

ILLICIT DISCOUNTS.

An article appears in another column on the subject of "The Odd Pence." The reference is to the pence which it is the custom of some retailers to deduct when paying an account. The excuse for this practice is that it simplifies the keeping of a banking account; the real reason is that it annually puts a considerable sum into the pocket of the customer. The desirability of speaking the plain truth on this point has long been recognized in the wholesale trade, but the difficulty of doing so without giving offence has proved insuperable. But it is time that retailers clearly understood how the matter is regarded in wholesale counting-houses, and, indeed, by all right-thinking people. The fact that payees generally submit to the imposition without protest is possibly regarded as an indication that they don't mind it. That, however, is an altogether mistaken view of the situation. Wholesale houses accept short payments of accounts because they do not like to make a fuss about trifles. But they are beginning to recognize that in the aggregate these illicit discounts are very far from being a trifle. If it has not seemed worth while to dispute the deduction of odd pence in a few scattered instances, it is becoming decidedly necessary to take some action in the matter now that the practice of making such deductions appears to be spreading. That such is the growing opinion among wholesale houses we are in a position to affirm, and the sooner the retail trade recognizes the fact the better.

It is not a little curious that persons of the strictest probity in ordinary matters of business should see no harm in petty pilferings of the kind in question. If any respectable retailer were told that he once secretly annexed a pile of coppers when in a London counting-house, he would be nightly offended, not only at the untruthfulness of the statement, but at the mere suspicion that he could be guilty of such a thing. And he would do right to be angry. Nothing could ever induce him to steal coppers from anybody. Indeed, if he should happen to be accompanied by his chief cashier, and the latter should joyfully produce a pocketful of coppers in the evening, and say: "I priggled these from the various counting-houses we visited to-day," we venture to say that the employer would be very far from gratified at this proof of his cashier's sharpness and devotion to his interests. Yet that very same retailer is quite complacent regarding that same cashier's practice of deducting illicit discounts when drawing cheques in payment of accounts. Where is the essential difference between the two transactions? It is only a matter of "odd pence" in both; yet the one is looked upon as venial and the other as criminal.—Draper's Record.

A TRAVELLER WHO LOVES HIS BUSINESS.

I have travelled twenty years, and never missed a season. I have been married eight years, and spent only one Christmas with my wife. But I would rather be a travelling salesman than a lawyer or a doctor, writes Henry W. Chapman, in the Boston Globe.

Perhaps it is true, that to succeed at anything a man must prefer that thing. If I am to be guided by my own experience, there are also other essentials to even a reasonable success. Know your goods, know your market, know your customers. Work by day and travel by night. Keep your digestion and your temper even. Keep your eye clear, and your hand steady, and tell your customers the truth—not fairy stories, not even "good stories."

Goods are no longer sold on friendship. They must have merits of their own, and they must be offered for sale

at the right time. Anticipation is half the battle.

In the development of this country the part played by commercial travellers is rarely considered. Yet it is a most important one. But it is a great deal easier to go out and do a thing than it is to tell how it is done.

He is the middle man between the seller and the buyer and he must command the respect of each of them.

In order to do this, he can't well avoid being truthful, courteous, and polite. It is hardly necessary to say that he must feel well and keep well to be able to do this, and his digestion must be equal to almost any kind of food he finds.

If my own experiences are of any value to young men who may think of starting out in this business, they are welcome to it. I began on the road about the time I reached my majority; already I had served a useful apprenticeship in the retail trade.

Why was that useful? Because you can't sell goods unless you know them; you can't convince a customer unless you can answer his questions and anticipate his objections. There's no use wasting time in trying to make friends with him unless you can sell him goods. Drinking with him and telling him good stories does not count for much now-a-days. It's more and more straight goods and straight business.

The best customer last year may not be so good this year; discounts may have fallen off, ill-health hurt his business; he may have quarrelled by letter with the home house. Now, the home house not only wants to weed out undesirable customers, but to replace them with good ones. It is the experienced travelling salesman who alone can know not only when but where to go.

Concentration is what pays the house as well as its travellers. Know your market, know your customers, and know your special line of goods. Every successful road salesman has offers to take outside lines. But I have always refused; it's better to have one thing to sell and to sell that, and nothing else.

In all my twenty years on the road I have never been insulted, never had a personal altercation. And the one Christmas that my wife did spend with me she travelled 2,000 miles to do it.

But I love my business. I wouldn't give it up. Even if, like some habits, it does "unfit a man for anything else."

RELATIVE METHODS OF THE CASH AND CREDIT SYSTEMS.

The following essay, written for the "Boot and Shoe Recorder," contains about as much common sense on the cash v. credit issue as anything elsewhere read. It is important to observe, however, in considering it, that the arguments for the credit system apply much more strongly to the grocery than to the boot and shoe business, for the reason we have previously pointed out, that the grocery buyer is a regular every-day customer, whilst the buyer of boots and shoes is only an occasional one.

In response to your call for prize essays, on the question of cash or credit, I can give you a few points from my experience which may perhaps be of some interest. I will not attempt an essay of 2,500 words or more, but will try to place my meaning in as few words as possible.

As far as I have had experience I have found some advantages in both cash and credit systems. The choice must depend largely on the location and conditions. I have had a store in the city of Chicago, and in any large city you can do only a cash business with safety. I do not mean by this that the people are not honest, but as you deal largely with the laboring class you must depend on their earnings. As long as they have work they have money, but when there is no work no

money. So if a person wished to do a credit business it would be at a great risk.

As for the country trade, it again depends on the class or people with whom you are dealing. Here in my neighborhood you can safely run a credit business and collect 99 cents on the dollar of it, but on the other hand, I have a brother in a certain part of Missouri (I do not wish to state what part because I do not wish to reflect on good persons' characters), where you could do a credit business and lose 90 cents on the dollar of it.

A great deal depends on the people, their surroundings and their honesty. I have had men who owed me as much as \$150, when the same men could not get credit for five cents outside. They were worthy of confidence, and when helped so that they got a start again, they paid me my money first and gladly.

As for changing from a credit to a cash system, I know it could not be done in a farming community, as a general rule, but still sometimes it can be done. That has to be decided by the neighborhood. It must be considered whether, if the change is made from credit to cash, the people as a rule would have the ready money, and whether you would gain or lose customers by the change.

In saying that the cash basis would not do in a farming community, I have reference to a community where all the farmers depend upon is their butter, eggs and other produce, and where they have cash for their crops only once a year. I do not mean to apply it to a locality where farmers ship milk or other products of the farm and get cash for the same every two or four weeks. In such cases, of course, the farmers are on the same basis as the laborers in a city, who are paid every two or four weeks, or even weekly.

As for changing from credit to cash in a city, it can easily be accomplished. For every customer lost you get another one who thinks you can afford to sell at a still lower price than you could before on the credit system. The fact that 99 per cent. of the dealers who have a credit system in a large city do not make any money, and also that a great many fail, shows which way the straws follow the breeze.

I have known of dealers changing from a credit system to a cash basis, who afterwards had to return to the credit system because they found the cash basis impracticable. So I think the question cannot be decided off-hand by arguments, but every dealer must study his own business, with all the conditions, and judge for himself as to which will be profitable for him.

—A decision has just been rendered by Judge Carland, of Deadwood, South Dakota, which is considered by some to be a blow to the loan and saving associations of the state. A man named Crysier several years ago came to Deadwood from Minneapolis, and organized a local board for the American Savings and Loan Association of that city. For a time it was a popular institution, and a number of persons in this city took loans with the expectation of paying them up by instalments in about seven years. The affairs of the concern were not managed well and a receiver was necessary to close up the business. Many of the shareholders paid instalments and interest until the loans matured, under the belief that the stock would cancel the loan. This was denied and then payment was resisted on the plea of usury. Action to recover on foreclosure was begun in the Federal Court. Judge Carland held that the interest agreed upon and paid was not usurious, and that the purchase of stock was an independent investment.—American Investments.