

Stock taking Essential to Business.

Having for some considerable time past, in fact almost if not quite from the first, been in receipt of *Ironmongery* month by month, I would just like to say how I appreciate it. I consider it a most useful paper to our trade, and feel certain that it must, in time, become a recognised medium for the exchange of opinion and useful information to masters and assistants alike. Every subject dealt with seems to be treated with an amount of spirit and "go" that is really good to see, and forces one to the conclusion that there is life in the old trade yet, although those of us who have been in it towards 30 years or more are often compelled to say mournfully that things are not what they used to be. Of course, I don't mean to say that I agree with everything that appears in *Ironmongery*, editorially or otherwise, from time to time, but perhaps the fault or misfortune is mine, for I must confess that I am not one of what may be called the "go-ahead" kind of ironmongers. I have rather a leaning towards some of what may now be called old-fashioned ideas, which I don't find very easy to shake off, but I suppose that is largely due to my training. It has been my lot to be educated in old-fashioned establishments, some dating back to very early in the century, and it is inevitable that in such places you should get ideas that are not now considered quite up to date. Nevertheless, I flatter myself that I have as good a knowledge of the trade, and the principles on which it ought to be conducted, as any man of my age, judging without prejudice from those I have come in contact with. I may say I always liked the trade, and that, I think every one will admit, is an important factor in learning a trade. In whatever circumstances I was placed, either as apprentice or assistant, I always took every opportunity of gaining information, and as master I go on the same lines, for the ironmongery is a business in which we are, or may be, always learning, but are never fully learned. This is a fact I would ask all young ironmongers to make a note of. I once heard a fellow assistant under twenty-two years of age say he had learnt all he could. I was ten years his senior at the time. I did not know whether to pity or envy him. I don't think he would say so to day.

I have read with interest and benefit many of the articles that have appeared in your journal on "How to Start an Ironmongery Business," "How to Arrange an Ironmonger's Shop," how to advertise, and also on the merits of a cash or credit trade, and on the benefits of cultivating a house furnishing trade. The two latter questions, to my mind, leave great room for diversity of opinion. Unfortunately for me in my own particular case, a cash trade and house furnishing are quite out of the question. As for advertising, I find that strict attention to business, and a reliable article at a reasonable price, the best advertisement. Of course, I make this statement from a tradesman's point of view, without any reference to makers or those who have specialties to offer. The two first subjects are good and important undoubtedly, as far as they go, but they don't cover the whole duty of an ironmonger. It is very essential that he should have a well-arranged shop, in fact, the best his means and taste will allow, and that he should make a good start as to stock and locality, knowing whom he is going to serve and what he is likely to sell. It is quite useless offering an expensive class of goods in the midst of a working-class population, or stocking his shop with nicknacks and furnishing goods if his prospective customers are all engineers, manufacturers, builders, etc. It seems to me quite wide of the mark for any ironmonger to lay down the law as to what other ironmongers should do in the matter of pushing any particular branch of the trade because it happens to have answered his purpose. The ironmongery business is so far-reaching in its ramifications that it is next to impossible for any one man to successfully carry on more

than two or three branches unless he is possessed of very large capital and corresponding large establishment and staff. I think it is far better for the average ironmonger to fully make up his mind what branch he is most suited for, having regard to his capital, and to take it up and stick to it, laying himself out for it, and to devote his whole energy to it, rather than to dabble in this and that, doing no good to himself or any one else.

But to come to the point, it matters not how well an ironmonger may have his shop arranged, or how judiciously his stock may be chosen, it must be well kept or all his outlay and care will be of little avail, for on good stock keeping very largely depends the ultimate success of any business, and more particularly I think an ironmongery business. No business that I know of is so much in danger of an accumulation of old stock as an ironmonger's, and the only way to obviate that is to keep the stock well in hand, and to that end a periodical stock-taking, yearly if possible, is very essential, especially if capital is at all limited. It seems to be in the very nature of things that an ironmonger's stock should have a tendency to accumulate, and it is only by the utmost care that that can be guarded against. Bad stock keeping inevitably leads to reckless buying, and that in its turn to ultimate loss, if not failure. I don't know of any one thing in the conducting of a business that so surely points to failure as injudicious buying, which is very largely brought about by bad stock keeping. It is only a very long purse, well filled, that can stand it; even then it will make itself felt in time, as surely as night follows day. In my time I have seen some good old businesses brought to a very low ebb, very largely by the self-same means. In my own experience it was once my lot to follow, as buyer in a large establishment, a man who had held the same position for a number of years. When I came, as occasion demanded, to go through the stock, I was simply astounded to the reckless work seen that had been carried on in the matter of buying. The stock showed by dates that the same goods had been bought time after time, evidently without any regard to what was already there. I was asked by travellers many a time, and quite naturally, "How is it we don't get the orders we used to do?" I could only say that my predecessor had previously bought so freely, that there was no occasion for me to buy; for I was determined to do my little best to remedy the evil, but unfortunately I was too late in the day. Stock was taken during my stay there, and what a stock taking! I am quite within the mark in saying that there were thousands of pounds' worth of goods practically worthless. The inevitable results followed. The business is still in existence, but from a staff of twenty-two men ten years ago, the establishment has dwindled down to a staff of 4 or 5 men to-day; and the man who was largely responsible for the mischief, and who left to commence business on his own account, became bankrupt and was sold up in a very few years, simply because he followed the same lines in his own business that he had done in his previous employer's, only his own purse not being so well filled, he found the bottom sooner, and now, poor fellow, he is going about his native town much out at elbows.

To my mind, it matters not how smart a salesman a man may be, unless he has learnt the art of stock keeping he is a failure as a business man. This may seem a sweeping assertion, but I believe it is one that most men of experience will agree with in the main, because almost invariably careless stock keeping goes hand in hand with careless buying, and we all know what that means. If it entail not actual ruin, it will very soon entail serious loss, which no amount of smart salesmanship will compensate for. I would not for a moment deprecate the art of selling, for it is a very necessary qualification, the lack of which is a serious drawback to any man behind a counter, but yet I think there is far too much importance attached to it by the majority of employers. I have

known masters who have considered it almost a crime for an assistant to miss a sale, although he may have conscientiously done his best to effect it, and doubtless would have done had the right article been to hand, which more careful stock keeping would probably have secured. If, in an establishment of a number of men, there be a smart salesman, he is sure to take the palm for a time, in fact, has his day, but unless there are other qualifications to back it up, he is sure to be a failure. I have come in contact with many smart salesmen, but very rarely knew one who really secured, for any length of time, the confidence of his customers, for the man who makes selling his main business is almost sure to indulge in practices which in time destroy all confidence in him. On the other hand, the man who finds selling a difficult part of his business, and who is satisfied to miss a sale if he cannot effect it honestly, will naturally turn his attention to his stock, be his master or assistant, and keep it in such a condition as to make selling as easy as possible by such means as buying at the lowest possible price, and buying such goods as he thinks most likely to be enquired for, and by keeping them in the best possible condition; so that they may, so to speak, sell themselves; and he will naturally become more anxious to please and more attentive, and will, in fact, almost unknown to himself, develop the best characteristics of a good business man, and thus will inspire the confidence, not only of his customers, but his creditors also.—*Ironmongery*

United States Iron Production.

The *American Manufacturer* says: "The production of 1890 and 1891 and estimated production of 1892, by half years, is as follows:—

	1892.	1891.	1890.
First half	4,779,056	3,368,107	4,560,513
Second half	4,350,000	4,911,763	4,642,190

Total production 2,129,056 8,279,870 9,202,703
As to stocks, as is well known, there was a decided increase in stocks from the middle of July, 1890, up to March, 1891, when there was a decrease up to July, 1891, when another increase took place, which continued up to August, 1892, when the stocks were possibly larger than ever before. From that date stocks have decreased, until now they are about as large as a year ago. In the last four months stocks have decreased one-fourth."

The statement of exports from Canada for the month of November shows a considerable decrease compared with the values for November last year, and this is owing, no doubt, to the general decline in prices of wheat which, besides reducing the value of the export of the commodity, has induced farmers to hold their grain for higher prices. During November this year the exports from the Dominion amounted to \$11,829,924 against \$16,203,075 exported during November last year, a decrease of \$4,373,151. The imports for November amounted to \$9,797,979 compared with \$8,419,716 during November last year, an increase of \$1,378,263. For five months the imports were \$52,066,414, an increase of \$3,572,277 compared with the imports for the first five months of last year.

It is a singular fact that the cheapness of an article should even temporarily retard its sale and yet that was the experience of Messrs. Tuckett & Son in the introduction of their new famous "Myrtle Navy" tobacco. People who had been in the habit of smoking the finest Virginia tobacco, could not for a time be made to believe that they were offered the same article at about one half the old price, and it was only by slow degrees that they were induced to put the question to the test of an actual trial. When they did adopt that test, however, it never failed to satisfy them.