

is of the firm Lookerby Bros., grocers at wholesale. At present everybody is taking stock and business is accordingly slow. There were a good many complaints about the Christmas trade, it not having been as large as expected.

CANADA LANDED AND NATIONAL INVESTMENT COMPANY, LIMITED.

The meetings of shareholders called respectively by the boards of the Canada Landed Credit Company and the National Investment Company, Limited, were held on Monday last in this city, and were both well attended.

The proposition to amalgamate these two companies under the name of the Canada Landed and National Investment Co., Limited, which was explained fully in our issue of 31st October last, was approved by nearly four-fifths of all the shareholders either present personally or represented by proxy—not a single vote being cast against the resolution. The unanimity of opinion on the matter will be better understood if we state that the total vote polled was over 40,000.

The directors chosen for the new company were as in the following list:—

J. L. Blaikie, president; Jno. Hoskin, Q.C., LL.D., vice-president; Wm. Alexander, Jas. Campbell, A. R. Creelman, the Hon. J. R. Gowan, LL.D.; Thos. Lailey, J. B. Osborne, J. S. Playfair, Jno. Stark, N. Silverthorn, Jno. Stuart, Frank Turner, C.E., Sir Daniel Wilson, Hon. James Young. The manager of the company is Mr. Andrew Rutherford.

A PLEASING CHRISTMAS BOX.

An example of the accumulative power of money continuously at interest for a long period, and of the prudence which selects an established and reputable depository for one's savings, is furnished in an incident described by the *Hillsburg Beaver*. A depositor, called for descriptive purposes Mr. Brown, placed in the keeping of the Western Canada Loan and Savings Company, on April 4, 1873, the sum of \$2,800 at the company's usual rate of interest. In June, 1874, he deposited \$600 more, making a total of \$3,400. He appears to have held no communication with the company since that time. But the interest was regularly placed to his credit. Some years later Mr. Brown died, leaving a will disposing of his estate, but making no mention of this deposit, the existence of which he appears to have revealed to nobody. The savings bank department of the Western knew nothing of his whereabouts, or of these facts. One day, last month, however, some of the beneficiaries under the will, who were pulling down an old shed near their late benefactor's house, found concealed behind the sheeting of one of the walls the bank pass book containing the receipt for this deposit. The book was yellow with age and stained with rainwater, the edges of the leaves gnawed by mice. Nevertheless, dilapidated as it was, it was perfectly valid, and the sum of \$3,400 and interest amounting to \$4,376.45, or in all \$7,776.45, was at the credit of Mr. Brown's legal heirs in the head office of the company. Probate of his will was soon forthcoming, and the delighted heirs were immediately handed a cheque for \$7,776.45—a very substantial Christmas box. In the seventeen years the money had doubled itself and nearly \$1,000 more.

—The output of all the mills now owned by the Dominion Cotton Mills Company is estimated at \$3,225,000 a year, and practically covers the whole business in Canada.

THE CONFRONTING EVIL.

The tendency of lengthened credits in all branches of trade, through the system of long datings, is becoming a serious matter, especially to manufacturers, and one which sooner or later must be checked.

With the system of travelling salesmen, now become a fixed method, and who are in one sense the means of forcing the season's trade, there have been earlier deliveries of merchandise at the beginning of the season, with no corresponding benefit derived from it. In fact, the earlier deliveries carry with them a long dating, with cash discount and an open account.

To the manufacturer it entails increased expense through the necessity of buying his raw materials several months earlier to secure early deliveries and their place in the market. The manufacturer, as we have stated, is the chief sufferer, and from this branch must come relief, sooner or later, by positive, united action. We opine that the chief cause of failures and withdrawal from manufacturing of many who are well fitted to do business under more favoring credit conditions, arises from the present false credit system with its hardships.

The story told illustrates well the point that a noted Hebrew manufacturer claimed he did not ask for any credit, as he always "bought their goods for cash in ten days." That is, with three or four months dating and two per cent. discount.

Notwithstanding the fact that transportation facilities have reduced the time of delivery all over the country to one-half and one-third the time of former years, till shipments are required to be made earlier than heretofore, though it is patent that the actual consumption of goods has not been changed a whit.

Wherein, then, is the advantage to dealers to so anticipate trade wants? No reasonable explanation or apology can be given, save that in the rivalry existing between dealers of all the leading cities, forced early sales are accomplished only by early deliveries and long datings.

It is safe to assume that the present system, pernicious as it is, cannot be overturned through any action looking to a radical change. We know how impossible it is to obtain concerted action, looking to the correction of minor evils; therefore the contest as it is now waging, assumes a warfare "of the survival of the fittest." Perhaps a time will come when the survivors will find united action possible, and discard the present system; a time that everyone will "paddle his own canoe," and realize they are all in the same tub to swim or sink together. When that time arrives, the initial reform will be in the present credit system.

What is more absurd in sound merchandising than giving a cash discount without its equivalent? to force trade, through vicious methods, thirty or sixty days earlier, with a cash discount? It means long credits to retailers, without any security.—*Dry Goods Chronicle, New York.*

AN INSTRUCTIVE REPORT.

Canada is a fine country, surely, for people who desire to launch into a big business while having slight capital or none. They can get credit from manufacturers for raw material or plant so easily. They can open a bank account so readily. They find auction houses so handy to sacrifice surplus stock in, when ordinary brokers or commercial travellers cannot dis-

pose (on credit) of their output. Small wonder, therefore, that inexperienced men, sanguine men, or otherwise unfit men, having themselves little to risk, take every sort of insane risk with the goods or money of other people.

The creditors of Latham & Lowe, makers of overalls and such goods in this city, have lately had presented to them by Mr. E. R. C. Clarkson, trustee, an instructive though hardly a pleasant statement of that firm's rise and fall. We give the first two pages in full, and afterward the totals of the Summary of Working Accounts for eight years:

REPORT.

"The books show this business to have begun on 23rd May, 1881. The partners were then one Bullen and C. B. Lowe, the firm name being W. H. Bullen & Co. The capital appears as \$794.00, which was contributed by Mr. Lowe."

"Early in 1882, Bullen was allowed to retire; John Latham took his place, and on the 13th February contributed \$347, as capital. Thereafter the style of the firm was Latham & Lowe. Neither party appears to have added any further capital, but when stock was taken on August 31st, 1882, the result of the trading to that date was encouraging. The position of affairs at that time was:—

Stock in trade	\$6,992 05
Book debts (good)	4,179 56
Machines and furniture	495 00
Cash	167 00

Liabilities	\$11,833 61
	10,205 60

Surplus	\$ 1,628 01
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"It is added that the firm had 75 orders booked, amounting to \$4,408.75, upon which a profit of \$800 was anticipated. This is the sole instance during the existence of the firm of any record of its affairs. Stock was certainly taken several times, but except a partially finished inventory, in 1883, no stock lists can be found, and I can find no trace of a balance sheet. Up to 1st June, 1887, the books of account are very insufficient. A steady improvement begins from that date, so that while the last set contains all necessary information,—in the earlier years working accounts have to be picked, item by item, from the original entries, and in 1884 one class of disbursement—wages—cannot be obtained in any way. I have had all obtainable information as to the working of the business carefully collected, and notwithstanding the defect referred to, the figures submitted are instructive. An increase in discount and interest account, out of all proportion to the increase in the volume of business, tells a plain story of steady loss. In late years the firm kept 40 machines running by power, employing never less than 50 and usually nearer 80 work people. A varying proportion, never reaching one half of the firm's production, was sold to the wholesale trade at a margin of profit always recognized as meagre. The proportion of business (the larger in volume) done directly with the retail trade was supposed to have been remunerative. I am inclined to believe that this supposition has been an erroneous one. This trade was done mainly through the agency of commercial travellers, whose expenses, etc., amount to little short of ten per cent. of the costs of the goods sold. The other expenses of the business could have been largely curtailed if the product had not been distributed directly by the firm. Every bad debt made has arisen from this branch of the business. On the whole I feel sure that the business done with the retail trade was less remunerative than the contract work for the wholesale houses.

"No other explanation of the large deficit has presented itself, nor does any other seem necessary. The bad debts written off are less than two per cent. of the sales. The further amounts of irrecoverable debts as set forth in the statement of affairs, together with the loss which the payment of accommodation paper transactions must have occasioned, would nearly double this; but even four per cent. of losses of this sort ought to have been covered had the cost accounts provided for this class of contingencies.

Taking the stock of goods on hand, 1st Sept., 1882, as	\$ 6,992
Cost of material and labor thereon during 8 1-5 years	550,225