

With regard to Beauchamp's remarks at the foot of the page referring to the half-tank orders, I have merely to give you the exact figures. As explained before, I never accept assertions—facts and figures are what I go upon. The firm alluded to is ——— :—

On 9th November, 1908, you shipped a tank to me : half was for ———, and half for my stock. 22nd March, 1909, one tank : half for ———, and half for my stock. 24th August, 1909, one tank : half for ———, and half for my stock. 6th December, 1910 : half for ———, and half for ———. 25th April, 1911 : half for ———, and half for my stock. You will see at once that instead of my letter being a misrepresentation, it is perfectly true.

Later on Mr. Beauchamp states that it is not considered I have treated the association courteously, as several letters were addressed to me, and no replies were received. This is incorrect. I have received the following letters :—

One from Mr. Adley, secretary of the Christchurch Merchants' Association, dated 25th April. I was at the time confined to the house with influenza. My accountant replied giving Mr. Adley that information, and stating that I would interview him on my return to business. This I did, and we had a very long and serious conversation, but no decision was come to.

On the 20th July last I received a letter from the Dunedin Association. I replied that day, stating that I would go into the matter, and write them fully at a later opportunity, which I did the following day. My letter suggested to them that they, the merchants, discussed the question of prices, and came to some understanding between themselves. That is the extent of the correspondence.

With regard to the Merchants' Association, I think the influence of this association is very much overestimated. Possibly you do not appreciate that in all the centres in New Zealand we have large retail establishments who do their own importing—in fact, within five minutes' walk of my own office there are six retail shops, each one of which annually imports far greater value than the largest wholesale merchant, and I am erring on the moderate side when I say that four out of the six even carry twice as much stock as our largest wholesale distributor.

I have had a talk with ———, and suggested a scale of prices drawn out by the other merchants. He flatly declined to sell on the terms proposed, stating that he is not particular about the matter, and that if we prefer not to supply him with Jeyes' fluid, he is quite willing after his forward orders come to hand to drop it altogether.

After reading these few remarks, you will no doubt weigh the matter over and give me definite instructions as to what I am to do. It has been my idea all along to make the sale of Jeyes' fluid profitable to the retailer, and reasonable to the public at the same time, and it is in consequence of following out this plan that our sales have increased so much.

When you first appointed me your agent I sat down and thought out a scheme. Please bear in mind that at that time Jeyes' fluid was, as far as the general public were concerned, an unknown quantity—Condy's fluid everywhere. In furtherance of my scheme I visited all the chief centres in New Zealand, with the object of opening up business with the merchants : result, my trip was a failure, the merchants declined to buy, owing to there being no demand.

I then thought out another scheme—namely, to ignore the wholesale importer (he would not look at Jeyes), and approach our large retail establishments, tempting them with good prices. My ideas took on—*vide* increase of sales. After a time I saw that the large retailers were placed in a better position than their smaller brethren, and I thought the time opportune to introduce a system of combination of smaller men purchasing Jeyes' fluid in wholesale quantities, and splitting the shipments up amongst themselves—thus letting them reap the same advantages as their larger competitors. The larger retailers have never once raised any objection to this. That my ideas were good ones is proved by the output. After a year or two the merchants became alive to the fact that Jeyes' fluid was on the market, and naturally they wanted to have a "cut in."

I thought possibly it would be as well to let them do some of the distributing, but in reason I could not see my way to desert the friends who helped me at the outset, and therefore I reserved to myself the right to continue supplying these people, and that really is the sore point with Mr. Beauchamp and his friends. ——— during all this time purchased from me very substantial parcels, and therefore it would hardly seem fair to now turn round and cut off their supplies, besides it must not be forgotten that ———'s business is worth to us (with one exception) as much as any other four buyers in the colony put together.

When our friend Beauchamp talked about 96 per cent. of the merchants belonging to the association, the statement might have impressed you somewhat ; but when you consider that, for instance, in Christchurch we have only four grocery distributors (Jeyes is here a grocers' line) belonging to his association, one naturally cannot help discounting his remarks. However, nothing like figures. One of the aforesaid four merchants for years past has only purchased Jeyes' fluid by the dozen. Another, since 9th November, 1908, only imported five half-tanks, and the remaining two last year got through about 750 dozen between them.

With regard to Wellington, Mr. Beauchamp's headquarters, I have, in addition to the older firms and retailers, a good connection there through a young man who was in my employ for twelve years. He left me to start a small business for himself, and it is needless to say we have worked together. Beauchamp's purchases in comparison to this lad's are not worth a second thought.

The position is this : The New Zealand merchants can try their level best, but they are powerless to stop large retailers doing their own importing on wholesale lines ; and as the retailer is the man who comes into direct communication with the public, it is to him we have to look to push our sales.

The remarks in Beauchamp's letter *re* arranging for some other brand of disinfectant is nothing more nor less than so much idle talk. I have got Jeyes' fluid on the market, and as long as the public can buy it at a reasonable rate, I would ask, what chance has another maker to come in ? None whatever. Increase your prices, and then there is the opportunity, but not without.