

## THE FUTURE OF THE INDEPENDENT GROCER

The grocery business is in the aggregate the greatest in the country. It has been estimated that in the United States eighteen billion dollars are spent annually for food. The corner grocery is often spoken of in a contemptuous tone but the fact is that it is the most important establishment with which we have to deal. At least one-sixth of the average income is spent in it. By way of emphasising the importance of the grocery business in our social economy, it may be pertinent to consider statistics compiled by the Federal Department of Labor which indicate the part that the grocer plays in filling the food bill.

The total food consumed is taken as 100%. Of this, it is shown that the total fresh meat and poultry, including salt pork, amounts to 19.2%. The remainder, 80.8% represents groceries. In other words, 80.8% of the food consumed in the United States is distributed by the groceryman. The business done amounts to about \$14,544,000,000\* annually. This is a tremendous figure and a consideration of it should add no little regard to the lowly groceryman who supplies the most imperative need of life - food.

Perhaps the low opinion in which the grocery business is often held is one of the reasons why the problems of food distribution have not received the scientific attention that have been accorded to distribution of other commodities. The fact is that the business of food distribution is largely unorganized. The stores are generally small affairs each of which is a commercial unit presided over by its own proprietor who does his own buying and who also acts as salesman. To meet the demands of fickle housewives, the grocer is generally compelled to carry wastefully large stocks. Added to this, is the fact that most of the business is done on credit. Free delivery service coupled with liberal credit makes people extravagant. It is easy for some people to buy when they can pay in the future. Collections are usually slow and costly and the result is that bad debts are numerous. A large volume of business being done on credit, it is necessary for the grocer to buy almost entirely on credit.

\*The total operating revenue for the American railroads was in 1920 only a little over six billion dollars.