

AN OFFICIAL STATEMENT FROM THE GUILD.

EDITOR CANADIAN GROCER :

SIR,—The Wholesale Grocers' Guild has refrained from entering into a public discussion of its position, because the members have felt that any person interested in its affairs knew perfectly well how and where the fullest information could be obtained. In addition to this, the members of the Guild took the position at the time of its formation, and have steadily adhered to it ever since, that, if it could be shown that an injustice was being done to either the retail trade or the consumers it would be promptly redressed.

While the members of the Guild have the keenest sense of the value of individual rights, and will yield to none in maintaining the principles of liberty and equality, they are equally alive to the fact that restraint is just as essential to human welfare, and believe in observing a proper enforcement of these principles up to the point best suited to secure the greatest measure of human freedom consistent with human safety.

Having given briefly the general attitude of our members on these questions, I am instructed to state concisely the principal features of the case now before the public.

Mr. James Lumbers was one of the original members of the Toronto Wholesale Grocers' Guild in 1884. At the first meeting he seconded this resolution: "That the first payment, that is the payment for 1884, be made promptly, and all subsequent annual subscriptions be payable in advance on the first day of February in each year." He attended every meeting held by the Guild during the year. He then omitted to pay his dues, and in consequence lost his membership. On May 7th, 1887, he applied for re-admission into the Guild in the terms of the following letter:—

TORONTO, May 7th, 1887.

E. A. WILLS, Esq.,
Sec. Dominion Grocers' Guild.

DEAR SIR,—As I understand that before I can again become a member of the Grocers' Guild it is necessary that my annual fee should be paid from the time I left the Guild, so you will kindly send me an account of same along with any other papers or agreements which I will have to sign, before my name can be re-instated.

Yours, etc.,
(Signed) JAMES LUMBERS.

The retail grocers anticipated Mr. Lumbers, application for re-admission, and addressed the following letter to the Guild on the 4th of May, 1887:—

TORONTO, 4th May, 1887.

Mr. E. A. WILLS,
Sec. Grocers' Guild, Toronto.

DEAR SIR,—As there is considerable uneasiness existing at present among the retail grocers relative to the working of the combination price on granulated sugar, I may state that this mainly arises from the fact

that reports are in circulation to the effect that several retail houses, who also do some jobbing trade, are endeavoring to get themselves placed on the same footing as legitimate wholesale houses with the refiners, and if these reports are correct and there is any possibility of such demands being granted, you will readily see there is good reason for dissatisfaction among the greater portion of the retail trade. In addition, there is the possibility of the position of the trade being still worse, if other sugars should at any time be placed in the combination.

The only way in which such apprehensions may be allayed is that the refiners and the Guild do justly by drawing the distinctive line between retail and wholesale houses sharply, namely, that any house selling goods directly to the consumer is a retail house, no matter if, in addition to such trade, it also does some wholesale business. This rule, as regards our city, can easily be acted on, from the fact that none of those, either retail or jobbing houses, have been getting supplies direct from the refiners, as there was no advantage.

There are other matters in connection with the working of the regulation which it is not necessary I should allude to, the matter I have mentioned being the most important.

The Retail Grocers' Association may at its next meeting consider the question, but in the meantime I have endeavored to bring under your notice the general feeling among the grocers, and from which you will see the necessity of strict impartiality being observed by all parties concerned, if such feelings of dissatisfaction are to be allayed.

I am, dear sir,

Yours respectfully,

(Sgd.) ROBERT MILLS,

President Retail Grocers' Association.

Mr. Lumbers would doubtless have been again admitted as a member had not the President of the Retail Grocers' Association objected so decidedly. The Wholesale Grocers' Guild sustained the views of the retail trade, and in consequence Mr. Lumbers was refused admission, and the rule was established "That any house selling goods directly to the consumer is a retail house, no matter if, in addition to such trade, it also does some wholesale business."

It is not necessary for a wholesale grocer to be a member of the Guild to obtain all the business benefits which the members enjoy. All that is required, is to observe the same conditions in the conduct of his business, and he will be entitled to the same advantages. Mr. Lumbers does this in every instance, except one, and therefore enjoys all the benefits of the Wholesale Grocers' Guild, except on the one article. He is a party to all the so-called "Combines," and I believe abides by them with the single exception of hard sugars. These he has been buying from the wholesale trade at the same price as all other retail grocers, and has been re-selling at less than cost, for the purpose of obtaining other business. Instead of advertising in the newspaper at so much per line, he sells granulated sugar at a loss as an advertisement, and besides gets free advertising from the press in terms of commendation for doing what business men regard as

a dishonorable act. The Guild has no complaint against Mr. Lumbers' way of doing business nor against the press for supporting him, so long as truths are stated, further than a general expression of regret at the practice of unfair business methods. While the Guild does not wish to complain further than already stated, it must reserve the right to refuse to deal with those whose every effort is unfairly directed against the interest of its members. On what grounds could the members be expected to furnish Mr. Lumbers, or any other person, with ammunition to so unfairly use against themselves? The astonishing feature is that they should under such circumstances have supplied him with the "sinews of war" so long. It must not be understood from this that the members of the Guild refuse to sell Mr. Lumbers. He can buy goods on the same conditions that the members of the Guild can buy from each other. If he wants to buy from a member of the Guild, surely it is a reasonable condition to make, that the buyer will not sell articles having an established price to the seller's customers at less than the seller is allowed to sell them. This condition has been in force as between the members of the Guild, and in justice to them it must also be enforced as between members of the Guild and outside jobbers. From this it will be seen that Mr. Lumbers has been treated with more than reasonable consideration, while he on the other hand has been using the most unwarrantable language towards the rest of the trade. If any wholesale firm is anxious to sell goods at less than cost, there are lots of articles without having fixed prices which can be so disposed of. The Guild must drop Mr. Lumbers' case with the remark, that any individual or institution which is avowedly or substantially endeavoring to injure its members must no longer calculate with certainty on receiving its support.

A word about Mr. Larkin. He poses as a martyr. Mr. Larkin is simply a broker, and in no sense is he eligible to be classed as a wholesale grocer. He should have never been admitted to the Guild, but was admitted on the assurance that he was going into the wholesale grocery business. He has no warehouse and therefore pays no rent, nor taxes, nor wages to a staff. He has a desk for himself, and is purely a broker, or as a retail merchant put it "I go to Mr. Larkin and can buy tea and sugar, but he has no grocery list." Notwithstanding this fact, had he seen fit to act with the trade he would probably have remained a member. There are a number of commission merchants and brokers on Front street, quite as eligible for membership in the Wholesale Grocers' Guild as Mr. Larkin, and who have been on the market a much longer time and who are therefore entitled to at least equal consideration. The Wholesale Grocers' Guild, like every other society must be confined to those eligible for membership.

Yours,

THE SECRETARY,

WHOLESALE GROCERS' GUILD