

And service? What economic crimes have been committed in the name of service! Some wholesalers have become so weary of demands for service that they have stopped all service. Others have not only given in to all demands but have practically thrust service down the throats of their customers. They have loosened credit terms, some have encouraged telephone ordering and parcel post delivery. An investigation of one wholesale grocer, not unusual, revealed the fact that nearly half the orders were for less than \$10 and totalled less than 15 per cent of the volume; while orders under \$5 increased from 16 per cent in 1923 to 22 per cent in 1927. Wholesalers are accepting and delivering an increasing proportion of orders so small that a respectable housewife would be ashamed to have her neighbor see them in her Saturday market basket.

#### SOME SOLUTIONS

WHAT can the wholesaler do? He is trying many remedies—some sound and some unsound. He can try whining—begging for business—offering anything to get it—complaining continuously. At the other extreme he can try strong-arm methods—blacklisting, threatening manufacturers. He may try to do through his association what he would never do alone. That is not what trade associations are for—they are for collective intelligence and collective courage, not for collective stupidity and collective cowardice.

He may decide to go into manufacturing and either build new plants or create new brands. How economic is that, with plant capacity already in excess in all lines and brands as numerous as the sands of the seashore? But the integration of producing and distributing organization which are already in existence through buying up a plant or merging is economic—if it is properly planned and executed.

The wholesaler may decide to go into retailing by opening new stores. But how economic is it to add to the competition of retail outlets? Again, integration with existing retailers is sounder. And this integration may take on many forms—it may range from a fairly loose arrangement by retailers to buy a certain proportion of their needs from one wholesaler to actual ownership of the stores by the wholesaler—and to actual owner-