

goods is sold two or three times. They mean an endless multiplication of salesmen and salesmen's calls. From actual investigation it has been found that a small hardware dealer, in the \$75,000 class, gets on an average of nearly five calls from salesmen per day and has to listen to them for more than one-fifth of his working day. No wonder that the retailers are protesting that they are paying too much for the privilege of being sold! And how about the consumer? Competition may reduce the cost of production but so far in our economic history it has rarely, if ever, reduced the cost of distribution.

These three examples, which illustrate the wholesaler's duty to the retailer, to the manufacturer and to the consumer, bring up the question: What is a wholesaler? To whom is the wholesaler's first duty? Is a wholesaler the sales agent of the manufacturer or is he the purchasing agent of the retailer? Or is he a merchant, buying and selling for his own profit?

The wholesaler used to be all of these, and in some lines, such as butter and eggs, the wholesaler adds a fourth economic function—that of speculator. Many wholesalers are still trying to be all of these but some, by pressure of circumstances, are tending, or being forced, to limit their status. Not that they are necessarily limiting their services to all parties concerned. Some wholesalers are becoming more like agents, manufacturers' representatives or brokers. Others, by means of special plans from cooperative buying to part ownership of stock, are definitely becoming retailer's buying departments. Many wholesalers will find that the answer to their riddle of existence must be in their answer to the question as to whom they are going to serve.

Whatever the answer, they will continue to perform the essential functions of wholesalers—buying, warehousing, financing and selling. Whatever their particular plan for keeping alive may be, they will succeed only in so far as they perform these functions efficiently. And in every one of these four functions improvement is generally possible because so many wholesalers have not yet adapted themselves to the multiplicity of trends in the new competition.

Buying grows more difficult every day—and again, in some measure, due to the wholesaler's weakness. The wholesaler stands between the manufacturer's desire to limit styles for the sake of quantity production and low costs and the retailer's desire for