

The Commercial

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MERCANTILE PIRATING.

Although the latitude allowed for legitimate trading is wide and allows of full scope for commercial ingenuity, there still will be people who cannot be confined within its broad limits and who will persistently seek for some method of running business into illegitimate channels. The practices of such people may be designated under the broad heading of mercantile pirating, although the devices resorted to are many. We are all prepared to expect tricks and subterfuge from the class known as Cheap Jacks, but we usually look for something different from mercantile firms whose standing and reputation should be above suspicion. Unfortunately mercantile piracy extends into circles where it might not be looked for, and of late wholesale houses, from whom better might be expected, have descended to practices worthy of any hoister of the red flag.

A favorite system of piracy of late has been to mail samples of well known staple dry goods accompanied by a circular quoting prices which the merest novice in the trade knows to be much below regular value. At first sight it would seem that such a practice would soon bring its own cure but it is wonderful to what extent the practice can be carried of throwing out a sprat to catch a mackerel. The custom is usually adopted now by some eastern wholesale houses not possessed of a northwestern connection. A serious loss cannot be entailed by so doing as the quantity of such goods required by any retailer is not great, and a sale even at losing figures has the effect of opening up business with a new customer. Thus we find eastern houses, who avoided the Northwest during our late time of depression as they would a plague-stricken district and now find that they are minus a trade which must prove very profitable, ready to adopt such a course in order to again secure a footing in a country they not only forsook in time of trial, but were prepared to slander its merchants without stint. By thus throwing out the alluring sprat they hope to shake the confidence of the retailers of this country in the houses which have aided in carrying them through a time of pressure if

not of embarrassment. Once this confidence is thoroughly shaken by the dishonest sprat-throwing policy, the field formerly closed to the throwers is partially opened. Business men who go upon the principle of buying where they can get goods the cheapest can doubtless see no harm in swallowing the offered sprat, and no one can blame them, if they are only shrewd enough to avoid bartering away the much more reliable mackerel. How many of them will be sharp enough to thus come out ahead we will not attempt to estimate, but it is certain that all run great risk of accomplishing opposite results.

Houses which are not ready to step into open competition with opponents in such a wide field as this country offers should at all times be looked upon with suspicion. We have scores of eastern wholesale houses which do a large and profitable business here, and the links between them and their customers are justly closed and binding. It is totally different, however, with the pirating class we refer to. They have but one aim, and that is to secure a footing here at all risk and as little loss as possible. It is not difficult to see the motives of such people, and it is to be hoped that any of our retail merchants who may do business with them will be shrewd enough to baffle them in their ulterior motive. The safest plan, however, is to let them alone, and especially that portion of them who withdrew from the Northwest in the time of danger. Gratitude is not a necessary thing for commercial success, but after all there is safety in having, like the successful Irish immigrant, a pleasant remembrance of the old boat that carried them over to better fortune.

It is an axiom of business that a loss will not be deliberately made by any sane man without the prospect of eventual gain. All the loss entailed by this system of baiting will in the end have to be paid by the purchaser, and there are few men so thoroughly masters of their business as to be beyond being baited and afterwards duped.

RESTRICTING PRODUCTION.

When we look back over the past few months, and notice the number of meetings of different manufacturers, which have adopted a policy of restricting production, we might be tempted to believe that the whole world, or at least the

whole continent of North America had been seized with a fever of economy, and that the consumption of every necessary of life had fallen to the lowest possible ebb, that would admit of existence. Manufacturers of textile fabrics, iron goods, lumber and other articles of every day demand have all gone in more or less for curtailing their productions, and in coal mining and other auxiliaries to manufactures a similar policy has been adopted. Yet there seems to be no falling off in the demand for such goods by the consumer, the field for such consumption being every day widening. There must therefore be some very urgent reason for this shortening policy, and the answer given by those most interested is overstocked markets.

There is no use in trying to deny the fact, that the whole continent of North America has become over productive in manufactured goods, and the very fact that restricted production is necessary, is positive proof that it has reached that state. Some influence has been at work to bring about this very undesirable state of affairs, and we have no hesitation in stating, that it is to be attributed to the bolstering protective legislation of every country on this continent. The United States has grown to a great industrial nation, but its manufacturers are as yet unable to compete profitably in the markets of crowded Europe. Goods manufactured there do reach the British market, where they are admitted duty free, but the question arises when do they reach that market? They reach it only when some outlet is necessary through which to slaughter them, and relieve a crowded home market, without forcing down its prices. Thus it is that the British consumer invariably purchases his American goods at lower figures, than can the consumer in the country where they are made. But relief of that description acts like the old system of bleeding to relieve pain, and cannot be carried too far without causing great injury or actual death. When, therefore, slaughter in a foreign market entails more loss than can be borne; restricted production becomes the only alternative, and when that is reached industry has come to a level which cannot be otherwise than humiliating to the advocates of high protective tariffs. Even their demagoguic argument of increased remuneration to the laborer is gone, for the artisan with