

AN ADJUNCT TO TRADE.

Under the heading of "Old Commercial Houses" the New York *Shipping List* has been publishing, for a series of months, sketches of business firms identified with the commercial progress of the United States for half a century or more. Among the latest of these is a paper upon the Mercantile Agency of R. G. Dun & Co., a concern which is so familiar to the business men of this continent.

In the first paragraph the statement is made that the Mercantile Agency, for the verification of credits and the collection of debts, is an institution typically and thoroughly American. "Its need was a lesson taught in the bitter school of experience. Though the remembered cause of the panic of 1837 was the crisis born in the fight of President Andrew Jackson with the United States Bank, yet the remote and real cause of this, as of all other panics, lay in lax and excessive credits. Narrow as were the limits of commercial America in area then as compared with now, much vaster were they in point of time and accessibility; and in business minutes and hours, not yards or miles, measure distance. Time is not only money, but knowledge. The merchants of different American cities were as distant in business relationship in the 30's as those of different hemispheres are in the 90's. When, after the panic of '37, tradesmen began to rub their eyes and to peer out of the darkness into the future, they saw more clearly the wisdom of closer acquaintanceship among themselves, of more accurate knowledge of the commercial standing and financial ability one of the other throughout the country."

To attain this end a medium was needed which should be disinterested and unhampered by business alliances. This medium offered in the person of Lewis Tappan, who was encouraged by business men who knew and confided in him. Mr. Tappan had been a prominent dry goods merchant in New York. He began in 1841, in one small room in Cedar street. From this small beginning, the business grew until the house he established, now known as R. G. Dun & Co., has over 150 offices in the leading American and foreign cities.

"When one considers the delicacy and the importance of the work devolving upon the Mercantile Agency, the fact that it is sought and accepted as an authority contains praise enough for the intelligence and conscience in its management. Of course, the experience, the capital and the prestige incident to its more than half a century of life are invaluable in its work. Reports of the character and capacity of over 1,300,000 traders in the United States and Canada are upon its records, and these are under revision constantly by means of an office system creditable in its ingenuity and contributed to by information daily coming from correspondents everywhere in America. Of recent years, in addition to resident correspondents, there is a trained staff of regular reporters, who visit and canvass at least once a year, and in many localities twice a year, their respective districts. These men are necessarily experts among experts. It is also customary to obtain statements from traders themselves, to consult their references and others, and to reflect what they say on their records."

At no time in its history, says the *Shipping List*, has the mercantile agency of R. G. Dun & Co. been higher in success or in usefulness than at the present time. The men who now compose the house and control its destiny are Messrs. R. G. Dun, A. J. King and Robert Dun Douglass. Of these three, Mr. Dun has been a proprietor since 1859, when the present style of firm name was adopted, supplanting the older title of B. Douglass & Co., which in 1854 had superseded the name Tappan & Douglass, the adoption of which takes one back to 1849, and to the original name, Lewis Tappan & Co. Mr. Benjamin Douglass, whose name was so early identified with the mercantile agency, had also been a New York business man prior to the crisis of 1837. To Mr. Douglass is due credit for evolving the arrangement of the details of the business which was the nucleus of the present nearly perfect system.

"It is an interesting fact that Mr. Douglass married Mr. Dun's sister, and the latter afterward married Mr. Douglass' sister, the present junior partner of the firm, Mr. Robert Dun Douglass, being the son of Mr. Benjamin Douglass and a nephew of Mr. R. G. Dun. The present Mr. Douglass has been associated with the firm since 1872. The connection of Mr. King with the firm is practically contempora-

neous with that of Mr. Dun, he being able to count up nearly forty-five years of association with the house. It will be recalled by older New Yorkers that for many years the firm had quarters in that interesting old block, the Trinity Building, at 111 Broadway, over the store of Claflin, Mellen & Co., a firm name that is historic in the New York dry goods trade. The offices now occupied by the firm are 314-316 Broadway, where three entire floors are necessary to their accommodation.

"As a practical and applied illustration of the old saw that 'knowledge is power,' the Mercantile Agency has rendered service to the business interests of America that cannot readily be appreciated, because so thoroughly has the work been engrafted upon the business system of the time that its existence seems an ordinary, always-known part of the nature of things commercial. Only by contemplating the possibilities of the absence of the work it performs can the worth of that work be appreciated. And yet the credit and collection business as a separate commercial entity was unknown less than sixty years ago. R. G. Dun & Co. were the pioneers, and are at present the leaders in this important branch of business effort."

THE NASHWAAK AND ITS KING.

The story is told by Mr. Edward Jack, in the *St. John Sun*, of how Alexander Gibson, the resolute and enterprising "lumber king," of New Brunswick, was attracted from the County of Charlotte to the County of York.

The first that we hear prominently of the Nashwaak in history is when late in the 17th century the decree was signed by Colbert, Louis XIV.'s great minister, for a change of name from Naxoat to that of Soulanges, in honor of the then owner, who was Lord of Soulanges and Marsom, in France. When the writer first knew this property it was owned by Robert Rankin & Co., who were anxious to get rid of it at the price of \$28,000, their representative in this country informing me that it had cost them \$130,000. Nearly thirty years ago S. T. King, then a leading merchant of Calais, in the State of Maine, asked me if I knew of a good place for the manufacture of spruce deals on the St. John River. I replied that Isaac Bradbury, then one of the principal lumbermen of New Brunswick, had said to me that the Nashwaak River was the best. I was accordingly instructed by Mr. King to investigate the matter, and Thomas Robinson and myself were sent on the mission. When we came to Fredericton we each engaged an Indian with his canoe, and with these we ascended the river to the mills.

Here we found a large mill in a bad state of repair, a store and a few dirty looking houses. The place was unhealthy, typhoid fever being epidemic, owing to the use of water from a filthy well which stood behind the store, and into which drained all the bacteria from the neighboring cesspools. Mr. Robinson, my companion, was an excellent mill and woodsman, and I had had much experience in the matter of spruce lands. A very little time convinced us of the value of the property as well as the incapacity shown in its management. On our return to Calais we recommended Mr. King, who had formerly been a partner of Mr. Gibson, to buy. He hesitated, and not seeing his way clear to accept the offer of \$28,000, declined. I may here mention that, beside the land around the mill and dirty buildings, there were 7,000 acres of as good spruce land as I ever saw, which were to pass into the hands of him who purchased the mill. This was regarded as a small matter, however, by the then owners. Mr. Gibson, hearing of the property, came up the St. John River, saw and purchased the property.

A glance at the situation showed him what was to be done in order to convert a losing property into one which was to give employment to tens of thousands of people, and to yield millions of dollars. When he took possession, the old houses were burnt down or removed, the poisonous well filled up, skilled millmen and millwrights were introduced, and the old mill thoroughly renovated. While Mr. Gibson was directing matters at what is now Marysville, I was sent by him into the forest on the stream to select such portions of the same as I could recommend him to purchase.

The first thing that Mr. Gibson did on taking possession of the property was to build about a couple of miles of piers in order to be able to hold a sufficient stock of logs therein for a season's sawing. The former owners had not seen the necessity of this, and instead of doing

their river driving entirely in the spring, when the water was high and the flow constant, they could only drive a very few logs at a time into the very small boom at their mills, and thus they were river driving all summer.

Then expert lumbermen were sent up to the Nashwaak to clear out the streams and build dams, and the whole river and its branches were put in complete order. Thus, by pier building and river improvements alone, to say nothing of anything else, the cost of log production was cheapened about \$1 per M feet B. M. This cheapening spread over the period of Mr. Gibson's operations there, would show a saving during that time of upwards of \$600,000.

A WARNING TO DIRECTORS.

Colonel Newcome in the hands of speculators and company promoters is a standing warning to military gentlemen not to meddle with matters of which they have no knowledge; but Colonel Newcome's fate is constantly repeating itself. A few days ago General Collingwood appeared in the London bankruptcy court in connection with the winding up of "The Mont de Pieté of England (Limited)." The prospectus stated that the company intended "to help the poor in their time of need without directly pauperizing them or leading them to depend on charity," and General Collingwood was induced to become a director by the hope of doing a good turn to humanity and making a little money for himself at the same time. But experience convinced him that he did not like the pawnbroking business, and he did not like the people he had to associate with. As a matter of fact, the operations of the promoters of the company were confined to lending to each other, on doubtful securities, the money subscribed by a confiding public. Now the company is in the bankruptcy court, the promoters have fled beyond the reach of the law, and the addresses of several other directors cannot be found. General Collingwood is left alone to face the public odium connected with this precious company. From first to last he has been a victim of the duplicity of people who were clever and unscrupulous enough to take advantage of his simplicity and ignorance of the ways of the financial world—*Gazette*.

COTTON MANUFACTURE IN INDIA.

In the course of a debate on the question of East Indian duties in the British House of Commons last month, Mr. Fowler, the Indian Secretary, made the following statements. On the authority of Sir James Westland, the Indian mills did not spin yarns of a higher class than 30's. There were 141 mills in India, and 140 of these furnished their statistics to the Finance Minister. Those mills spun last year 345 million lbs. of yarn, of which 215 million lbs were spun at Bombay, which was the great centre of the trade. Of these 19,714 per cent. were 10's or under; 59,634 per cent. were above 10's and under 20's. Therefore they had 79 per cent. of the whole spinning of the Indian mills under 20's. Above 20's and under 30's there was 19 per cent., leaving only about 1½ per cent. for the finer qualities.

The yarns imported into India from Lancashire were all of the finer qualities, so that there was practically no competition. The imported yarns were used for hand-loom weaving; the factories did not take them. These hand-loom weavers were to be found chiefly in cottages, and the idea of imposing an excise duty upon cottage industries was practically and utterly impossible. As to the disposal of the yarns, 170,000,000 lbs. were sent away, and there could be no question of duty in that case. For hand-loom-weaving 129,000,000 lbs. were sold, this being used for weaving the coarser cloths worn by the native population of the poorest character; about 74,000,000 lbs. were used by the mills which had looms for weaving.

—The Farwell corporation intends to erect this summer a 14-story steel building in Detroit, at a cost of about \$800,000. The building will have a frontage on Woodward avenue and the Campus Martius of 260 feet, and on Michigan avenue of 127 feet. Mabley & Co. will occupy eight floors and the basement, and the upper six floors will be devoted to the use of offices. The building will be 210 feet high, or 25 feet higher than the cupola of the Detroit city hall.