

## The Gurneys and the Norwich Clothing Trade in the Eighteenth Century

This article forms part of a thesis on "The economic development of Norwich, 1750-1850" (University of Leeds Ph.D., 1963).

Unless otherwise stated, all references are to the Gurney Manuscripts held at the Library of the Society of Friends in London.

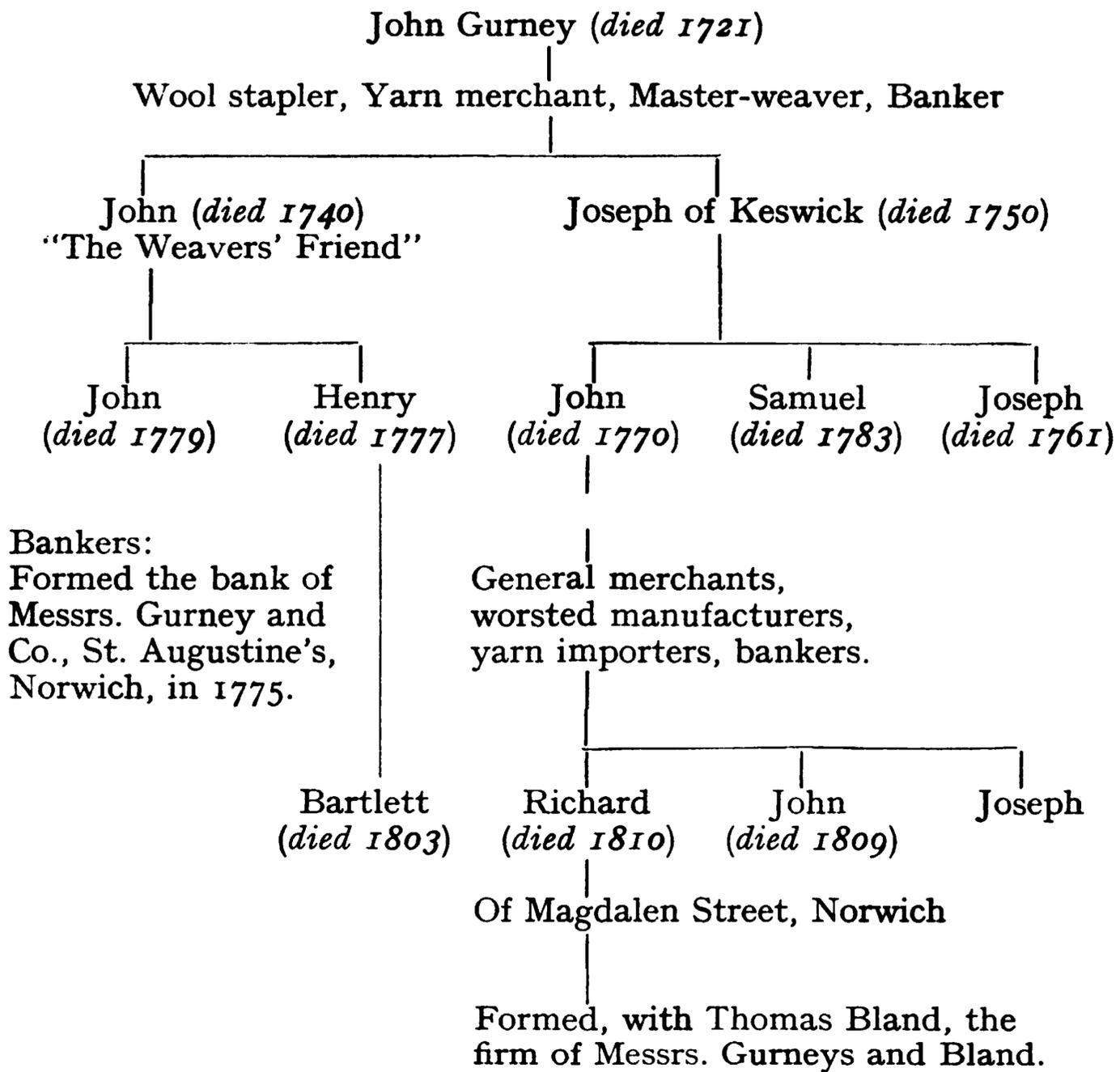
OF all the firms forming the Norwich worsted industry during the latter half of the eighteenth century, the House of Gurney must have been one of the oldest, the most varied in its activities and the most extensive in its financial ramifications. By 1760, two Gurney firms were operating, the roots of both going back to John Gurney, wool-stapler, yarn-merchant and master-weaver who, as early as 1680, had provided work for about two hundred persons.<sup>1</sup> Long before this, however, the Gurney family had been actively interested in banking, "lending, receiving, drawing drafts in London, and as merchants carrying on all banking activities";<sup>2</sup> and the wool-factor and master-weaver of the late seventeenth century no doubt engaged in these also.

John Gurney was followed by his two sons: John, a worsted manufacturer, a close friend of Sir Robert Walpole and who, on account of his spirited defence of the Norwich worsted industry before a Parliamentary Committee early in the century, was thence-forward called "The Weavers' Friend" by the people of the city; and Joseph, of Keswick, near Norwich, of whose economic activities little appears to be known. The later John Gurney died in 1740 and his two sons, John and Henry, succeeded to the prosperous banking and manufacturing business, subsequently forming the bank of Messrs. Gurney and Co., of St. Augustine's, Norwich. Joseph of Keswick had three sons of whom John and Samuel controlled the general merchanting, worsted manufacturing and banking firm on the death of Joseph in 1750, by which time a large trade in imported yarn from South Ireland to Norwich had already developed. The Keswick John Gurney

<sup>1</sup> Isabel Grubb, *Quakerism in Industry Before 1800*, 1930, 113, 145.

<sup>2</sup> D. Gurney, *Record of the House of Gournay*, 1848, ii, 520.

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In 1779, the two firms amalgamated to form the new Gurneys' Bank of Richard, Bartlett and Joseph Gurney, with John linked but not legally incorporated.

possessed shrewd judgment and a clear insight into the problems and potentialities of the trade and, by the time he died in 1770, his share of the £20,000 left by his grandfather had become £100,000, to form, in fact, the foundation of the vast fortunes of the later Gurneys.<sup>1</sup> Samuel, dying in 1783, left about £10,000. Both, according to L. S. Pressnell,<sup>2</sup> "were solid and successful bankers"; but it is clear from the range of interests handed on to John's sons that they were, in fact, much more than this. The two sons of the Keswick John Gurney—Richard and John—succeeded to his business in

<sup>1</sup> W. H. Bidwell, *Annals of an East Anglian Bank*, 1900, 9.  
<sup>2</sup> *Country Banking in the Industrial Revolution*, 1956, 236.

1770 and, together with a Thomas Bland who seems to have been something less than a full partner,<sup>1</sup> formed the firm of Messrs. Gurneys and Bland, of Magdalen Street, Norwich, to carry on the varied industrial and commercial activities of the earlier firm. The position, therefore, by the 1760's was that there were two distinct Gurney firms operating in the city—one mainly banking and the other devoted to merchanting and manufacturing. Close but informal links were maintained between the two organizations.

Westerfield<sup>2</sup> has distinguished between shipping merchants, dissociated from any form of production and tied to their main activities as ship owners, importers and exporters; and merchant employers who engaged in any or all of manufacturing, retailing or wholesaling. In the Norwich industry at this time, production was to some extent in the hands of employer merchants who required banking services in several ways, while the supply of raw materials and sometimes of finance required the services of shipping merchants. The Gurney firms seem to have developed their two separate but complementary functions in response to the two demands. While Messrs. Gurney and Co. of St. Augustine's were principally bankers, the firm of Gurneys and Bland was involved in a wide range of activities connected with overseas trade—ship-owning, carrying, insuring, banking, as well as acting as a commission house. In time, however, the range of activities came to be reduced in conformity with the general trend of commercial practice within the country and finally the firm concentrated on banking, apparently considered the most lucrative of the possible occupations. The firm operated through the London bank of Timothy Bevan and Son, of Lombard Street, with which it had an account.<sup>3</sup> As the letters between the partners show, there was frequent journeying between Norwich and London. John was particularly interested in the Stock Exchange, Lloyds and the money and commercial markets while most of the activity connected

<sup>1</sup> Mr. Q. E. Gurney, of Bawdeswell Hall, Norfolk, declares that the present Vice-Chairman of Barclays Bank, Thomas Bland, is a direct descendant of this Thomas Bland.

<sup>2</sup> *Middlemen in English business*, 409-10.

<sup>3</sup> II, 50, 12th November, 1772. Apart from, and possibly due to, their business links, the Gurney and Bevan families were linked through marriage. Timothy Bevan's second wife was the daughter of Joseph Gurney while Richard and Joseph were sons-in-law of David Barclay, the London banker, whose son was a partner in the Lombard Street firm.

with the yarn-merchanting side of the business was performed by the other partners. Both Richard Gurney and Thomas Bland travelled frequently to Ireland to make contact with the combers, factors and merchants and it is from this journeying that much of the body of correspondence covering the period 1770-1785 derives.

There appears to have been a natural linkage in all their activities, the result of one involvement leading to others. Their function of yarn importers from Ireland, for instance, caused them to import large quantities of agricultural produce, a step which may have been involuntary for at least one major yarn supplier, a fellow merchant, in Ireland sent deliveries of ox and cow hides, tallow and butter for the Gurneys to sell "in spite of all the declarations we have made against thy sending us these out of the way things."<sup>1</sup> However, the butter must have found a ready market in a part of England devoted mainly to cereals production and with a large urban population, while the leather trade of the city probably absorbed the supplies of tallow and hides. The fact that the shipping of yarn was partly seasonal and sometimes erratic may also have led to the taking on of new shipping commitments. The year for yarn trading began in about May, but in summer spinning was often at a standstill owing to the requirements of harvesting.<sup>2</sup> A second climax of activity developed in the autumn after which there was a distinct tailing-off. Summer, the time of maximum butter production, and winter, when much of the beef was killed off to produce tallow and hides, would have provided cargoes for the fuller use of the ships engaged in the Gurney trade. Whatever the precise case, the Gurney firm was receiving regular reports on the prices of tallow and making regular shipments of dairy produce from Ireland on their own account and in their own vessel by 1772.<sup>3</sup> Similar trade links had been built up with Russia and had led to the regular receiving of shipments of hemp, flax, tallow and soap. Such importations from St. Petersburg could only be received in Great Britain by "a Freeman of the said Company" (? the Russian Company) and, although the Gurneys were not freemen, Thomas

<sup>1</sup> II, 350, 509, 1770, 1772.

<sup>2</sup> In September, 1772, the Waterford factor was reporting, "Spinning (is) slack on account of the harvests, they have little yarn on hand."

<sup>3</sup> I, 98b, II, 491, 509. "Raw hides on the hair" is an occasional item entered in the Yarmouth Port Books as a Gurney import at this time.

Bland was, a circumstance which helps to account for the rather ill-defined position of Bland in the Gurney organization.<sup>1</sup> Lastly, the natural association between Norwich, malt production and brewing, led the Gurneys into shipping quantities of malt abroad, in one case at least as far away as North America.<sup>2</sup>

Cloth seems to have been exported only in a moderate way. Certainly, acting through agents in Seville and Cadiz, they were in close contact with Iberia, to which they sent camblets both for the Spanish and Portuguese markets and also for shipment to South America.<sup>3</sup> In addition to all these activities, their trading interests, their personal involvement in the Irish and Mediterranean markets, their close links with the London financial centres and money market led them to develop as insurers of cargoes to those areas. One sees Richard Gurney writing in 1770 to John Deaves—an agent of the Gurneys at Cork—and saying, “I do agree to stand the insurance to thee for £1,000 on goods by ‘The Good Intent’, the premium being  $1\frac{1}{4}\%$ .” In the same year, John Gurney, writing to Richard in Dublin and endeavouring to assess the firm’s position in view of the suspected imminence of war, recorded his “risques” in insuring cargoes as being:

“£1,800, by the Elizabeth and Mary, to Cartagena.  
 £1,190, by the Queen of Naples, to Salerno and Naples.  
 £665, by the Prince of Wales to Salerno and Naples.  
 £740, by the Anson, to Genoa.  
 “We have others from £400 to £3,261.”<sup>4</sup>

Linking the yarn merchants and factors of Ireland, whose trade was highly seasonal, to the manufacturers of Norwich, who had to produce throughout most of the year, Messrs. Gurneys and Bland bought speculatively, credited the sellers promptly with an account on which bills could be drawn, stored yarn against requirements and extended credit to the manufacturers. So it is not surprising that, at a time when by all accounts the worsted business of the city was thriving and expanding, the Gurney firm should find this “a very

<sup>1</sup> II, 490.

<sup>2</sup> II, 462a, 1772. The bill of lading shows a cargo of 718 quarters of malt exported by the Gurney firm from Norwich to Philadelphia.

<sup>3</sup> II, 479-80, 487. One consignment consisted of 249 narrows and sixteen broads.

<sup>4</sup> I, 88a, 1771. II, 504a, 122, 340, 1772, 1770.

lucrative business" or that, by 1772, they "dominated the market and occupied the position of the capitalist financier" in the Norwich organization.<sup>1</sup> They loaned money both to the Irish factors and to the merchants;<sup>2</sup> set up, during the late 1770's, a cloth merchanting business in London;<sup>3</sup> and invested and dealt widely in both foreign and domestic bills.<sup>4</sup> From this position there was only one step logically to be taken by these shrewd, experienced merchants who possessed both large capital and great integrity, and by 1779 the Gurneys had moved fully into banking.

Not the least remarkable feature of this Gurney firm was the scope and extent of their yarn merchanting activities. By the early 1770's, having been involved for a long while in the Irish trade, they had developed an extensive organization with a total of at least fourteen contacts in the major ports and market towns of Southern Ireland—Cork, Youghal, Clonmel, Castlemartyr, Waterford and Dublin<sup>5</sup>—all of which were linked to Bristol, London and Yarmouth by regular and relatively short sea passages. They both employed factors who acted by buying on the Gurneys' behalf and themselves acted as factors by receiving supplies and selling on behalf of other large yarn merchants. Thus Jacob Watson and W. Strangman were yarn factors who worked on a commission basis of 2% while three agents operated in Clonmel and were paid at the rate of about 4½%.<sup>6</sup> The reason for the difference in the level of commission was probably that the Waterford yarn-factors operated in a very large way, for in one month alone they sent the Gurney firm 222 packs, which at £28 the pack would have earned them £124. Other persons appear to have acted as buyers on their own initiative but under the eventual control of the Gurneys.<sup>7</sup>

The relations between the principals and their factors

<sup>1</sup> A. Raistrick, *Quakers in Science and Industry*, 1950, 76.

<sup>2</sup> Pressnell, *op. cit.*, 315; Raistrick, *op. cit.*, 76.

<sup>3</sup> Pressnell, *op. cit.*, 333.

<sup>4</sup> II, 346, 382, 1770-1772.

<sup>5</sup> II, 123a, 1770-1772. John Gurney writes: "My yarn paper is now before me," and goes on to list the names and addresses of the suppliers and the amounts supplied, to end by reckoning, "I have sold on the whole . . . 221 packs." This would have represented about one month's sales to the Norwich manufacturers.

<sup>6</sup> II, 458, 1772; I, 87, 1771. The Clonmel agents received 25s. on a pack valued at about £28.

<sup>7</sup> II, 488a, 489, 1772.

appear to have been harmonious enough although at a later date John Gurney appeared to have no great opinion of yarn-factors generally and waxed scathing about a Norwich manufacturer who was "a careless fellow who leaves open his counting house to risque of all manner of yarn factors."<sup>1</sup> Certainly, to a modern eye there seems to be a certain vivid roughness in some of the correspondence from some of the factors; as, for instance, when writing to the Gurneys about the acute shortage of yarn, Sam Allin of Youghal declared:

Perhaps you may think it almost credulias when we tel you wooll is com to the Inormas Price of 17/- per stone; and yet you may depend on the thruth of it and not a soficiance even at the price.

Of a similar kind was Ebenezer Deaves of Cork who, referring to the higher prices being demanded by the Irish combers and advising them against raising the prices of yarn, says,

If you advance the price of yarn, our combers will advance the price of wooll directly . . . You are only working for the wooll-growers who is trimmed with gold lace and driving in their coaches and hardshipping your weavers.<sup>2</sup>

Generally, however, the correspondence suggests that disputes were infrequent.

The yarn merchants of Ireland were persons of a different calibre. George Newenham of Cork and John Pim of Dublin were big suppliers of yarn and their relations with the Gurney firm were very much those between equals. Pim, a main supplier to the Gurneys prior to 1770, broke off relations after a dispute over prices, preferring either to supply the main rivals of the Gurneys in Norwich (Allday and Kerrison, who similarly were bankers as well as being concerned in the yarn business) or to go to Norwich and personally sell to the manufacturers there.<sup>3</sup> Newenham, a few years later, threatened to do precisely the same, complaining in forceful and direct tones of the low prices being offered by the Gurneys and the high charges that they made:

Under this price, I will not have it [the yarn] sold; and if you do not think it proper to return me sales at the price I mention I desire that the yarn be lodged with Allday and Kerrison . . .

<sup>1</sup> II, 511, 1784.

<sup>2</sup> II, 464, 488a.

<sup>3</sup> II, 345, 1770: "John Pim has actually agreed to consign his yarn to our opponents in Norwich for sale."

The terms on which they do business are vastly under your charges.<sup>1</sup>

It seems that the Gurneys must have given way on this occasion, for Newenham's business was retained until a much later date. Altogether, the people on whom the Gurney firm depended for their yarn supplies were highly varied and the preservation of amicable relations with them must have proved not the least of worries.

By means of the factors and merchants, a very extensive part of southern and central Ireland was drained of its yarn. Buyers toured the country, ranging at times far to the north and west,<sup>2</sup> bought the wool from the combers, transported it to the nearest port and stored it pending shipment. The combers of Ireland appear not to have been very different from their East Anglian counterparts except that they controlled very little capital, and in the fluctuations of trade they not infrequently suffered considerable financial setbacks. An indication as to the economic weakness of combers is seen in a letter from Richard Gurney, in Waterford in 1770: "War," he writes, "must knock down the prices of yarn materially to the ruin of the Irish combers, many of whom have large families. We cannot but have great pity for them. Having no other trade that they understand to betake themselves to, they are obliged either to give the prices others do for wool or totally to abandon the business." Two years later, the Cork agent wrote: "The Exorbitant prices our wool has sold in this season is realy Melancholy. For my part, I pity the Pore Combers."<sup>3</sup>

The fact that the combers had little capital and that, the merchants apart, the yarn suppliers were distant from the yarn users, reinforced the strength of the Gurneys' position. They were in direct contact with the yarn users; their capital resources were large and permitted speculative buying and the holding of stocks over a long period; their trading activities brought them into contact with, and gave them intimate knowledge of, the countries to which the Norwich cloth products were exported. Unlike the combers of Norfolk who, controlling local spinning on a wide scale and often possessing moderately large capitals, were in a strong position

<sup>1</sup> II, 471, 1772.

<sup>2</sup> II, 491, 1772. Strangman of Waterford reported that, "There is not in the whole province of Connaught five bags of fleece wool unsold."

<sup>3</sup> II, 329, 373, 455a, 1769, 1772.

vis-à-vis the Norwich manufacturers and who often combined to maintain their prices, the Irish combers were economically vulnerable and much more tractable in the processes of hard bargaining. The extent to which prices were imposed on them by the Gurney firm, however, was modified by the very real competition of the other yarn merchants.<sup>1</sup> Nevertheless, it seems probable that the relative weakness of the Irish combers may have brought to the Gurney firm a higher level of profits than were enjoyed by most of the other yarn merchants in Norwich at that time. Shrewdness and imagination also ensured that very few possibilities of profitable trading remained unexplored. Supplies of Scotch yarn were added to those from Ireland<sup>2</sup> and even the potentialities of selling to the growing Manchester manufacturers who were using worsted and cotton yarns were investigated.<sup>3</sup> Small wonder that Richard Gurney was once able to inform his brother that, apart from some small quantity, "It is now probable that we shall have the chief of the yarn that is in Ireland in our hands."<sup>4</sup>

The annual quantity of yarn handled by this firm seems to have been very considerable. In 1767, a total of 54,892 "great stones" of bay and worsted yarn was brought by the firm into Yarmouth from Ireland, the equivalent of at least 3,200 packs.<sup>5</sup> A composite account relative to conditions a few years later suggests much the same scale of operations:<sup>6</sup>

<i>Month and Year</i>	<i>Number of Packs Imported</i>
July, 1772	246
August, 1772	325
September, 1770	221
October, 1772	454
November, 1772	222
December, 1771	190
January, 1771	302
February, 1771	56
<i>Total 2,016</i>	

<sup>1</sup> II, 119a, 1770: "I cannot help fearing that the expectations of the Irish combers . . . will be a great bar to your progress in conducting some negotiations with them . . . It might not be impolitic to be cautious of beating them down too much. [They] may unite to John Pim and other buyers."

<sup>2</sup> II, 120, 1770; 482, 1772.

<sup>3</sup> I, 98, 1772.

<sup>4</sup> II, 379, 1772.

<sup>5</sup> Port Books, Yarmouth, P.R.O. E/190/572/18.

<sup>6</sup> I, 87, 88b; II, 120, 123a, 466, 482, 497, etc.

There were usually some additional shipments in May and June (at the beginning of the yarn-making year) and March (at the end) while, apart from the Irish supplies, the Gurneys obtained other amounts from Brandon, Suffolk.<sup>1</sup> It would seem as though a reasonable estimate of the total of yarn handled by the Gurney firm would have been between 2,500 and 3,000 packs a year, greater than that of the entire consumption of Frome, Somerset, "the focus of a region producing cloth to the value of £600,000 annually,"<sup>2</sup> and forming possibly as much as one-sixth or one-seventh of the total yarn used by the Norwich manufactory. At a price of £28 per pack,<sup>3</sup> this gives the firm a total turnover on yarn alone of between £56,000 and £84,000, a very respectable figure for business in those days but one much in keeping with the turnovers of some of the larger establishments engaged in the Norwich trade.

The Irish yarn was shipped either to London or to Yarmouth direct, sometimes in the Gurneys' own ship or in a number of others regularly engaged in the trade, each ship in the flood-tide of supply carrying between 350-450 packs<sup>4</sup> and thus having a highly valuable cargo. Fortunately, the crossing was short, with always Falmouth or Plymouth to put into in the event of a storm or exceptional hazard,<sup>5</sup> a consideration which must have proved highly beneficial during the winter sailings. Why yarn was so often sent to London first rather than direct to Yarmouth is not clear, but there must have been several advantages. Blackwell Hall at this time functioned as a principal wool as well as cloth market;<sup>6</sup> there were abundant storage facilities; and London was the controlling commercial, financial and insurance centre of the kingdom. Additionally, much Irish yarn came to the small Devon and Somerset ports or to Bristol, either to be distributed to the serge industry of Devon or sent on

<sup>1</sup> I, 87a, 88, 1771.

<sup>2</sup> J. Morris, *The West of England Woollen Industry*, 29.

<sup>3</sup> II, 458, 466, 1772.

<sup>4</sup> I, 85, 1770; II, 482, 497, 1772.

<sup>5</sup> II, 497, 1772. The captain of one ship—the "Thomas and Francis"—reported to the Gurneys on one occasion when, carrying 454 packs, they "Came about the Landend with much difficulty, the wind blowing strong at SSW. On dubbling the Lizard, the wind still increasing and promising to be a badd night, so are away for this harbour which, I think, is a happy surcomstanch, for it have blown this night a howling gale."

<sup>6</sup> Westerfield, *op. cit.*, 262.

to the capital by road, a trade long established by 1740.<sup>1</sup> It seems at least likely that some of the supplies for the Gurney firm came through Bristol—possibly the sea route most used in winter—for Richard records that he was “at Hackney when the parcell (their usual term for a consignment of yarn) came . . . the coach not coming till near 10—so laden with crapes (yarn for crape making) that it was no wonder (that it was so late).”<sup>2</sup> Probably, the Gurney cargoes, made up of shipments from several different and unconnected factors and merchants, were checked in London, the accounts of the suppliers being adjusted accordingly; for the focus of control in the Gurney organization was their account with Timothy Bevan and Son, and all financial transactions and correspondence connected with these passed through this office. Finally, the metropolis was at this time the principal distributing centre for the cloth of the Norwich manufactory; and since the Gurneys were cloth exporters, the commercial and financial services available, together with the shipping news that Lloyds disseminated,<sup>3</sup> would have been of the greatest value.

From London, the yarn went, at least at times, to Norwich by road, the journey apparently taking about ten days in summer<sup>4</sup> and probably much longer in winter. The alternative—the East coast route by sea—constituted a major hazard in winter on account of the onshore winds and currents and the widespread sandbanks and shoals off the coast, while transshipment at Yarmouth into the river keels for the journey upstream not only added to the cost but also left the yarn open to loss by pilfering. In spite of this, a proportion of cargoes was shipped direct from Ireland to Yarmouth, usually from Cork or Dublin.<sup>5</sup> The precise reason why yarn came to Norwich in the two different ways remains elusive, the possibility being perhaps that cargoes normally went to London but, in case of shortage at Norwich, went direct to the Norfolk port.

Interesting sidelights on the characters of the two Gurneys themselves (much less so with regard to Thomas

<sup>1</sup> Westerfield, *op. cit.*, 277-8. D. Defoe, *The Complete English Tradesman*, II, 187.

<sup>2</sup> II, 367, 1772.

<sup>3</sup> Westerfield, *op. cit.*, 392.

<sup>4</sup> I, 93, 1772.

<sup>5</sup> II, 482; I, 88a, 88b, etc.

Bland, the partner of Richard) are provided by the correspondence which covers their dealings during the early 1770's to the mid-1780's. They appear as shrewd calculators of business risk who pressed the yarn suppliers hard up to a certain limit. Beyond this limit, however, in the interests of integrity and of long-term business survival, they were unwilling to go. During the latter half of 1770, there was much anxious correspondence between Richard, buying yarn in Ireland, and John, in London, with regard to the possibility of war with Spain; and Richard's "It stands to be cautious in buying . . . and to miss no opportunity of selling", followed by an expression of optimism, seems best to typify the merchant mind.<sup>1</sup> It is the periods of yarn shortage which bring out their business acumen and character most plainly. Any shortage of yarn enabled higher prices to be enforced promptly on the Norwich manufacturers by the woolcombers of the city and county, such increased prices being received also by the yarn-importing merchants. As the news of the price increases came to be transmitted to the Irish combers by some means or other, eventually they too raised their prices. The policy of the Gurney firm was, therefore, to restrain as far as possible the prices of the combers by exploiting their economic weakness while taking advantage as fully as possible of the hardening demand of the manufacturers, always with the possibilities of competition by alternative buyers in mind. In this, they seem to have been highly successful. Shortages developed fairly regularly in late January or in February when the remnants of the clip had been spun. Just such a scarcity was produced in 1771 and it caused some of the Norwich weavers to go "amongst the combers last night and bought what they had, which put the combers on asking 3d. or 6d. per gross (of skeins) advance."<sup>2</sup> Very soon after, Richard was reporting, "It is evident that the weavers expect a rise and Newenham (yarn-merchant of Cork) begins to talk of it before the account of Peace," i.e. as the prime topic. Newenham got his higher prices in 1771 and also in 1772, when he wrote, "It gives me pleasure that the scarcity of yarn with you has enabled me to dispose of my yarn at a price quite beyond my expectation."<sup>3</sup> The Gurneys'

<sup>1</sup> II, 331, 1770.

<sup>2</sup> I, 87, 1771.

<sup>3</sup> II, 138, 9th February, 1772.

exploitation of scarcity of their own behalf is illustrated by the piece of excellent merchanting advice given by Richard to Thomas Bland: "You will, no doubt, make all the advantages you can consistent with the 'Gurneys' cargo, especially those who you may be under necessity to supply." He continues with a faint suggestion of regret, "It would be better if we had some more of the lower (coarser) crapes, for you cannot advance the better sorts with propriety more than 10%."<sup>1</sup>

This appears to have been a simple piece of commercial exploitation by no means unusual in those or in these times, but it would appear that the Gurney mind was not in complete acceptance of such actions. It liked, apparently, to explain exploitation in some other terms more satisfying to the conscience. A letter from Richard to John provides an example. When Ives, an important Norwich merchant-manufacturer "laid the charge upon us of taking advantage of the emptiness of the market to advance the prices of the yarn," Richard alleged that "it was absolutely necessary . . . to prevent a much greater scarcity at our market which, without advances, must be absolutely the case. This argument I made use of to John Ives, Aggs and Alderman Patterson."<sup>2</sup> At about the same time, partner Thomas Bland was informing John Gurney that, due to the scarcity, buyers would "soon be seeking for it in London . . . under what we make them pay in Norwich. It must seem a very strange appearance, especially if they have the least cause to suspect we send the yarn up."<sup>3</sup> An equally suggestive remark in this connection came from Richard in 1772. Stating that almost all the available Irish yarn was now in their hands, Richard continued, "What little others have, will be at a great price and enable us the better to get suitable advances [in price] to our own and the emolument of our friends."

Part of the foregoing may find its explanation in the fact that the firm was clearly under pressure from both the Irish merchants and from the combers.<sup>4</sup> Some of their actions fall

<sup>1</sup> II, 367, 14th February, 1772.

<sup>2</sup> II, 369, 1772. All the persons mentioned were Norwich manufacturers.

<sup>3</sup> I, 101, 22nd November, 1772.

<sup>4</sup> II, 119a, 25th September, 1770; 369, 1772.

outside the scope of simple pressures, however; in fact, the firm appears not to have been above indulging in subterfuge to aid the course of business. Yarn shortage in 1771 found them entirely without supplies and their rival, John Pim, with plenty. To obtain yarn to meet the firm promises they had given, Richard Gurney requested a Norwich manufacturer, one of the largest in the city, to buy yarn from Pim and then to let them have it. Pim, discovering the truth, was, in the words of Richard's report to John, "filled with jealousy that the yarn was for us," and finally sold the yarn to the manufacturer only on the strict condition that he would use the yarn himself, at which Richard "was exceedingly chagrined."<sup>1</sup> While this may have been subterfuge, it was also evidence of the lengths to which the Gurneys would go in order to fulfil their promises to customers. Such a policy must have produced the intended results for Richard was able once to boast, mildly, that "Our attached friends have had a fine opportunity of seeing how much it is in their interest to have a steady dependence on us and it is a very desirable thing that those who are not should know with what an ample quantity they have been supplied in this time of scarcity." A trifle self-righteously, and with some condemnation, he continues, "Were we to take the mean advantage that they so often do of us, what would they say?"<sup>2</sup> A different aspect again was evidenced a month or so later when another of the larger manufacturers of the city, Columbine and Sons, entirely out of stocks of Irish yarn, made what was literally a begging appeal to the Gurneys to supply them with yarn. "We would do all in our power to induce you to serve us . . . Have gone to the utmost pains (in the price) and the distress to us in going so far is very great as we must lose much of our profits." The appeal ended by reminding the Gurneys that "our attention to your house was never temporary" and the expression of the hope that the average quality only of the yarn required "will make the price less intolerable"—a strange expression of anguish between one business house and another. Here it seems, there was an excellent chance to push a hard bargain but the Gurneys agreed to let what yarn they had in stock go at the usual

<sup>1</sup> II, 355, 21st January, 1771.

<sup>2</sup> II, 371, 19th February, 1772.

price, this earning them the appreciation, "Our best thanks are due to you on this and so many other occasions that it is easier to recollect than to express them."<sup>1</sup> Altogether, the business activities and relationships of the Gurney firm, as far as is evidenced by the correspondence, seem to have had a reasonable number of credits to offset the debits which indubitably appeared at times.

Several other influences must have been at work to turn, finally, this Gurney firm to banking and away from general merchanting. The profitability of the merchanting business produced a supply of ready money available for investment or loan while their business connections involved the firm intimately with very many people over a most extensive area and produced a fund of experience and discretion in the handling of financial matters. In the yarn business, the Gurneys either paid commission to their Irish factors or sold on behalf of the yarn-merchants. In both cases, credit accounts were created. It was customary at the time for merchants and country bankers "to hold a reserve with a London correspondent against which and into which all bills were drawn,"<sup>2</sup> a practice which was followed by the Gurney firm.<sup>3</sup> In the normal course of trade, cash accumulated to their account and, in those times of industrial expansion and agricultural innovation, it was quickly put to use.<sup>4</sup> Dealings in internal exchange through the medium of bills had been a profitable occupation for merchants since early in the eighteenth century and the various indications are that bills were in (probably restricted) use in Norwich at least as early as the 1740's.<sup>5</sup> For their use and development after the middle of the century the Gurney firms no doubt had their share of responsibility. The frequency with which the Irish factors and merchants drew on their accounts with

<sup>1</sup> II, 494-6.

<sup>2</sup> Westerfield, *op. cit.*, 389.

<sup>3</sup> Above, p. 136.

<sup>4</sup> I, 94, 1772. Thos. Bland, Norwich, writing to John Gurney, in London: "Our cash in London increases so that . . . we . . . have £8,176 in hand." II, 358, 1772: "I have sent by the waggon this afternoon 1,000 gns. Should our cash account increase much more, it will be necessary to find some place to put it out at Interest or get some long dated bills . . ."

<sup>5</sup> Bidwell, *op. cit.*, 12, records that bills were used by John Gurney for small amounts by 1744.

this firm, often for quite large sums, points to the long establishment of the practice by 1770.<sup>1</sup>

Money was also supplied by the Gurney firm to the manufacturers of Norwich, either by the granting of credit or by loan. The need for credit resulted mainly from the dangers and the limitations of transport which slowed both the physical process of distribution and the act of payment and the extending of credit formed an integral part of merchanting business in the eighteenth century. The use of foreign and domestic bills of exchange not only facilitated and speeded the commercial transactions but also introduced a greater degree of security, the result being a diminished demand for credit over such long periods as formerly. Norwich manufacturers apparently enjoyed about twelve months' credit from the yarn-merchants during the middle decades of the century and the first move towards the curtailment of this came in 1784. As a result of joint action by the two main yarn importers in the city—Allday and Kerrison and John and Richard Gurney—the manufacturers were informed that the period of credit would thenceforward "be reduced to seven months and a bill for two months, ready money within one month earning a discount of 3%." The declaration must have produced protest for two months later a similar notice was issued which extended to nine months the period of credit, again with a bill for two months to follow.<sup>2</sup>

Over and above these trade dealings, the Gurney firm lent out money on bond both to Norwich worsted men and

<sup>1</sup> II, 329, 1769. Richard Gurney to Thomas Bland: "Inclosed Caleb Beale's (a merchant of Cork) bill for £1,000 must be accepted." Also, I, 88c; II, 475, 489, 1772; etc.

The long-dated bill was one means by which money was advanced and the account of Josh. Pike, yarn merchant, Dublin, illustrates the scale and frequency of such transactions: (II, 50, 12th Nov. 1772). "Bills drawn on Timothy Bevan, account of R. and J. Gurney:

*Account No. I:*

11th October	..	£518 at 8½%
2nd November	..	£519/3/- at 8½%
6th November	..	£513/13/5 at 8½%
9th November	..	£427/10/2 ditto
<i>Total</i>	..	£1,978/6/7."

All of these advances were for the period, apparently, of one year, to bring in a total of £2,142/19/5.

<sup>2</sup> Printed notices, 15th September and 20th December, 1784. II, 510b.

to other persons throughout the country.<sup>1</sup> At other times, political disturbance and tension was seen to offer as much profit as anything. In 1770, with the very real possibility of war at any moment, Richard wrote, "Should there be a war . . . great advantage will be made with Government security;" and at a subsequent prospect of peace, Bartlett Gurney, the son of the St. Augustine's John Gurney, records having bought "40,000 scrip, 3% at 65¼, since when they have rose and today the account positively arrived of the definitive treaty being signed that I think there is no doubt of stocks rising."<sup>2</sup> The threat of war and the event of peace, apparently, were both profitable.

In spite of the brisk demand for money engendered by the general expansion of trade during the latter part of the eighteenth century, the development of British banking was slow, both in London and the provinces.<sup>3</sup> There was, however, a much more rapid increase towards the latter end of the century and during the early years of the nineteenth century.<sup>4</sup> In Norwich, the first bank had been opened in 1756 by a Charles Weston whose announcement in the local paper emphasized the advantages of bills drawn on London bankers and payable at any date.<sup>5</sup> Twelve years passed before the second bank was instituted,<sup>6</sup> while the bank of John and Richard Gurney was established in 1775 at St. Augustine's Norwich, being announced in the local paper as "a new banking house . . . by which bills concerning all Great Britain and Ireland are exchanged for debts in London, and foreign bills of exchange are negotiated, all with secrecy, safety and despatch."<sup>7</sup> Many of the first customers of the Gurneys' bank were Norwich manufacturers, dyers and

<sup>1</sup> Pressnell, *op. cit.*, 315, records John Gurney lending on bond to a Norwich merchant at 4% in 1759 and 4½% in 1779. In 1780, money was similarly lent to John Johnson, merchant, Essex, and to Job Bullman, Gent., Northumberland, to the amount of £3,199/2/3. II, 510a, 1780.

<sup>2</sup> II, 346, 1770; 27, 1783.

<sup>3</sup> T. S. Ashton, *Economic History of England—the 18th Century*, 179. Westerfield, *op. cit.*, 382.

<sup>4</sup> Ashton, *op. cit.*, 183.

<sup>5</sup> *Norwich Mercury*, 17th January, 1756.

<sup>6</sup> That of Allday, in 1768. When Sir Roger Kerrison became partner, the firm formed the great rival establishment to the Gurney Banks.

<sup>7</sup> *Norwich Mercury*, 11th February, 1775. The first ledger used by this bank is still preserved.

merchants;<sup>1</sup> and, probably in consequence of its intimate contacts with the industry, the Gurney firm had developed three other branches—King's Lynn, Wisbech and Yarmouth—by the early 1780's.<sup>2</sup> Such geographical extension for a country bank was unusual, for most at that time had only one office, and this may have been a reflection of the good name of the firm. Of the country bankers during this period, Ashton<sup>3</sup> says that some "owed little to anything but their own resources and characters" and this appears to have been highly probable with the firm of John and Henry Gurney.

Henry Gurney died in 1777 and John Gurney in 1779. The banking business then passed to Bartlett Gurney, who took Richard and Joseph Gurney of the Magdalen Street firm into partnership. Richard Gurney brought "to the partnership not only a large fortune but a clear head. He was a strict Friend and a thorough man of business."<sup>4</sup> At the same time, Richard and Thomas Bland continued in the yarn business at least until 1784.<sup>5</sup> Richard's brother John was virtually a partner in the banking business but he also retained active control over the Magdalen Street merchanting business while at the same time carrying out some banking operations. Hence a curious situation developed in which the two firms, having separate identities, were operating widely in the same city, with every possibility of overlaps of interest and function being present. The aim was clearly that of developing some sort of specialization, one firm merchanting and the other banking; but due to the traditional interests and activities of the Magdalen Street firm, it is not surprising that complexities and difficulties occurred. On one occasion in 1786, while the banking business under Bartlett Gurney followed a policy of credit restriction and the calling-in of loans, John Gurney, the merchant, at the same time pursued the reverse policy, the result being commercial confusion in which customers, failing to obtain credit with one firm, were success-

<sup>1</sup> Bidwell, *op. cit.*, 14, gives the names of thirty-four, most of whom were named as worsted men in the Directory of Norwich in 1783.

<sup>2</sup> Pressnell, *op. cit.*, 127.

<sup>3</sup> *Op. cit.*, 178.

<sup>4</sup> Bidwell, *op. cit.*, 20-21.

<sup>5</sup> II, 511. A Norwich manufacturer, John Barnard, "begged to know whether Messrs. Gurney and Bland have relinquished the yarn business and retired from it, without any notice to their friends."

ful at the other. This however was unusual and more frequently "great delicacy" was observed. Thus the two Gurney firms were practically unified by 1785, and the banking activities developed.

After 1786, the Gurney correspondence ceases, a deficiency only partly made good by the banking ledgers which cover the next 30 years. It may be presumed that the yarn merchandising function was either given up on the linking of the two Gurney firms in that year or that it became a subordinate activity, administered by a delegatee. Certainly, however, banking became the principal activity of the firm, although it was by no means the only one, the Gurney interests continuing to range ever more widely.

The history of the House of Gurney during these decades of the eighteenth century is mainly the story of a firm developing widespread over-growth from long-established roots in the commercial and industrial soil of East Anglia. Hard work, long and strenuous journeying, meticulous attention to detail,<sup>1</sup> acute business insight that was ever ready to exploit a situation to profit but yet was tempered with a cautious distrust of spectacular developments and by the power to wait till more stable and more surely comprehensible conditions obtained: these things, coupled with Quaker ideals, ensured for the Gurney firms an important place in the range of business activities of the city of Norwich. Importing, exporting, money-lending, bill-discounting and banking were all carried on with steadfastness and stability; and it may reasonably be wondered how much of the development of the worsted industry of Norwich during these decades was due to these activities of the Gurneys, and to what Pressnell describes as the "probity, frugality and uprightness" employed by this East Anglian House.

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<sup>1</sup> On each of the several hundred letters forming the body of this section of the Gurney MSS. at this time is recorded the date of receipt, the sender, the receiver, and the date of the reply.