

## DATING MERCHANDISE FORWARD.

The evil of the dating of invoices some weeks or months later than the actual date of purchase has often been referred to in these columns. We have been interested to find in the *Dry Goods Chronicle* of New York an article on the subject. This we quote in full, and our readers will perceive that the writer has covered the ground:

"Of late the retailer is beginning to feel and see that the dating of bills ahead in his case is not generally productive of the best results. He is encouraged through this means to place orders for goods at a much earlier date than he has been accustomed to do, and the result is that he is often led to buy more heavily in advance of the wants of his trade than he otherwise would do. If he makes a mistake in the selection of goods under such circumstances, he has a hard and often unprofitable time in getting rid of the same in order to make his payments or to make both ends meet. The advance dating of two, three, and even four months is an inducement on its face that is in a measure elusive to him, and leads him to take risks that he probably would not otherwise do.

"This dating business may be very good for the manufacturer and his agent, but when expanded beyond due limits it tends to develop an artificial market that is not always healthful in the long run. While, as a matter of course, there are many kinds of goods which of necessity have to be made months in advance of the actual demands of the season, and *bona fide* orders which cover the output of the same are the best kind of surety for the manufacturer on which to predicate the production and distribution of his products, it is a policy that is nevertheless sometimes carried to an extent that ceases to be healthful or safe. Large, hasty, or ill-considered orders of this description given by retailers to jobbers encourage the latter to increase their demands upon the manufacturer, who in turn is probably unduly stimulated to produce more goods in a given time than the actual circumstances would warrant.

"The latter goes on in good faith and turns out his products accordingly, while in the meantime the trade of the country has probably taken on a new phase or its outlook has been modified in certain directions, so that the retailer becomes alarmed at the amount of goods he has ordered in advance of the probable demand, and looks around to see where he can 'coach' on his purchases. In doing so he strikes the jobber in such way and manner that the latter has probably either to accede to his wishes or lose him altogether as a customer. The jobber is generally placed in an awkward position by this action of the retail dealer. He has given his orders in good faith to the manufacturer or his agent, and the latter have accepted and acted upon them in the same feeling and spirit."

The effect upon the manufacturer of such a condition of things is serious. Nay more, his difficulty reacts upon his customers, as the *Chronicle* shows: "Probably, if the goods are not all made up, the stock for the same has been purchased, and the

manufacturer is in such a position that if he stops or does not go on producing he is liable to heavy loss, if not in the imminency of failure. If such is the fact the matter of adjustment between the manufacturer or commission merchant and jobber becomes more or less difficult. If the latter cannot get released in an honorable way from his contract he is compelled to take the goods and to distribute them as best he may at low prices. Herein is the great evil of the undue extension of the order system, which in the end reflects to the disadvantage of the retail dealer as well as the wholesaler. Oftentimes the overplus of production, which has been encouraged by the thoughtless and unmercantile retailer, through this means reaches the auction rooms, and is disposed of at prices which create a ruinous competition with the dealer himself. In other words, it is the old story over again of Mother Cary's chickens coming home to roost."

## CHINA VERSUS INDIA TEAS.

Dissatisfaction with the quality of China teas has been for some time growing. It has been found that of late years these teas are not what they were: quality has deteriorated, packages are defective, dust in too great proportion, in short the favor with which Chinese teas had for several decades been regarded has fallen off almost in proportion as India and Ceylon teas presented themselves in European and American markets. As long ago as 1876, indeed, the Foochow Chamber of Commerce had to remonstrate against some dishonest practices of the tea growers.

It will be seen how marked was the favor which India and Ceylon teas found with consumers, when we say that the deliveries of Congou teas from London warehouses declined from 133,481,000 lbs. in the season 1880-81—1st June to 31st May—to 108,228,000 lbs. in 1887, while the deliveries of India and Ceylon teas increased from 48,275,000 lbs. in 1880-81 to 83,169,000 lbs. in 1886-87. Again, London advices stated that a falling off had taken place in the deliveries of China Congou tea of 11,500,000 lbs. for the five months ended with October, while there was in the same period an increase of 6,500,000 lbs. in the deliveries of Indian teas.

From a valuable essay by Mr. J. Berry White, of the Bengal Medical Service, we gather that the percentage of Indian tea taken for consumption by the United Kingdom was in 1867 six per cent., in 1877 nineteen per cent., and in 1886 *forty-one* per cent. of the whole. Corresponding with this increase has been the decreased consumption of China tea, viz., from ninety-four per cent. in 1867 to eighty-one per cent. in 1877 and 59 per cent. in 1886.

In September last the British Inspector-General of Customs at Peking instructed the Commissioner, Mr. Chas. Hannen, to report as to the faults found with Chinese teas and to suggest remedies for them. The Chinese Foreign Office ("Tsung-li Yamen") had become impressed with the gravity of the situation, and sought advice of foreigners as to changes for the guidance of teamen in the interior.

Mr. Hannen laid the matter before the General Chamber of Commerce at Foochow, which in October last made a report on the decline of the China tea trade. The conclusions of that body are worth careful attention, for they contain plain statements of grievances and suggestions as to remedies essential to get China teas reinstated in their former position in the London market. Our readers may be interested in free quotations from the report before us, furnished by Messrs. Perkins, Ince & Co.

We remark in the first place that the Chinese war tax placed upon teas is excessive, and with the constant pressure to get low-priced teas possibly prevents the growers giving attention enough to quality of plant. Revision of this tax is recommended. But, doubtless, the main reason is exhaustion of the soil and wearing out of the plant from too frequent cropping or picking, negligence in trenching and manuring—the Chinese, it seems, have a prejudice against any manure save that of freshly cut grass—as well as in pruning. Twenty years ago, or more, when the quality of Foochow teas was at its highest it was customary to trench the plants after each picking; to manure them thoroughly; to prune at least once a year; to destroy all plants eight years old as worn out and replace them with new shrubs. And, besides, only three pickings per year were allowed.

"Now," says the report, "What is done? Simply nothing: no trenching, no manuring, no pruning, no replanting, while in most districts five crops are taken each year from the old worn-out plants. Foreigners who have lately visited the famous Pak-Ling district state that the tea plantations are utterly neglected, over-run by weeds, the shrubs full of dead wood and covered with blight, while between each row sweet potatoes are grown."

A radical change in all these respects is suggested by the Board of Trade if the famous Foochow teas are to regain the preference which they have been gradually losing. Not only so, but the Heathen Chinese, who, we are told, is peculiar in respect of his tricks and his ways, has adulterated the fine Foochow teas with an excessive proportion of dust, has put it in cheap and frail packages, mixes other leaves or soot with the real leaf, cures his leaf imperfectly, and, especially in Souchongs, has issued false samples. When an expert remonstrates with the bland and child-like Chinaman for doing these things, the latter replies, according to the sub-committee's report, that the constant pressure for concessions in price has led to these malpractices, just as it did with the sizing of cheap Manchester shirtings "to meet a demand."

Ceylon teas, it is truthfully said, are finding much favor, to the great detriment of Chinese tea. And the Government of that island, as well as that of India, assists the trade by leaving tea free of export tax, and by building roads and railways to the plantations. Assam and other Indian teas are carefully supervised in the garden, well fired and the leaf cautiously