

47. Is it as well advertised?—Far better.

48. At what price do you sell Kolynos, when you do sell it?—1s. 6d. a tube.

49. And under what circumstances do you sell it?—If we are asked for it. We never interfere with a person's choice. If we are asked for our advice we give it, otherwise we give people what they ask for.

50. Do you display Kolynos and Colgate's?—No.

51. Why not?—If you display an article it is necessary to put your price on it, and you will find that the "cut-throat" man puts it in his window at 1d. or 2d. less, in order to attract people to his shop.

52. What do you say your overhead charges are?—I have never worked them out exactly, but we reckon in our association in Auckland that they are round about 25 per cent. That is on the whole turnover. Twenty-five per cent. of the turnover is absorbed in charges—that is, for a retail chemist and druggist's business.

53. Does that include payment of salary to yourself?—Oh, no.

54. *The Chairman.*] Do you pay yourself wages, or profit?—Profit, usually.

55. *Mr. Young.*] Is the cutting going on extensively at present in Auckland?—There is no cutting going on by any large chain of stores, but there is continually arising cases of small fancy-goods dealers cutting prices. That prevailed for a little while until they fizzled out. That is always going on, but we have not experienced it in any chain of stores.

56. But you have had experience of serious cutting in Auckland?—Yes. Wheeler was the last man who cut things about. He had a chain of stores, of course.

57. Do you know of any limited company which has done cutting lately?—Judging by the papers the Farmers' Union Trading Company are doing it at the present time.

58. You know what happened to Wheeler, of course?—Yes.

59. And why did you say that you did not display these articles and push them in the window; what was the reason?—The reason is that these articles are being cut from time to time, and we know that as soon as an article becomes well known it will certainly be cut by any chain of stores which starts a cutting campaign, and we prefer to push the articles which are not likely to be cut.

60. And you push an article because it will show you a margin of profit?—Exactly.

61. If two articles of similar quality show different rates of profit, which do you push?—Naturally, the one which will show the better profit.

62. *Mr. Gresson.*] Do all those lines of tooth-paste to which you have referred sell at 1s. 6d.?—Yes. There are two sizes in Pepsodent; with that exception they all sell at 1s. 6d.

63. With the exception of Kolynos, I think you can buy all those brands at 12s. 6d., and Kolynos at 14s. 6d.?—Pyrex, Royle's and Nyal's are 12s. 6d., but the others I am not certain of. I think Colgate's is the same as Kolynos.

64. But on the three lines you have mentioned you would make a higher profit than on Kolynos?—Yes.

65. And naturally you would sell those in preference to Kolynos?—Yes.

66. We have been told by some witnesses that price-cutting has been more severe during the last five or six years: is that your experience?—Yes, that is so.

67. Well, in spite of that you still stock the cut lines, like Kolynos?—Yes, we must do that. We have people coming in who perhaps do not want to buy the cut lines only: they may be making considerable purchases of other lines, and it is policy to be able to give them Kolynos, even without profit.

68. Would it be fair to say that, in addition to the factor of price-cutting reducing the sales of Kolynos, their sales are also affected by the fact that there is a cheaper article on the market competing with Kolynos?—No, I would not say that.

69. But you yourself have said so. You have said that you naturally push the article that you buy cheaper than Kolynos?—Yes, because Kolynos is cut.

70. But if it is a fact that you push the article which is cheaper than Kolynos, the sale of Kolynos will go down?—Yes, because it is cut.

71. You have already told me that you, as a chemist, will sell the article on which you make the most profit?—Yes.

72. Therefore you will sell those three other tooth-pastes in preference to Kolynos?—No; if the price of Kolynos had been maintained, we consider that we should not have had to stock those other three.

73. When did Kolynos come down to 14s. 6d.?—I could not say.

74. But it has been 14s. for the last two or three years?—Yes.

75. If it has been 14s. for the last two or three years, and if those others have been 12s. 6d., you will naturally sell the cheaper paste?—Yes.

76. With reference to the all-night dispensary, do many chemists in Auckland reside on their premises?—Practically none.

77. So there is really no outside trade competing with that of the all-night dispensary?—No. The chemists in Auckland are loyal to the dispensary.

78. I did not quite understand your statement about the pioneering done by the chemist. When you sell a new article on the market and push it you make your profit on each package you sell?—Yes.

79. Well, why do you complain?—For the simple reason that when we have done the pioneering-work there is a certain demand for it—it may not be big. Then the prices are cut, and we find ourselves with duplication of stocks, our work has been done for nothing, and our money is lying idle simply because these lines are cut.