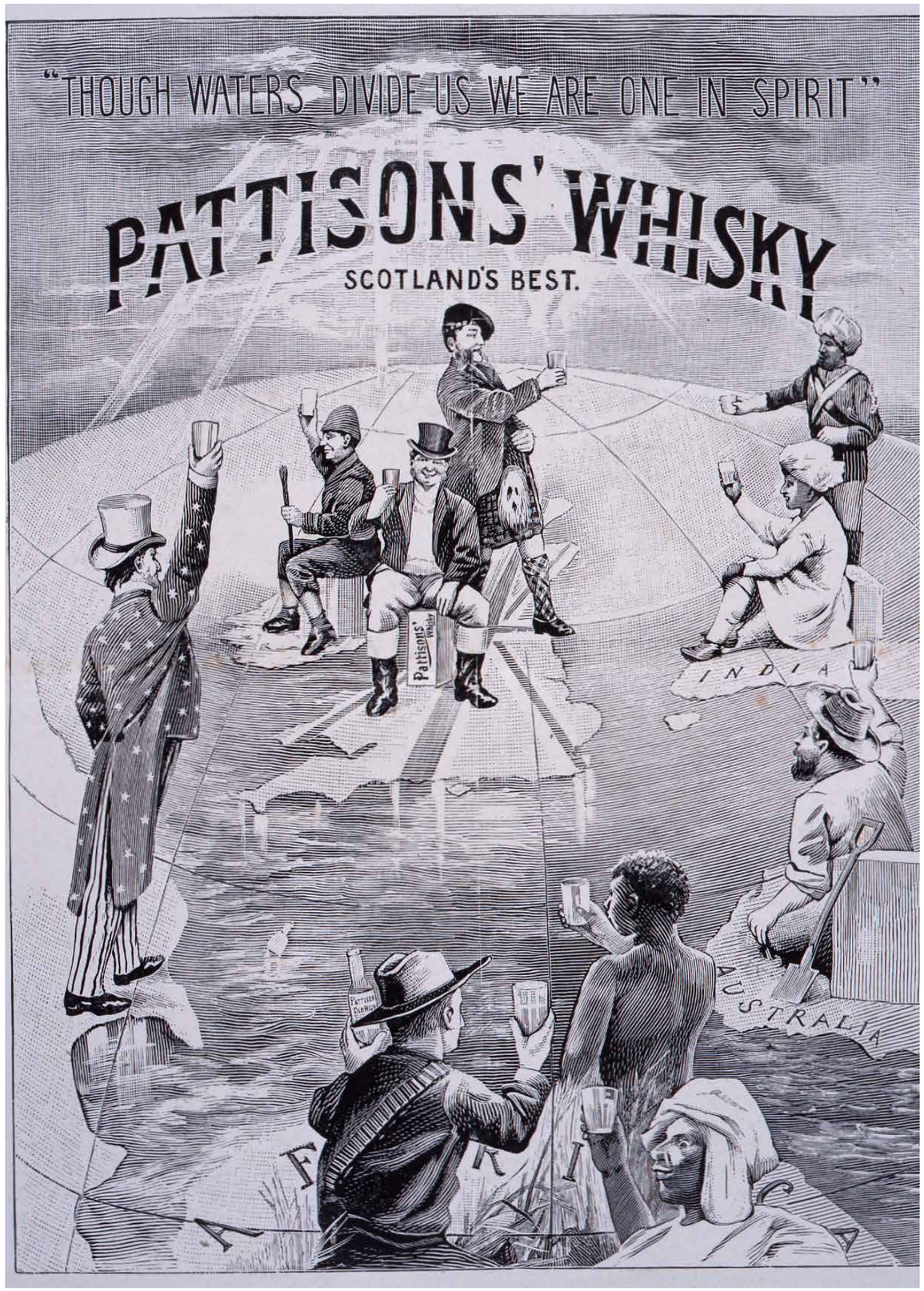


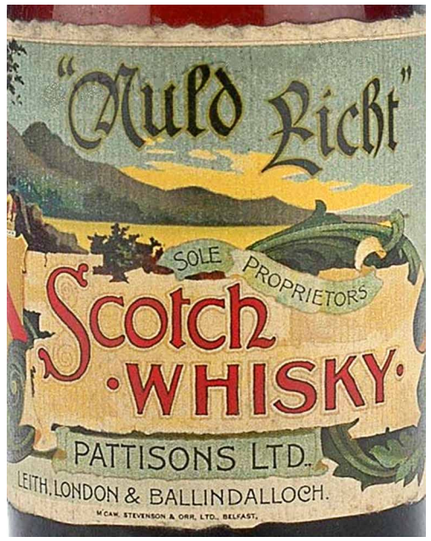
THE RISE AND FALL OF

PATTISONS WHISKY OF LEITH

BY
JIM BROWN & LOUIS REPS

REPSpect AB

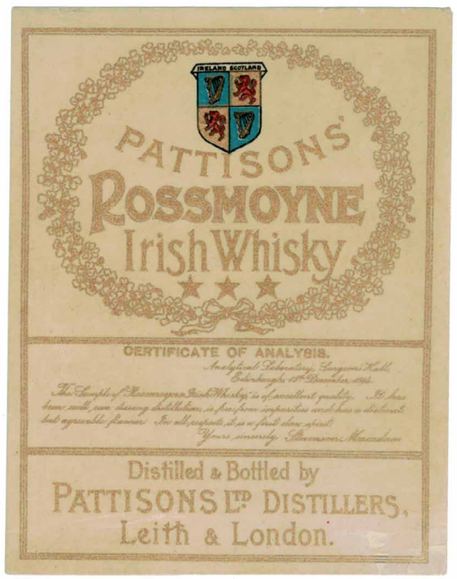

"THOUGH WATERS DIVIDE US WE ARE ONE IN SPIRIT"
PATTISONS' WHISKY
SCOTLAND'S BEST.
Pattisons' Whisky
INDIA
AUSTRALIA
AFRICA

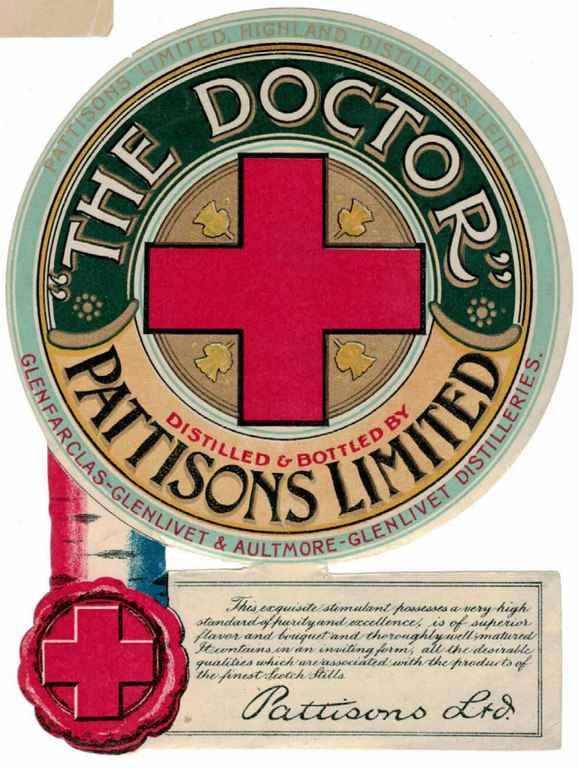

"Auld Licht"
SOLE PROPRIETORS
Scotch
·WHISKY·
PATTISONS LTD.
LEITH, LONDON & BALLINDALLOCH.


EXTRA
LIQUEUR
The Royal Jordon
"Perfection"
15 Years Old
Special Reserve Highland Whisky
Pattisons Ltd
LEITH & LONDON.


PATTISONS'
OLD HIGHLAND
WHISKY.
DISTILLED & BOTTLED BY
PATTISONS LTD
LEITH & LONDON.


SPECIAL
PATTISONS'
SCOTCH
·WHISKY·
LEITH, LONDON & BALLINDALLOCH


PATTISONS'
ROSSMOYNE
Irish Whisky
CERTIFICATE OF ANALYSIS.
Distilled & Bottled by
PATTISONS LTD DISTILLERS,
Leith & London.


PATTISONS LIMITED, HIGHLAND DISTILLERS, LEITH
"THE DOCTOR"
DISTILLED & BOTTLED BY
PATTISONS LIMITED
GLENFARCLAS-GLENLIVET & AULTMORE-GLENLIVET DISTILLERIES.
This exquisite stimulant possesses a very high standard of purity and excellence; is of superior flavor and bouquet and thoroughly well matured. It contains in an inviting form, all the desirable qualities which are associated with the products of the finest Scotch Stills.
Pattisons Ltd.

Copyright © 2020 by Jim Brown and Louis Reps
Photo: Gustav Elliot
Graphic design/final art: Yvonne Berggren
Paintings by Petri Jäsperi
Printed and bound by Digaloo, Sweden.
Published by REPSpect AB, Sweden.

All rights reserved. No portion of this book may be reproduced – mechanically, electronically, or any other means, including photocopying– without written permission of the publisher.

ISBN: 978-91-639-0693-0

CONTENTS

Foreword 7

Chapter1 - Introduction 8

Chapter 2 - Background 9

Chapter 3 - Alfred Barnard's Visit 12
a) First Day – The Blending Warehouses and Scotch Whisky Stores 14
b) 2nd Day – The Bonded Warehouses & Head Office 15
c) Head Office 16
d) The London Premises 18

Chapter 4 - Marketing & Publicity 19

Chapter 5 - Pattisons & DCL 24

Chapter 6 - The Flotation, 1896 25

Chapter 7 - The Years, 1896 to 1898 28

Chapter 8 - The Fall from Grace 28
a) January 1899 38
b) February 1899 40
c) March 1899 40
d) April 1899 41
e) May 1899 42
f) June 1899 47
g) July 1899 49
h) August 1899 51
i) Autumn 1899 51

Chapter 9 - The Year 1900 54

Chapter 10 - The Arrest and Trial of Robert and Walter 55

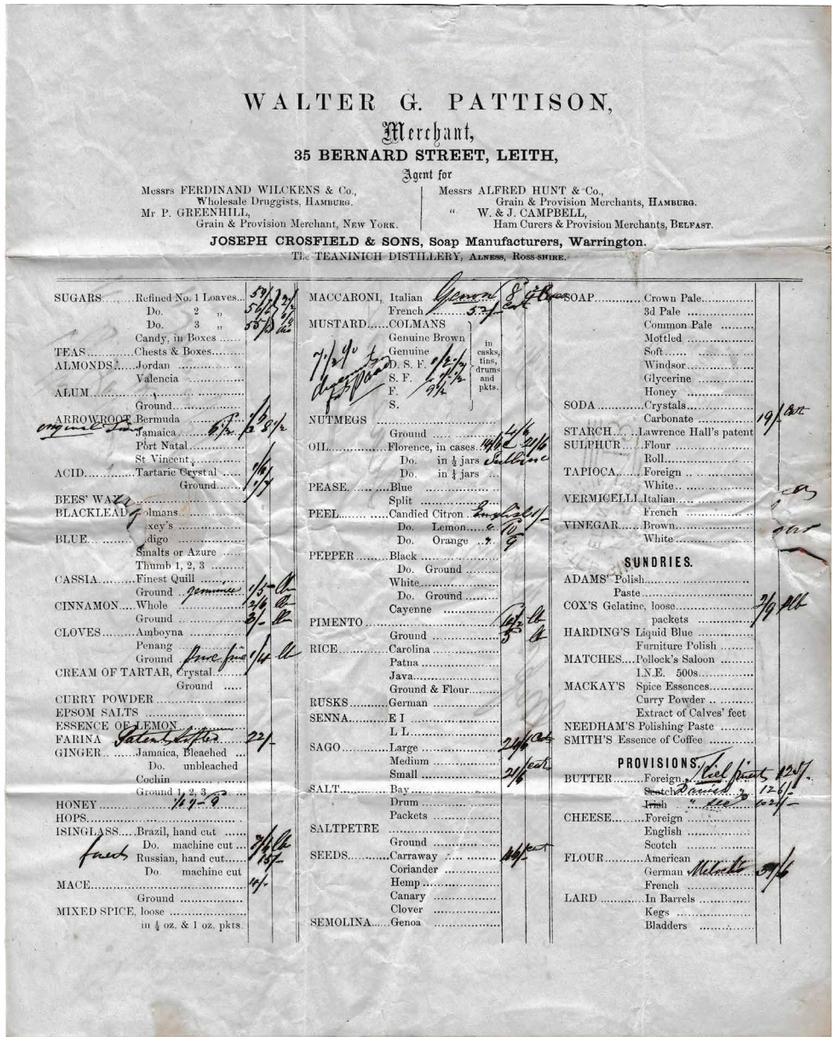
Chapter 11 - After the Trial 66

Chapter 12 - Conclusion 66

Chapter 13 - Postscript 67

Appendices 69

Sources 85



WALTER G. PATTISON,

Merchant,

35 BERNARD STREET, LEITH,

Agent for

Messrs FERDINAND WILCKENS & Co., Wholesale Druggists, Hamburg.
Mr P. GREENHILL, Grain & Provision Merchant, New York.
Messrs ALFRED HUNT & Co., Grain & Provision Merchants, Hamburg.
" W. & J. CAMPBELL, Ham Curers & Provision Merchants, Belfast.

JOSEPH CROSFIELD & SONS, Soap Manufacturers, Warrington.

The TEANINICH DISTILLERY, Alness, Ross-shire.

SUGARS — Refined No. 1 Loaves; Do. 2 "; Do. 3 "; Candy, in Boxes
TEAS — Chests & Boxes
ALMONDS — Jordan; Valencia
ALUM — Ground
ARROWROOT — Bermuda; Jamaica; Port Natal; St Vincent
ACID — Tartaric Crystal; Ground
BEES' WAX
BLACKLEAD — olmans; xey's
BLUE — digo; Smalts or Azure; Thumb 1, 2, 3
CASSIA — Finest Quill; Ground
CINNAMON — Whole; Ground
CLOVES — Amboyna; Penang; Ground
CREAM OF TARTAR, Crystal; Ground
CURRY POWDER
EPSOM SALTS
ESSENCE OF LEMON
FARINA
GINGER — Jamaica, Bleached; Do. unbleached; Cochin; Ground
HONEY
HOPS
ISINGLASS — Brazil, hand cut; Do. machine cut; Russian, hand cut; Do machine cut
MACE — Ground
MIXED SPICE, loose; in ¼ oz. & 1 oz. pkts

MACCARONI, Italian; French
MUSTARD — COLMANS: Genuine Brown; Genuine; D. S. F.; S. F.; F.; S.
NUTMEGS — Ground
OIL — Florence, in cases; Do. in ½ jars; Do. in ¼ jars
PEASE — Blue; Split
PEEL — Candied Citron; Do. Lemon; Do. Orange
PEPPER — Black; Do. Ground; White; Do. Ground; Cayenne
PIMENTO — Ground
RICE — Carolina; Patna; Java; Ground & Flour
RUSKS — German
SENNA — E I; L L
SAGO — Large; Medium; Small
SALT — Bay; Drum; Packets
SALTPETRE — Ground
SEEDS — Carraway; Coriander; Hemp; Canary; Clover
SEMOLINA — Genoa

SOAP — Crown Pale; 3d Pale; Common Pale; Mottled; Soft; Windsor; Glycerine; Honey
SODA — Crystals; Carbonate
STARCH — Lawrence Hall's patent
SULPHUR — Flour; Roll
TAPIOCA — Foreign; White
VERMICELLI — Italian; French
VINEGAR — Brown; White

SUNDRIES.

ADAMS' Polish; Paste
COX'S Gelatine, loose; packets
HARDING'S Liquid Blue; Furniture Polish
MATCHES — Pollock's Saloon; I.N.E. 500s
MACKAY'S Spice Essences; Curry Powder; Extract of Calves' feet
NEEDHAM'S Polishing Paste
SMITH'S Essence of Coffee

PROVISIONS.

BUTTER — Foreign; Scotch; Irish
CHEESE — Foreign; English; Scotch
FLOUR — American; German; French
LARD — In Barrels; Kegs; Bladders

Pricelist in letter 8th January 1859 sent to Messrs Fergusson & Forrester of Buchanan Street in Glasgow. Note, Walter was shown as Agent for the Teaninich Distillery.

FOREWORD

Four years ago Louis published a book entitled "The Whisky GPS" for private circulation. The "GPS" in the title referred to three of his great Whisky loves namely Glenlochy Distillery, Pattisons (Whisky) and Spirit Safes.

Having been gifted a copy of the book I was delighted to note Louis' tale of the Pattison brothers and their part in the Whisky crash that took place in the dying years of the 19thcentury. Theirs' was a story that had previously caught my interest and one I thought warranted bringing to a wider audience. In discussions with Louis over the ensuing months we both agreed that this was a project worthy of taking forward so we resolved to collaborate on a new book solely about the Pattison brothers using both his original volume as the basis for the narrative, suitably updated, alongwith our joint collections of Pattison related material.

This book is therefore the outcome of our partnership. It hopefully sheds new light on the Pattison "Affair" – lays to rest some of the common misconceptions that have manifested themselves over the years – while providing an interesting story in it's own right.

Doubtless some may disagree with our conclusions. However we don't see anything wrong if we achieve nothing more than stimulating a healthy debate among lovers of whisky lore as to the part played by the brothers in the pricking of Whisky's bubble.

We would therefore ask you to pour yourself a dram and read about the unfolding events while enjoying some of the unique illustrations that accompany the text.

Slainté and Skål

Jim and Louis
April 2020

CHAPTER 1 - INTRODUCTION

In the decades leading up to the 1900's, sales of Scotch Whisky had seen something of a meteoric rise. This had originally been fuelled by the demise of the brandy industry caused by the phylloxera louse which had devastated most of the European vineyards. Meanwhile sales in blended whisky had taken off especially to receptive markets in all four corners of the world thanks to an expanding British Empire, eager consumers and a successful band of Whisky entrepreneurs. The availability of blended whisky was also booming due to the standardisation of the quality of the product thus meeting the expectations of an increasing number of customers. Demand was supported by a myriad of whisky companies many based in Leith, Edinburgh and Glasgow in the west of Scotland. To underpin this rise in the prosperity of Scotch Whisky some 40 or so new distilleries were built in the last decade of the 19th century.

The boom period looked set to continue unabated into the early part of the 20th century too were it not for a number of factors which, when linked together, caused this particular bubble to burst. While there was the "What is Whisky" debacle that led to a Royal Commission eventually ruling on the matter in 1909, 4 years after the issue had been raised by Islington Borough Council in London, there was also in that year a damaging budget that raised the duty on spirits from 3/9d to 14/9d per proof gallon and an ever-growing Temperance Movement which was seeking to prohibit sales of intoxicating liquor.

History also records another factor that contributed to the bringing of the industry to it's knees in the form of the scandal involving Pattisons Ltd. Whether this latter issue was down to the scheming, skilful skulduggery of the two brothers involved (Robert and Walter) as is invariably claimed must be something of a moot point. While it is impossible to deny they were not without some degree of culpability they were perhaps not as conniving as they might at first appear. The Court Case that dealt with their misdemeanours led to the disbanding of their business and their assets being bought at knock down prices by their competitors effectively leaving them with nothing.

What follows is a closer look at the Pattison brother's affair in some greater detail than that attempted previously in the hope that it may go some way toward painting a different picture of the two wayward siblings and correcting some of the bad publicity and blame for the demise of the Scotch Whisky industry that has stayed with them ever since their trial in 1901.

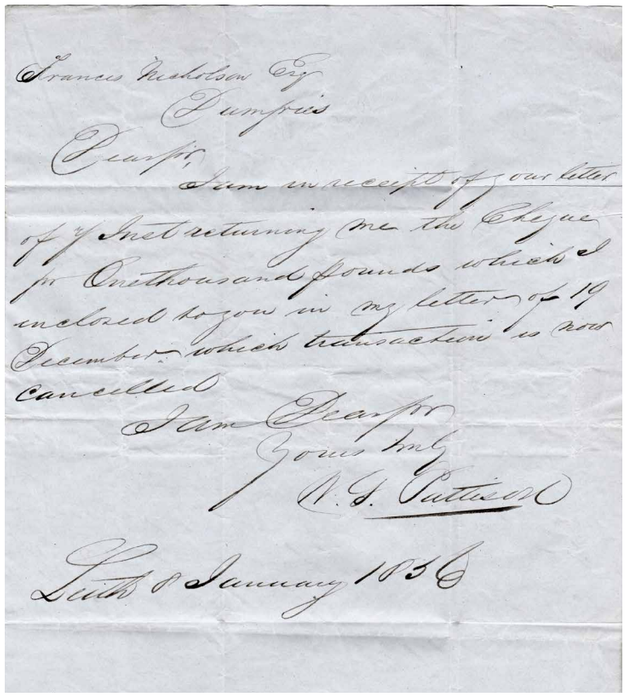


Pattison Warehouses.

CHAPTER 2 - BACKGROUND

History records the fact that Walter Gray Pattison (the father of the two brothers) established a General Merchant's business in Leith in 1849 when only 20 years of age. While much of the business involved the sale of a wide variety of items from dairy produce to black lead for fire places, exotic spices to sugar loaves imported from France, Walter also sold insurance and was an Agent for the Teaninich Whisky Distillery in Alness as can be seen from the Price List (illustrated on page 6) from 1859. This is probably due to the fact that his brother, Robert, was manager there between 1853 to 1861 before moving to take over at Dalmore.

(Note: In the Post Office Directory of 1828 – 1829 an R & W Pattison are recorded as having a victualler's shop at 82 Shore, Leith. Given the unusual surname and the location, the chances are that this was a forerunner to Walter's business.)



Frances Nicholson Esq
Dumpries

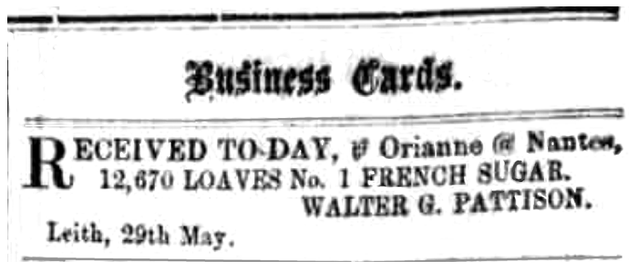
Dumpt.

I am in receipt of your letter of 7th Inst returning me the Cheque for One thousand pounds which I enclosed to you in my letter of 19 December which transaction is now cancelled

I am Dear Sir
Yours truly
W.G. Pattison

Leith 9 January 1856

Letter signed by W.G. Pattison dated January 1856.



Business Cards.

RECEIVED TO-DAY, per Orianne from Nantes,
12,670 LOAVES No. 1 FRENCH SUGAR.
WALTER G. PATTISON.
Leith, 29th May.

Advert ex Caledonian Mercury 30th May 1865.

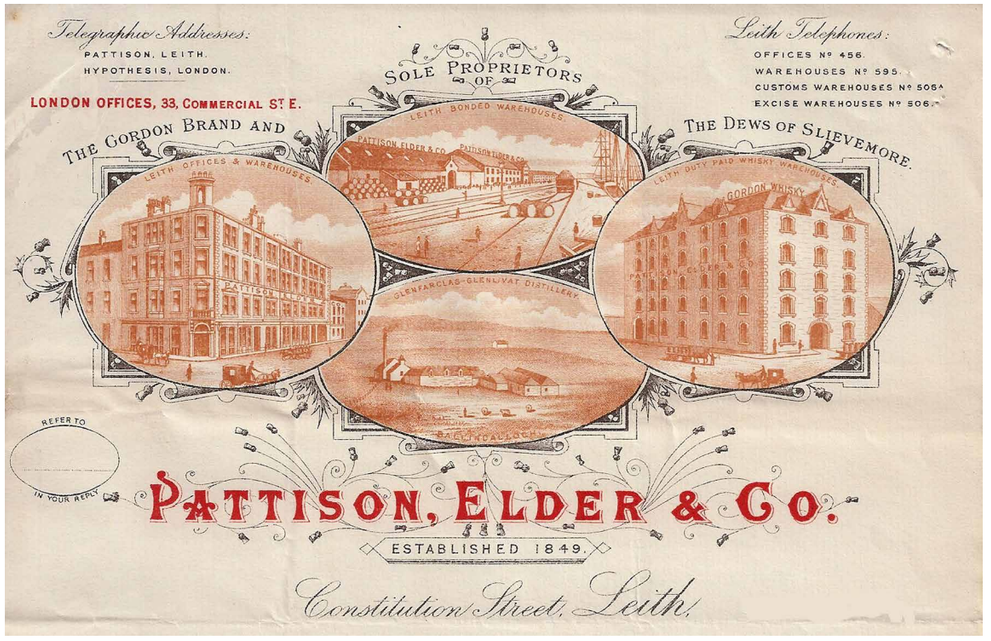
Gradually however he became more involved in the whisky trade. Walter married Elizabeth Rose Paterson in 1857 and they went on to have 10 children. (See Appendix 2). Robert was the oldest boy and it was he who initially became involved in the running of the business along with Alexander Elder when his father retired in February 1882. At that time the firm began trading as Pattison, Elder & Company. While Alexander's role is not so well documented, he was Manager of the London office and warehouses in 33, Commercial Street at the time of Alfred Barnard's visit to the company probably in or around 1896. (At some stage after 1889 Alexander became a salaried employee and was no longer a share owner.)

Walter subsequently died in January 1890 with assets of nearly £39,000's and debts of £18, 480. Of the outstanding balance, £10,000 was owed by Pattison, Elder & Co.

Walter Gilchrist Gray Pattison was the second eldest son and he had started working in his father's business in 1880 as a travelling salesman. Five years later in 1885 he too became a partner in the Company.

In 1896 the brothers decided the time was ripe to form a public company, Pattisons Ltd with a capital of £400,000. In 1897 the firm bought 50% of the shares in the Glenfarclas-Glenlivet Distillery in Ballindalloch on Speyside and announced expansion plans. The company also bought into the Oban & Aultmore – Glenlivet Distillery. Plus, around this time additional plant and machinery was installed in the Company's own premises in Leith.

All appeared to be going well until one of their banks refused to cash one of their cheques in December 1898. That then triggered a spectacular fall from grace as befitted a company that had risen so quickly and ostentatiously once the brothers had assumed control.The fuller story is played out over the following pages incorporating details as to why Robert and Walter, while reckless were not necessarily as guilty as has been claimed for bringing the whole Scotch industry to it's knees.



Copy of letterhead – Pattison, Elder & Co.



Copy of letterhead - Pattisons Ltd.

CITY OF GLASGOW LIFE ASSURANCE COMPANY

OFFICE—19 ST ANDREW SQUARE, EDINBURGH.

BONUSES added to Policies every year.
POLICIES granted Free of Stamp-Duty.
NO ENTRY-MONEY charged.
LIBERTY to Voyage all over the World FREE.

ROBERT BALFOUR,
Secretary at Edinburgh.
Agent at Leith.
MR WALTER G. PATTISON, Merchant.

Caledonian Mercury – 19th December 1853.

NOTICE.

IT is hereby intimated that the Subscriber Walter Gray Pattison has retired from the Business of WALTER G. PATTISON, which he has heretofore carried on in Leith, and that the other Subscribers, Robert Paterson Pattison and Alexander Elder, will continue the said Business for their own behoof, under the name of PATTISON, ELDER, & COMPANY, and that they are authorized to collect the debts due to the late Firm.

WALTER G. PATTISON.

ROB. P. PATTISON.

ALEXANDER ELDER.

A. SHEPHERD, Law-Clerk, 55 Constitution Street, Leith, Witness.

JAS. BRUCE, Jr., Law-Clerk, 55 Constitution Street, Leith, Witness.

Leith, 11th February 1882.

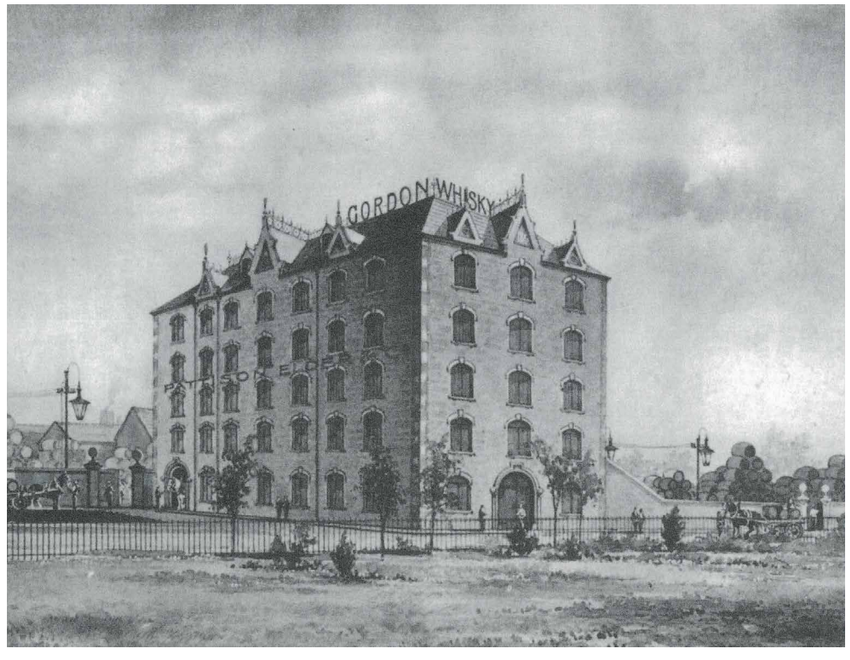
Advert from Edinburgh Gazette of 14th February 1882 announcing Walter's retirement.

CHAPTER 3 - ALFRED BARNARD'S VISIT

Alfred Barnard was a whisky journalist working for Harper's Weekly Gazette, a journal primarily aimed at the pub and hotel trade. In 1887, having visited all the working distilleries in Great Britain he published his seminal work "The Whisky Distilleries of the United Kingdom". He subsequently went on to publish another half dozen or so booklets relating to the Whisky trade. These booklets would have been solicited by the various companies to publicise their businesses and were probably issued to the owners and managers of public houses, hotels and other associated trade establishments.

In marked contrast to what is said about the company at the trial in 1901, is the booklet by Alfred Barnard regarding his visit to Pattisons. Exactly when the visit took place is not known. However, as the booklet also includes detail of a visit to the Glenfarclas-Glenlivet Distillery it may well have been published just before the company's flotation towards the end of 1895. (Barnard was shown round the premises by Walter and one of the managers during his three day visit. As Robert was in the United States with his mother and sister in August/September 1895 – this might be another indicator confirming when the visit was made.) Although the booklet is comprehensive, running as it does to well over 50 pages, by far the greatest part of it relates to descriptions, pictures and drawings of the various Pattison premises. There is also one closing Chapter relating to Barnard's visit to the Glenfarclas-Glenlivet Distillery.

Apart from the commodious and rather grand nature of many of the Pattison buildings much emphasis too was placed upon their modernity with electric light and the latest



Gordon Duty Paid Warehouses.

types of plant and machinery. Barnard was very positive about what he encountered during his visit but being a journalist, he was perhaps also being rather careful not to "bite off the hand that fed him".

At the time the firm certainly gives the appearance of one that is a model of efficiency with a great holding of stocks of whiskies and wines.



Advert in The Country Brewer's Gazette 15 April 1897.

CHAPTER 3a - THE BLENDING WAREHOUSES AND SCOTCH WHISKY STORES

On day one of his visit, Barnard visited the Gordon duty-paid warehouses that were situated on the margins of Leith Links about 3 minutes' walk from the general offices. This was a *"lofty isolated pile …. covering many acres"*. The main building being *"a stately structure of six storeys (each storey measuring 150 feet by 50 feet) having walls 3 feet thick"*. It's frontage on to the Links was again upwards of 150 feet with a yard at the back covering nearly an acre.

The ground floor of the building consisted of the blending warehouse. This fine building was beautifully illuminated by the electric light and contained no less than seventy-three incandescent lamps. Apart from clerks overlooking the task of weighing butts and hogsheads of whisky ranged along the east wall were 12 vats constructed of polished oak bound with brass bands, each holding upwards of a thousand gallons and all filled with different ages of the duty-paid Gordon Whisky. On the opposite wall were 21 vats of less capacity, of the same construction, but holding other brands of whisky. Also situated on this floor was a "*counting house*", "*a sampling area*" and two gas engines capable of driving a dynamo providing the electric light installation and a powerful elevator capable of transporting goods and people to the sixth floor of the building.

Next in order comes the First Floor. Again, this vast warehouse exhibited a degree of airiness and freedom filled with a very animated scene of men and women busily working in the bottling department. On the left side of the room were as many as 15 vats, mostly all raised about four feet from floor level. Each contained from 500 to 600 gallons of different brands of whisky reduced and ready for filling into their respective brands of bottles. Besides the larger vats were 18 smaller ones used for the same purpose. On the opposite side were a series of 32 handsome wooden cabinets containing corks, capsules, labels and wrappers for each separate brand of whisky. The bottling machines used on this floor were capable of filling six bottles all at the same time each of which has to be capsuled and labelled before being wrapped and put into straw envelopes prior to being packed away into neatly branded cases.

The Second Floor housed the duty paid cased whisky store. The area appropriated to the warehousing of cased whisky on this floor amounted to 10,000 cases containing many thousands of the Gordon, Old Blended Glenfarclas-Glenlivet and the Dews of Slievemore whiskies. In a recess on this floor was a stock of showcards worth many thousands of pounds and bearing similar names to those mentioned above. (This reiterates the Pattison brothers love of publicity and the amount of money expended on this particular aspect – one wonders why so few of these still exist today.)

The third and fourth floors were more or less subsidiary to those below and were used for storing whisky from distilleries for subsequent blending.

The fifth floor consisted of a store for empty cases, straw envelopes etc. Also housed here was part of the lift mechanism which could deliver 16 casks at a time and lift 2 tons. From the windows of this lofty place one could gaze out in a number of directions to Arthur's Seat, Calton Hill, North Berwick, the coast of Fife, the Forth Bridge, Leith Docks and a good stretch of the North Sea.

Adjoining the Warehouse in the courtyard below were the cooperage, and bottle and cask washing premises plus cask and new bottle store.

As the first day was drawing to an end, Barnard gave a good indication of the size of the Pattison operation by stating, *"Before closing our notice of the Gordon warehouse, it would be well to state that we were agreeably surprised at the magnitude of Messrs Pattison, Elder & Co.'s operations to duty paid whisky, as previous to our visit, we had no idea that there was in Leith any house so extensively engaged in this branch of the home trade"*.

CHAPTER 3b - THE BONDED WAREHOUSES

On the second day of his visit, Barnard began by making his way to the bonded warehouses situated at the Queen's Docks and in particular No.13 Warehouse which was only 24 yards from the quayside. Between the two ran the lines of the North British and Caledonian Railways which afforded *"unsurpassed communication with all parts"*. This building had been erected by Pattison, Elder & Co. in 1887. It was stated to be a most *"substantial stone building, three storeys high, and having a frontage of 350 feet"*.

Upon entering through the main door were suites of offices for both the warehouse and mercantile staff as well as those belonging to Customs Officials. Past these was a vast vatting cellar containing nine large blending vats of polished oak, the largest holding the not inconsiderable amount of 14,000 gallons which was claimed to be the largest in Edinburgh and possibly Scotland, at that time. During his visit, Barnard noted that six of the largest vats were full and this would be equivalent to the whole year's output from a small distillery.

Once the spirit was removed from the vats it was immediately filled into casks, marked and numbered and rolled away to a distant part of the cellar or to the lifts for storage and maturation on one of the upper floors. In another section of the warehouse bottling under bond was carried on in exactly the same way as was earlier described in the Gordon duty-paid warehouse. On making his way through the several rows of stacked cases, Barnard noted that many were marked for export to the likes of Melbourne, Demerara, New York, Montreal and other foreign and colonial ports.

Having left the cased whisky store Barnard entered the storage department which was upwards of 350ft in length and containing at that time 7,806 packages of whisky representing almost every well-known distillery. A very large proportion of the stock in this area consisted of the "*Gordon*" brand of whisky *"as Messrs. Pattison evidently believe in the more rapid maturing of the whiskies after they have been blended, and accordingly hold immense stocks of their own blends"*. (The inclusion of such detail gives a further hint of something that, after the crash, is a matter of investigation.)

On the first floor of the warehouse blending was underway while the upper floors were devoted principally to the storage of the firm's own blends many of the casks bearing the names of well-known firms in London and the provinces. Before leaving the warehouse, Barnard felt sufficiently moved to remark on *"the excellent manner in which the business herein, in every department, is conducted, and the order and method that prevails everywhere"*.

The next destination on the tour was to the Yardhead Bonds in Queen's Dock, otherwise known as the maturing warehouse. This building was most solidly constructed rising to five storeys each measuring 110 feet by 70 feet. No blending or bottling operations were carried out here as the warehouse contained solely maturing whiskies in butts, hogsheads and casks. It was noted that while the most common names were Benrinnes, Glenfarclas

and Glenfiddich there were also stocks of Highland Park 1882, Cragganmore 1881 and Glenury 1882 plus many parcels from the best known distilleres aged from ten to fifteen years. Again, Barnard noted the beauty of the system that prevailed in easily identifying and sourcing particular casks when required.

To complete his inspection of the duty-free warehouses Barnard finally visited what was purported to be the largest "bond" in Leith – the Bowling Green Warehouse. This measured 221 feet by 175 feet (equal in area to roughly one acre). The bond was three storeys high and the whole of the upper floor was leased by Pattisons. At the time of his visit this floor was almost full, containing 5,162 cases of whisky plus further quantities stored on the other floors. As some of the smaller dealers rented space from Pattisons in this warehouse it returned "*the handsome dividend of 10% per annum to it's shareholders*".

After adjourning at the end of the day back to No.13 Warehouse and the office, Mr Smith, one of the managers who had accompanied the small party on it's tour of the various warehouses, offered Mr Barnard a *"prime sample of old "Gordon Brand" ten years old, which, after the arduous labours of the day, renewed exhausted nature, and sent us back to our hotel refreshed and reinvigorated "*.

CHAPTER 3c - HEAD OFFICE

Despite having hoped to have completed his visit on the second day of his trip to Edinburgh, Barnard could not leave without a visit to Messrs. Pattison, Elder & Co.'s Head Office wherein were situated the offices, sale rooms, cashier's office, type-writer's room, sample room etc, etc. The H.Q. are "*comprised within a very fine five-storeyed building, of polished stone, in Constitution Street, and being more lofty than those surrounding it, form a very handsome range of street architecture….. but it would require the practised pen of an architect to properly describe the interior arrangements of this commanding pile*". *"The apartments on the ground and upper floors of the front portion are imposing for their spaciousness and air of sumptuousness, arising from their architectural decorations, as well as from their costly fitting up and furnishing"*.

Proportions throughout were large and ornate with lofty ceilings and much use being made of marble, mahogany, gold gilding and glass. On the marble mosaic floor sat three ranges of dark oak desks fitted with brass rails for the holding of ledgers. Perhaps however the most ostentatious of all the rooms was reserved for Robert Pattison's private apartment which was 40 feet in length and presents "*a veritable picture of artistic beauty. The floor is oak parquetry and the ceiling is panelled with heavy mouldings, the panels being filled in with embossed cordelova, especially designed and made for the purpose after old Scotch plaster work, the design being the lion, rose and thistle. The walls exhibit a frieze in Tynecastle tapestry, with heraldic shields filled in with the Gordon arms, and richly decorated in gold lacquers and colours, below which is a high panelled dado of oak wainscot, richly toned – a beautiful piece of work on which hang some choice pictures. A fine effect is produced, in the lofty windows, by the substitution of cathedral glass for the ordinary glass; and by the antique cabinets and Rich Turkey carpets which furnish the room*". Much of the work was carried out by the contractors Messrs. Henderson & Wilson of Charlotte Street, Leith (later to become one of the Creditors).

In the sampling and sale room (again fitted out to the most exacting and highest standards) was stored an enormous album containing a copy of every label in use by the



The Royal Gordon Perfection 15 years old.



Pattison Elder & Co – glass.



Pattison Ltd – glass.

firm and numbering no less than 136 varieties. 96 of these represent Scottish tartans each of a different clan. Known brands include; Royal Gordon, The Royal Gordon Perfection, Famous Morning Dew, Morning Gallop, Auld Licht, The Golden Eagle Brand, Glenfarclas-Glenlivet, Pattisons' Old Highland Whisky, Pattisons' Grand Special Liqueur, The Doctor, Pattisons' Scotch whisky 10 Years Old, Pattisons' Special Scotch Whisky, Rossmoyne (Irish) and Dews of Slievemore (Irish).

In the cellars at Constitution Street was the duty-paid wine vaults and warehouses occupying two thirds of the building. The first warehouse on the ground floor was used exclusively for sherries. The vaults below contained port and other fine red wines. Other upper floors held cases of many famous brands of champagne.

Immediately adjoining the Head Office was a cordial factory and rectifying house. It is here also that the printing house is located, fitted out with all the most modern printing machines with the ability to produce the fine chromolithographic labels some of which are illustrated at the beginning of this book.

Again, having completed his most thorough tour of the Constitution Street Buildings Barnard returned to the sale-room to sample some of the firm's noted blends. Although five samples were made available including the high-class Irish whisky, "*The Dews of Slievemore", and the old Blend of "Glenfarclas-Glenlivet" (which Barnard thought rather "an innocuous stimulant - though a most pleasing aid to digestion") it was the "Gordon" that took his fancy. His guide advised him that the blend contained no less than 9 varieties of distillery whiskies among which North Country Highland malts, matured in sherry casks, preponderate. It's popularity and excellence were said to "lie chiefly in the fact that it is composed of old whiskies of the finest qualities and is perfectly pure and wholesome: but it's phenomenal success is the result of Mr. Robert Pattison's long and careful study in the art of blending*".

CHAPTER 3d - THE LONDON PREMISES

Having then taken his leave of Scotland, Barnard undertook a fleeting visit to the firm's premises in London, the management of which was the responsibility of Mr Alexander Elder. The office was based at 33 Commercial Street "*and are contained in a spacious and neat four-storeyed building, with vaults fitted up in a similar manner to those at Leith, only on a smaller scale. The ground floor forms spacious and handsomely-appointed offices and private offices. The first floor contains twelve vats, of 500 gallons each, for duty paid whisky; the upper floors are used for storage of duty-paid cased goods, and the vaults for wines. The London firm have an extensive bonded warehouse at Hermitage Wharf, where they hold large stocks of their blends, enabling them to execute their customers' orders without even the delay of getting supplies up from Leith.*"

"The progress of the business has been materially assisted by the development of the London trade, and the establishment of many branches in the country, and agencies abroad. Altogether, this is one of the most thriving and go-ahead concerns in Scotland, and it's rapid success is largely due to it's present enterprising proprietors. In Leith alone, the firm employ as many as thirty-one clerks: they are represented also by twenty-seven salaried travellers and have many agencies both at home and abroad. It is no uncommon thing for Messrs. Pattison to pay as much as £2,000 in duty in one day on clearances from the warehouses." Altogether, this is one of the most thriving and go-ahead concerns in Scotland, and it's rapid success is largely due to it's present enterprising proprietors.

CHAPTER 4 - MARKETING & PUBLICITY

In 1853 advertisement duty had been abolished and two year's later likewise the demise of the newspaper stamp (duty). This resulted in a large increase in press advertising. Initially much of the style was very simple or limited to Classified type advertising in the press and journals of the day. At first Pattisons used many straightforward advertisements to sell their wares.

However, alongwith the great expansion in the later Victorian era of consumerism and an ever greater volume of advertising space in newspapers and magazines, so Pattisons exploited this media with innovative publicity and a series of advertisements included in popular titles such as "The Graphic" and "Pall Mall Gazette". Many bore a military theme primarily relating to the Mahdist War in Sudan in the 1880's and 90's that featured the likes of Gordon at Khartoum and the Battle of Omdurman alongwith the Pattisons Whisky ship "Forging Ahead".

Despite the mention made in Barnard's booklet of the Gordon Warehouse of *"the storage of showcards, and containing a stock worth many thousands of pounds, bearing similar titles to the brands named on the cases in the adjoining Department. We should here add that this firm, in the way of showcards and other advertising agencies, has marched with the march of time*"; little evidence now appears to remain of such cards.

There is an apocryphal tale of the Pattisons, often quoted in other books and magazine articles, buying 500 parrots and training them to say "Buy Pattisons' Whisky" before being given to publicans to keep in their bars and saloons throughout the country. Although this does sound rather far-fetched it is one myth that is grounded in truth as the excerpt from the Dundee Evening Telegraph of 14th December 1898 reports, viz;

"Some time ago there arrived in Leith a large trading vessel whose captain had engaged in a "spec" on his own account by bringing over some 50 parrots. The news of this rather unusual kind of cargo soon got to be known in Leith, and within an hour or two of the ship's arrival the captain was waited on by the representatives of Pattisons, who offered to buy, at big price, the whole lot of parrots on condition that within a given time they should all be trained to cry, - Buy Pattisons' Whisky, Buy Pattisons' Whisky.

The captain readily closed with this offer, and when the buyer returned to the ship some few days later the parrots greeted his appearance with deafening scream of – Buy Pattisons' Whisky. The terms of the contract of sale being thus duly implemented on the part of the importer the buyer took delivery of them, and had each one placed in a beautiful gilt cage, the whole consignment forthwith despatched to Liverpool for distribution among the public-houses there, as the firm were then concentrating their forces on that city" .

By way of further confirmation of this story see the advert re-printed from "Black and White" Magazine (9th January 1897), on the next page;

Apart from parrots and newspapers/magazines, Pattisons also used a host of other items to advertise their whiskies including water jugs, glass urn dispensers, mirrors, drinking glasses, cork screws, enamel signs (see Appendix 7) and even a series of 23 cyclists' maps and clay pipes which would probably have been given away free to customers! (see Appendix 5)

Apart from parrots, one unverified tale concerns Robert's tendency for self-publicity. It is said that he frequently resolved to miss his last train back to his mansion house in Peebles, in the Scottish Borders, after attending concerts or plays in Edinburgh so that he

PATTISONS'
WHISKY

THE WHISKY PAR EXCELLENCE.

Acknowledged to be perfection by all impartial men.

That the public appreciate a really sound and wholesome drink, is proved by the enormous increase year by year in the sale of Pattisons', and lovers of a genuine Scotch brand who have not yet made its acquaintance should give this,

THE KING OF WHISKIES,

an early trial. They will be delighted with its rich, full, cream-like flavour and absolute purity.

Speaks for itself



TRY IT—IT SPEAKS FOR ITSELF.

Sold Everywhere. Sole Proprietors:

PATTISONS', Ltd.,

Highland Distillers,

BALLINDALLOCH, LEITH and LONDON.

Piping the Praises of

PATTISONS' Whisky



THE KING OF WHISKIES.

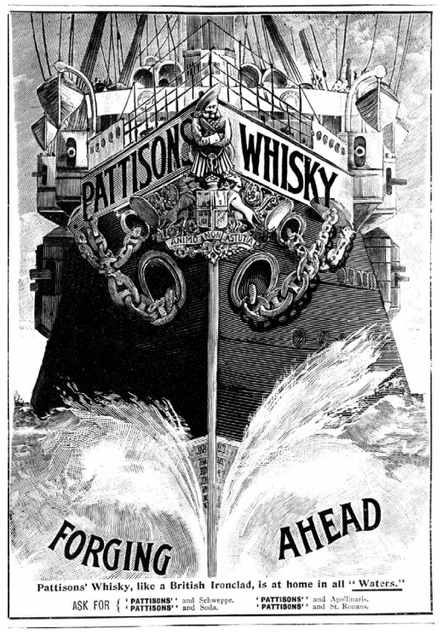
"Pattisons'," which is acknowledged by connoisseurs to be perfection, is strongly commended to lovers of Scotch Whisky. It is a wholesome, sound, and invigorating beverage of unrivalled quality and flavour. "Pattisons'" is the Whisky "Par Excellence." Try it. It speaks for itself. Sold everywhere.

SOLE PROPRIETORS:

PATTISONS, LTD.,

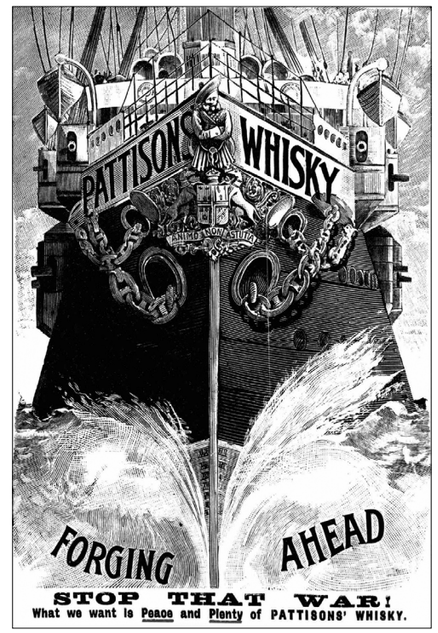
HIGHLAND DISTILLERS,

BALLINDALLOCH, LEITH, LONDON.



Pattisons' Whisky, like a British Ironclad, is at home in all "Waters."

ASK FOR { 'PATTISONS' and Schweppe. 'PATTISONS' and Soda. } 'PATTISONS' and Apollinaris. 'PATTISONS' and St. Rotaris.



PATTISON'S

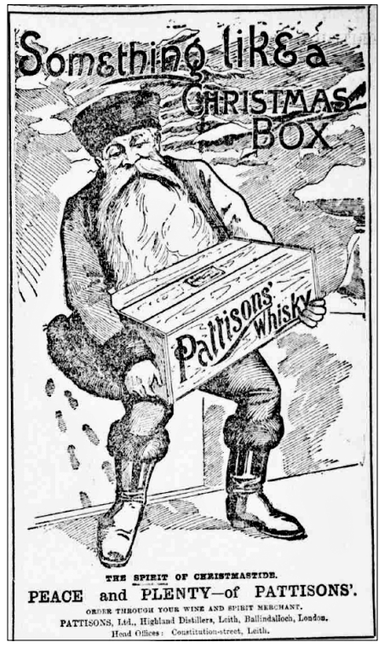
Royal Gordon Whisky,

10 YEARS OLD,

Is specially suited for medicinal use and is largely prescribed by the profession as superior to Cognac Brandy owing to its age and purity. It has received very flattering recognition from most of the medical papers, and many doctors have expressed the utmost satisfaction with its effects as a medicinal stimulant Ask for

Royal Gordon, the Perfect Scotch Whisky











Roberts home Kingsmeadows, Peebles.

could "hire" a train just for himself to transport him home with a dash of flamboyance and pomposity. Whether this really happened is a moot point, but it would not be at all out of character for Robert and his penchant for the theatrical and extortionate. However, no evidence could be found in any of the press cuttings of the day to back up this particular story.

The Pattisons inserted the following advert in the Sheffield Daily Telegraph on 30th December 1896 which stated "A UNANIMOUS VERDICT – It was not at the Law Courts, but at a gathering of men, eminent in every rank of life, statesmen, soldiers, sailors, doctors, lawyers, scientists, artists, authors, actors etc., met to discuss the merits of the various Scotch whiskies, that a unanimous verdict was recorded in favour of Pattisons for it's purity, flavour and unrivalled quality generally. Sold everywhere. Sole proprietors: Pattisons (Ltd), Highland Distillers, Ballindalloch, Leith and London". It is ironic that a few years later the brothers would themselves be appearing in Court when a rather different verdict on their business behaviour would be handed down.

A true story reported in July 1898 was about a houseboat built by the well-known boat builder Tom Taylor of Staines for the Pattisons. The boat, the "Glenfarclas", was described as a "Floating Palace" at the Henley Regatta on the Thames and included in the description from "The Sketch" newspaper of July 13th is the sentence, "*The chief charm of the boat lies in it's rich though subdued scheme of colour; throughout the house-boat it is furnished and decorated in Moorish style, and in the spacious saloons, where the walls are hung with gold and white silks*". The "Sporting Life" newspaper of 16th July 1898 also described it thus, *"The houseboat "Glenfarclas" was one of the picturesque sights of Henley. Messrs Pattisons were to the fore with hospitality, and not the least pleasant part of the Henley gathering was the smack in the lips of their famous whiskies, which leave a "more-ish taste," as they say in the West-country."*

Again, this emphasises how the boat was used in such an extravagant way to impress clients of the Pattisons as the place to "see and be seen".



Henley Regatta 1898.

CHAPTER 5 - PATTISONS AND DCL

As per "The History of the Distillers Company 1877 – 1939" by Ronald Weir, Pattisons was already DCL's 5th largest customer in 1890 with 7% of the home sales. Due to the intense competition at the time, DCL (forerunner of today's DIAGEO) did not wish to lose such a desirable customer and this, in effect, demonstrated that DCL virtually condoned their actions and were involved in some of Pattisons more dubious practices over the ensuing eight or so years.

Apart from granting more generous rebates in 1890, the more important Pattisons became, the greater their request for special treatment. This was subsequently manifested by the extension of credit that essentially allowed the brothers to repay DCL three months after receiving the spirits. By 1894 Pattisons, following rumours about the state of their finances, was owing £40.000 so the Board of DCL decided to request a balance sheet or reduce their account. Robert Pattison however provided assurances (and a copy balance sheet) that everything was okay, and this was initially accepted. However, five months later further rumours surfaced, now from London, again regarding Pattisons' liquidity. This time it was decided that their credit should be halved to £20,000.

Pattisons' indebtedness to DCL fell and rose again and the paucity of DCL's checks and balances on the company were revealed. Although the Board argued about what to do, a tightening of controls when mooted was met by a plea that such a motion would actually be a hindrance to the brothers' trade. Yet another occasion when nothing was done.

It was after 1895 which proved to be a spectacular year for the Scotch Whisky Trade that Pattisons decided to form a Limited company. The subsequent flotation, in March the following year, was an undoubtable success being 10 times over-subscribed. Concerns

emanating from the DCL Board regarding Pattisons' indebtedness largely subsided for a few years until 1898 when the Board panicked over the size of Pattisons' outstanding debt given the news that a cheque presented to one of their Banks had not been met. What followed is detailed in the ensuing chapters.

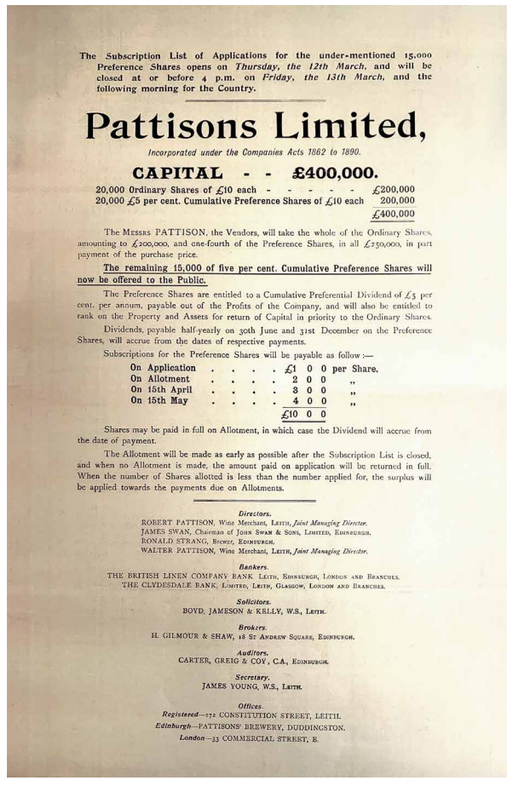
CHAPTER 6 - THE FLOTATION

Previously in July 1895 Robert and Walter had contacted James Young of Messrs Boyd, Jameson & Kelly in Leith about the possibility of converting the firm of Pattison, Elder & Co to a Limited Company. As a result, Mr Young prepared a Memorandum and a Handbook for taking this decision forward.

In December 1895 the brothers asked Mr Young to contact an Accounting Company, Messrs Carter Greig & Co with a view to examining the books in preparation for a share flotation. To aid them, one of the brothers prepared a proof copy of a Prospectus with blanks left for the insertion of a certificate by the Accountants. In the beginning of 1896 James Greig assisted by a team of six clerks "worked day and night for a month" examining the many books associated with the firm. While Robert Pattison had wanted such an examination to be limited to the previous 2 ¾ years, James Greig thought that was too short and accordingly he took it upon himself to extend his examination to cover the previous six years of trading. In March Mr Greig handed papers to the brothers that they signed confirming that "every line and word of them was accurate".

Subsequently on 11th and 12th March 1896 the following Prospectus was issued with adverts being placed in both the Scottish and English newspapers.

The company had the following assets as per the prospectus (only the total value was stated in the prospectus.)



The Subscription List of Applications for the under-mentioned 15,000 Preference Shares opens on *Thursday, the 12th March*, and will be closed at or before 4 p.m. on *Friday, the 13th March*, and the following morning for the Country.

Pattisons Limited,

Incorporated under the Companies Acts 1862 to 1890.

CAPITAL - - £400,000.

20,000 Ordinary Shares of £10 each - - - - - - -	£200,000
20,000 £5 per cent. Cumulative Preference Shares of £10 each	200,000
	£400,000

The Messrs PATTISON, the Vendors, will take the whole of the Ordinary Shares, amounting to £200,000, and one-fourth of the Preference Shares, in all £250,000, in part payment of the purchase price.

The remaining 15,000 of five per cent. Cumulative Preference Shares will now be offered to the Public.

The Preference Shares are entitled to a Cumulative Preferential Dividend of £5 per cent. per annum, payable out of the Profits of the Company, and will also be entitled to rank on the Property and Assets for return of Capital in priority to the Ordinary Shares.

Dividends, payable half-yearly on 30th June and 31st December on the Preference Shares, will accrue from the dates of respective payments.

Subscriptions for the Preference Shares will be payable as follow:—

On Application	£1 0 0	per Share.
On Allotment	2 0 0	,,
On 15th April	3 0 0	,,
On 15th May	4 0 0	,,
	£10 0 0	

Shares may be paid in full on Allotment, in which case the Dividend will accrue from the date of payment.

The Allotment will be made as early as possible after the Subscription List is closed, and when no Allotment is made, the amount paid on application will be returned in full. When the number of Shares allotted is less than the number applied for, the surplus will be applied towards the payments due on Allotments.

Directors.
ROBERT PATTISON, Wine Merchant, Leith, *Joint Managing Director.*
JAMES SWAN, Chairman of John Swan & Sons, Limited, Edinburgh.
RONALD STRANG, Brewer, Edinburgh.
WALTER PATTISON, Wine Merchant, Leith, *Joint Managing Director.*

Bankers.
THE BRITISH LINEN COMPANY BANK, Leith, Edinburgh, London and Branches.
THE CLYDESDALE BANK, Limited, Leith, Glasgow, London and Branches.

Solicitors.
BOYD, JAMESON & KELLY, W.S., Leith.

Brokers.
H. GILMOUR & SHAW, 16 St Andrew Square, Edinburgh.

Auditors.
CARTER, GREIG & COY., C.A., Edinburgh.

Secretary.
JAMES YOUNG, W.S., Leith.

Offices.
Registered—172 CONSTITUTION STREET, LEITH.
Edinburgh—PATTISONS' BREWERY, DUDDINGSTON.
London—33 COMMERCIAL STREET, E.

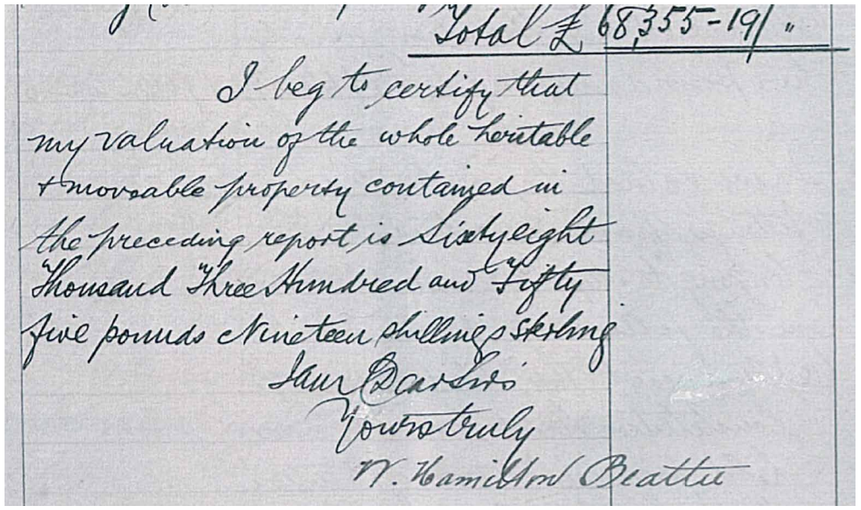
Prospectus.

1. PROPERTIES, MACHINERY, FURNITURE ETC.

- Constitution Street Leith (164, 166, 168, 170 and 172) (as per valuation £9,600)
- Duddingston Brewery (as per valuation £23,396 13s 4d)
- Excise bonded and other warehouse, offices, Yardheads Leith (as per valuation £5,531 5s)
- Offices, warehouses, workshops, Constitution Street, Leith (121 – 127), Links Lane and John's Place (as per valuation £17,662 + £6,531 10s)
- Leasehold bonded and other warehouses, offices Leith Docks (13),

Above valued by Mr W. Hamilton Beattie, architect and valuator, Edinburgh, including utensil fittings etc. £68,355 19s.

The Valuation consisted of a handwritten, 17 page long, document dated 3rd March 1886.


Total £ 68,355-19/-

I beg to certify that my valuation of the whole heritable & movable property contained in the preceding report is Sixtyeight Thousand Three Hundred and Fifty five pounds Nineteen shillings Sterling

Iam Dear Sir
Yours truly
W. Hamilton Beattie

2. STOCK IN TRADE

- "consisting largely of malt and grain whiskies of the choicest makes, valued by Messrs Leechman and Gray, brokers, Leith and Glasgow; and the wines, brandies &c., valued at the lowest market value. The Company will take over along with these, the outstanding debts due to the firm and the liabilities.

The vendors guarantee the stock-in-trade, and the debts due to the firm (which they guarantee) to exceed the liabilities by £100,000."

3. OTHER

- Shares in Leith Warehouse Co. Ltd, cash, goodwill.

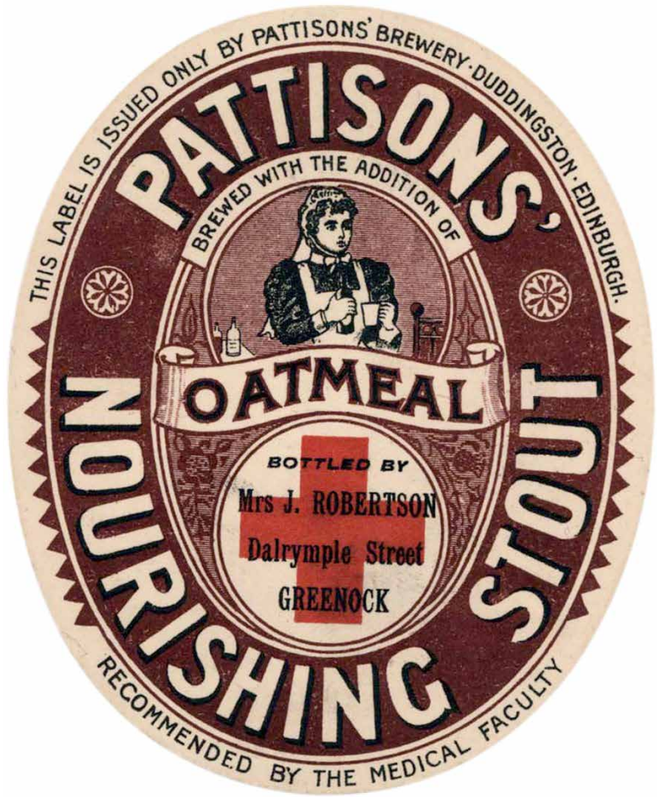
"The Preference Shares are entitled to a Cumulative Preferential Dividend of 5 per cent per annum, and will also be entitled to rank for return of capital in priority to the Ordinary Shares. Dividends (payable half yearly 30th June and 31st December) on the Preference Shares will accrue from the dates of payments."

The Directors were;
Robert Pattison
Walter Pattison
James Swan, cattle salesman (Father-in-law to Walter Pattison)
Ronald Strang, brewer, (however he died in the first year of the Company and was not replaced).

The Banks were;
British Linen Company Bank
Clydesdale Bank

There was great interest in the Preference Stock, and this was subscribed ten times over (according to the Yorkshire Telegraph and Star of 6th December 1898). In less than three months in 1896, 66 joint-stock companies were registered in Scotland. This type of floating, where the existing owners kept all the Ordinary Shares and issued Preference Shares, was a common procedure to borrow money. The Dividends for these Preference Shares were paid first (normally 5 or 10 per cent per annum) and then the Ordinary Shareholders were paid. As can be seen, the flotation greatly enlarged the personal wealth of the Pattison brothers.

Label from Duddingston Brewery.



CHAPTER 7 - THE YEARS 1896 – 1898

A Statutory Meeting was held in July 1896 at which Robert Pattison said that *"The business of the company was going satisfactorily, the sales since the beginning of the year having very largely exceeded those of the corresponding period of any former year in the history of the business. He further reported the brewery had already established itself a distinct success, and that beer from the outset had been of excellent quality and the extent of the sales had fully satisfied the expectations of the Directors"*.

At the Shareholders Meeting held on the 5th June 1897 the profit was reported to be £56,989 5s 2d with a dividend of £9,666 13s 4d after tax being paid to preference shareholders. Meantime £29,000 plus a bonus was paid to ordinary shareholders i.e. the Pattison brothers. £15,000 was placed in the Reserve Fund. The brewery too continued it's earlier success and had an output of 600 barrels per week.



Prospectuses.

THE SUBSCRIPTION LIST WILL OPEN ON MONDAY, 31ST MAY, AT 10 A.M., AND CLOSE FOR BOTH TOWN AND COUNTRY AT OR BEFORE 3 P.M. ON TUESDAY, 1ST JUNE, 1897.

JOHN SOMERVILLE & CO., LIMITED.

INCORPORATED UNDER THE COMPANIES' ACTS 1862 TO 1890.

CAPITAL, £320,000.

DIVIDED INTO

20,000 PREFERENCE SHARES OF £10 EACH, £200,000
AND 12,000 ORDINARY SHARES OF £10 EACH, 120,000
£320,000

The whole of the Ordinary Shares are to be taken by the Vendor in part payment of the purchase price, and will be issued to him or his nominees as fully paid.
The whole of the Preference Shares are now offered to the public at par.

Dundee Courier advert of 29th May 1897 re. John Somerville & Co Ltd.

All appeared well with the Scotch Whisky industry and a competitor of the Pattisons, also based in Leith, John Somerville & Co floated their business too. They also owned Glendronach Distillery and the North British Brewery. According to their prospectus at the time they had achieved an average annual profit of £17,983 5s 7d over the last three years. The preference shareholder in this case paid £200,000 and received 5% per annum.

The subsequent Pattisons´ Shareholders Meeting was held on 25th June 1898 where it was announced that the profit had now grown to £67,170 4s 9d – dividends paid to remain the same as in the previous year. By this time the brewery had doubled it's capacity and the Glenfarclas – Glenlivet Distillery was now in full working order making it one of the largest distilleries on Speyside.

In the previous month in May 1898, came the first ominous signs that the Scotch Whisky industry had problems. Another Leith based whisky company, Messrs. J & G Stewart (established in 1779) called in it's creditors including DCL, to whom it owed £6,000. The intention had been to float the company but when the accountants examined the books they found a high level of bad debt, over-buying and insufficient capital. The books also made it apparent that there was a high level of indebtedness to the banks. Creditors subsequently received 16s in the £.

Time passed and it began to appear that the whisky industry was resilient to further failures. As mentioned previously some 40 or so new distilleries were being built in Scotland in the decade between 1890 and 1900. Not only that, but the capacity of many other existing distilleries was also being increased. All this new investment resulted in the fact that whisky was being produced at a faster rate than it was being consumed.

CHAPTER 8 - THE FALL FROM GRACE

Such a situation could not be maintained, and it was the Pattison brothers and their precious company that was next in the firing line. December 1898 was not a good month for Pattisons Limited.

The 3rd of December was a Saturday when the Pattisons presented bills worth £20,000 to the Clydesdale Bank which they, in turn, refused to honour as there was only £9,000 in their account. On Monday the 5th December following rumours that the Company had financial problems, the Preference Share price fell by 55%, from £9 18s 9d to £4 5s and then on down to just £2 per share. The next day the Pattisons sat down to talk with the Bank. After some tough negotiations the Bank agreed to allow them time to settle their debts. This aid was however withdrawn by the Banks only two days later on the 7th and the company was forced to suspend payment. At the same time Messrs. J.D. Walker & Watson, Stock and Share Brokers in Edinburgh were advising their clients who were holders of Preference Shares to accept "the first loss" rather than run the risk of worse to follow. News of the firm's demise travelled fast as can be seen from the accompanying article from the Yorkshire Telegraph and Star of Tuesday evening on December 6th, 1898.

The newspapers of the time covered the Pattison collapse in some detail as these contemporary accounts show.

Yorkshire Telegraph and Star - December 6th, 1898

PATTISON'S WHISKY

ALLEGED FINANCIAL DIFFICULTIES

GREAT FALL IN SHARES

Much excitement prevailed yesterday in Leith, centre of the wholesale liquor trade, owing to the news that Pattison's (Limited) were in serious financial embarrassment. Pattison's is one of the most extensive concerns in the trade, having branches in the colonies, warehouses in London, a large brewery in the suburbs of Edinburgh, and the finest set of offices in Leith. The business is a comparatively new one, and the position in which it is now placed is said be due to extensive advertising and underwriting. Last year's profits were returned at £52.000. When the company was registered in 1896 the preference stock was subscribed for ten times over. The preference shares, however, which are £10 each, and which were standing at a premium on Saturday, were yesterday at the close of the Stock Exchange being dealt in at £2, at which figure heavy deals were executed, shareholders in panic rapidly unloading. Last evening a meeting of the directors was held. The result was not made public, but it is believed that an effort will be made to secure the backing of prominent financiers.

Telegraphing this afternoon from Edinburgh, a correspondent stating that the firm of Messrs. Pattison (Limited), whisky distillers, Leith, to-day assort that the reports published regarding their liabilities are exaggerated. They say that their liabilities do not exceed £1,000,000, and that if things come to the worst the assets would equal the liabilities. The directors met this morning, and at a quarter to one this afternoon they were still sitting. Hopes are entertained that a favourable arrangement of the firm's affaire will yet be arrived at, particularly in view of the fact that their fortunes affect at least three other firms in Scotland, one to the extent, it is alleged, of something like eighty thousand pounds. The present position, it is stated has been brought about, or rather is the outcome of, a difference between two of the firm's officials.

The correspondent telegraphs later: — At 2 o'clock the directors of Messrs. Pattison, Limited, were still sitting. Shortly before that hour the following communication was made to the Press: — The directors have placed large securities in the hands of the banking companies, and negotiation are now proceeding with a view to obviating any disaster with regard the company's business.

London Evening Standard - December 7th, 1898.

THE AFFAIRS OF PATTISONS (LIMITED).

ATTITUDE OF THE BANKS.

Our Glasgow Correspondent telegraphing last night, says: — "The prices ruling on the Edinburgh Stock Exchange, today, may be taken as indicating the hopes and beliefs of those supposed to be able to form a judgment on the matter, that the worst is past in regard to the affairs of Pattisons (Limited), Leith. The closing official quotation for 10£. Preference Shares, yesterday, was 3£., though a much lower figure was reached in the street, and this was also the opening price this forenoon. Subsequently the price rose to 3£. 10s., again fell to 3£, and later fluctuated between these extremes, sales being freely made at the higher figure. In the afternoon the fluctuations covered a greater area, ranging from 3£. 5s. to 4£, the average price being about 3£. 10s. With a view to tiding over the crisis in the Company's affairs, a conference was held this forenoon in the offices, at Leith, at which the Directors met representatives of the banks, and also certain of the creditors. The meeting extended over several hours, and, at one period in its progress, a communication was made to the Press to the effect that large securities had been placed in the hands of the banks, and that negotiations were being continued with a view to obviate any disaster with regard to the Company's business. It was afterwards ascertained that these negotiations had resulted in arrangements being made for the preparation of a statement showing the Company's financial position. This statement will probably be submitted to the banks tomorrow, and upon their view of it will probably depend the future of the Company. The Directors of Pattisons are understood to assess their liabilities at rather less than one million pounds, and they are confident that their assets are quite equal to their liabilities. So many other firms are involved in Pattisons, that it is believed that a great effort will result in the affairs of the Company being successfully arranged. The involvements of some of the firms are put as high as five figures.

Negotiations were being continued with a view to obviate any disaster.

The Press Association's Edinburgh Correspondent telegraphed last night: —"The Directors of Messrs. Pattisons (Limited) have had a meeting with representatives of the British Linen Company's Bank and the Clydesdale Bank concerning the financial affairs of the Company. As a result, it was agreed to request those creditors having bills due at this time to hold them over for ten days, in order that a report on the assets of the Company might be prepared. A scheme will then be proposed in which it is understood the banks will come to the Company's assistance, and in the meantime the business of the Company will be carried on as usual."

So many other firms are involved in Pattisons, that it is believed that a great effort will result in the affairs of the Company being successfully arranged.

London Evening Standard - December 7th, 1898.

Aberdeen Press & Journal - December 8th, 1898.

THE AFFAIRS OF MESSRS PATTISON

Pattisons, Limited, whisky distillers, Leith, were carrying on their business yesterday as usual. The company have agreed to the appointment of Mr Chiene, chartered accountant, Edinburgh, to prepare an exhaustive report upon the position of the business. It is stated that the assets exceed liabilities by £150,000. It is expected that a comprehensive statement of the firm's position will be available in three or four days. A Glasgow correspondent learns, upon inquiry, that none of the Scotch banks are involved to the extent of a single penny, without adequate security, and that the circular to be issued will substantiate the company's claim to be able to pay 20s in the £.

MR ROBERT PATTISON. HIS KEITH AND GLENLIVET CONNECTIONS. INTERESTING SKETCH OF HIS CAREER.

The vast development in the whisky trade of Leith during recent years has been remarkable, and is (says the "Leith Burgh Pilot") a fact that is patent to all having knowledge of local mercantile affairs. Our port is becoming more and more a centre for the storing and distribution of spirits, and as a consequence various firms concerned in the business have expanded in a most astonishing degree. One of the leading houses in the trade - if not the leading firm - is Messrs Pattisons, Limited, whose fine business premises at the top of Constitution Street attract the attention of all who arrive at the foot of Leith Walk. The business done by the company may be described as colossal, and has ramifications extending far outside the limits of our own country. The firm was founded by the late Mr Walter G. Pattison in 1849, and after his death it was continued with increasing success by his two sons, who recently converted the business into a limited company, with a paid-up capital of £400,000. The portrait at the head of this column is that of Mr Robert Pattison, managing director of the concern, and we have pleasure in appending a short sketch of his career.

Mr Pattison is constantly "in the mortar tub".

Mr Robert Pattison was born at Seacliffs, Trinity, on the 24th May,1859, and is thus still on the sunny side of 40. He was educated at Fettes College, and, on completing his schooling, entered his father's business, and gained a thorough knowledge of all its details prior to his admission as a partner in 1882. It is not too much to say that the administration of the business has been marked by those features of progressive enterprise which have made it one of the largest undertakings of the kind in Great Britain, and Mr Pattison continues to take the most active or interest in all its affairs, following up with vigour and promptitude each advance brought about by his energetic methods, and bestowing the greatest care upon the maintenance of the reputation the house has gained for its special brands of whisky, and for the general excellence of its supplies in every department.

The subject of our remarks is a hard-working man, rarely missing a day at business, and leaving his house in Peeblesshire on the banks of the Tweed shortly after seven each morning. On the arrival of his train in Edinburgh, he, as a rule, goes first of all to the brewery at Duddingston - a large establishment which was built a few years ago, and has proved a great success. After setting work for the day in motion at the brewery, he next drives to his chief office in Leith, where the heads of the various departments are waiting with a digest of the business for the day. The whisky trade of the company, of course, receives a vast deal of Mr Pattison's attention, as it has grown to a colossal size, and - as we have indicated in the foregoing - is still increasing rapidly from year to year. No doubt the elaborate and ingenious advertising adopted by the firm has had much to do with the increase in the volume of trade.

As one of his friends has said, Mr Pattison is constantly "in the mortar tub" as it were, never being happy unless he has some new buildings or extensions in progress. Quite recently he bought the Sugar Company's extensive premises at Bonnington, and, in addition to the existing buildings there, he is putting up some immense warehouses.

The cost of the new stores, exclusive of the refinery, will be close upon £40,000. These new warehouses alone will be capable of storing about 45.000 butts. The firm have just completed the rebuilding of their fine distillery - on Speyside - the Glenfarclas-Glenlivet Distillery - making it now one of the largest and most up-to-date establishments of the kind in the north of Scotland. It is fitted with every modern improvement, and is lighted by means of electricity.

Not satisfied with the immense amount of, work It he has to do in Leith and at Duddingston, Mr Pattison is also a partner of the Aultmore Distillery, Keith, and in addition has recently a sf acquired a partnership in the Oban Distillery Company, Oban.

The offices of Messrs Pattisons, Limited, in the Constitution Street, Leith, are on a large scale and well appointed, but as the firm have found them inadequate to cope with their growing requirements, they are about to have their present premises pulled down, and reconstructed in the most modern style. The plans for these new offices have since the beginning of this year been passed at the Dean of Guild Court, and when completed, we understand they will be quite unique, especially as regards the internal fittings, in i- which marble and carved oak are to be largely introduced. The firm's premises in Leith Docks It and in the Links are all on a most gigantic scale.

There is no telling to what height of prosperity he may yet conduct the concern.

No doubt the elaborate and ingenious advertising adopted by the firm has had much to do with the increase in the volume of trade.

Without a doubt, Mr Pattison has reason to be proud of the magnitude of the business he has a had such a large share in building up. For a comparatively young man he holds a unique position, and seeing, in the ordinary course of nature, that he has still many years of active work before him, there is no telling to what height of prosperity he may yet conduct the concern. Mr Pattison is a Conservative in politics, but he has never taken any active part in public matters, whether political or otherwise. Nor has he dabbled in local affairs, his time being so much occupied, and when finished with his business, he is usually only too glad to get away to the quiet country. where he lives all the year round.." Paris is very well, but give me Peebles for pleasure," once said an old worthy of that place after a visit to the French capital, and Mr Pattison is inclined to agree with that sentiment. He is unmarried, and in the summer evenings take a keen pleasure in riding along the roads and lanes of Peeblesshire with his sisters, or in driving in his fine tandem cart, which is so frequently to be observed on the roads about Peebles. Mr Pattison is very fond of music, and lately had a large pipe organ erected at his home by Ingram, of Hereford. We believe he also devotes much of his leisure to his gardens at Kingsmeadows. He has likewise a taste for the fine arts, and possesses a very good collection of pictures and bric-a-brac. Amongst his collection are several Romneys, Raeburns, Orchardsomn and Israels, as well as other fine examples of British and foreign masters.

Yesterday afternoon the shares of the company rose to £4 5s 6d a substantial gain over the position of Tuesday, and the feeling of the market was strongest at the close of the afternoon business.

TOO MUCH WHISKY IN STOCK.

A Birmingham correspondent telegraphs - The remarkable panic at Edinburgh over Pattisons stock had produced much excitement everywhere. A leading authority in Birmingham stated there would be a "slump" in Scotch whisky comparable only to that what has occurred in the cycle trade. There is double as much being made as consumed, and if all the distilleries were closed down for two years the stock available would be ample to meet the requirements of the trade.

Aberdeen Press & Journal - December 20th, 1898:

"THE WHISKY CRISIS

Some interesting statistics

A London correspondent contributes the following to the "Glasgow Herald". The Scottish whisky trade has been in a demoralized condition for a fortnight – indeed the suspicion that all was not well has existed in the market for some little time, and affected Christmas sales. The London representatives of several Scottish firms tell me that they have not known business to be so bad during the last 15 years; orders are few and comparatively trifling. This does not point to any decrease in the quantity consumed, but to the cautiousness of wholesale people here who are working on their own stocks until the position in Leith is quite clear. They are not so fatuous as to pay the ordinary prices when the market may be flooded at any moment with millions of gallons under forced sales, which therefore could be had at very much cheaper rates. A striking instance of the way of the way the intervention of the official liquidator affect prices occurred only last week in a case of an Irish distillery company whose five years old produce has for a very long time realised 7s 6d per gallon. On Friday, at forced auction, it only fetched 4s, which is the price the new company is charging for whisky made this month. If, instead of one distillery, 50 were involved, as may be the case in Scotland, the result will be imagined. Hence, except where they are themselves connected with distilleries, London wholesale dealers have been only buying from hand to mouth when their stocks were on the point of being exhausted.

Three or four ago I pointed out how precarious the situation was, and I have some figures, which were official, and which told their own tale. They have now somewhat tardily been taken to heart by distillers, with the result that scores of Scotch distilleries, six or seven weeks after the season had commenced, are with all speed checking the output. There are, however, some who delude themselves, and try to delude others, by saying the present stock does not exceed three years´ consumption. This is an egregious blunder. In the 12 months ended 31st of March last the quantity of Scotch whisky consumed was in round figures 12 ½ millions of gallons, which was a record, but on the day named there were 89 ½ millions in bond in Scotland, or over seven years´ of supply at that abnormal rate of consumption even if every factory in Scotland was closed until 1905. Some of the immense quantity in stock is, no doubt, Irish whisky, but it is understood not more than one million or two years' supply for Scotland. These figures are perfectly clear, yet only few days ago I was shown from various proprietors in the Highlands to their London clients in which they spoke only a three years' supply being in hand. How they make this mistake is plain. In the 12 months ended 31st March last the Commissioners of Inland Revenue report that 32,888,273 gallons of whisky were consumed in the United Kingdom end 814,855 gallons exported, so that all told 33 ¾ millions satisfied all demands for a year: the stock in Scotland, as I mentioned above , is 89 ½ millions, or, roughly, three years´ supply for the United Kingdom, but there are such liquors as Irish and English whiskies, and of these 21 ¼ millions disappear annually. Of this quantity some of the Scotch makers appear to be wholly obvious, and they write to their customers as if nothing but spirit made in their country was used. I have made no mention whatever of the immense stocks of Scotch liquor bonded in England – for their extent is a matter of estimate – but from what I have been able to gather they do not fall short of nine millions of gallons, or nine months´ supply for the three countries. Instead, therefore, of a three years' stock, there is one of nearly eight years.

In Ireland they manage the whisky business better.

I have, through the courtesy of some correspondents, obtained a few figures, which are in strong contrast with the above, and which at this juncture will probably interest your readers, and it will may be, cause all those concerned in the spirit industry to reflect even a little more than they have done since the 9th inst. Brandy, even more than whisky, requires to be stored for a period – at least the public demand it. Scientific men, by the way, have not yet succeeded in following the changes which take place during the process of maturation, and it may be that one day another popular delusion will be exploded by them. The people of this country drink 2 ½ million gallons of brandy yearly, yet the stock in bond is only 5 ½ millions; of Rhum 4 millions are consumed, and 8 ¼ millions on hand; and of wine 16 and 8 millions of gallons respectively. So that of foreign spirits, which also require to be aged, merchants are content with a two years' and of wine six months´ supply.

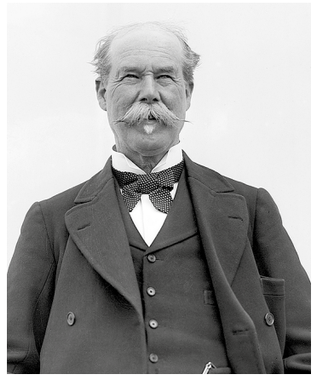
In Ireland they manage the whisky business better. There, too, the trade has been increasing steadily, but until a few months ago the number of distilleries has for many years remained unaltered, and the stock in hand increased slowly. Some 10,000,000 gallons of Irish whisky were consumed last year, and the reserve in Ireland stood at slight less than 36,000,000, or three and a half years´ supply. Twenty years ago the quantity in bond was relatively the same. With a market of the extent indicated they are content to manufacture 14,500,000 gallons annually, while their Scotch fellows, with a demand greater by only 25 per cent, turn out 33,725,000 in the same period. Even the Scotch banks, who have been finding nearly all the money to pay for this cannot stand the racket. They are regretting that they did not adhere to their resolution to have nothing to do with pawnbroking, as far as dutiable goods were concerned, but, like many others, they were caught by the boom , and now, somewhat late in the day, when to prevent a catastrophe, if happily it be prevented, they have been obliged to call a halt. They find themselves neck deep in whisky. The failure of an old-established Edinburgh firm two or three months ago was the first danger-signal. Since that time they have been endeavouring, without creating a panic in the spirit trade, to check the enterprise of their clients, but in some cases without effect, and the time came when for an attempted overdraft of £11,000 the Leith firm was pulled up. It is considered to be to the interest of all concerned that the firm be helped over its difficulties, for it is well known indeed, it was bound to be the case, that at least three others are heavily involved, and they in turn are indebted to some distilleries in the Highlands as well as to the banks. In any great industry a large firm overtaken by misfortune always brings a number of small people down. That would be so in the present case, and, in addition, the whole trade would be affected by the blow which would be given to prices by enforced sales of huge stocks. It is the possibilities of this, I am being told, which has spoiled the market here. The average cost price of the 89,750,000 gallons in bond in Scotland is put down at 3s 3d as a minimum, or a total of £14.000,000. In the opinion of wholesale people, who know full well that nearly all "old" liquor, by the time it reaches the consumer in one part old and three parts new, the investment of half that sum would be amply sufficient to meet all requirements for many years to come. Meantime production is being checked, and it is considered not improbable the distilling season will, whenever stocks of malt allow, be brought to a close early in the year, instead of running on to June."

All "old" liquor, by the time it reaches the consumer is one part old and three parts new.

They (the banks) find themselves neck deep in whisky.

The previous article underlines the fact that Pattison's were not alone in having troubles. The only problem was they had been overstating their stocks and mixing poor quality whiskies and passing them off as better than they in fact were.

Rumours also circulated that the Pattisons had been in negotiation with Sir Thomas Lipton about coming to their rescue. However, this was a story completely without foundation. Lipton had his own whisky business and in any case he was in the south of France at the time everything began to unravel.



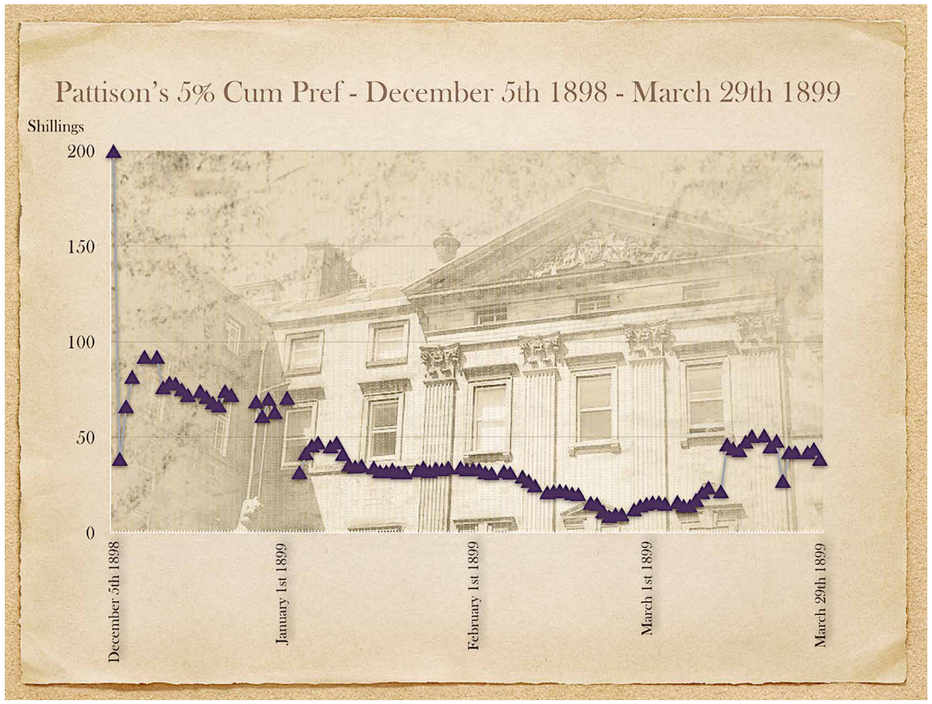
Sir Thomas Lipton.



Lipton's Advert from Dundee Evening Telegraph of December 19th 1898 .

Although Pattisons proved not to be Sir Thomas Lipton's "cup of tea", this did not quell further rumours over other possible takeovers, and these led to fluctuations in the share price until such time as the shares were suspended from the Stock Exchange's Official Shares Listing.

One such rumour (that in fact did hold some weight) was that negotiations were held with representatives from the Ocean Accident and Guarantee Company in London, though why such a company might be interested in Pattisons can only be guessed at. The talks themselves were rather long winded but again proved fruitless.



Stock Prices from the Dundee Courier.



Letterhead from Ocean Accident & Guarantee Corporation.

The time taken for drawing-up the Report of the financial status of the Company also took longer than had been envisaged and on 20th December it was said that the situation did not look as good as had originally been thought to be the case. The share price decreased as a result and a newspaper repeated their recommendation to nevertheless sell the shares at this low price of £3 12s instead of waiting and losing even more.

The timetable for the Report indicated it was then expected to be ready by Friday, 23rd of December, but it was further postponed. On the 30th of December a meeting was held consisting of the Banks, creditors and the Auditors and it was agreed that a reconstruction scheme should be ready by the 6th of January 1899.

The Pall Mall Gazette of 31st December reported, "*The main thing, however, is to prevent the whisky crisis from spreading, and until more details are known it is impossible to say how far other firms may be affected*".

CHAPTER 8a - JANUARY 1899

Pattisons' creditors met on 3rd January 1899 when it was agreed a syndicate would take over the assets in an attempt to try to resurrect the company. While the likes of DCL supported reconstruction, it did so without offering any financial aid. As a result, help was sought from London triggering speculation of the Company's shares on the Stock Exchange.

On 6th January there was a meeting of the approx. 300 Creditors and their representatives and the Accountants in the form of John Scott Tait of Edinburgh and Alexander Murray from Glasgow. In the Chair was James Ainslie, the well-known Distiller from Leith.

Tait presented two versions of the Pattisons' Balance Sheet, both from 6th December 1898. The first version although taken directly from the Books themselves did not take into account any deduction for bad (or doubtful) debts or any write-down on the value of the assets. Both these were borne in mind when preparing version 2 of the Balance Sheet.

The basic details were:

Balance Sheet Report No. 1
Assets £1,144,188 3s 5d
Liabilities £702,611 5s 7d
Surplus £441,576 17s 10d

Balance Sheet Report No. 2
Assets £837,606 15s 9d
Liabilities £920,400 9s 10d
Deficiency £82,793 14s 1d

As can be seen the difference between the two sets of figures is well in excess of £500,000.

WDuring the meeting a letter from the two brothers was read out. They had six issues they wanted to clarify. Most were linked to the lower values shown in the 2nd version of the Balance Sheet. They considered for example that their Investment in the Glenfarclas-Glenlivet Distillery should have been £10,700 higher than was shown and that no credit had been included for Company "Goodwill" despite spending the vast sum of £100,000 in advertising. They also stated that "debited as a liability of the business (is) a promissory note now held by one of the banks for £40,000. This bears the firm's signature, but it truly is a liability of us as individuals, and the banks hold securities given by us of a much greater amount at the time."

They concluded the letter by saying, "We are ready to surrender our own private means for the benefit of the creditors of the company".

While the audience applauded, the air of optimism was not going to last for long. The promissory note as will be seen later was to form one of the charges at the subsequent trial and Tait gave the following rather terse comment, "……. in respect to the £40,000 the matter was as broad as it was long, for if the private estate was surrendered it would be met one way or the other." When questioned as to what was owing to the Banks he provided the following figures; British Linen Company Bank - £109,319
Clydesdale Bank - £90,000.

Mr Tait recommended reconstruction of the company, under which:
- Secured Creditors (i.e. the banks) would get A Debentures (6% redeemable, 1910)
- Unsecured Creditors would receive B Debentures (8% redeemable, 1920)
- Preference Shareholders would get £2 10s for every share held by them, with half the profits after payment of 5% cumulative Dividend, and
- Ordinary Shares would be reduced from £200,000 to £50,000
- Reducing stocks quickly to pay off the secured Creditors.

It was then proposed that a meeting of the shareholders should be called to pass a resolution to wind-up the company voluntarily and this was unanimously agreed to by those present.

On 14th January, John Martin, Builder & Contractor from Leith (debt £2,400) and P.L. Henderson, the Edinburgh Architect responsible for much of the work on Pattisons' H.Q. in Constitution Street, (debt £1,000) along with James Kinnear a Leith Builder (debt £1,800) and Messrs. Redpath, Brown & Co, Iron Merchants of Edinburgh (debt £1,100) lodged 2 Petitions to the Court calling for the business to be wound up.

Subsequently on the 19th of January the Shareholder meeting took place attended by about 80 people. The crowd had a lot of questions to ask, many relating to the Securities held by the Banks and the various valuations provided. Two resolutions were forthcoming, viz:
"That it has been proved to the satisfaction of this meeting that the company cannot, by reason of it's liabilities, continue it's business, and that it is advisable to wind-up the same, and accordingly that the company be wound up voluntarily."
"That John Scott Tait, Chartered Accountant, Edinburgh, and Robert Alex. Murray, Chartered Accountant, Glasgow, be appointed Liquidators for the purpose of the winding-up, and that each of them may act separately and exercise every power which, by the Companies Act, 1862, and Acts amending and extending the same, is conferred on (the) Liquidators."

CHAPTER 8b - FEBRUARY 1899

On 1st February two of the Pattisons' customers went into Bankruptcy, namely Brown & Stark, Grocers of Inverness and Alexander Muir & Sons, Merchants from Alloa.

On 2nd February, the Court dealt with the two Petitions lodged previously by the Builders and the Architect. Compared to other Creditors, their claims were minor, but they stated, "*A creditor whose debt he could not get payment of had a right to AN IMMEDIATE ORDER FOR WINDING-UP, unless it was shown that the winding-up order could do him no good, and that there were no assets to wind up*".

At the end of that month, on 27th February the Court "*Ordered an intimation of a petition by Messrs. Tait and Murray, Chartered Accountants, for authority to conduct the business of Pattisons Ltd, for not exceeding six months, and to take such steps as they may think proper to dispose of the assets of the business as a whole, or in large sections, and to offer them for sale by private arrangement or otherwise*".

CHAPTER 8c - MARCH 1899

On the 2nd of March a meeting was convened with the private Creditors of Robert and Walter. At that time Robert's assets were stated to be £20,600 while his liabilities were £348,000. It is not known what Walter's assets etc were at the meeting.

Another example demonstrating that it was not just the banks and distilleries offering generous terms during this period was the fact that Wallis & Son of the French Gallery in London were seeking the return of paintings worth £8,444 from Robert. They had been sent to him on approval in November 1897 and he was allowed a year in which to buy them or to reject them. The Trustees claimed that the paintings belonged to the Bankrupt's Estate.

On the 6th of March Robert and Walter were both called as witnesses in Inverness Court in connection with the Bankruptcy of the General Merchants Brown & Stark. Pattisons' liquidators had a claim amounting to £5,300 on the company. Both the brothers were rather uncooperative during the Court hearings. As they had no access to their books (these being in the care of the Liquidators) the brothers used this as a reason for their inability to answer many of the questions put to them.

Despite the Trustee's agent pressing the brothers for information regarding several of the bills, back came the standard reply that they could not remember especially as some of the deals were up to ten years old. Robert, when testifying, could not say, for instance, whether the Bills had been for joint transactions (such as accommodation) or for sales of goods. The Agent for the Trustee, a Mr Burns then put it to Robert;

"You are hardly giving yourself justice, Mr Pattison."

Then, on one of the Bills was a note, "ABOVE TO ADJUST AQUA". Mr Burns asked what this would have referred to and Robert replied,

"It was sometimes used for whisky."

The Public Gallery in the Court laughed at this and Burns replied,

"I am perfectly acquainted with the word and the stuff. Is that not a Bill down against whisky?"

Robert answered that he fancied so.

When Walter was then asked,

"Do you know anything about the Bills at all?"

He just replied, "No".

Burns then said,

"Then, nobody will be surprised at the catastrophe that has happened."

During the first few weeks in March the price of the Preference Shares increased on three occasions on the back of rumours that a London Syndicate was about to step in and take over the business.

It was claimed the Syndicate would pay as follows;

- The secured creditors in full.
- The unsecured creditors 13s 4d in the pound.
- To allot to the shareholders £6 of scrip in the new concern for every £10 they held.

On 21st March, it was reported that a syndicate had offered just £25,000 instead of £50,000 to gain access to the company's books and records. When this was not accepted by the Court, the price of the shares fell to 13s 9d. However later that same day, the shares bounced back to 28s 3d on the news that the syndicate had then lodged the sum of £50,000 with the Bank of Scotland.

A week later on 28th March, Pattisons Preference Shares were deleted from the Stock Exchange listing. The books were to be closed as of 15th April and all creditors were required to lodge their claims and grounds of debt with the Liquidators on or before 19th April 1899.

CHAPTER 8d - APRIL 1899

On the 13th of April 1899 it was reported that the reconstruction of Pattisons by the London Syndicate would proceed in view of a favourable accountant's report prepared by Mr Price (of Price and Waterhouse) and Mr Ford (of Rothes and Ford). However, the sum of £17,000 had to be procured from members of the whisky trade in Leith and Edinburgh before the scheme could proceed.

On 14th of April Robert Pattison appeared for examination before the Edinburgh Bankruptcy Court and this was attended by a sizeable crowd of Agents representing different groups of creditors. Mr Craig representing the aforementioned London Syndicate involved in the negotiations for the business began by applying for the examination to be conducted in Private, but the Court decreed that it should go ahead in Public. When asked, Pattison said that he could not show what he had paid into his different Banks although he did think he could provide full details of the transactions with his Brokers. Once the Trustee had completed his questioning, the examination was adjourned until 19th May.

The knock-on effect of Pattisons' demise caused several other whisky firms to go bankrupt. This included such companies as Cowburgh & Mercer of Stirling (£6,571), Brown & Egan of London (amount not known) and F.W. & O. Brickman, a large broking company in Leith (£30,000).

The 18th of April was the last day for offers for the Company and it was reported that one had been made by the London Syndicate.

On 24th April a meeting of the Advisory Committee of Pattisons Limited, along with the liquidators Messrs. Scott Tait, Edinburgh and Alexander Murray C.A. Glasgow, was held in the offices of Chiene & Tait, Edinburgh. The meeting began at noon, and little more than half an hour afterwards adjourned. The members again assembled shortly after one o'clock. The subject before the meeting was the proposals of the London Syndicate. At the close of the proceedings it was noted that pending certain actions before the Lord Ordinary no information could be given.

CHAPTER 8e - MAY 1899

By the 8th of May 1899, it was said that attempts at reconstruction were close to success and that only a few insignificant details remained to be addressed. It was thought the syndicate could take over the assets and pay the liquidator the sum of £345,000 for the book debts, stock and goodwill plus a further £100,000 for the heritable properties.

On 12th May came the news that the negotiations between the liquidators of Pattisons Limited and the syndicate had proved unsuccessful and that attempts by them to purchase the assets were declared to be at an end. The liquidators would now proceed down alternative routes in an attempt to realise the assets of the company and they began by advertising the brewery at Duddingston for sale. That the liquidators felt moved to start selling the Company's assets before negotiations had been completed may have appeared odd, but their patience had been exhausted by the syndicate who repeatedly attempted to change the terms of the sale.

The following day, on the 13th, some staff were dismissed.

On 15th May some of the most influential Creditors expressed their dissatisfaction with the liquidators for allowing the talks with the London syndicate to break down. They therefore drew up a petition to the Court of Session requesting the Court grant powers to continue the business until re-started negotiations with the syndicate could begin again with the aim of reaching a successful conclusion. The petitioners were creditors headed by William Higgin Jr of Avoniel Distillery in Belfast. (As an interesting aside regarding the Avoniel Distillery, Alfred Barnard was made most unwelcome here while he was on his travels around the United Kingdom and he was not allowed access to the premises.) The petitioner's contention was that if an arrangement could not be concluded with the London syndicate, the realisation and division of the estate would be delayed indefinitely to the detriment of the creditors who could incur serious losses.

On 19th May the Court of Session granted an extension of time in an effort to find an agreeable solution. Unfortunately, by this time the situation had changed, and the syndicate indicated it was minded to pay £50,000 (which had already been deposited with the Bank) and then £345,000 in cash in three instalments, namely after two, four and six months. This offer was much worse than the original proposal especially for the secured creditors, i.e. the Banks. Instead of getting a firm proposal they got a draft scheme which, for the first time, saw a withdrawal of the 13s 4d in the £1 offer. The syndicate having concluded their examination of the Company's books proceeded to offer only 13s 4d on the unsecured claims only at the time of the suspension of trading – a very different proposal than previously.

It appears that the liquidators were supportive of the Banks whose main interest was purely in retrieving their money. Many of the other large creditors were more interested in retaining customers and importantly, making sure the stocks of whisky did not flood back on to the market and deflate prices.

There were three main problems to be addressed:

1. Security for the 2nd and 3rd payment of the monies,

2. The British Linen Company Bank who held a bond for £100,000 (Brewery and warehouses) but was now being offered Debenture Stock, the estimated value of which was £91,600, in the new company. However, the Syndicate was according to the Solicitor-General for the petitioning creditors, prepared to pay the Bank in cash.

3. The liquidators did not support the overall scheme. They claimed that the outcome, in the case of reconstruction, to the creditors would be £377,000 (subject to expenses). Should the option of reconstruction not be adopted the sum receivable by the liquidators (including the claim against the Directors) was estimated at £381,000.

The liquidators asserted that if they realised funds from the Estate, the dividend would be paid sooner rather than relying solely on the monies realised from the reconstruction alone.

Also, the Solicitor-General said that if the travellers were to cease bringing in business the Goodwill of the Company could be lost, and the Syndicate might not wish to proceed with the purchase. He therefore requested that business be continued for the next ten days to a fortnight thus giving negotiations a chance to be finalised in that time.

The Judge then asked how those at the creditors meeting would be able to overcome the problem with the Banks. The Solicitor-General replied saying they knew how responsive the Banks were to public opinion and he thought it in the interests of the Banks themselves that they meet with the creditors.

The relationship between the liquidators and the unsecured creditors was not great. The liquidators alleging that, "*The proposal to start a new company to take over the business of the company now in liquidation led to a great deal of speculation in the shares of the company after the date of liquidation, and the liquidators think it right to state that they have been told that there are arrangements, of the nature of underwriting contracts or agreements connected with the formation or floating of the proposed new company to which some of the present petitioners are parties. If thus be so, they have an interest other than that of Creditors of Pattisons Limited in having the proposed scheme carried through*".

The Solicitor-General, for the petitioners, said that this information was correct in the case of at least one creditor, but that this only re-iterated the fact that he was anxious that the rescue scheme proceed. It was claimed that this creditor was prepared to put in several thousand pounds of his own money into any new concern despite the fact that he was already owed £40-50,000. Who this creditor was is not stated but it is probable that it was DCL and it's, sometimes controversial, general manager William Ross.

The decision by the Judge regarding the petition was:

a) That creditors should have the opportunity to say whether or not they accepted this scheme,

b) To appoint Mr James Ainslie (James Ainslie & Co, Wine & Spirit Merchant), Leith or William Ross (DCL) or failing either of them, Mr William Higgin Jr. (Avoniel Distillery, Belfast) as Chairman.

c) To order the liquidators to carry on business for a further two weeks.



Cigarette card showing Lord Stormonth-Darling playing golf.

The liquidators opposed the petition.

On the same day (19th May) Robert Pattison was examined in his private bankruptcy capacity. Here he promised to produce a statement of account showing where his part of the £150,000 received for the preference shares in 1896 had gone. The examination was postponed accordingly for one month.

On 20th May, Lord Stormonth-Darling disposed of the petition by the creditors of Pattisons Limited to be allowed to hold a meeting to consider the offer of the London Syndicate. He said it did seem desirable to give the creditors an opportunity of expressing their opinion on a matter in which they had a real interest and on which an agreement was so near to being concluded. He directed a meeting of the creditors to be held on 26th May, the petitioners to fix the hour and place of the meeting and appoint them to call the meeting by advertisement. An application was made for petitioners to have a list of creditors in order that mandates might be obtained from creditors who did not attend. The liquidators asked for time to consider. Lord Stormonth-Darling said of course no obstructions would be offered but that all reasonable information would be given.

Reports of the Proceedings on 26th May took up many column inches in the newspapers following the case. Perhaps the briefest and most adroit was given in the Glasgow Herald the next morning. As can be seen from the correspondent's own relating of events even they too found the case difficult to follow. Nevertheless, it is interesting to note that at this stage the Company's fall from grace was still seen as being down to one of "reckless adventure" rather than the knowing manipulation that was subsequently levelled at Robert and Walter.

From the Glasgow Herald 27th of May 1899.

The Creditors of Pattisons Limited have taken the management of the estate into their own hands, and agreed provisionally to a scheme of settlement which the liquidators had previously rejected. It is not easy to understand what the scheme is. Originally it was a proposal by a London Syndicate to form a new company to take over the entire assets and pay the unsecured creditors 13s 4d in the pound. It now seems to be an arrangement for the transfer of the stock and heritable property for a lump sum, which the liquidators say does not represent more than break-up value, but which seems to be equal to something like 11s 6d in the pound. On the part of the creditors however, it is contended that what the liquidators regard as break-up value will not actually be realised by their methods, and that, therefore the liquidation will not result so well for them as the offer of the London Syndicate. As to this it is impossible for outsiders to judge, but on the face of it the creditors would seem to be making a better bargain by ensuring receipt of a lump sum within a limited number of months than by spreading out the realisation indefinitely in the ordinary course of liquidation. It must be confessed, however, that the terms of the scheme as reported are somewhat shadowy, and that it is by no means certain yet that it will be carried through. There are still questions of security for the second and third instalments of the purchase price to be arranged, and it is not by any means clear how the preferable claim of the Bank is being disposed of. This is one of the claims regarding which there was so much uncertainty at the first meeting of creditors, and the exact position with it has not since been made public. What the creditors decided yesterday, however, was to appoint a Committee of their own number to take up the negotiations at the point at which they were dropped by the liquidators, and to complete the arrangements with the London Syndicate for satisfying the heritable creditors and adjusting the payment of the purchase price previously offered, but rejected by the liquidators because of the absence of what they considered adequate security. That is to say, the creditors are themselves taking the risk, and by their action will absolve the liquidators from further responsibility. This course is unusual, but so also is the case. Surely in the history of Scottish commerce we have had few tales of such reckless adventure as has been disclosed in the bankruptcy of Pattisons Limited, and of the various concerns which the fall of that company has brought down.

Lord Stormonth-Darling, who was the Judge from the Court of Session again presided over matters while William Ross of DCL acted as Chairman.
Amidst all the Court proceedings for Pattisons Limited, the second shareholder meeting of John Somerville & Co. Ltd another firm of Edinburgh Brewers, was held on 31st May. This company had a similar background and business to Pattisons, and the flotation of the company had taken place in 1897. At this meeting, William Ross of DCL again reappears and he requests that the balance sheet be signed by the Directors and not the secretary. He had obviously made a point of checking the facts and figures of the company beforehand as he remarked upon both the valuation of the stock and the decrease in profits. He also moved a proposal that no remuneration should be made to the shareholders or directors. Subsequent voting on this proposal revealed that only he and one other supported the motion much to his displeasure. He was perhaps comparing events with Pattisons Limited at the time.



Sommerville's Brown Stout and Three Guinea Ale labels.

CHAPTER 8f - JUNE 1899

On 2nd June the Solicitor-General appeared before Lord Stormonth-Darling to request that as it was too late for enrolling any papers regarding the liquidation of Pattisons Limited that the limit be extended to Tuesday 6th June (Monday being the Queen's Birthday which was a holiday). His Lordship agreed to the proposal.

Hopes of any reconstruction ended on 6th June when the Committee reported that despite having done their utmost they regretted that they had been unable to bring negotiations to a close within the time at their disposal. William Ross had signed the letter to that effect, and this was read out in Court on his behalf as he was not in attendance.
A Mr Salvesen who appeared on behalf of the creditors whose claims amounted to £345,145, said he was instructed to oppose any further extension of time to come up with a satisfactory solution. A large number of the creditors thought that the Syndicate were little more than time wasters who had no intention of proceeding with the scheme as had originally been proposed. (It was to take the authorities another 20 months to unravel the Pattisons' affairs sufficiently to allow for a prosecution to go ahead.)

Prior to the foregoing, (on 5th June), the liquidators had again advertised the sale of the Duddingston Brewery with a reserve of £50,000. The brewery was described as having all the latest improvement having only been completed three years previously. There was also ample ground attached, sufficient to enlarge the brewery to double it's current capacity. At the subsequent auction on 14th June there were no offers forthcoming, so the sale was adjourned.

Lord Stormonth-Darling in the Court of Session on 20th June closed the record in the action brought by F. W. & O. Brickman, Leith, against the Glenfarclas-Glenlivet Company. This related to two batches of whisky lying in Bond at the Distillery that had already been purchased from Pattisons Limited.

On Friday 23rd June, Lord Stormonth-Darling in the Court of Session ordered intimation and service of a note by James Craig C.A., Edinburgh and Athol Thorne of Austin Friars, London in connection with the Pattisons liquidation. The petitioners stated that on 22nd March 1899 they lodged, on deposit, in their joint names on one part and the liquidators on another the sum of £50,000 as a condition to the inspection of the books of the company. The inspection having taken place and all negotiations for the purchase of the business now ceased, the liquidators had been called upon to deliver to the petitioners the deposit, but they refused or delayed to do so. Neither of the petitioners had any writings or property belonging to the liquidators.

On Saturday, 24th June the following advert appeared in the Glasgow Herald (as shown on next page) putting up for auction stocks of drink held by Pattisons.

In this same week a separate sale was held at Christie's in London for 123 works of art belonging to Robert. This realised the price of £8,855.

On Wednesday 28th June 1899 the brewery was again put up for sale at a reduced price of £40,000. Although the sale rooms were crowded no offer was made for the premises. The Pall Mall Gazette published the next day commented thus:
"If the shareholders in Pattisons have no better grounds for hope than that afforded by the attempted brewery sale yesterday they may well almost wish that the London Syndicate had been cajoled instead of summarily dismissed."

THE STOCKS
OF
WHISKIES, BRANDIES, WINES,
RUM, GIN, AND LIQUEURS,
BELONGING TO
PATTISONS LIMITED, IN LIQUIDATION,
FOR
SALE BY SEALED TENDER.

The Stocks are well known to be of Superior Quality, and will be Sold in One Lot.

An INVENTORY and VALUATION of the STOCKS, and the CONDITIONS of SALE, are to be seen in the hands of the Liquidators, JOHN SCOTT TAIT, C.A., 67 George Street, Edinburgh, and ROBERT ALEXANDER MURRAY, C.A., 163 West George Street, Glasgow, and Copies may be obtained from either of the Liquidators, who will supply further information and Forms of Tenders.

Tenders, under sealed covers, marked "Pattisons Limited, Tender for Stocks," and addressed to the Liquidators, at 67 George Street, Edinburgh, will be received up to, but not later than, 12 o'clock Noon on Friday, 7th July, 1899.

The highest or any Offer may not be accepted.

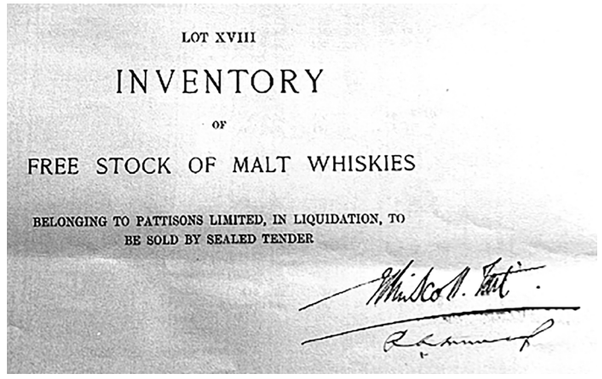
Advert from Glasgow Herald of 24th June 1899.

CHAPTER 8g - JULY 1899

Two large sales of Pattison Company's assets were advertised for sale this month.

On the 3rd July the central premises occupied by Pattisons offices in Constitution Street were offered with an upset price of £7,000 while the bonded warehouses at Yardheads had an upset price of £4,500. Neither received any bids.

On the following day a large folio volume was issued to the trade containing details of Pattisons' stock of liquor that was being put up for sale – this consisted of purely that located in Edinburgh. Stocks at other locations would be sold at a subsequent date. As it was all being sold as one large Lot, the final date for tenders was set for Friday 14th July, and the prices being set were half the actual value of the stock. Rumours abounded that a Syndicate of Leith dealers affected by the crash might be formed to buy the stock but it is not known if this was just speculation.


LOT XVIII

INVENTORY

OF

FREE STOCK OF MALT WHISKIES

BELONGING TO PATTISONS LIMITED, IN LIQUIDATION, TO BE SOLD BY SEALED TENDER

Front page of inventory.

The inventory listing itself ran to a rather weighty 152 pages with the main part being devoted to a variety of whiskies both bulk and in bottles. The value of malt whisky alone was £15,000 from 35 distilleries which equated to more than 10% of the value shown in the inventory. (This does not endorse the commonly held perception that Pattisons' whiskies were primarily almost all grain with just a few drops of malt whisky added to formulate their blends.) The rest of the liquors were made up of an assortment of brandies, wines, rum, gin, champagnes and liqueurs.

As with the sale of properties previously, the whole lot was unsold, and it was decided to split it into smaller parcels of lots for sale at a later date.

Robert was not only being pursued by angry creditors, as his family were also getting in on the act. On 11th July, Robert's mother and sisters raised an action against the Trustee of Robert's sequestrated estate to stop him interfering with any of their possessions and seeking the return of articles of furniture and other effects belonging to the pursuers that had already been removed from the mansion house at Kingsmeadows in Peebles, failing which he should pay £10,000.

Court actions were also taking place in the other direction too with Robert seeking the return of property from his sisters. The strains on the family at this time must have been terrible with accusations of who owned what, flying about in all directions.

In the Edinburgh Bankruptcy Court on 17th July before Sherriff Substitute Hamilton, Robert again appeared for re-examination. Much of the discussion centred on Pattison,

Elder and Co and the subsequent flotation of Pattisons Limited and the case became bogged down both in legal argument and Robert's memory loss as to what transpired especially as he claimed he was denied access to the company's books. Some of his answers too were rather terse. A typical exchange went thus:

Mr Campbell Irons – The object of the investigation now is to ascertain what Mr Pattison's estate consists of, and what he has done with it. Pattison, Elder & Co. are not a bankrupt estate, and the partners thereof are not bankrupt, and the investigation of their affairs is quite incompetent in the present proceedings.

Mr Watt – The firm of Pattison, Elder & Co. only exists for the purpose of winding up. Both the partners of Pattison, Elder & Co. are bankrupt.

Mr Campbell Irons – It consists of a third party.

Mr Craig – They are not bankrupts qua partners.

Mr Watt – The position is not simply to find out what is the estate which Robert Pattison acknowledges to be as at the present time, but to ascertain what was the estate he previously had control of, and which, therefore, properly might be brought under Mr Dewar's warrant. The position is that at one time this sum of £44,500 was, as seemed to be admitted, part of the estate of the firm of Pattison, Elder & Co. which might or might not have been made over to the limited company. He suggested that the agreement of sale with the limited company was by Pattison, Elder & Co. and by Robert and Walter Pattison. He would ask the bankrupt, then, was this sum of £44,500 or the estate which represented it made over to the limited company or was it not? Mr Campbell Irons said he submitted that the question was not competent. The Trustee might ask whether Mr Pattison got any portion of the sum of £44,500 and, if so, what had he done with it. That was all that the Trustee was entitled to do.

Mr Watt – Had Mr Pattison at any time an interest in that asset of £44,500.

Pattison – No.

(Excerpt taken from The Scotsman newspaper of 18th July 1899.)

On 27th July Duddingston brewery was sold at a really knock-down price of £30.000 to Mr Robert Deuchar of Newcastle-upon-Tyne. Although over forty persons were present, his was the only bid. All he then did was substitute his name on the existing Pattisons' label and off he went selling his wares accordingly. The brewery eventually closed in 1961.



Nourishing Stout labels with the changed names.

CHAPTER 8h - AUGUST 1899

On the 2nd of the month, DCL was at last able to re-coup at least some of it's losses by buying Pattisons' sizeable Breadalbane Street Office and Warehouse in Leith for the sum of £25,000.

On the 8th of August another of Pattisons Limited assets were realised with the sale to Macdonald & Muir, Leith, of all of the malt whiskies in bond. It was reported that the stock consisted of mostly Glenlivet Whisky aged between 4 to 10 years old. The sum realised was valued at £15,200. The company also bought over the Warehouse No.13 at Queen's Dock in Leith. The whisky purchased appeared to be something of a coup for Macdonald and Muir as a number of orders were received from other merchants for the whisky and about 25% was quickly disposed of. They might not have been too happy however when two days later the following letter was printed in the Scotsman newspaper;

"Sir, - In your issue of to-day we notice you state that the stock of malt whisky in the above bought by Messrs Macdonald & Muir consists largely of Glenlivet from four to ten years old.
As sole agents for Messrs Geo. & J.G. Smith, we beg to state that none of the stock so disposed of is their manufacture, and we shall feel obliged if you will make the necessary correction. Andrew Usher & Co."

Was this a case of out and out deception or an error on behalf of Pattisons or the liquidator's agents?

CHAPTER 8i - AUTUMN 1899

On 12th September, Robert Pattison again appeared before the Edinburgh Bankruptcy Court, this time being questioned in greater detail about his personal affairs. As on previous occasions, little progress was actually made as his memory relating to his own accounts was not that good ……. or so it appeared. He did remember one transaction however relating to the sum of £300 which he paid for a horse called "Bird Catcher." When asked what happened to it he replied that "*it is dead*", much to the amusement of those present in the Court. When asked about another payment of £5,000 or £6,000 to Alexander Elder in 1896 Robert said that he had contacted Alexander for details of the transaction, but he had received no reply. When asked if the monies had been paid in cash Robert replied that he did not know to which the Sherriff intervened "*Were you in the habit of paying such large amounts as that in cash? This is all very novel to us. Mr Pattison, we never give away £5,000 without knowing the date*". Robert replied it was in May, June or July 1896.

At the outcome of another frustrating day's deliberations, Robert offered to give full information regarding his deficiencies as soon as he could get access to the books of Pattisons Ltd. The examination was adjourned until 17th November.

At the beginning of October, the whisky broker F.W. & O. Brickmann of Leith ceased to trade with the reason being both the debts accrued in the Pattisons' crash and also stagnation in the whisky broking trade. This also had a detrimental effect upon the Preference Share price of John Somerville & Co. Ltd as they fell from £8 to £4 10s based on the premise that they were thought to be closely involved with Brickmann's.

On 20th October Pattisons' Head Office in Constitution Street, Leith was sold for £6,250 to a Mr John Hastie. a Solicitor, acting on behalf of an un-named client. Four days later a lot of the furniture was also sold.

On Friday, 3rd November the Court of Session gave a judgement in a case of undelivered whisky bought by Magnus McLean of Edinburgh for the sum of £8,851 7s 6d. If the whisky remained unsold at the time the Bills of Sale matured, Pattisons would repurchase it. This case would be one (relating to "double sales") of the four charges at the subsequent trial of Robert and Walter in 1901. The fact was that the liquidators could not admit that the transaction was a sale; and that the whiskies were the subject of a joint venture between Pattisons Limited and Mr Arrol of Alloa, who might claim the same. The Judge held that there was nothing in the documents or the evidence of the witnesses to show that the transaction was nothing other than a sale and he therefore granted decree in terms of the note, with expenses to the petitioners.

The following day saw the sale of Robert's impressive wine cellar from his mansion house at Kingsmeadows in Peebles. The sale included not only fine wines but "choice Highland and Irish Whiskies in cask and bottle". How much the sale realised is not known.

On 17th November, Robert was back in Court again facing further questions about both his own affairs and that of Pattisons Limited. Again, little of substance was forthcoming over a two hour period so the hearing was adjourned to 19th December 1899.

A few days later some of Robert's personal furniture was sold in auction. However one may view the man it must have been distressing for him to see the drip feed of his assets going under the hammer as they did – probably at knock-down prices too.

While the Pattisons affair was causing ripples throughout the entire whisky industry it is interesting to take a moment to ascertain the effects it was having upon sales generally. A good barometer for this was provided in a report on the Scotch Whisky Trade in the Glasgow Herald of 24th November.

Aberlour Glenlivet	3s 11d	Caol Ila	3s 11d
Auchinsblae	3s 3d	Bowmore	3s 10d
Aberfeldy	3s 6d	Lagavulin	3s 10d
Ardmore	3s 8d	Laphroaig	3s 11d
Auchantoshan	3s 3d	Lochindaal	3s 9d
Balblair	3s 7d	Glencoull	3s
Balmenach	3s 8d	Glencadam	3s 6d
Balvenie	3s 7d	Glendullan	3s 9d
Banff	3s 3d	Glendronach	4s 2d
Ben Morven	3s 7d	Glenfiddich	3s 8d
Ben Nevis	3s 8d	Glenfyne	3s 6d
Blair Athol	3s 4d	Glengarioch	3s 6d
Brackla	3s 7d	Glenlivet	4s 6d
Cardow	3s 10d	Glen Mhor	3s 4d
Clynelish	4s 8d	Glen Moray	3s 8d
Coleburn Glenlivet	3s 8d	Glentauchers	3s 7d:
Dalmore	3s 8d	Highland Park	4s 1d
Craigellachie	3s 7d	Inchgower	3s 8d
Dallas Dhu	3s 8d	Isla	3s
Devanha	3s 6d	Knockando	3s 8d
Dufftown Glenlivet	3s 6d	Knockdhu	3s 8d
Ferintosh	3s 6d	Linkwood	3s 6d
Glen Albyn	3s 6d	Lochnagar	4s 9d
Glen Burgie	3s 7d	Longmorn	3s 6d
Glenfarclas Glenlivet	3s 7d	Milburn	3s 5d
Glendullan Glenlivet	3s 9d	Ord	3s 5d
Glen Grant	4s 1d	Bonmore	2s 7d
Glenmorangie	3s 6d	Campbeltown	2s 6d
Glenturret	3s 2d	Glen Nevis	2s 5d
Highland Esk	3s 4d	Kinlocb	2s 8d
Pollo	3s 6d	Annandale	2s 4d
Parkmore	3s 8d	Auchtertool	2s 4d
Speyburn	3s 8d	Bankier	2s 5d
Speyside	3s 8d	Clydesdale	2s 6d
Strathisla	3s 6d	Edinburgh	2s 7d
Stronachie	4s	Linlithgow	2s 8d
Teaninich	3s 8d	Loch Katrine, Camlachie	2s 4d
Tobermory	3s 8d	Saucel, Paisley	2s 3d
Towiemore	3s 8d	Grain whisky	1s 3d to 1s 4d per proof gallon

Distilleries and the prices per bulk gallon.

The Glasgow Herald of 24th November 1899

The new season for Scotch whisky, which has just opened, is of more than usual interest in view of the recent troubles in the whisky trade. It was fully expected that the season would be a poor one, and the reports to hand amply confirm this expectation. Indeed, the season is described as by far the worst that has been seen for many years. The distillers generally pay a visit to the South of Scotland and England about the end of October to arrange for the "placing" of the coming season's product, and on their return from this annual visit this year they report that it was with the greatest difficulty that they could obtain the smallest order for new whisky. One of the largest distillery proprietors in the Highlands, whose distillery is capable of turning out over 8,000 gallons per week, working full time, has secured orders to the extent of only 55 hogsheads. Blenders and merchants generally are only buying sufficient to meet immediate requirements, and absolutely decline to buy forward in view of the uncertainty as to the future course of the market. Leith, naturally, proved to be the most disappointing market, and there next to nothing has been sold. In Glasgow a much better feeling prevailed, and a fair business has been done. Some of the Glasgow distillers and whisky merchants have done very well, as they did not pursue the speculative broking in whisky to such reckless extremes as their unfortunate brethren in Leith. There is little doubt, however, that, dazzled by the apparent prosperity of the Leith ring, the distillers in the western centre – or, at least, some of them – were beginning to adopt their methods, and the collapse of Pattisons came as a timely warning. The London demand has also been most disappointing, and buyers there have been every bit as cautious as the buyers in Leith. In the larger provincial cities a few fair orders have been obtained, but the reports are very patchy, and most people seem disposed to await the course of events before buying.

For whiskies with four years of age and upwards a healthier demand exists, and any quantity could be sold at a reduction of a few pence per gallon. Distillers, however, are very averse to break prices, realising, as they do, that once they let prices down it will be next door to impossible to get them up to the old level again. Considerable quantities of whisky from three to five years old have been bought recently by the blenders for vatting purposes, and it is recognised that the stocks of old whiskies will very soon vanish. By far the greater portion of the overproduction has taken place within the last year or two, so that the bulk of the present large stocks consists of comparatively new whisky.

The opening prices for the new season's whisky are practically the same as those of last year, though in view of the small quantities that have been sold these prices are little more than normal. Barley is, to all appearances, very good and fairly cheap, and if trade had been good the distillers would have been able to make very good profits on the basis of present prices. The following are the principal prices per bulk gallon: -

On 28th November the liquidators acting for Pattison's took out an action against Peter Dawson Ltd, Distillers and Merchants in Glasgow. A transaction between the two involving whisky to a value of £8,128 18s 5d occurred while Pattisons were bankrupt. Whilst the liquidators sought the return of the whisky, settlement was reached whereby Dawson's had to pay £15,000 and rank as a creditor on Pattisons' estate for the balance.

On 14th and 15th December antique silver plate, plated articles and valuable jewels belonging to Robert's estate were sold at Dowell's Auction Rooms at 18 George Street in Edinburgh.

On 19th December Robert was again due in Court but on this occasion he failed to appear. In his absence, the Court was advised that certain difficulties in obtaining access to the company's books had been overcome and this should now allow Robert to gain such information as may be required. The case was then adjourned until Wednesday, 31st January 1900.

CHAPTER 9 - THE YEAR 1900

On 31st January as previously determined, Robert Pattison appeared back in Court. On this occasion having seen the various books and records of the company he gave a better account of himself, so much so that his examination was concluded, and the statutory oath administered. The state of affairs as compiled by the bankrupt showed (perhaps surprisingly) – liabilities, £18,062 3s 5d; assets, £20,619 6s 6d.

In February an auction took place of Pattisons Limited bottling equipment and other advertising items such as mirrors and dispensers etc. On 1st and 2nd March the stock from the warehouses in London went for auction. This consisted of;

PORT
137 pipes, 106 hhds, 216 qr-casks
Shipped by Graham, Hunt Roope, Teage, Dixon, Morgan Brothers, Guimaraens, &c. Vintages 1894, 1896, &c.

SHERRY
64 butts, 141 hhds. 34 qr.-casks.
Shipped by M. Misa, &c. 1s. 3d. and 3s. Duty

CLARET and BURGUNDY
251 hhds

BRANDY
12 puns, 329 hhds, 585 qr.-casks
Hennessy's 1895 vintage, Pinet-Castillon 1869 vintage, Planat's 1859, 1865, 1867, 1870,1887, 1889 and 1895 vintages, &c.

IRISH WHISKY
14 butts, 257 hhds, 280 qr.-casks
Phenix Park 1887, 1889 Avoneil, 1887, Bandon 1894, &c., Blend of John Jamesons and other Old Irish Whiskies, &c.

RUM
34 puns, 143 hhds, 29 qr casks
Jamaica landed in 1895. Old Vatted, 12 years old. Royal Naval Reserve, &c.

BOTTLED WINES AND SPIRITS.
CHAMPAGNES,
2,713 cases
Moet's Dry Imperial, 1884, 1893; Veuve Clicquot's Dry, 1893; Perrier Jouet's Extra Quality; Pommery's Extra Sec ; Jules Mumms Extra Dry, 1893 Giesler's Extra Superior, 1893; Ayala's Extra Quality, 1893; G.H. Mumni's, &c.

SHERRY
1,540 dozens Shipped by Garvey, Wisdom and Warter, &c.

SCOTCH WHISKY
3,036 cases Gordon, Glenfarclas - Glenlivet, Golden Eagle, Morning Dew, Red Dragon, Eisteddfod, &c.

IRISH WHISKY
451 cases John Jameson's ***, and finest Liqueur, &c.

BRANDY
739 cases Hennessy's, Hines, Otard's, Lanson Pere and Fils, Carnot's, Leon Perrent and Co.'s, Jules Faure's, &c.

83 cases Hock, Moselle, Liqueurs, &c.

Later that same month the remaining stock still held in Edinburgh was sold.

In early September, the liquidators issued their report to shareholders prior to the general meeting scheduled to take place in Dowell's Rooms, George Street, Edinburgh on 25th September 1900. As reported in the Scotsman of Friday, 14th September.

The number of claims lodged in the liquidation amounted to 501, totalling £836,935 1s 8d.

*It is worth remembering that the bid from the London Syndicate had been 13s 4din the £ and yet the liquidators had said that they would get more than that and it would take about 6 weeks.. Now 20 months had passed since the negotiations had fallen through and still not one penny had been paid out to creditors. It is surprising that the liquidators handling the case did not receive greater criticism for their mistakes.

The Scotsman of Friday, 14th September 1900.

The report stated that as a result of their investigations into the position of the company prior and subsequent to 31st March 1898 they are satisfied that no profits were ever earned. There remained, according to the books a surplus of assets over liabilities of £251,004 18s 4d but the liquidators were of the opinion that a fair statement of accounts would instead have shown a very large deficiency, which, excluding goodwill of £190,571 19s 6d would make a difference of £507,969 8s 7d. That was accounted for by over-valuations of properties and stocks on hand, insufficient provision for bad debts, discounts etc,. and under-statement of liabilities. Taking into account the loss arising in carrying on the business under the authority of the Court and the subsequent realisation of stocks, the deficiency would have been increased by about £80,000. The rankable debt may be taken as about £680,000, and as the outcome of the realisation of assets the total dividends due to the creditors are estimated to between 7s and 8s per £1. There will, of course, be no return to the preference or ordinary shareholders. The liquidators remark that the state of the company was very different from what was stated in the prospectus and in the annual accounts submitted to the shareholders.

The Dundee Courier 11th April 1901.

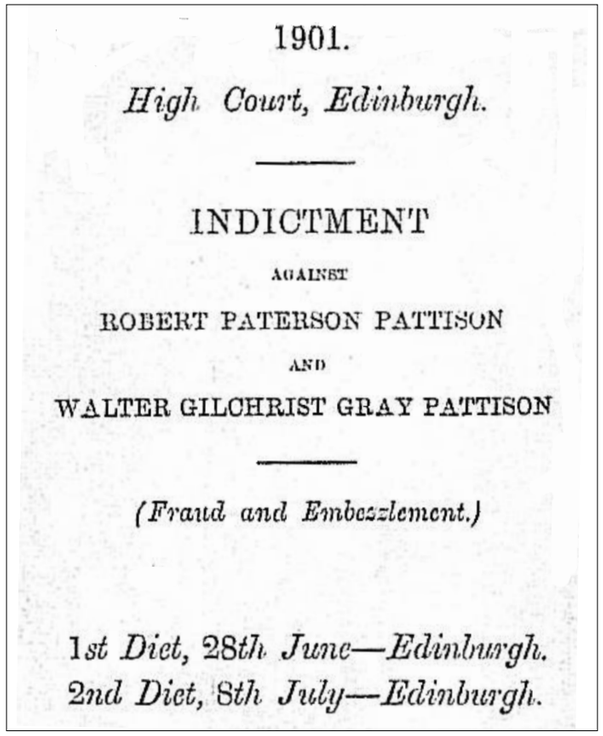
The arrest of Robert Pattison took place at Ardhallow, a mansion-house situated half-way between Dunoon and Innellan, which has been the residence of the Pattison family for some time back. Great consternation prevailed among the other members (of) the family, the accused's mother and sisters being very much upset by the sudden and apparently to them unexpected development which had taken place. At a given signal the carriage, which had been kept waiting, moved up (to) the mansion-house door, and the accused, who had carefully packed his bag in the presence of the two officers, stepped into the vehicle accompanied by (a) friend, and was driven to Dunoon Pier in the quietest way possible, and without exciting the slightest suspicion.

Walter Pattison was very quietly arrested at North Berwick. He had been residing (there) for some time past, and it appears he travelled almost daily from North Berwick to Edinburgh, usually by the morning train. Pattison, who had been shadowed lately by the Police, was in Station Road on his way to the railway station, evidently with the intention (of) going by the 0850am train for Edinburgh, when he was placed under arrest, and left after he was arrested, by the train mentioned.

CHAPTER 10 - THE ARREST AND TRIAL OF ROBERT AND WALTER

On 8th April both brothers were arrested, as reported in the Dundee Courier 11th April 1901 thus:
Having been arrested, both brothers were released on bail.

On 28th June, Robert and Walter appeared in Edinburgh Sherriff Court to hear the indictments laid against them. The Solicitors acting upon their behalf objected to them all saying they were "irrelevant".The whole proceedings lasted just ten minutes. The Edinburgh Evening News that night reported: - *"The brothers had not the flourishing appearance which characterised them during the bankruptcy proceedings, and both looked a trifle fagged and jaded when they were placed in dock."*



1901.

High Court, Edinburgh.

INDICTMENT

AGAINST

ROBERT PATERSON PATTISON

AND

WALTER GILCHRIST GRAY PATTISON

(Fraud and Embezzlement.)

1*st Diet*, 28*th June*—*Edinburgh.*
2*nd Diet*, 8*th July*—*Edinburgh.*

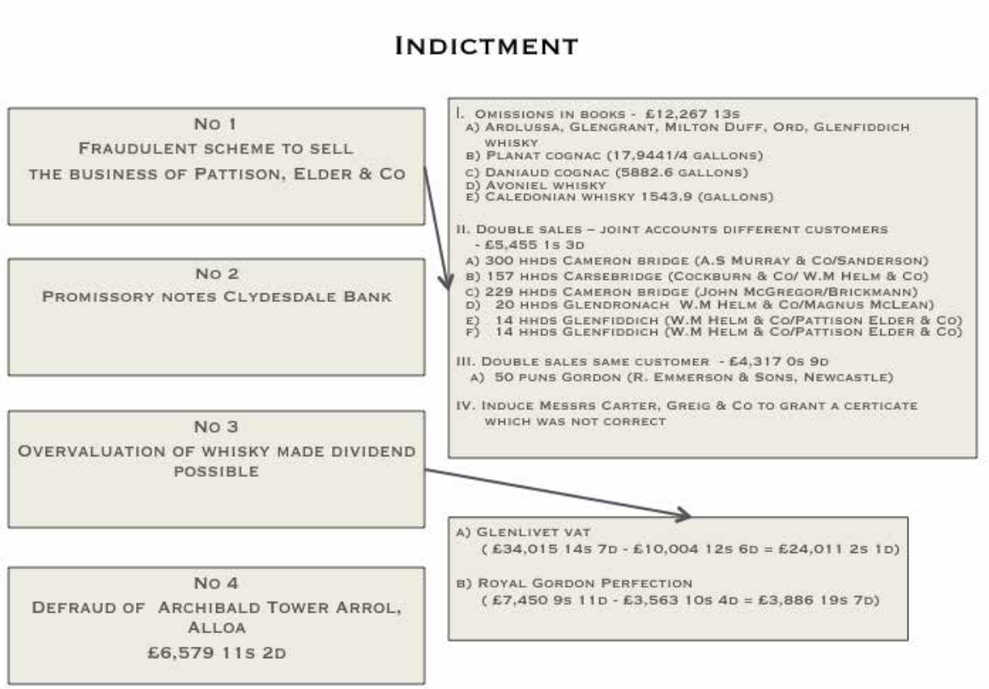
Copy of the High Court Indictment.

As the indictment contains so many numbers and names it is difficult to follow. The chart on the next page hopefully simplifies the main points.

On 8th July the trial of Robert and Walter began in the High Court. Some interesting facts are:

- The indictment was 41 pages long
- The number of productions was 526 and special racking was required to accommodate everything
- The weight of the documents was 7 tons
- 84 prosecution witnesses were cited for the Crown
- 100 jurymen were summoned
- There are very few of the operating distilleries not mentioned in the trial

The first day of the trial consisted largely of legal arguments with the defence team challenging the relevancy of the indictment. The brothers pleaded "not guilty" to the indictment.



Indictment chart.



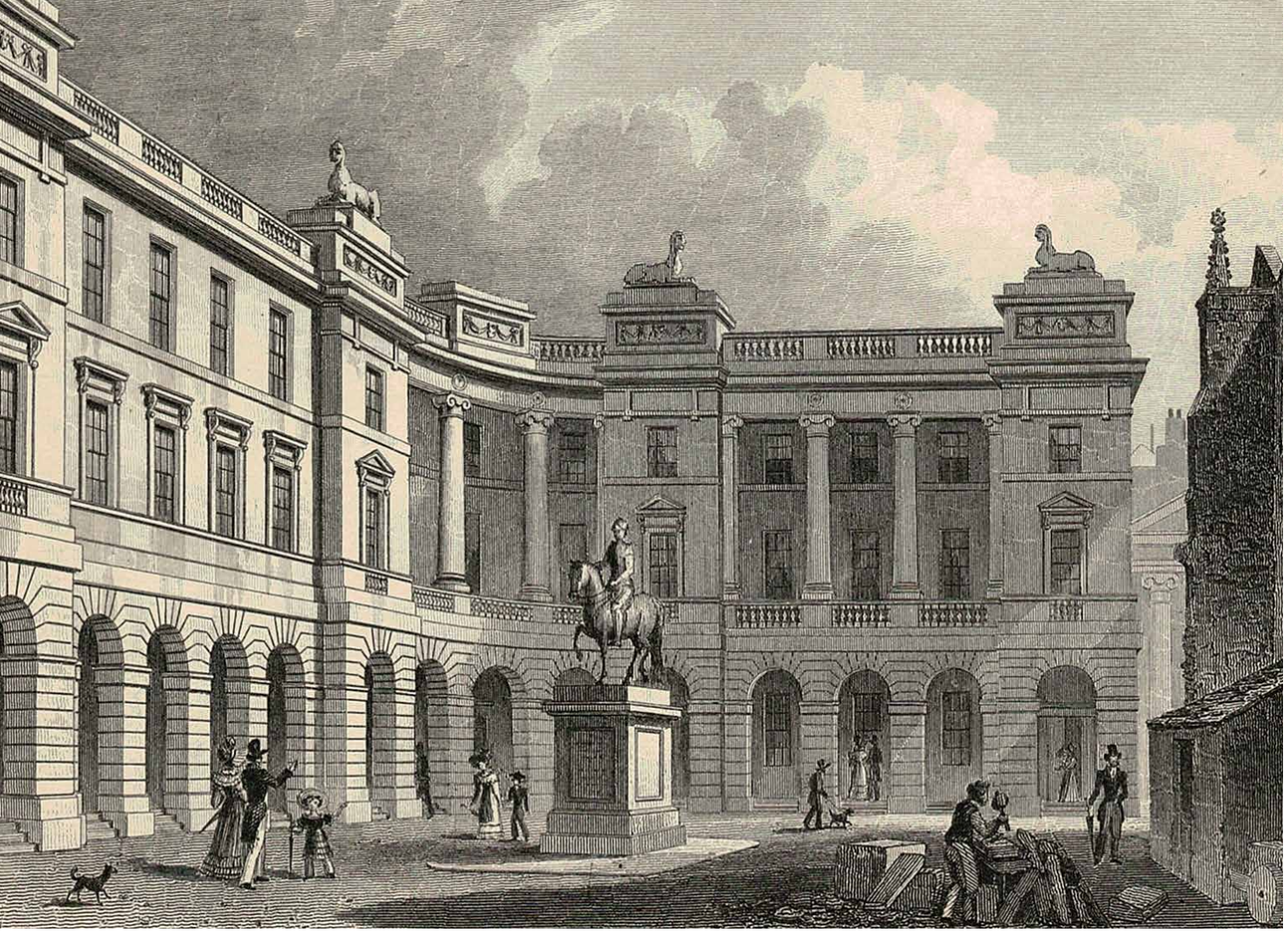
Kincaid Mackenzie (for the Crown).



C.J Guthrie (for Robert).



Alexander Ure (for Walter).



Edinburgh High Court.

1st Charge (A false Prospectus for the Flotation)

Mr Ure: The first charge accused the brothers of having attempted to deceive the public by issuing a false Prospectus in that it contained a certificate, signed by the accountants, who to a large extent overstated the amount of profit in the company. It was claimed that the accountants were deceived in granting that certificate, but it was not stated that the brothers were the ones deceiving the accountants.

Mr Guthrie: There was no suggestion that the books were in any way falsified or kept back. None of the cases either were founded on the fact that there was any information absent from any of the books available to those who wished to look at them.

Mr Kincaid Mackenzie's reply: The accused published the accountant's statement that the accounts of the company were correct, while knowing they were not, and this constituted in itself an indictable offence.

2nd Charge (re. Promissory Notes)

Mr Ure: The second charge was that the brothers were guilty of embezzlement, in that they appropriated to themselves some £39,000 or so of monies belonging to the Limited Company. His objection to the charge was that it was not positively asserted that the £39,102 did belong to the company.

Mr Guthrie: That charge assumed that there should have been some act performed which benefitted Robert Pattison and caused injury to the persons said to be defrauded. There was in fact no benefit to the Pattisons nor any loss to Pattisons Limited.

Mr Kincaid Mackenzie: The bank advanced the money on the representation, as they averred, that it was required for company purposes. It would have been perfectly legitimate if they then used it in the company, but what they did was to use it to discharge their own personal debts and make their indebtedness less.

3rd Charge (False Profits)

Mr Ure: The third charge was that the brothers had concocted a false Profit & Loss Account and Balance Sheet in 1898 with intent to defraud shareholders. Mr Ure objected to this on the grounds that there was no relevant averment of falsification or fabrication, because all that the brothers were charged with was overvaluing two lots of whisky. Secondly, it was not stated that the fabrication of the accounts was done for the purpose of gain to the brothers and a loss to the company. He also stressed that the brothers never took out the dividend in cash.

Mr Guthrie: Regarding the element of the charge that related to the over-valuation of certain whiskies, counsel contended that it was a case where many kinds of whisky had been blended in certain proportions. The result being that some people might find the resultant blend disagreeable while others, such as the blender himself, might consider that the constituent whiskies had been mixed together to produce a result of the highest value. It was a pure case for the exercise of opinion according to the tastes and notions of particular persons. He also stressed that without the claimed "over-valuation" the profit was sufficient to pay the dividends and the bonus.

Mr Kincaid Mackenzie: The accused had valued certain quantities of whisky at £37,000 while they well knew it to be only worth £10,000. To issue a false document to shareholders, though no loss resulted, was in itself a relevant criminal charge.

4th Charge (that of defrauding Mr Arrol)

Mr Ure: The fourth charge related to the alleged defrauding of Mr Arrol of the sum of £6,443, being the value of a large quantity of whisky. Mr Ure's contention was that there was nothing done by the brothers to cause Mr Arrol to lose his money; on the contrary, the loss was due solely to the failure of the limited company.

Mr Guthrie: He referred to Mr Ure and stated that it was a joint account between the Pattisons and Arrol and it was never intended that Mr Arrol should get the whisky. The deal was that he would receive part of the profit when it was sold. The injury was caused by the liquidation.

Mr Kincaid Mackenzie: The fourth charge was as clear a charge of fraud as could be made, and he contended that whatever might be the result, the case should go to trial on the averments as they stood. The sales of the whisky, to Magnus McLean, was not reported when it happened and when the bills for the same whisky (to Mr Arrol) were due, the brothers said it was unsold.

All the objections to the relevancy of the indictment were repelled by the presiding Judge and a jury was empanelled at 1500hrs.

In the afternoon Mr James Alexander Robertson-Durham, a Chartered Accountant from

Edinburgh appeared as the first witness. His testimony was very detailed and lasted for almost two days. After the crash he had examined the books prior to, and after, the flotation. At first he spoke about the flotation itself in 1896 before going on to compare the profits in the prospectus (certified on March 5th 1896 by Carter Greig & Co., Accountants) and the real profits. Mr Robertson-Durham stressed that Carter Greig & Co. did nothing wrong when they prepared their report and signed it off accordingly. That the report was not correct, he said, was because of false answers from the Pattison brothers to questions relating to the accounts. He mentioned several instances in which whisky had been entered as sold twice in order to give a fictitious value to the profits, and stated that if the money which had been fictitiously added to the profits of Pattison, Elder & Co. had not been included, the sum given in the prospectus as profit earned during the last two years and eight months before the flotation of Pattisons Limited would have been £8,000 less, which would have more than paid the interest on the whole of the preference stock issued to the public.

Year	Profit in prospectus		Real profit/ loss	Comment
1892/93	Annual average £22,899 10s 5d		- £2150 6s 7d	Ending 30th April 1893
1893/94			- £2759 11s 11d	Ending 30th April 1894
1894/95		Annual average £31,611 12s	£15,581 13s 9d	Ending 30th April 1895
1896			£36,212 11s (£54,200)	8 months ending Dec (calculated per annum)

Profits.

Mr Robertson-Durham then went on to talk about promissory bills although he had not examined the fourth charge in any detail. He did stress that the omissions in the books and the over-valuation of the whisky was done for one purpose only – to inflate the profits before flotation. He cited the instances of newly made Irish Whisky having been bought at 11d and a half-penny per gallon and valued at 8s 6d. Also, as the result of blending certain whiskies the value was placed at £34,015, being £24,971 above the purchase price. He was examined at some length by Mr Guthrie chiefly with reference to the method of bookkeeping and the duties of an accountant in preparing a report on the profits of a concern for the purpose of floating a new company.

Next page: *Glenlivet VAT.*
Royal Gordon Perfection VAT.

GLENLIVET VAT

		Year of Make	Gallons	Price s	Price d	Cost Price £	Cost Price s	Cost Price d
Malt		1893	324.5	3	9	60	16	11
		1893	9457.1	4	4	2049	0	10
		1894	18232.5	4	2	3798	8	9
		1895	228.5	4	8	53	6	4
		1896	1319.4	3	5	225	8	1
		1897	104.5	2	7	13	10	0
	Sundry Ullages		50	4	0	10	0	0
			29716.5			6210	10	11
Grain	Londonderry	1898	10601.0					
	Avoneil	1897	11452.5	0	11 1/2	2833	12	4
	Avoneil	1898	37082.8					
			88852.85					
Contents of vat run off			80037.0			9044	3	3
equal to 2 s 3 1/4 d per gallon								
Blended between March 3rd and April 9th 1898								
			80037.0			34015	14	7
equal to 8 s 6 d per gallon								

ROYAL GORDON PERFECTION VAT

		Year of Make	Gallons	Price s	Price d	Cost Price £	Cost Price s	Cost Price d
	Glenfiddich	1896	284.1/4	4	4	61	11	9
	Glenfiddich	1896	114.1/2	4	5	246	2	5
	Glenfiddich	1896	2654.1/2	4	5	586	2	11
	Glenfiddich	1896	1755.	4	5	387	11	3
	F.O.R Allowances 2 d per gal					36	14	11
	Milton Duff	1892	389.3/4	7	0	136	8	3
	Glenfarclas	1889	314.3/4	9	0	141	12	9
	Glenfarclas	1890	280.1/2	8	6	119	4	3
	Glenfarclas	1891	453.	7	8	173	13	0
	Glenfarclas	1892	1093.1/2	6	10	373	12	3
	Glenfyne	1892	166.1/2	4	0	33	6	0
	Glenlivet	1889	434.	10	3	222	8	16
	Oban	1892	680.3/4	5	6	187	1	5
	Oban	1890	223.1/2	7	0 1/2	78	13	10
	Oban	1895	283.1/2	4	8	66	3	0
	Cragganmore	1895	333.3/4	5	4	89	0	0
	Glenochil	1892	3516. p.f.	2	8	420	16	0
	Banff	1893	455.	4	4	98	11	8
Contents of vat run off			12958.25			3458	14	2
equal to 5 s 4 d per gallon								
Vatted April 5th 1898								
			12958.25			7450	9	11
equal to 11 s 6 d per gallon								

With proceedings already in it's third day and more than 80 witnesses still to testify the Lord Justice-General decided that matters should proceed at a faster pace. Even the members of the public had had enough by this time as numbers dwindled from those attending on the first day due to the very technical and detailed nature of the evidence given to date.

Some bank clerks took the stand prior to another brewer from Newcastle-upon-Tyne giving evidence, a Mr Henry Emmerson. He spoke in detail regarding the purchase of 50 puncheons of "Gordon" Whisky, bought in 1894. Although he had been sceptical about the fact that the invoice was for the full amount while he only received monthly parcels of the whisky, he was told by his agent, "*Pattisons were as safe as the Bank of England*". When Pattison's finally stopped trading, he was sitting with bills for whisky that had not been delivered.

Next up was the original accountant, James Greig who had prepared the initial accounts for the Prospectus for the flotation in 1896. He stated how he and his six clerks worked, day and night, for one month, having had access to some 100 or so books of account. He said, "*At the time Messrs. Pattison, Elder & Co., were a firm of good repute, and he treated the Pattisons as being men of good character*".

Mr Greig stressed that when checking the books and queries were found they would be listed in a letter to the brothers who replied accordingly assuaging any concerns he did have. His partner in the accounting company, Mr Carter, when giving his evidence, reiterated his subsequent opinion that that the brothers had misled them thus prompting the reason for false figures in the certificate they had subsequently signed.

Later, on the third day, the court also heard briefly from the following witnesses regarding whisky sales: - a clerk from Ord Distillery, John and William Grant from W. Grant & Sons, Leonard McCaw from Avoniel Distillery in Belfast and a cashier from the Distillers Company Limited in Edinburgh. Strangely neither William Ross (DCL), nor William Higgin of Avoniel Distillery were called and yet they had greater dealings with the brothers than some of the other witnesses who had been asked to testify.

On 11th July, day four of the trial, Mr Wardlaw, general manager of the Clydesdale Bank was examined regarding the bank account of Pattisons Limited and the arrangements which were made with the accused for obtaining money for the limited company. He also spoke about promissory notes.

Several Shareholders were then called to state that they had bought their shares on the faith of the statements in the prospectus and the certificate as to the profits earned by Pattison, Elder & Co. Evidence was also heard regarding the joint transactions after which Mr Frank Thomson who had acted as cashier for both Pattison, Elder & co. and Pattisons Limited spoke to the method of bookkeeping with particular regard to certain of the bill transactions.

On day five, a considerable number of witnesses were examined including Mr R.A. Murray C.A., one of the liquidators from Glasgow; Mr James Young, W.S., secretary of Pattisons Limited; and several former employees of the company. These people from the different departments within the company were questioned as to the likes of work flow and the likelihood of mistakes being made.

When Mr Murray was examined he gave his opinion, as an accountant, that the business was a forced one, and that not 6d of profit had been earned. The outstanding debts at the present time were £160,000, most of which were bad. He further stated that at the meeting with the creditors that took place on 6th January 1899, the other liquidator John Scott Tait had said, "*It would be nothing short of a national calamity to allow a business like Pattisons Limited to go to the wall*". Mr Robert Nicol Robertson, a whisky broker in London, and formerly in the employment of the brothers, gave evidence as to the pricing of whiskies, the instructions for which were given by Robert.

On Saturday, 13th July (day 6), after evidence had been led in support of the fourth count in the indictment, the case for the Crown was closed. The principal witness was Mr Archibald Tower Arrol, brewer, who spoke to the joint transaction (dating back to 1898) in which he was concerned with the Pattisons for £6,443 worth of Glenfarclas whisky. The Court rose that day at noon, having only sat for two hours.

On day 7 (15th July) the defence produced some witnesses in an attempt to convince the jury regarding the mistakes in the bookkeeping systems of Pattisons Limited. It was a big company and errors in different departments by different clerks meant delays in the reporting of problems. An accountant, Robert Cockburn Miller, C.A., Edinburgh, was of the opinion that Carter, Greig & Co., who had prepared the certificate used in the prospectus should have seen the faults, saying, "*the position of an investigator was much more responsible than that of an ordinary auditor*".

Mr Miller also said that the Pattison brothers had the chief interest in the stability and prosperity of the limited company and would suffer most by any fraud committed by the company. He continued saying, that the accused allowed all their money to remain in the company, and there was an entire absence of motive for the alleged frauds. In the opinion of the witness, too much money had been tied up in the heritable buildings, and the company got weighed down by stock, and if that were indeed the case the brothers were not responsible for the failure of the company.

Mr James Craig, C.A., Edinburgh, was next up and he too was rather harsh in his criticism of Mr Greig, saying, "*If the accountant did not take the trouble and did not take the responsibility of finding out the true profit for himself, then I don't know what he would get his fee for*". He was then cross-examined by the Solicitor-General who asked why had the brothers not noticed that out of the £36,000 profit (in the last 8 months of 1895) £22,000 was due to omissions in the books. The result was that the brothers had to pay the difference out of their own pockets and the Solicitor-General asked,

- *"Would you not have expected that a man who had to pay £22,000 for carelessness to make some grumbling about it?*
- *If he had anybody to grumble to.*
- *Would he make no complaints to his clerks?*
- *It depends on the nature of the man.*
- *He might have been a mad man might he not?*
- *There you have come very near the point. He might have been an exception. I think there is a great deal of eccentricity in this case."*

On the 8th day of the trial the defence called a further accountant, Thomas Harrison from Newcastle, to explain the Pattisons´ accounting system including the omissions. He said that if he had been called upon to carry out an examination of the accounts prior to the flotation he would have found the errors. He was also of the opinion that it was not important for the preference shareholders as to how much profit was being made just so long as they got their dividend. For this only a profit of £7,500 was required. The Solicitor-General asked,

- *So long as the preference shareholders got their 5%, they had no right to ask about their own business, and you think that would be right in this case?*
- *It is a very common practice.*
- *Well we are more cautious in Scotland."* (Laughter)

It was then the turn of Walter Pattison, exercising his right to give evidence on his own behalf. He pleaded ignorance of the transactions that formed the counts in the indictment, and emphatically denied that he had ever formed a scheme to defraud persons who had applied for shares in his business. At the conclusion of his examination the case for the defence was closed and the Solicitor-General addressed the jury on behalf of the Crown, his speech occupying three and a half hours.

In it he stressed that the attack made by the defence upon the methods of Carter, Greig & Co. was the most perfect red herring he had seen. At the end of the day he said to the jury, *"This is a kind of charge that would only be brought against a man of good position, because a man of no reputation and no character would never have a chance to commit a crime like this"*.

17th July 1901 (day 9) – the last day of the trial. Mr Guthrie addressed the jury on behalf of Robert Pattison. He said that the Crown must stand or fall on the first charge. He would show them it should fall and with it the other charges of the indictment would automatically fall with it. He said the Crown had failed to answer three questions;

- When this fraudulent scheme was planned?
- What in essence was the scheme?
- The reasons for the scheme?
- Or more simply put, WHEN, WHAT, WHY?

He said that the Solicitor-General had stated the brothers had received £150,000 in cash from the flotation but the truth was that they got 50,000 of the preference shares (and 25,000 of those belonged to their father's trust) and the remainder in buildings or in an undertaking to provide buildings. He said; *"If there was a fraud here it was the act of no fool. It must have involved a most elaborate conspiracy, systematically, deliberately, and dexterously carried out"*.

After lunch it was the turn of Mr Ure to address the jury on behalf of Walter. He said he: *"Would not shed tears over the sorrows of whisky dealers, although he supposed these gentlemen had their rights; but not one of the whisky dealers produced could say that he had been injured by the action of the Pattisons to the extent of one penny"*. He was also critical of the time taken to bring this case to trial.

As the Lord Justice-General was sending the jury out to consider their verdict he left them with the following observation; *"Mr Thomson, the witness who has been more than once referred to, made a remark which rather struck me at the time. When he was describing something that was being done, he used an expression to the effect that he did not think that Walter Pattison fully realised what was being done. That is entirely for you to consider. I don't know that I can aid you any further, and I now ask you to retire and to deliberate upon your verdict"*.

After an absence of an hour and a half the jury returned and the foreman said, *"The jury by a majority find the panel Robert Paterson Pattison guilty as libelled of charges 1, 2, 3 and 4, and they find the panel Walter Gilchrist Gray Pattison guilty of charges 2 and 4 and find the first and third charges as against him not proven. That is by a majority in all cases"*.

The Lord Justice-General then passed sentence as follows; *"Robert Paterson Pattison, you have been found guilty upon the whole four charges, and the sentence is that you be imprisoned for eighteen calendar months."*



Pattison Brothers in Dock.

At this Robert called out; *"My brother is entirely innocent of charges 1 and 3"*.

The Lord Justice-General then completed sentencing by saying: *"Walter Pattison, you have been found guilty of charges 2 and 4, and as it is manifest that there is a great distinction between your case and that of your brother, I feel that I shall satisfy the ends of justice sufficiently in your case by pronouncing a sentence of nine months' imprisonment"*.

Both the accused seemed in no way cast down and smiled the congratulations accorded them for the lightness of their sentences. After shaking hands all around they disappeared down the prisoner's stair.

In it's report on the case, The Scotsman noted; *"The verdict should have a good effect as a warning and deterrent to men of the Pattison type who make the floating of limited liability companies the field of their dishonest and fraudulent operations. Unfortunately, the sentence, from it's undue and ill-considered leniency, may partly undo that effect, and create the unpleasant impression on the public mind that fraud, if it is only committed on a large scale and by men of position and, presumably, of education, can count on being visited with mild punishment. The Pattison case, if it has been a nine days' marvel, has certainly, as one of the counsel for the accused said, been "utterly destitute of any element of romance, or of anything that could arouse noble or generous sentiments." It has been a sordid business, in which the question of the guilt or innocence of the accused has turned on the manipulation of bookkeeping accounts, the duties of auditors, and*

the "tricks of the whisky trade." If a moral is to be drawn from it, apart from the venerable one that fraud and dishonesty do not pay in the long run, it is the equally familiar lesson that the investing public should not let it's eye, or at least it's money, be caught by all that glitters in prospectuses and advertisements, and that where whisky is the object of sale and resale the "proof is in the preeing"".

CHAPTER 11 - AFTER THE TRIAL

Also on the 17th July 1901 a meeting of the shareholders of Pattisons Limited took place, attended by just two shareholders. Mr Tait, C.A., one of the liquidators submitted a report which had been published. He said, they "*expected to realise from the remaining assets a certain sum, which would enable them to pay a balance of 7s 6d per £1 to the creditors, and they might be able to pay 8s. The whole deficiency was £661,706*". He hoped in a month or six weeks to hold a final meeting to bring the liquidation to a close, and then apply to the Court for an order to dissolve the company.

Following on from the aforementioned, a meeting of the creditors was convened that afternoon. Only five creditors were in attendance and Mr David Kelly of DCL acted as chairman. Mr Murray, C.A., stated that the liquidators had gathered in £123,042 during the year and the sum remaining after deduction of duty was £101,669. The principal assets remaining were No.13 Bond in Leith, and sundry debts due by customers in security for which certain stocks were held. It was doubtful what the assets would realise, and the result would decide whether the liquidators would be able to pay the creditors another dividend of a half penny in the £. After a final summing up, the Chairman thanked the liquidators for their statements.

On 17th April 1902 Walter Pattison was released from Perth prison where his wife was waiting for him.

Nine months later, on 17th January 1903, Robert was released from the same prison.

- *The morning was cold and dark, and no one was waiting for him.*

CHAPTER 12 - CONCLUSION

So, who were the main losers in the case? The Pattison brothers themselves. Their reputation was shattered and much of their former wealth used to pay creditors. The reputations too of some accountants and financiers took a battering. The shareholders definitely suffered the greatest loss financially. While the banks and distillers who had advanced credit to Pattisons recovered some monies, they lost something like 12s 6d in the £ and this caused some of the whisky brokers and blenders to go to the wall only for their business to be snapped up by other companies that had survived. The reputation of blended whisky itself took a big knock with a public more wary about what they were buying and banks and other lenders wary about lending large sums of money to cover long maturation periods. As regards winners, these were the larger companies, like DCL who despite taking a hit themselves could ride the storm and indeed be in the right place at the right time to snap up some of Pattison' assets at knock-down prices.
While the brothers were indeed guilty of some nefarious actions, Walter certainly seemed to be a player who went along with his brother's deeds rather than instituting any kind

of "fraudulent activity" on his own behalf. He was gullible perhaps rather than culpable. That whisky's boom time was coming to an end was not the fault of one company, Pattison´s Limited. It was more symptomatic of the cyclical nature of the trade and the brothers demise merely coincided with this downturn in the market. They were not the cause. Whisky's boom period was over, and it was to be a number of years before it fully recovered.

CHAPTER 13 - POSTSCRIPT

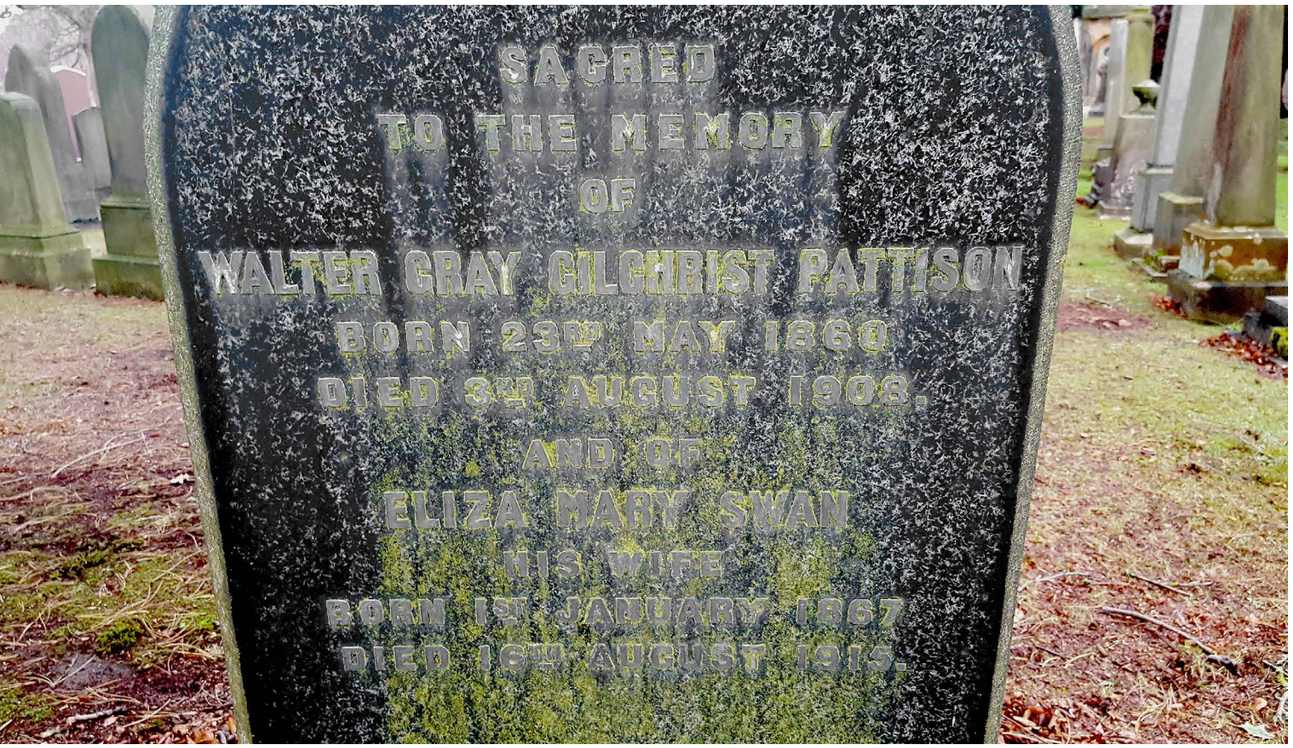
In December 1901, sales took place of the former assets of Pattisons Limited. On the 4th and 5th of the month under the instructions of Messrs. Tait and Murray, there was a huge sale at 51, George Street, Edinburgh of "about" fifteen hundred casks of Old Bonded, Blended and Entire Whiskies including Glenfiddich and Glenlivet both from 1881 and Glengrant 1889, Glenfarclas and Milton Duff etc. Grain whiskies such as Caledonian, Cambus and Cameron Bridge, all of different ages. Also included were the blends such as Ronald Gordon, Royal Gordon, Morning Dew, Special Liqueur, The Enchantress, Glenachral, Morning Gallop etc. There were also over one hundred casks of fine old Brandies plus Rums, Sherries and Port. It must have been quite a sale!

On 6th December, at 16 Wellington Place in Leith, a separate sale was held consisting of "about" 300 Whisky jars and boxes plus lathes, labelling tables, gantries and other oddments of machinery once belonging to the company.

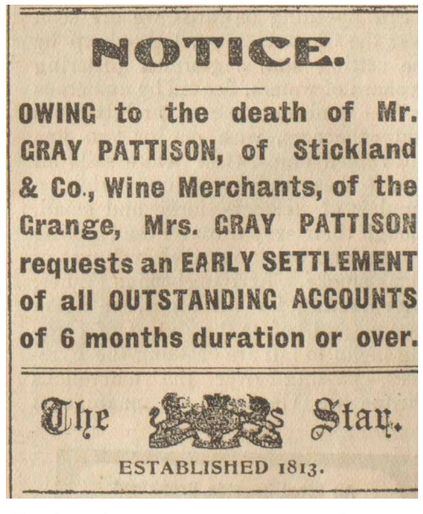
Little is known about the two brothers after their release from Perth prison.

Walter however took himself and his young family off to live on the island of Guernsey where he became the manager of a Wine and Spirit Merchants called Stickland & Co. They had one shop in the Grange in St Peter Port and an office on the Pier steps. Why he took up residence at a location so far removed from Scotland is anybody's guess as he seemingly had had no links with the island. He possibly just wanted a fresh start well away from Leith and his creditors and others that knew him. On 3rd August 1908 while on a visit to London Walter tragically died of heart failure. He was subsequently buried in Dean Cemetery in Edinburgh with his wife who passed away in 1915. They were survived by a daughter, Winifred who died in 1980 at the age of 87.

Robert died a bachelor on 8th February 1932 of a brain haemorrhage after an illness lasting 3 months. He had been living in Inveresk on the outskirts of Edinburgh.



Walter Pattison Headstone.


NOTICE.

OWING to the death of Mr. GRAY PATTISON, of Stickland & Co., Wine Merchants, of the Grange, Mrs. GRAY PATTISON requests an EARLY SETTLEMENT of all OUTSTANDING ACCOUNTS of 6 months duration or over.

The Star.

ESTABLISHED 1813.

The Star August 27th & 28th 1908, Guernsey.

APPENDICES

1. Decimal Currency Converter
2. Family Trees
3. Marriage Certificates
4. Death Certificates
5. Price list 1897
6. List of 23 Cyclist's Maps issued by Pattisons
7. Labels
8. Promotion items
9. The Pattison whisky competion
10. Pricelist 1897

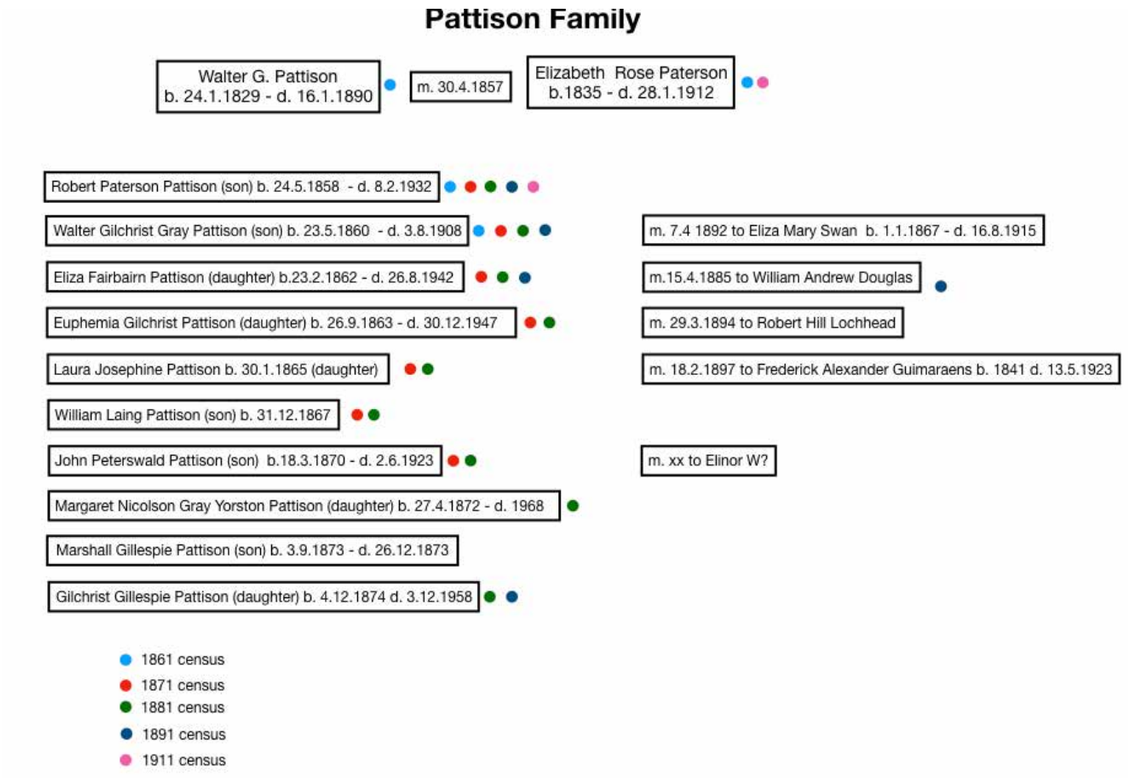
APPENDIX 1
DECIMAL CURRENCY CONVERTER

FROM £.S.D TO NEW PENCE

(First introduced into the United Kingdom in February 1971)

1£	100pence
19/-	95p
18/-	90p
17/-	85p
16/-	80p
15/-	75p
14/-	70p
13/-	65p
12/-	60p
11/-	55p
10/-	50p
9/-	45p
8/-	40p
7/-	35p
6/-	30p
5/-	25p
4/-	20p
3/-	15p
2/-	10p
1/-	5p
11d	41/2p
10d	41/2p
9d	4p
8d	31/2p
7d	3p
6d	21/2p
5d	21/2p
4d	2p
3d	11/2p
2d	1p
1d	1/2p

APPENDIX 2
FAMILY TREE



APPENDIX 3
MARRIAGE CERTIFICATES

1857. **MARRIAGES** in the Landward of Morningside Wardsides in the Burgh of Edinburgh

No.	When, where, and how Married.	Signatures of Parties.	Age.	Residence.	Rank or Profession, and Condition, (whether Bachelor or Widower, Spinster or Widow.) Relationship of Parties (if any.)	Name, Surname, and Rank or Profession of Father. Name, and Maiden Surname of Mother.	If a regular Marriage, Signatures of Officiating Minister and Witnesses.	If irregular, date of Entered Sentence of Constitution, or Decree of Declaration, and in what Court pronounced.
53	In the Free Church of April 1857 at Dundas Street Edinburgh according to the Forms of the Free Church of Scotland	(signed) Walter Gray Patterson	28	Swanston Cottage Bachelor	Merchant Deceased	Walter Patterson Merchant deceased Elizabeth Gray Patterson M. A. Paterson	(signed) James Lewis Minister of Free Church (signed) Archibald Fletcher Witness Stephen Martin Witness	
		(signed) Elizabeth Wood Paterson	22	22 Dundas Street Edinburgh	Spinster			

The above Marriage was Registered by me at Edinburgh, on the 1st day of May, 1857. Malcolm Adam Paterson Registrar.

APPENDIX 4
DEATH CERTIFICATE

100	1892. on the Seventh day of April at 3 Archibald's Church George Street Edinburgh	(signed) W. G. P. Patterson	31	Bachelor Trinity Leith	Walter Gray Patterson Timber Merchant deceased Elizabeth Gray Patterson M. A. Paterson	(signed) Sylvia Gordon Minister of St Andrews Edinburgh (signed)	1892. April 9th at Edinburgh	
	After Enumeration according to the Forms of the Free Church of Scotland	(signed) Eliza Mary Swan Spinster	25	24 Eglinton Crescent Edinburgh	James Swan Sheep & Cattle Agent Jane Mc L. Swan M. A. Swanston	(signed) Sylvia Gordon Minister William Mark Henderson Witness	(signed) Wm Sutherland Registrar.	

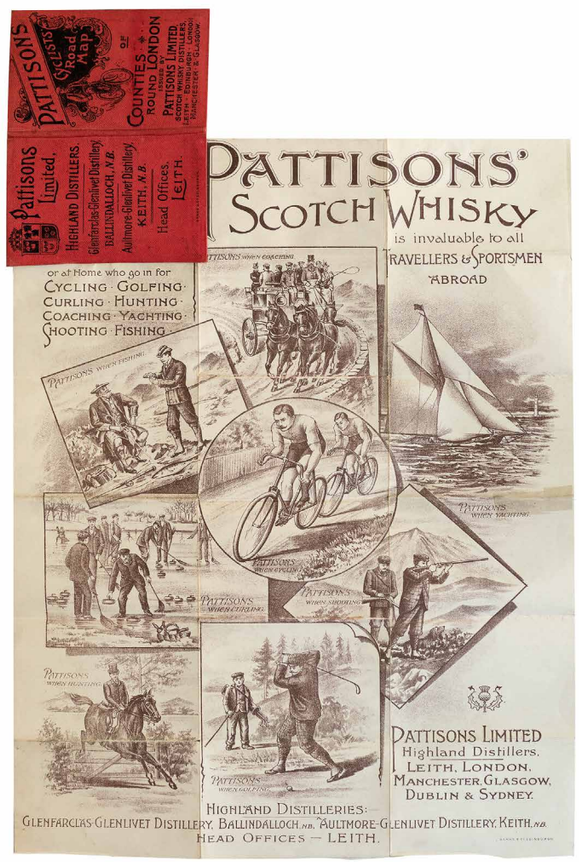
(1.) (2.) (3.) (4.) (5.) (6.)

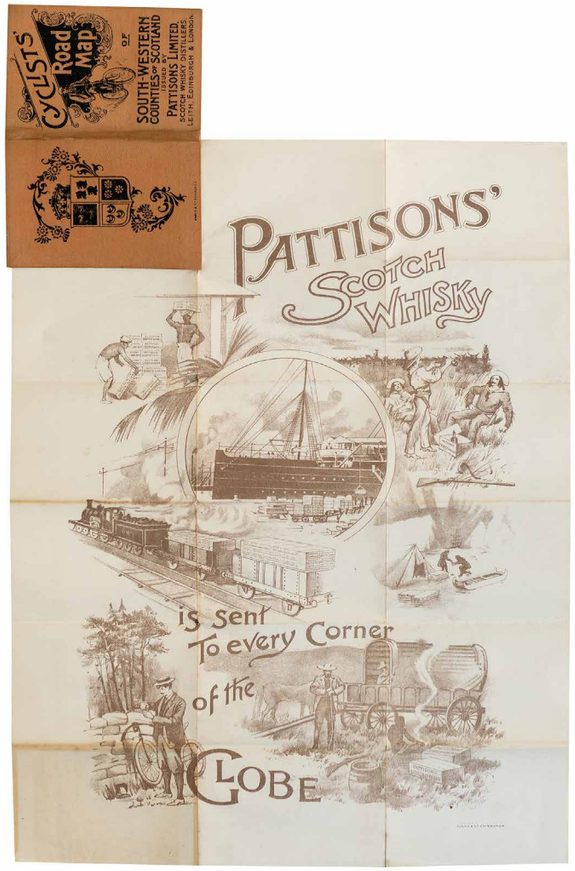
Wm Sutherland Registrar.

APPENDIX 5

LIST OF 23 CYCLIST'S MAPS ISSUED BY PATTISONS

Argyllshire
Central Highlands of Scotland
Cornwall
Counties round London
Cumberland, Westmorland etc
Devonshire
Dorset, Wilts & Hampshire
East Central Counties
Eastern Counties of Scotland
Essex & Kent
Hereford, Worchester, Gloucester, Oxford
Inverness-shire
Lancashire and Isle of Man
Norfolk and Suffolk
North-Eastern Counties of Scotland
Northumberland and Durham
Shropshire, Cheshire, Staffordshire & Derbyshire
Sutherlandshire and Caithness
South-Eastern Counties of Scotland
South-Western Counties of Scotland
North Wales
South Wales
Yorkshire
Two series were issued 1897-1898.



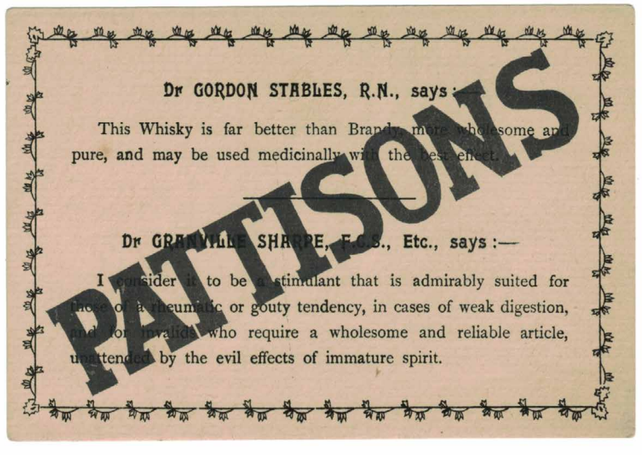




APPENDIX 6

LABELS & TRADEMARKS

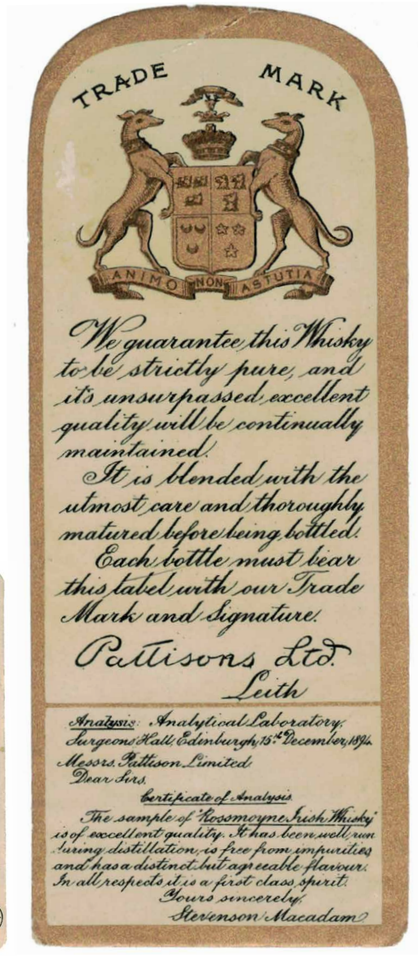








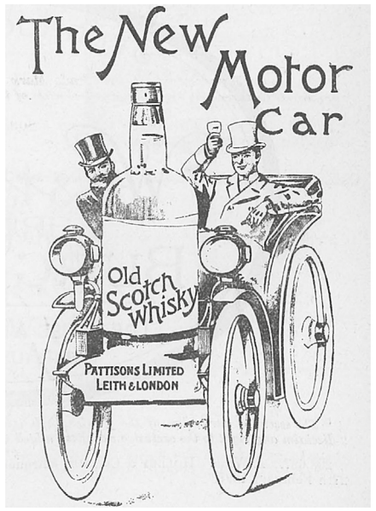









Dews of Slievemore
Dublin
15 Years Old Liqueur
Dews of Slievemore Irish Whisky
The Oldest, Finest, and Purest genuine
Irish Whisky in the World.
Distilled and Bottled by
Pattisons Ltd.
DISTILLERS,— LEITH & LONDON.


The New Motor Car
Old Scotch Whisky
PATTISONS LIMITED
LEITH & LONDON


ESTABLISHED 1847
Pattisons
Special Reserve
Leith
GLENFARCLAS GLENLIVET DISTILLERY BALLINDALLOCH
AULTMORE GLENLIVET DISTILLERY LEITH
Scotch Whisky
Distilled & Bottled by
Pattisons Ltd.
Leith, N.B.

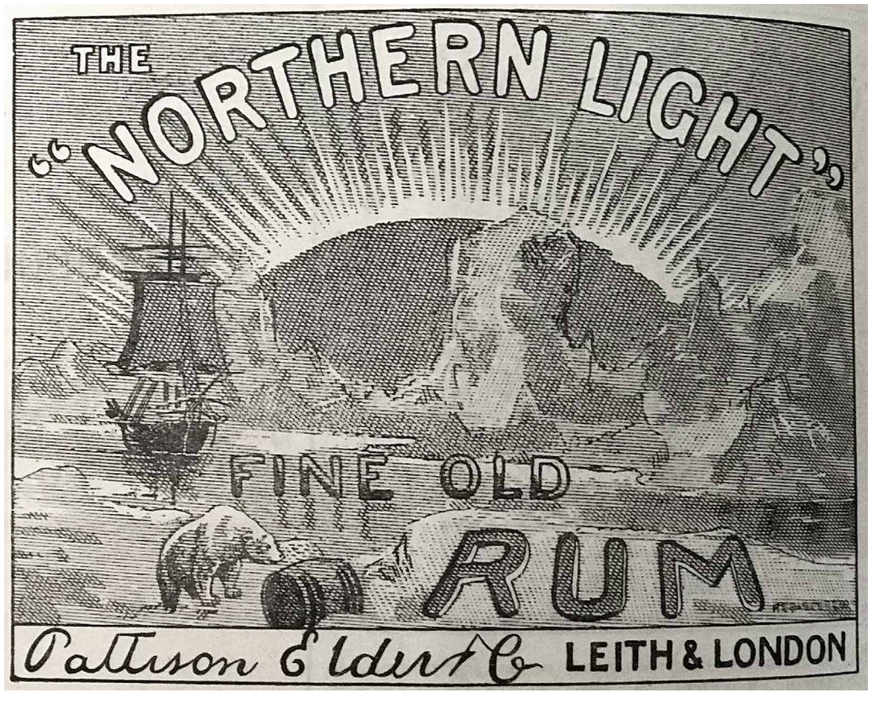

ESTABLISHED 1847
Pattisons
Imperial Liqueur
Leith
GLENFARCLAS GLENLIVET DISTILLERY BALLINDALLOCH
AULTMORE GLENLIVET DISTILLERY LEITH
Scotch Whisky
Distilled & Bottled by
Pattisons Ltd.
Leith, N.B.


THE "MASONS MELL"
OLD SCOTCH WHISKY
GUARANTEED & BOTTLED BY
PATTISONS LIMITED
LEITH & LONDON


A WEE DRAPPIE
O' PATTISONS'
SCOTCH WHISKY
PATTISONS LTD
LEITH, LONDON & BALLINDALLOCH.


PATTISON, ELDER & CO's
GORDON BRAND
REGISTERED
OLD BLENDED GLENFARCLAS
GLENLIVAT WHISKY
LEITH & LONDON.
Analytical Laboratory Surgeons' Hall
Edinburgh, 28th September 1891.
I have made a careful chemical analysis of Old Vatted Glenfarclas Glenlivat blended with other whiskies forwarded to me by Messrs Pattison Elder & Co Leith and London in bottles closed with branded corks and capsuled, and find the whisky to be of excellent quality free from noxious substances and properly aged. It possesses good flavour, is of full strength and is in all respects a first class spirit
Stevenson Macadam Ph.D. F.R.S.E.
Lecturer on Chemistry.


The Royal Gordon
"Perfection"
15 Years Old
Special Reserve Highland Whisky
Pattisons Ltd.
LEITH & LONDON.


THE "NORTHERN LIGHT"
FINE OLD
RUM
Pattison & Elder & Co LEITH & LONDON

APPENDIX 7

PROMOTIONAL ITEMS

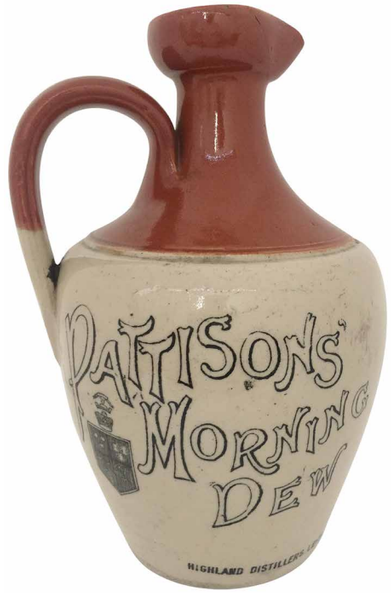




























APPENDIX 8

CLASSIFIED ADS - RELATING TO THE BUSINESS OF WALTER G. PATTISON

THE CITY OF GLASGOW
LIFE ASSURANCE & REVERSIONARY COMPANY.

The FOLLOWING PRIVILEGES are granted by this Company to all Parties opening Policies :—

I. UNRESTRICTED LIBERTY *to all except seafaring persons, to pass by sea to and from any quarter of the world without extra premium.*

II. UNRESTRICTED LIBERTY *to reside in the following places without extra premium :—*

NORTH AMERICA, *including the British Possessions and United States East of 100 degrees of West Longitude, excepting as regards the more southern States during the period between 1st July and 1st November.*
MADEIRA.
AUSTRALIA.
NEW ZEALAND.
VAN DIEMEN'S LAND.
CAPE OF GOOD HOPE, and PORT NATAL.
BUENOS AYRES, and
ALL PLACES *from Buenos Ayres southward to Cape Horn, and from thence as far North as Arica on the West coast of South America.*

III. On the Directors being satisfied, when a Policy is opened, that the Assured have then no intention of residing in any foreign country for which an extra premium is exigible, and if the Assured shall not proceed thereto at any time during the first five years of the existence of the policy, they will, after that period, be entitled to reside in any part of the world without payment of any extra premium whatever.

POLICY STAMPS.

No charge is now made by this Company for Stamps on Policies.

PRIVILEGES UNDER INCOME-TAX ACT.

A party Assuring either his own life or that of his wife, or purchasing an Annuity, is entitled to deduct the premiums paid for such Assurance or Annuity from the amount of his Income, in making the usual return under the new Income-Tax Act. This concession on the part of Government, in favour of Policy-holders, will be a further inducement to parties to provide, by means of Life Assurance, for their families and others dependent on them.

ANNUAL BONUS.

THE ANNUAL BONUS *system of this Company is peculiarly favourable to the Assured.* Full explanations of its advantages will be found in a separate pamphlet published by the Company.

Every facility for effecting Assurances will be given on application at the

Offices—
19 ST ANDREW SQUARE, EDINBURGH.
40 ST VINCENT PLACE, GLASGOW.
12 KING WILLIAM STREET, LONDON.

By order of the Board,
ROBERT BALFOUR,
Secretary at Edinburgh.

AGENT AT LEITH.
MR WALTER G. PATTISON, Merchant.

Caledonian Mercury - Thursday 3 November 1853.

THE DUKE OF EDINBURGH SAUCE.
PREPARED BY
JOHN MOIR & SON, ABERDEEN,
Purveyors by Special Appointment to
HIS ROYAL HIGHNESS the DUKE of EDINBURGH.

The success of the Season at the Table for its agreeable, warming, and stimulating qualities, is the DUKE OF EDINBURGH SAUCE; it aids digestion, and for flavour is unsurpassed.
JOHN MOIR & SON prepare PICKLES, SAUCES, TART FRUITS, JAMS, JELLIES, ORANGE MARMALADE, MUSHROOM KETCHUP, SOUPS, ESSENCES, BAKING POWDER, CURRY POWDER, and POTTED MEATS, &c., and every description of Table Deliacies of the first quality.
J. M. & S., from their long experience in the preparation of these Articles for the Indian and other Markets, have the greatest confidence in offering them to the Trade at home.
Sold retail by the leading Grocers and Italian Warehousemen.

Wholesale Agent—W. G. PATTISON, LEITH.

The Scotsman Friday 9 October1868.

JOHN MOIR & SON, ABERDEEN,
would particularly direct the attention of their Customers to the following Articles now prepared by them, viz.:—
DUKE OF EDINBURGH'S SAUCE,
MOIR'S FISH SAUCE,
CONDENSED COFFEE, with SUGAR and MILK,
BAKING POWDER, and
CONDENSED MILK.
See Dr Hassall's Report on Duke of Edinburgh's Sauce and Condensed Milk. WHOLESALE AGENT FOR EDINBURGH AND LEITH,
WALTER G. PATTISON, 35 BERNARD STREET, LEITH.

The Scotsman Friday 15 August 1868.

CROSFIELD'S BLUE MOTTLED SOAP, Sold by most of the principal Grocers in Town and Country.
Observe—Each Bar is stamped "Crosfield & Sons."
WALTER G. PATTISON, Leith, Agent for Scotland.

Aberdeen Press and Journal 24 September 1862.

APPENDIX 9

PATTISONS' WHISKY COMPETITION



The Graphic 30 April 1898.

APPENDIX 10

PRICE LIST 1897

SUPPLEMENT TO THE COUNTRY BREWERS' GAZETTE, *April* 15, 1897.

Pattisons Limited,

HIGHLAND DISTILLERS,

GLENFARCLAS-GLENLIVET, BALLINDALLOCH, AND AULTMORE-GLENLIVET, KEITH.

Head Office: CONSTITUTION STREET, LEITH.

Special Price List.

SCOTCH WHISKY.

Old Matured Scotch Whiskies, Blended for immediate consumption.—In Bond.

Mark.	Name.	Aver. Age.	Strength.	Price.
S.	Scotch	—	10 o.p.	1/9
S.S.	Scotch	—	10 o.p.	2/
S.S.S.	Scotch	—	10 o.p.	2/3
S.S.S.S.	Scotch	1 year	9 o.p.	2/6
H.	Highland	2 years	8 o.p.	3/
O.S.	Old Scotch	3 years	6 o.p.	3/6
O.H.	Old Highland	4 years	6 o.p.	4/
V.O.S.	Very Old Scotch	5 years	5 o.p.	4/6
V.O.H.	Very Old Highland	5 years	5 o.p.	5/
O.S.S.	Old Special Scotch	5 years	5 o.p.	5/6
O.S.H.	Old Special Highland	6 years	3 o.p.	6/
V.O.S.S.	Very Old Special Scotch	8 years	proof	6/6
V.O.S.H.	Very Old Special Highland	8 years	proof	7/
L.	Liqueur	8 years	proof	7/6
S.L.	Special Liqueur	9 years	proof	8/
E.S.L.	Extra Special Liqueur	10 years	2 u.p.	8/6
H.L.	Highland Liqueur	12 years	2 u.p.	10/6
S.H.L.	Special Highland Liqueur	15 years	5 u.p.	12/6
E.S.H.L.	Ex. Spec'l Highland Liqueur	16 years	8 u.p.	14/6

REGISTERED BRANDS.

We do not bottle the following Brands of SCOTCH WHISKIES, but shall be pleased to supply appropriate Labels and Capsules for any or all of these Brands, either with our own name, or with our customer's name without ours appearing, as may be desired:—

Name.	Aver. Age.	Strength.	Price.
The Morning Gallop Scotch	2 years	8 o.p.	2/4
The Admiral's Scotch	2 years	8 o.p.	2/8
The Enchantress Scotch	3 years	6 o.p.	3/
The King of the Road Scotch	3 years	6 o.p.	3/4
The Raiders' Special	4 years	6 o.p.	3/8
Tarryeroy Old Scotch	5 years	5 o.p.	4/
Dr. Jim's Special	5 years	5 o.p.	4/4
Glendrisaig Old Highland	5 years	5 o.p.	4/8
Glencruach Old Highland	5 years	5 o.p.	5/
Glenachril Old Highland	5 years	5 o.p.	5/6
Rhuvaig Old Highland	8 years	proof	6/6
Lochlerrich Old Highland	8 years	proof	7/6

Carriage Paid. Above quotations are per regauge Liquid Gallon at date filled from vat. Rent free.

FINE BOTTLED SCOTCH WHISKIES.—Duty Paid.

		Per Doz.
*Ronald Gordon * * *	Square Bottles	28/
Very Old Scotch	Smuggler Bottles	30/
Blended Glenfarclas-Glenlivet *	Clear Bottles	32/
*Blended Glenfarclas-Glenlivat * * *	do	35/
*Morning Dew	do	35/
Morning Dew Liqueur	do	41/
*Royal Gordon Perfection, 15 years old	do	51/

Carriage Paid. Per dozen Reputed Quarts, Bottles & Cases included.

* The above Scotch Whiskies we bottle in flasks as under:—

Round Pints	2/	per Case of	2 Dozen extra.
Flasks	2/	,,	2 ,,
Half-Flasks	4/	,,	4 ,,
Quarter ,,	6/	,,	8 ,,

Allowance for 20 dozen or upwards 1/ per dozen.

IRISH WHISKY.

Old Irish Whiskies Blended for immediate Consumption. In Bond.

Mark.	Name.	Aver. Age.	Strength.	Price.
I.	Irish	—	23 o.p.	1/10
II.	Irish	1 year	21 o.p.	2/4
F.I.	Fine Irish	3 years	20 o.p.	2/10
O.I.	Old Irish	4 years	18 o.p.	3/6
C.I.P.	Choice Irish Pot	5 years	17 o.p.	4/6
F.D.	Fine Dublin	6 years	16 o.p.	5/6
F.O.D.	Finest Old Dublin	7 years	10 o.p.	6/6
I.L.	Irish Liqueur	8 years	8 o.p.	8/
S.I.L.	Special Irish Liqueur	10 years	6 o.p.	10/
E.S.I.L.	Extra Special Irish Liqueur	11 years	6 o.p.	12/

SPECIAL BRANDS.

We do not bottle the following Brands of IRISH WHISKIES, but shall be pleased to supply appropriate Labels and Capsules, for any or all of these Brands, either with our own name, or with our customer's name without ours appearing, as may be desired:—

Name.	Aver. Age.	Strength.	Price.
The O'Hara's Leinster	3 years	20 o.p.	2/8
The O'Brien's Munster	4 years	18 o.p.	3/6
The O'Neil's Ulster	5 years	17 o.p.	4/6
The Enniskillen Special	6 years	16 o.p.	5/6

Carriage Paid. Above quotations are per regauge Liquid Gallon at date filled from vat. Rent free.

FINE BOTTLED IRISH WHISKIES.—Duty Paid.

Name.	Per Doz.
Rossmoyne	Square Bottles 28/
Old Irish	Round ,, 30/
Old Irish * * *	Square ,, 32/
*Dews of Slievemore * * *	Round ,, 35/
Rossmoyne * * *	,, ,, 35/
Special Liqueur Irish	,, ,, 41/
The Dews of Slievemore, Extra Liqueur, 15 years old	Smuggler ,, 51/

Carriage Paid. Per dozen Reputed Quarts, Bottles & Cases included.

* This Irish Whisky we bottle in flasks as under:—

Round Pints	2/	per Case of	2 Dozen Extra.
Flask ,,	2/	,,	2 ,,
Half-Flasks	4/	,,	4 ,,
Quarter ,,	6/	,,	8 ,,

Allowance for 20 dozen or upwards 1/ per dozen.

Samples Free and Carriage Paid on application.

London Offices:—22 & 23, MINCING LANE, E.C.

5 A

SOURCES

BIBLIOGRAPHY:

Advertising in Britain – T.R. Nevett
The History of the Distillers Company 1877 to 1939 – R.B. Weir
Census Returns
A Visit to Pattison, Elder & Co, Leith by Alfred Barnard

NEWSPAPERS:

British Newspaper Archive
The Scotsman
Public Record Office, Kew

GRATEFUL THANKS ALSO TO:

Guiseppe Begnoni
Yvonne Berggren
Linda Brown
Peter Dickinson
Gustav Elliot
James Harper
Helena Hugo
Petri Jäsperi
Jukka Kettunen
Margeorie Mekie
Ron Pattison
Louise Speller (NLS)



Clay pipe - Drink Pattisons Scotch



In 1901 Robert and Walter Pattison were sent to Perth prison having been found guilty on several counts of fraud in connection with the sale of Scotch Whisky. Theirs was a tale of boom and bust and one that is often quoted when referring to the Whisky Crash that occurred at the end of the 19th century.

Drawing on contemporary newspaper accounts of the day and illustrating the accompanying narrative with many photographs of "Pattison" material that have never been seen before by a wider audience, this book provides an in depth look at the company while shedding new light on the failure of the Scotch Whisky Industry of the day.

The conclusion will hopefully perhaps reverse the trend for blaming the demise of Scotch on one company. This was instead an early example of an industry over-stretching itself too quickly and paying the ultimate price due to a number of factors simultaneously conspiring together to precipitate the bursting of the "Whisky Bubble". Pattison brothers' Company was but one element of this decline.

ISBN: 978-91-639-0693-0