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REFLECTIONS

BY THE EDITOR

MOST remarkable is the growth of the United States sales to Canada. One must conclude that either the Canadian manufacturer is not keeping up with the growth of Canadian trade or that the United States manufacturer is paying more attention to his trade with Canada. There are only these two explanations for the forty million dollar increase in the ten months ending April 30th. Trade between two countries doesn't increase at the rate of 35 per cent. in one year without presenting a problem worthy of some study. Indeed, instead of labelling it a "problem," it might be wiser to speak of it as a phenomenon.

It may be answered that our foreign trade with all the larger countries is growing. This answer, however, is not sufficient. It is quite true that our purchases have increased considerably during the past year and a half, but that does not explain why the greatest increase should occur with the country with whom we deem ourselves least willing to trade. We are trying to increase trade with France, Germany and Great Britain; we are not trying to increase our trade with Uncle Sam. Yet, the fact stares us in the face that the United States is getting the bulk of the increase.

PERHAPS it may be interesting in this connection to notice the increase in the sales of United States periodicals and magazines in this country. In 1905, before the increase in postage went into effect, the sales of these publications in this country amounted to a little less than a quarter of a million dollars in value. The increase in postage occurred about the beginning of 1907, and the United States publishers thought they would be shut out of Canada. They soon discovered that the new regulations were not so black as they looked. They found that the only change was that these periodicals had to be mailed in Montreal or Toronto instead of in New York or Philadelphia, and that instead of paying one cent a pound postage to the United States post-office, they paid one cent a pound to the Canadian post-office. The only difference in cost of mailing was the small freight charge from New York or Philadelphia to Montreal or Toronto.

The result of this discovery was a great increase in the sales of United States periodicals in Canada. Strangely enough the new postal regulations were supposed to help the Canadian publishers of periodicals. That was what the United States publishers thought at first and mighty wrathful they were. That was what the Canadian public thought and their state of mind was somewhat similar. Yet both were mistaken. Between 1905 and 1909, the sales of United States periodicals to Canada increased from \$225,000 to \$641,000, or a growth of nearly two hundred per cent. This year the total sales will amount to \$750,000 probably.

HERE then are two movements proceeding side by side. The sales of United States periodicals, which come in absolutely duty free, increase enormously and the sales of United States goods also increase enormously. Is it not reasonable to assume that there may be some connection between these two movements?

It is not a new saying that trade follows the advertisement, not the flag. This is the age of the advertisement. Few unadvertised articles are largely sold to-day. Few men succeed in business without the use of printer's ink. The advertised groceries in packages have driven bulk goods off the market. The advertised druggists' supplies have supplanted the doctors' prescriptions. There is no advertiser who can "hold a candle" to the United States manufacturer and it is because his advertisement finds its way so freely into Canadian homes that his goods sell so freely in this market. Is this not a reasonable and logical deduction?

Why is it that so many American automobiles are being sold in Canada? It is more difficult to get repairs for them than for Canadian automobiles. There is a duty of 35 per cent. on them which should

give the Canadian manufacturer a good margin. There is a high duty on parts which should also help. Yet the fact remains that automobiles of United States makes are coming in at a tremendous rate—a rate limited only by the difficulty in getting enough machines. Is it not reasonable to suppose that the sales of United States machines are due mainly to the splendid advertisements of them to be found in every periodical which crosses the border?

Why is it that 90 per cent. of all the carriages and electrical apparatus we import, comes from the United States? Why is it that 80 per cent. of our importations of leather manufactures and iron and steel manufactures come from the United States? Why is it that 70 per cent. of our paper and manufactures thereof come from the great Republic. Why is it that the United States sells us over three million dollars' worth of books and maps, over three million dollars' worth of drugs and chemicals, over three million dollars' worth of copper goods, over two million dollars' worth of builders' hardware, over one million dollars' worth of seeds and over one million dollars' worth of boots and shoes?

Is it not reasonable to assume that this trade is the result of superior business methods, especially in advertising and salesmanship? If this is a correct diagnosis, here is a problem which the Canadian Manufacturers would be wise to consider.

WITH commendable persistency, the Canadian manufacturers have conducted an agitation in favour of technical education and have at last succeeded in getting the Dominion Government to appoint a commission to study the question in its relation to Canadian workmanship. This is excellent. Might it not be wise for the manufacturers to follow this up with a campaign in favour of education in salesmanship and advertising? If the manufacturer is to further popularise "Made in Canada" goods, he must learn how to explain their merits and impress their good qualities upon the public. When a mining promoter desires to sell stock in his "wild-cat" propositions, he secures the services of a good "ad.-writer" and buys plenty of newspaper space. If this is the most profitable method for the stock promoter, the pink-pill man and the electric belt dispenser, surely it is worthy of consideration by the manufacturer of legitimate goods.

Following this line of reasoning, the next meeting of the Manufacturers' Association might be largely occupied with such subjects as these: "Requisites of a Good Salesman"; "Basic Principles in Catalogue Making and Distribution"; "National Advertising and How to Make it a Success"; "American Advertising Methods and What They Teach," and so on. These subjects would be more interesting and the discussion of them more profitable than the discussion of resolutions in favour of raising the woollen duties or in condemnation of the trade treaties with Germany, France and the United States.

Here is another suggestion. Instead of spending thirty thousand dollars a year on *Industrial Canada*, that excellent organ of the Association, let the manufacturers spend that sum in educating the public through the newspaper and periodical as to the wisdom of buying goods "made in Canada." Just now the manufacturers and the public are out of touch with each other; an advertising campaign would bring about a closer relationship.

EARL GREY may possibly stay is not rhyme but reason. If it should come true, all Canada will rejoice. We are getting bigger day by day and year by year and we want a big governor-general. Earl Grey is a big man. He has a courtesy which is edifying, a breadth of view which is educational, and a sympathetic consideration which is exceptional. Now that we cannot have the Duke of Connaught, who must remain in England to help his Royal Nephew who is brotherless, we would much prefer Lord Grey to any other member of the much-abused House of Lords. His over-running his term