

LITTLE SERMONS TO STATIONERS

THE VALUE OF ORGANIZATION.

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THE organization of stationers into boards of trade and associations of like character is a step, in my judgment, in the right direction for the protection of stationers, individually as well as collectively. One of the principal benefits which I believe stationers expect to derive from organization, is the maintaining of prices, both wholesale and retail, which will return to the dealer fair profit on his investment. Wholesale prices on a given article should be the same no matter by whom quoted, and retail prices likewise should be the same by all retail merchants, and the vital question is, how to maintain such prices absolutely, without at the same time incurring enmities, and, possibly, temporary loss of trade.

In my own business life I have had, as is probably well known, considerable experience in attempting to maintain by trade agreements profitable selling prices at wholesale, and I believe my efforts have been fairly successful and have been generally appreciated. I have frequently been asked why, if my firm could maintain wholesale prices by trade agreements, we did not go a step further and maintain fixed retail prices in the same way. To this my answer is, that so long as we do business with the wholesale dealer and allow him to job our goods, we cannot legally maintain retail prices, over his head, with the third party, or, in other words, with the retailing customer of our jobbing customer.

Ignoring the Jobber.

I have been legally advised several times that an agreement to be binding must be between two parties, and that I cannot force a third party, who has no direct agreement with me, to maintain the same agreement. This phase of the situation places, not only my firm, but every manufacturer, in the position of deciding whether he will recognize the jobber and do business with him, and through him or whether it is best to ignore the jobber altogether and go direct to the retailing trade for business as so many manufacturers are doing. If you ignore the jobber, then it is a very simple matter to draw up a legal agreement which will be binding between the manufacturer and the retailer, but you must not lose sight of the fact that in such cases the jobber, who is honestly endeavoring to do business in your line and who has been of great assistance to you in the past as a distributor, is now ignominiously to be thrown overboard.

You may ask me, if we have legal binding agreements with wholesale dealers, why we cannot force such wholesale dealers to make another agreement with each of their customers, and in that way fix the retail price? To this I ask, how many jobbers are there in the country who could take the time to make agreements with each of their retailing customers on all of the various lines of goods which they carry? They might possibly do it with one line, but even then they would find the work laborious and eventually it would prove ineffective, undoubtedly because of the work entailed.

Not an Easy Matter.

Many dealers think that it ought to be a very simple matter for manufacturers to absolutely maintain selling

prices of every description, on their goods, and to such I can only say that they are greatly mistaken, and they probably have never had very much experience along this line. Nowadays, in proceeding to fix definite selling prices, a firm or corporation must proceed very slowly, for it is not wise or politic to make agreements and attempt to enforce them, if on their face they are illegal.

A vast amount of good can come from the organizing of stationers into local and national boards of trade, and I think the whole question of maintaining prices can be managed through such organization.

Price Cutting Rare.

In England price cutting is very rarely indulged in. Dealers there do not approve of the practice, and they seemingly always expect to derive a certain percentage of profit on their investments. My firm has no printed agreement with any of its customers in England, and yet at the same time its prices are never cut, and this experience is the same with most other manufacturers in that country. The usual method employed is for the manufacturer to publish a catalogue of his products, giving the retail price on each individual article. Some manufacturers print catalogues which contain both the wholesale and retail price. These catalogues are distributed through the trade generally and dealers can instantly tell just what the wholesale price is and just what he should sell the article at, at retail, and he would no more think of cutting these prices than he would of committing a crime.

Retail Catalogues.

There is no reason why manufacturers cannot print retail catalogues of their products for use in this country, or why they should not be used in a similar manner. Every member of each local stationers' board of trade or organization should be obligated to abide by the constitution and by-laws of such body, and if one of the by-laws of each local association is that retail prices, as printed by a manufacturer, shall be maintained by every member of the organization, and if that organization is pledged to the national organization to see to it that all of its members comply with such by-law, the question would be settled almost immediately. Every manufacturer who desired to see his goods profitable to both wholesaler and retailer and fixed prices maintained, should then not hesitate to publish a catalogue as described, carefully stating the proper retail price. He should place a copy of such retail catalogue in the hands of every retail stationer in the country and a number of copies with every local stationers' board of trade, and also with the national board of trade, and when this was done the constitution, by-laws and rules of the association should do the rest.

It is my belief that all dealers desire to be honest and fair, but in the past there has been a lack of acquaintance and friendship among them. The fear has been general that prices would be cut, because there has been no bond of sympathy between dealers, such as the national organization will effect. The better the trade know each other and the oftener they come together in friendly intercourse, the sooner it will be realized that life is too short for quarrels and bickerings, and that we will all be happier and better off to consider the interest of all to be equally the interest of each individual, and likewise the interest of one to be the interest of all. Friendship and organization along the lines proposed will soon prove to be of great value to all alike, manufacturers, wholesalers and retailers.