

there are many straight meat markets operated almost entirely on the credit-and-delivery basis. They are features in retail meat distribution in practically all Pacific coast cities but are not prevalent elsewhere.

This survey showed a large percentage of credit-and-delivery stores operated successfully and apparently economically in medium to high-class residential districts in all cities. Their customers are mostly from the moderately well to do and those whose means are ample. These classes want quality and service in connection with their daily purchases, and economies in buying are not of first importance. Combination grocery and meat markets and straight meat markets of credit-and-delivery type, that cater to these classes as a rule, handle only the better grades of meat.

In most cities service stores are of the combination type and handle groceries, fruits, vegetables, and meats. A large number of these stores were found to have no system by which to measure their cost of operation by departments. Losses or excessive margins in any department are not considered so long as net results are satisfactory. Previous studies made under similar conditions in some instances showed that losses in some departments were more than overbalanced by excessive profits on meats, and that such an arrangement was permitted and approved by the management because of local competitive conditions. Such practices do not tend to increase meat consumption.

Only a small percentage of combination stores was found to keep separate accounts for each department. Most of them do not know what it costs to sell meats and make no cutting tests to determine prices. Stores of this type seldom follow the fluctuations in wholesale prices and are slow to change retail prices. In some cities, notably the cities on the Pacific coast, the business of retailing meats is more highly specialized and relatively few combination markets, except large chain-store systems, were found in that area. As a result, the problems of retailing meats are more closely studied and wastes and shrinkages have been reduced.

CASH-AND-CARRY STORES

There are at least four distinct types of cash-and-carry stores. They are represented by the single or individual meat market, the local chain meat markets, the local chain combination grocery and meat market, and the large or national chain-store system. Each of these types was studied, together with methods of operating.

Aside from advantage gained by the larger operators through centralized purchasing and distribution the types are all on the same basis. The principle on which stores of these types are operated in some cases lowers the cost of meats to consumers, but because of consumers' lack of knowledge of differences in quality of meats and because of the transient character of customers who patronize such stores opportunities for deception are increased. The principle, "Cash at time of sale," on which these stores are operated sometimes influences packers and wholesalers to extend credit for limited time and amount in cases where there is neither moral nor financial responsibility. The same applies to many market-fixture and equipment firms, who sometimes require only a nominal sum as first payment.