

THE OFFICE

DEVOTED TO THE
OFFICE STAFFS OF
BUSINESS
ESTABLISHMENTS

INVESTIGATING THE ACCOUNTS

By W. H.

TAKING stock of his accounts is as necessary to the merchant as taking stock of his goods. The books monthly balance, their books and thus are enabled to keep themselves informed of the extent of their business and whether it is going back or advancing. Likewise, every dry goods merchant should take stock of the accounts in his ledger as well as of the goods on his shelves. He should scrutinize the names of his debtors. Some of his customers he will find especially desirable; others, he will find slow pay and not desirable. The good ones should be well treated and promptly waited upon, and if they have any complaints these should be quickly investigated and settled in a manner that will give satisfaction to all concerned. If concessions be necessary, even though it means an actual loss to the merchant, they should be made to retain custom.

The dry goods business, like every other, has slow and poor payers amongst its customers. These should also be considered, but in a different way from the others. They should be made to pay more for their goods than those who settle their accounts promptly. It is just and right that the people who buy their dry goods, their clothing, their housefurnishings, and keep the drygoodsman out of his money for a time needlessly long, giving him other unnecessary expense and great bother in collecting his accounts, should pay the highest ruling price for their goods. It is only fair that the man who settles promptly his accounts should buy his goods at the lowest price going. Complaints about overcharges can be met by giving a discount for immediate settlement.

Besides the slow-pay customers are the ones who scarcely ever pay. It is a fact, we are sorry to say, that some people make it a practice of running accounts with their grocer, their tailor, their drygoodsman and everyone else they can without intending to pay their debts.

Caution should be exercised in opening out new accounts. Reports of the financial standing of the would-be customer should be obtained from mercantile agencies, and as much found out about him as possible before giving him the goods. A customer of this sort often may deal with you for months, always seem to have lots of money and pay cash every time for the goods until you are confident that he is square and honest. He asks credit for a small amount, gets it and settles promptly the first time. The next time he gets in deeper; at last a large account is run up and then you never see him again in your store. You resort to the law courts, but find legal proceedings are useless; he has everything in the name of his wife, or he resorted to some other means to avoid being compelled to pay his debts. Such cases as this are too common among the trade. The merchant would do well to be on the alert and work up a cash business as far as possible.

The credit system of itself is all right, but should not be abused.

AN ARGUMENT FOR INSURANCE.

By W. HOFFMAN.

I CANNOT afford life insurance at present because I need my money in my business." So spoke a prominent business man in a prominent Canadian city, when recently approached by a representative of one of the largest insurance companies in the world.

It is true a man needs his money in his business, but he also needs, and that more imperatively, to have enough ready cash laid aside to bridge his family over and to protect his estate in case he should be taken away.

His business needs are born of his family needs. If he had no family needs he would perhaps need no business, and the very lowest value of his possessions while he is alive will be the highest price obtainable if his estate should be forced upon the market on account of his death.

How, then, can he lay any considerable amount aside and still keep his money in his business? Here is the rational solution. Let him keep his money in his business, and let the best (not the cheapest) insurance company he can find lay aside a snug sum for his family. His premiums will be a small matter comparatively, and he can manage them if he wants to do so. A man insured really has more money to use than he would otherwise have, since, otherwise, he cannot invest without feeling that he should guard his means to protect his family. Their future being secured he may indulge in business ventures, or even luxuries impossible to the man with a family unprovided for.

What is business but the effort to provide for our families and our own old age? The simple accumulation of wealth is not the aim of life. We struggle to give comforts to our families and to educate our children. All our business is to these ends. And when we put our money into life insurance, it is just there that we are putting it—best and safest putting it—into the chief business of our lives.

It is exactly as a business proposition that legal-reserve life insurance commands itself in the strongest terms.

It means the business man's capital, and it enhances his credit many times its cost, while at the same time it is a splendid guaranteed installment. Bankers, brokers, financial experts, and business men generally, carry the larger insurance policies. They would not do so if there were any way possible to do better with money for present purposes.

The whole truth of the matter is that it is really only by the aid of life insurance that a man with a family can use all his money in his business.

Therefore, when such a man says he "cannot afford life insurance because he needs all his money in his business," he should say, rather, that he "cannot afford to be without life insurance just because he needs his money in his business."

ACCOUNT COLLECTIONS BY DRAFT.

THE prevailing system of collecting out-of-town accounts to-day is by draft, either at sight or time.

There is, however, amongst the retail trade, to a certain extent at least, a prejudice against this system of collecting. If the retail merchant who is thus prejudiced would consider the time, trouble and expense of remitting, which is saved by simply accepting a draft, this system would no doubt become more popular. Another important advantage is in the matter of cash discounts, which items are very often overlooked by the busy man, and which by the draft system are always assured.