

## THE TRADER.

TORONTO, ONT., FEBRUARY, 1886.

The recognized organ of the Jewelry and kindred Industrial Trades of Canada. Published on the first of every month, and sent free to every dealer in jewelry and kindred goods in the Dominion of Canada. Our rates for advertising will be found very low, and will be made known upon application.

We shall be glad to receive correspondence from all parts, and will publish such letters as will be of interest to the Trade. We do not, however, hold ourselves responsible for the opinions of our correspondents. The name and address must invariably accompany the communication, not necessarily for publication, but as a guarantee.

All business and other communications should be addressed to

THE TRADER PUBLISHING CO.,

87 ADELAIDE ST. W., TORONTO, ONT.

## SPECIAL NOTICE.

To ensure insertion, changes or new advertisements must reach this office not later than the 20th of each month.

## EDITORIAL.

## WILL IT PAY?

A good deal of cheap talk has of late been indulged in regarding the way in which wholesalers, who are members of the Canadian Association of Jobbers in American Watches, have been living up to their contract to sell at the prices and on the terms laid down by the Manufacturers' Association. It is not an uncommon thing to hear a retailer say, "Oh, this list price is all very well for the young fellows, but you can't fool old heads like me, why, I can get all the goods I want at ten per cent. discount off the list price." While such things may be done in the future, and no doubt have been done in the past, we think that the genuine cases are very few and far between, and we do our jobbers only justice when we say that the most of them have lived faithfully up to their agreement in respect to prices and terms. It is possible, when retailers make such sweeping misstatements as the one we have quoted, that there may be found travellers, or even jobbers themselves, so weak in the back, that they take such talk for pure gospel, and determining not to be undersold by an opponent, actually sell the goods at the price the retailer claims he can buy them at. Our honest opinion is, however, that in nine cases out of ten, such statements are deliberate falsehoods, and the buyer knows he is only trying the jobber when he makes them. Our advice to all jobbers and travellers is to trust implicitly in the integrity of the members of your Association, unless the buyer can back up his statements with written proof in the form of an invoice of goods delivered. In any such case, take a memorandum of the date and other particulars, and report at once to the Secretary of the Association, and have the offender cut off.

A great many persons in the retail trade appear to believe that they are doing a big thing if they can induce a jobber to break his contract and cut the price of watch movements and cases to them. We think, however, that if they would look at the matter in a proper light they would see that it is their duty, as well as in their own interest, to prevent any such violation on the jobber's part. If the Association is any good at all, and we certainly think that any organization that makes a definite and uniform price for such staple goods as watches undoubtedly are, is a benefit, it is because that by its working, retailers are certain that if an opponent sells goods below the regular rates it

is not because he buys them lower, but because he is sacrificing part of his profit. The experience of the retail trade throughout the United States and Canada is that since the organization of this Association, retail prices have become more uniform, and, as a consequence, profits have increased. In addition to this benefit the Canadian Association has protected the retailer by making it impossible for anyone but a jobber to buy these goods at wholesale prices. They have also opened a crusade against jobbers selling at retail, the result of which will probably be that the retailer will be amply protected against this evil in future. Now, these safeguards to the retail merchant on the part of the jobber, which are far in excess of those enjoyed by retailers in the States, can only be secured to them by the co-operation of such an organization as the Jobbers' Association, and we argue, therefore, that it is to the direct interest of every retail jeweler in Canada to see this institution live and prosper.

The jeweler, therefore, who tries to, or who does induce any member of the Association to violate his contract, is thus breaking down a very strong safeguard to the retail trade, and one moreover, whose protection cannot be secured in any other way. He may argue however, that although this may be quite true, the direct advantage he receives in the way of a reduction of price, by far outweighs the indirect benefits he can secure by having the members of the Jobbers' Association keep their contract inviolate. While at the first blush this may appear to be correct, we think a very little reflection will convince any thinking person that even this advantage is more apparent than real. Any retailer who buys his goods from a jobber who thinks so lightly of an agreement entered into with others, and which he is in honor bound to carry out faithfully, may be pretty sure of the fact that if he will thus practically perjure himself in such a case, his word, to put it very mildly, is not to be depended upon in any other case. They may rest assured that the man who, under pressure, cuts five per cent. to them, will, if the inducement be sufficiently great, cut ten to their neighbor, or lower still if it seems to be to his own interest to do so. He could never be sure, therefore, that he was buying at bottom figures, or that whatever cut he had induced the jobber to give him, some opponent would not possibly be buying at lower prices.

Taking it altogether, as far as we can see, it is to the interest of the retail trade to discourage any violation of their contracts by jobbers, and to do everything that lies in their power to help the members of the Jobbers' Association to keep their pledges inviolate. If they could possibly induce enough of jobbers to go back on their word of honor to break up the Association or make its operation a dead letter, we think they would find the condition of trade very much worse than it is at present. The large dealer would, as before, be able to buy very much cheaper than the small one, and, as a result, would be able to sell at the other's cost and still make a profit. Under such a system, prices would quickly become demoralized, and the average retailer would find it very much harder to make money than he does at present. Our disinterested advice to retailers, therefore, is to weigh this matter fully before being led away with the idea that they can derive any real or lasting benefit from the violation of a jobbers' contract, and to distrust thoroughly any one who offers of his own accord to violate his solemn word of honor.