

"TRAVELER" AND WHOLESALING RETAILERS.

In another column "Traveler" has something to say about the extent of the trade that is carried on directly between wholesalers and consumers, about the causes of it, and about a remedy for it. He agrees with THE GROCER in deprecating the evil, but appears to think that THE GROCER does not go far enough or does not sufficiently grasp the question. His views, however, differ from those expressed in this paper more in degree than in substance, and would probably undergo some amendment under the influence of wider observation.

In the first place, the action of such wholesalers as have sold to consumers does not furnish grounds for a general onslaught upon the wholesale trade. If there are some members of it whose travelers sell to consumers, that fact does not warrant us in saying that a traveler goes out among consumers to look for trade when he finds he can sell nothing to traders. It only warrants us in saying that such is the procedure of certain houses. It appears that there are several of such houses, but those who do no such business not only outcount, but outweigh those who do. An exaggerated idea of the evil is more likely to retard than to accelerate reform, as, if there is a feeling that such practice is common, some who never countenanced it might resort to it, out of a belief that it is necessary in order to hold their own.

As to the cause of the evil, it is unlikely that it originated in the necessity felt by travelers to find a substitute for retailers' custom, and to fill in time that the retail demand offered no occupation for. Travelers as a rule want no such undignified work as that. The cause of the practice lies in the greed and smallness of the principals who are guilty of it. The travelers have no right to be made the scapegoats. And it is not done by houses that have an assured place in the respect of the trade.

"Traveler" fails to find any remedy proposed by correspondents who have written upon this question in its various acute spells during the last several years. Nor do editorials make any suggestions. But he does. He brings forward the original idea that local organizations shall be formed everywhere, and that all shall be leagued together into a national or provincial body. Surely this notion has been made familiar to him by the numerous references that have been made to it from time to time in this paper. Perhaps there would be faults in trade even after such an association would be perfected, and specific evils would still call for specific treatment. The best remedy is the obvious one: Confine your trade to those who will not sell to consumers. It does not need organization to do this. The sum of individual withdrawals will soon sink an erring house into the obscurity it deserves.

WHOLESALE TRANSGRESSORS.

In the Kingston Whig's Yarker correspondence of the 5th inst., wholesale grocers of Kingston and Napanee are accused of doing a large amount of direct trading with consumers. The writer of the paragraph in which that statement is made ventures the opinion that the Wholesale Grocers' Guild must be in a very weak condition. If the thing alleged is a fact, there can be no question about the justice of the comment. The Guild must be weak, if its power to enforce one of its cardinal principles is so far wanting that violation of that principle becomes the rule rather than the exception on the part of an important local division of the Guild. The wholesalers of Kingston have frequently been complained of before as the systematic competitors of their patrons. The Guild closes its doors to all retail grocers, and its accepted definition of what constitutes a retailer leaves no loophole for the admission of any who are not strictly and solely wholesalers. The retribution that is in the hands of retailers themselves generally evens up things in the end. If certain wholesalers ignore the retailers in the distributive system, the retailers can in turn ignore those wholesalers, and the latter will find their tendency to level down into retail rank is irresistible. The trade alone can maintain any large jobbing house. When it has not the support of the trade its largeness must gradually modify and fade away. There were days when the retailing jobber made money, but his jobbing was a stage in his progress towards full wholesale standing, and was not because of decadence from wholesale standing. The present practice is a downhill one, the old one was an uphill one.

It is an open secret that the Guild is becoming more alive to the fact that to certain of its members some of its fundamental laws are a dead letter. The restriction of trade to retailers is not the only one of its objects whose general realization is hindered by the practice of members. There are artful ways of evading regulations, and if artifice is wanting direct violation is not. Instances of tobacco being sold at standard quotations, but with the inducement of freight thrown in, have come under its notice, and though the freight concession is, in defence, alleged to be an authorized act of travellers and a means taken by them to do business entirely at their own expense, there has been a demand made by some members that \$500 shall be deposited as a guarantee that every rule of the Guild shall be carried out by every member of it. This is right. It is as much due to retailers as to conscientious wholesalers, that there shall be no infraction of sound business principles that have once been adopted by the general body of wholesalers.

Credit is often too cheap and overbubing far too common. Don't be guilty of the one, and don't abuse the other.

LOBSTER CANNING.

Last year in addition to supplying the home demand, the lobster canning industry in the Dominion exported 8,001,353 lbs. of tinned lobsters, valued at \$967,654. Of this quantity the great republic received nearly one-half and Great Britain nearly as much, with Germany and France as much smaller purchasers. It will surprise some readers to learn that official statistics show that this industry gives employment during the season to 28,818 men, women and boys. There are in the Dominion 364 factories, and last year over half a million traps were in use to supply them with lobsters. The lobster fishery on the coast of Maine has been greatly exhausted by the taking of the young and but partly grown shell-fish, and there is too much reason to believe that our own fishery suffer, in the same way, from lax administration and persistent violation of the law. In the meantime the demand has been increasing, and will be further strengthened by the closing of some six British factories on the Newfoundland coast pending the settlement of the French shore question. Prices are reported to be advancing, and the season promises to be a successful one to those engaged in the canning industry.—St. John, N.B., Telegraph.

BARGAINS.

Do bargain sales pay? is a problem with which every merchant has struggled. Profit is a peculiar thing, and some of the most costly errors of a retailer's experience are committed in dealing with this delusive factor. Any move which redounds to the good of the promoter may consistently be declared profitable, although the single transaction may result in actual loss of money. If the loss of five cents entails a profit of ten cents it is manifestly wise to lose the five. Profit is an effect, rather than a mere difference between cost and selling price in separate transactions, and we know of no rule whereby profits may be computed save as a general result. Every merchant knows that he cannot mark all goods upon a basis of 20 or 25 per cent. profit, for not every line will admit of it, while many will yield 50 per cent. Considering, therefore, the bargain sale in its relation to net profits as we have defined that broad term, we must consider the effect of the bargain sale upon general trade in order to determine whether the slight losses incurred result in profit. The store which is continually offering bargains soon becomes very popular, the general opinion of all shoppers being to the effect that the proprietors are very close buyers, and are, beside, content with small profits. People become accustomed to going to the store, finding that aside from special offerings they can purchase all goods as cheap or cheaper than anywhere else. It unquestionably increases the volume of trade largely, and while the percentage may be somewhat lowered the net profits are considerably larger. Any system enabling a merchant to turn stocks quickly admits of a large business on moderate capital. But if the system of bargain sales entailed an actual loss, it is now so firmly fixed in the minds of purchasers that it cannot be done away with.—Ex.