

Every Man His Own Merchant

By FORREST CRISSEY

In Philadelphia Saturday Evening Post
Continued from Two Weeks Ago

Difficulties of Operation

"It must be remembered, too, that a very large percentage of these shareholders speak only their own native tongue, and are therefore shut off from anythink like free communication with the men of any other race but their own. Of course I have been compelled to pick up a smattering of nearly all of the tongues spoken in this copper-melting pot of the North; but this does not affect the broad proposition that cohesion and co-operation are entirely foreign to our situation—a condition that is said to have been originally devised for the particular purpose of preventing anything like consistent united action on the part of the body of mine-workers as a whole.

"By comparison it would be a mere Sunday-school picnic to run a co-operative enterprise in an English or Scottish mining town, where the natural racial forces would be for cohesion instead of against it. Not only in language but in point of temperament too, each race represented in our body of stockholders presents a separate problem. The Finns have to be handled in one way, the Italians in another, and the Hungarians in still another.

"My point is that if co-operation has succeeded here—and our accounts prove that it has for twenty-three years without a break—then it certainly can be made to succeed, it would seem to me, in almost any other community the imagination could suggest.

"But it would be a mistake to overlook the fact that this co-operative concern has done much more for our people than the mere saving of money. It has broadened and stimulated them intellectually to a surprising degree.

"Any man, except our competitive merchants, who has lived in this community for a number of years will bear cheerful testimony to this fact. When a man becomes a member of this association he unwittingly enters upon a course of education not only in the economics of practical business but also in the better relations of man to man. Some writer, whose name has escaped me, has referred to the thing that we try to drill into our shareholders as enlightened self-interest. If we did not keep at this educational work persistently and consistently, day in and day out, we could not win and maintain our position under the handicaps that are imposed upon us.

"My experience has been that when I can get a mineworker once thoroughly to understand the simple elements of co-operation he will be a loyal and steady supporter of the association and the movement to the end. I cannot conscientiously say that this is always true of the women of the families represented in our membership. The personal equation seems to sway them, in many instances, in the face of logic, self-interest and all other considerations. If they do not fancy the manner in which they are waited on by a certain clerk they will often quit trading at their own store, cut off their own profits and pour them into the pockets of our competitors—their competitors!—and cheerfully enlist their tongues in the service of the opposition, to do all in their power to undermine the business in which their own money is invested!

"This, however, is all in a day's work. In cases of this kind I try to explain to them that the sensible course for them to follow would be to complain to me of the point of service on the part of a clerk that has given offence, or, if I am the offender, to make their complaint about me to the directors and the stockholders; but in any event to stand loyally with their own enterprise instead of turning their money and their influence against their own vested interest. Sometimes this brings them round to a sensible view of the matter.

"This kind of trouble is by no means

confined to the feminine contingent of our customers; men occasionally show the same weakness—but not so frequently. They seem to be more generally amenable to reason, quicker to see the logic of the situation, and not so whimsical and exacting in their demands for service."

Paying Too Much for Service

"That word 'service' furnishes perhaps the keynote of the success of this enterprise. On every hand we hear it reiterated that the most expensive commodity sold in the modern store today is service. Undoubtedly that is true of almost every store except the typical co-operative establishment. Certainly it is not true of the Tamarack store, for the simple reason that we do not sell service except in the smallest way possible. From the very beginning of the association our people have been carefully educated to understand that service costs money, and that they must pay for it if they insist upon it, just as much as they must pay for prunes, flour, sugar or pickled fish.

"It was fortunate for our enterprise that it was started at a time when the public was not demanding from the storekeeper anything like the elaborate service it now demands. This has given us time to educate our customers to

vice, and he must make all his customers foot the bill.

"Here is the way in which this assessment works out in actual practice: The retailer finds out from his books that his total service expense for a given time totals a certain sum, and that this sum is a certain percentage on his sales for that period. Of course, this percentage has to be provided for in fixing the prices on all his goods. It is impractical, not to say impossible, for him so to distribute this element of cost that it shall be paid for only by those who create it.

"The customer who comes to the store once a week, buys a week's supply at one time and takes the goods away with him, without putting the merchant to a cent of expense for delivery service, has to pay his percentage for sending an auto delivery wagon three or four times a day to the house of the customer who demands almost continuous delivery.

"This is rather hard on the housewife who is making a constant fight to keep down the high cost of living, who carefully considers the expenditure of every dime and nickel, and who is as conscientious in the handling of the money her husband turns over to her for household expenses as she would be if it were a trust fund. She does not

feel he cannot do this because it would throw his whole pricing system out of joint.

"Right here is where the co-operative store—or perhaps I should say this particular one—comes to the aid of the thrifty housewife, and puts a premium on her prudence and her willingness to dispense with the frills and furbelows of modern store service. Every one of our several hundred customers has received a careful explanation of the high cost of service. They all understand that they must pay for everything they get, including service.

"As they are part-owners of the store, we put it up to them in this way: 'At the end of the year, when you draw your dividend on your stock, you will get actual cash pay for helping to serve yourself instead of making the store serve you. By buying your supplies once a fortnight, or once a month, and taking them home yourself, or allowing us to deliver them on the regular weekly delivery trip, you save the store a certain amount of expense and you get that saving with your dividend in cash money.' Because all our customers are carefully educated in this important matter of minimized service expense we are able to give them a great advantage over the competitive merchant.

"I do not claim to know how much it costs the other merchants of Calumet to do business; but I do know that our entire expense of operation is a lower percentage of our sales than is the cost of service alone in some retail stores in the city. Our entire cost of doing business is only twelve per cent. Practically all our shareholders are mighty hardworking people and they need every cent they can save. Nearly all of them have large families of children who are growing up into good, husky, useful American citizens. These children are faithful attendants at school and they live in a cold climate where plenty of clothing is required through the long winter.

"All this means a heavy expense in proportion to the amount of money earned by the head of the household. A mineworker's wage is a very modest affair, to say the least, and many of these laborers have anywhere from eight to a dozen children. They are leading useful lives; and their children, with a common-school education, will as a rule become more able and intelligent than their parents.

"Personally, I cannot come into close contact with families of this kind without feeling, at least in a sense, that I must make their problems my own, so far as helping them to make their wages go as far as possible in providing the necessities of life. To teach people of this kind the principles of thrift is a privilege; and the Tamarack Co-operative Association has accomplished nothing of which I am more proud than I am of the fact that it gives these good, hardworking folks a chance to buy their merchandise without having to pay for the frills of modern store service that the wealthy, the extravagant and the thoughtless modern American customer habitually demands.

"It is a keen satisfaction to feel that these hardworking people have access to a store that is able to give them the benefit, in dollars and cents, of their willingness to furnish the greater part of the store service themselves, to plan and execute their purchases with a view to rigid thrift and thorough economy, and to live like sensible working people instead of like folks having solid fortunes behind them.

"This may sound a little bit harsh; but there is not a retail dealer in food-stuffs in America who does not know that one of the biggest troubles of the American people is this very tendency to live beyond their means and get away from plain, practical, old-fashioned thrift.

Continued on Page 16

Sixty Years of Protection in Canada

By Edward Porritt

This book completely fills the need of the man who is interested in the tariff question and wants to understand it. It gives in a most entertaining style the history of the Canadian tariff from 1847 to 1913. "Where Industry Leans on the Politician" is the sub-title of the book and indicates the tone of the contents. In no country in the world have the protected interests such a grip upon the people and Mr. Porritt in "Sixty Years of Protection in Canada" shows just how strong is the grip and how the common people are paying toll to the protected group. The rise and growth of the Canadian Manufacturers' Association is given, as well as the story of the "Red Parlor" days when the manufacturers and politicians gathered together in a Toronto hotel, prior to general elections, and bargained for the betrayal of the people. Mr. Porritt travelled with the Canadian Tariff Commission in 1905-6 and heard the pleas of the manufacturers. He states that all but two industries at that time admitted prosperity, yet most of them got further tariff favors. The inside history of the iniquitous steel industry is given fully. Later chapters deal with the rise and growth of the Grain Growers' movement, the Western tours of Sir Wilfrid Laurier and R. L. Borden, the "Siege of Ottawa," the Reciprocity defeat and the present tariff agitation. Any man who reads this book can upset the best protectionist argument ever advanced. Handsomely bound in red cloth covers, 500 pages, large, clear type, post paid.....\$1.25

Send for our complete catalog of progressive literature and agricultural books, now on the press.

BOOK DEPARTMENT, GRAIN GROWERS' GUIDE, WINNIPEG.

see that they can furnish the service themselves and be very well paid in direct saving for a little forethought, system and inconvenience.

"If the customers who really want to practice frugality and cut the high cost of living could be made to realize how heavily they are assessed for this item of service, they would rise up in revolt. In many cases the retailer's actual expense for service amounts to ten per cent., and in some cases fifteen per cent. He must add that to all his other costs before he reaches the point of putting on a profit. Under the competitive system it is not a question of whether the customer wants this elaborate and costly service—he must pay for it just the same, whether he wants it or not; in fact, whether he gets it or not.

"Those who do not want it and do not get it are assessed for furnishing it to those who demand and receive most of it—for this high service cost has entrenched itself in the whole competitive system. The competitive retailer is not to blame for this; he is bound to give his so-called best customers, his most extravagant customers and his most thoughtless customers what they demand in the way of ser-

vice—at least not in the modern sense of the term.

"In the first place, she knows she can buy much more closely by going to the market herself and making her selections in person than she could by ordering over the telephone and trusting to the storekeeper to make the selections for her. Again, she is willing to use forethought and study, and to put herself to any reasonable inconvenience in order to economize."

A Premium on Prudence

"In short, she wants to furnish the service herself—at least the main part of it—and get the benefit of her forethought and her care in the form of a reduction in the cost of her goods to the amount of what she saves the merchant in his service cost. But under the competitive system of retailing she has no chance in the world to do this in most stores. The assessment for the merchant's service expense—including all the frills demanded by his most exacting customers—has been spread upon all his goods before the thrifty customer prices or buys them.

"No matter how glad the ordinary retailer might be to give the prudent and self-serving housewife the benefit of her reduced demands of service, he