

fruitful source of failure, and many a man with a good business training and economical habits has shipwrecked his vessel on this commercial rock. As a rule a merchant has no business what-over to encumber himself with real estate. He may with advantage own his dwelling house, but even here he loses money if the interest on his investment comes to more than the rent of similar quarters. However good speculations in real estate may be for the man out of business who has capital to invest, to the man in business they are usually a loss in more ways than one. Instead of locking up his money in real estate a business man should endeavor to keep it in his business. Ready cash is always handy to a good business man, and by its help he is often enabled to take advantage of bargains that he could not possibly touch unless he had on hand and to spare. If a man's business pays him at all, he can generally find plenty of room in it to invest all the money he can command, and as a rule such investments will pay him a better per centage than real estate speculations, however promising they may look at the outset.

If a merchant has more money than he can possibly use in his business, he may invest it any way he pleases; but few of our merchants are in that position, we are sorry to say.

We think we can recall a score or more of merchants, among the very highest in the land, who ruined themselves by attempting to build dwelling houses far beyond their means. In several instances these palatial residences still bear testimony to their original owners by the device sculptured over their portals, while those who wrecked themselves in their construction are penniless wanderers. The "old book" was not far astray when it advised a man before he started to erect a building, to carefully count the cost, least not having money enough to finish it, he should lose all he had and another should come in and enjoy his labors.

4. *Over-buying, and not buying carefully enough*, are also good assistants in this work of ruining merchants. The best buyer is also the most careful buyer, and though he may at times buy large lines of staple goods when he gets a first-class bargain, he generally buys just to suit the necessities of his business. As a rule the reckless buyer will come to grief in the long run, for reckless buying

necessitates reckless selling and reckless credits. The reckless buyer often does a large and apparently flourishing business, but as has been proved a hundred times by the assignee, he has done it without profit. Having large notes maturing he was forced to make large sales, and no matter whether the goods were in demand or not, they had to be sacrificed in order to keep the ball rolling. As a rule a merchant should always buy his goods for cash, and take advantage of all the discounts that can possibly be obtained. If he buys in this way and buys carefully he need never fear; no creditor can trouble him, and he is bound to succeed. Few merchants know the saving that may be effected by these cash discounts; in even a small business they will amount to hundreds of dollars, and often pay shop rent, fuel and such like expenses. The merchant who pays cash is always the best served, and he can't possibly fail because he doesn't owe anybody. The nearer any merchant can come to paying cash for all he purchases, the nearer he will come to assured success.

5. *Too much, and indiscriminate credit*, is a very common trouble amongst country merchants, and investigation has proved it to be a fruitful source of failure. We have often said that credit is too cheap in this country both by wholesale and retail dealers; the sooner this evil is remedied the better and the healthier trade will become. We know lots of retail merchants who with thousands of dollars' worth of accounts on their books have not been able to raise cash enough to pay a hundred dollar note. Now, why should such a state of things exist, except for the reason we stated above that competition and cheap credit make the merchant's business scarcely worth doing. Our idea is that every retail merchant should do an exclusively cash business, he should buy for cash and sell for cash, and if he credits at all it should be as seldom as possible, and only as a special favor to responsible customers. There are occasions in every business when circumstances almost compel a merchant to give credit rather than lose a good sale, but we are satisfied that these are much fewer than most merchants would care to admit. No matter how good a person's standing or wealth may be, as far as the merchant's business is concerned, he is not half as good as the poor man who pays cash; provided he wants credit always. Cash

is the merchant's best customer—he gives him no trouble in collecting accounts, he never causes him any bad debts, and he is always on hand when notes or payments of any kind have to be met. Credit on the contrary is long-winded, he puzzles the merchant's brain and spoils his eye-sight in looking over his bookkeeping, he is never on hand when wanted, his collection costs money, and in any shape you may dress him he takes up much valuable time that might be better employed. He costs both buyer and seller more than the regular market price, and often ends by ruining them both. Therefore we say to all of our readers, cultivate cash and discourage credit—it will pay you.

6. *Neglect of business for public affairs* has ruined many a promising merchant's career. As a rule this kind of thing attacks only the smartest and most successful of our merchants, and although in some cases the result may not be fatal, it is always detrimental to a business. We do not wish to be understood as saying that merchants should never have anything to do with public affairs; on the contrary we think they should always take a hand in them, provided they do not do so at the expense of their own business. What we deary is not conscientious efforts for the public good, but the mania that a great many merchants have to devoting most of their time to public affairs from which they cannot honestly reap any pecuniary advantage. "Charity begins at home" is an old motto and a true one, and if such merchants would only consider that they owe duty to themselves, their families and their creditors, as well as to the general public, they would probably devote more of their time and talents to minding their own affairs and making an honest living.

7. *Drinking habits*, we have reserved to the last, not because it is the least important however, or the least productive of evil. By this pernicious habit merchants have not only been ruined in business, but ruined in body and soul as well. Everywhere we meet with these wrecks of humanity, persons that have thrown away good chances in business, thrown away friends, thrown away public respect, and finally after throwing away self-respect, are deliberately throwing away their lives. People may differ on the question of temperance and total abstinence as on