

SHIPPING AND COMMISSION BUSINESS

It frequently happens that goods are sold by one person for the account of another. The person selling the goods is called the agent, or shipper, or consignee. The person shipping the goods is called the principal, or shipper, or consignor. The goods are called by the shipper a shipment; by the agent a consignment. As the names indicate, the goods belong to the shipper till sold by his agent, when the agent becomes responsible for the proceeds. The agent is paid for his services at a certain rate per cent. on the sales; this is called his commission.

When the goods are shipped, an invoice is sent to the agent; but since the goods remain the property of the principal, the form of the invoice is different from that ordinarily used.

FORM OF INVOICE OF SHIPMENT

Invoice of Goods shipped June 1, 19—, per G.T.R., and consigned to *A. Smith*, Toronto, to be sold on account and risk of the consignor.

15/24 crates Strawberries	-	-	-	-	-	05	18			
20/10 baskets Cherries	-	-	-	-	-	75	15			
Freight paid	-	-	-	-	-			75	33	75
<i>H. ANDERSON,</i> <i>Consignor.</i>										
<i>St. Catharines,</i> <i>June 1, 19—.</i>										

When the goods have been sold, the agent reports sales showing charges paid on account of the shipment, and including his own charge or commission for selling. The balance, after these charges have been deducted, is called the Net Proceeds, which may be remitted with the account of the sales, or may be credited to the shipper. What is done with the proceeds should be made known to the shipper when the sales are reported, and for this purpose a form letter is frequently attached to the Account Sales.

FORM OF ACCOUNT SALES

Below please find Account of Sales of Fruit received June 2, 19—, via G.T.R., and sold for account and risk of *H. Anderson*.

SALES.									
Ju.	2	15/24 crates Strawberries	-	-	-	-	-	06	21 60
"	3	20/10 baskets Cherries	-	-	-	-	-	00	20 41 60
CHARGES.									
		Cartage	-	-	-	-	-		25
		Commission (4%)	-	-	-	-	-	1	66 1 91
Cheque enclosed for net proceeds, as above.								Net Proceeds	
								39 69	
Toronto, June 4, 19--.								A. SMITH, Consignee.	