

FOUNDING OF THE HOUSE

In 1861 the enterprise was going so well that he was encouraged to take a step that was destined to be fraught with momentous consequences, for it determined the character of the future business. He stocked a few lines of German fancy china, toys and dolls. Articles of this nature were a decided novelty in Toronto then. They sold readily, and this encouraged the young merchant to broaden out. In three years he was in a position to take larger premises, and so the business was moved to a warehouse erected for it around the corner of Adelaide Street by the late Joseph Sheard, father of the present Medical Health Officer of Toronto, and of ex-Alderman Henry Sheard. Shortly afterward, the first partner was admitted to the firm, in the person of Mr. Peter Backer, who had been the first employee, and the trading name was changed from Henry Nerlich to H. Nerlich & Co.



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1870-1880

At this time the business of the firm as regards buying was done under difficulties. Most of the goods were imported from Germany, and the practice of Henry Nerlich was to cross the Atlantic every year and purchase the stock. This method ensured careful selection in the European market, but it consumed much valuable time. Finding the plan unsatisfactory the firm tried purchasing by mail, but this also was attended by some drawbacks because of the time consumed in writing and waiting for replies. Two or three months were occupied in placing an order before the goods were shipped, and there was much delay in transportation. Finally Henry Nerlich came to the conclusion that a European branch was necessary, and he himself established one in Torgau, afterwards removing to Dresden, where the European offices of the firm remained until recently. Knowing the Canadian trade as few other men knew it, and being at the very doors of the big German factories, ready to pay spot cash for everything, he was able to pick up many a good bargain, and he was also in a position to see that the goods were promptly shipped to Canada. This move, more perhaps than any other single event, gave the firm that early leadership over its trade rivals that it has since maintained.

Four years of this superior organization made necessary a shift to larger premises, for by 1869 the number of lines dealt in had multiplied, and included tobaccos, smokers' and druggists' sundries. Watchmakers' materials and jewelry had been dropped to make room for the firm's specialties. The firm itself was also enlarged by the admission of Mr. Chas. B. Doherty, who had been travelling for the house, which now became Nerlich, Backer & Co. Enterprise in buying backed up by energetic selling continued to yield their inevitable results and the new firm continued to grow. About this time Henry Nerlich's brother Herman