

systematic rivals, and a few such lessons generally teach him better methods. Such unpleasant experiences might always be avoided by adopting a simple and inexpensive system of keeping run of the stock. A blank book should be procured in which to enter all articles in stock as they are getting low. Whenever the usual time for replenishing the stock comes around or whenever the traveling salesman looks in for orders, a glance at the stock book will show at once what goods are likely to be needed; if the merchant will then go to his shelves containing the articles noted in his stock book, he can tell just what quantity to order. The wholesale firms, of necessity, are very particular in regard to keeping run of stock. Each department is furnished with a separate stock book, which is made up every morning; hence a salesman, by referring to the record, can instantly gauge his ability to fill orders. So complete and exact a system is perhaps not needed in the general run of retail establishments, but unless the retail merchant adopts some kind of a system of keeping track of stock, and rigidly adheres to it, he will not only be at a disadvantage compared with competitors, but run the chance of losing trade.

Merchants who order frequently, and in small quantities, goods to be shipped by rail, can afford to take advantage of the low freight rates at "owner's risk," but where shipments are made in large quantities, "carrier's risk," rates may be really the cheapest. When ordering goods by water transportation, it is generally advisable for merchants to instruct their jobbers to insure the goods.—Merchants' Review.

AVOIDABLE CREDIT.

The credit system is undoubtedly a great convenience to those who have not ready money. But the sense of convenience is not the sole cause that moves customers to undertake future engagements. Of the large amount of credit given every year, of which the considerable unredeemed portion comes to the trader as loss, not all is to be laid at the door of the buyer's pertinacity. The credit system is regarded as a convenience by the buyer, but it is also held to have advantages for the seller, and the latter makes the most of them. The proportions to which the system has grown in these times are therefore an outcome of a recognition on the part of both buyer and seller that the thing is of service. Whatever loss the latter suffers through it is partly chargeable to his unsolicited granting of it. The policy which leads the seller to cultivate credit is the development of trade. Of course, the customer upon whom credit is urged is selected, he is supposed to be prosperous and honest. He is offered credit because the dealer wants trade which the present lack of cash tends to hinder. It is certain that a great part of our purchases are not prompted by necessity. There are many stimulants to

trade beside the sense of need in the consumer. The trader promotes business by a judicious display of his wares. There are hundreds of thousands of dollars worth of goods sold in a year, which are sold at the suggestion of the dealer rather than in response to the demand of the customer. One mode of suggesting, as we have said, is display. There are many other modes, but the one specially in mind here is the suggestion of credit. This is very generally thrown out to eligible customers by the dealer. Such customers are prevailed upon to buy on the strength of the confidence the dealer has in them. They buy what they did not purpose buying, simply that the dealer may do business. Their credit may be good, but it is too often bad. There is therefore a percentage of loss from such trade. We believe in dealers using the arts of salesmen to induce trade, but the inveigling of a man into a credit account is not a praise-worthy mode of promoting business. It is likely to become a habit with the dealer who gives any countenance to it, and who finds a few cases of proffered credit to be productive of sales and to be satisfactory in payment results. As a habit, however, the thing would be apt to demonstrate its own impolicy, for a man would thus establish a business of which the strong inducement to customers would be the easily obtainable credit it offered, and thus such a business would soon fall under all the evils of a credit system. Further, where credit is easily got it is often lightly regarded and often violated. Credit will continue to exist in the business world, but much of the evil of it will be removed when none is given that is not asked, and when only part of what is asked is given.

WHAT IT COSTS TO SECURE A NEW CUSTOMER THROUGH ADVERTISING.

All mercantile trades depend largely for success on their ability to catch customers, and from the "barker" in front of a clothing store, to Sapolio in the street cars, the effort engages many fishers for men.

The cost of catching one new customer for any branch of goods varies greatly, says the Dry Goods Chronicle. It is conceded that the proprietors of Pears' Soap, Sapolio and such articles expend from four to five times the gross amount of the first sale in order to effect it. An outlay of \$1 to sell 20 cents worth of soap to a new family is not unusual nor is it unprofitable if the customer is held. The cost of securing new stores to handle such goods is greater just as the result when attained is relatively more valuable.

Sixty millions of people—divided by seven makes about 8,500,000 families—these again are supplied with every necessary of life by an average of one store to fifty families. We refer to stores where everything from a needle to a wagon is sold.

"Urban and rural divisions of population again alter the case. One-quarter of the

people of the United States live in cities—the remaining three-quarters on farms or in the open country. So the cities are supplied by about 100,000 groceries, and the country by about 150,000 general stores.

"Is not the shortest road to the great public the lesser factor—the store at which it deals? Not alone are the supplies drawn from the country store—it is a store-house of opinions, a bureau of information, in it the post-office is located, and the storekeeper himself is the leading man of the town. What a genius he is! He trades for cash, or for credit, or for barter. He draws his stock from the great cities and is in turn a large shipper of produce, cotton, wool, butter, eggs, dried fruits, hides, and countless oddities from fish sounds to ginseng, to the city markets. He is a town burgess, director in the bank, and at church at least choir leader, if he is not superintendent of the Sunday-school. His fame is generally known and his advice eagerly sought through the country. If he indorses anything—it goes.

"There is such a thing as a trade press, but three-quarters of them are mere advertising sheets, filled with puffs and long-winded market reports of no earthly value to the retail dealer, and besides have little circulation other than among their advertisers.

"Select a trade journal of character and standing that reaches the trade. Talk direct in it, word your advertisement to the point. Show dealers the advantage and profit in handling your goods and they will buy from you."

A common practice among retail traders is that of offering "leaders" to the public in the hope of obtaining additional trade which will compensate for any loss sustained by the low figures at which the "leader" must be sold in order to be an inducement. This custom, for so common has the practice become that it may well be termed a custom, is one which under ordinary circumstances is of doubtful merit and the merchant often realizes this after he has discovered that the expected business has not materialized. A retail dealer who offers special inducements or bargains or sells goods under any other alluring combination of phraseology will be patronized without a doubt, but the customer will in nine cases out of ten confine purchasing to the "below cost" goods and it is not to be expected that the tenth patron is going to make up by heavy purchases of other wares the loss sustained on the sales. The safest policy of which to conduct business would seem to be on an even basis of profit. Careful computation will reveal just the percentage required to meet expenses and pay a fair interest on invested capital and there is much less danger of coming out at the short end by pursuing this course, then when stock is being constantly sold at figures unprofitable in the speculative hope of drawing custom to high priced goods, upon which a profit above the average is expected.—Grocer and Country Merchant.