

MULTIPLE TYPES OF WHOLESALING

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INTRODUCTION

This is one of a series of reports presenting the findings of the first Census of Wholesale Distribution, which is a part of the Fifteenth Decennial Census of the United States. The statistics were collected in 1930 and cover the wholesale operations for the year 1929. This study was prepared under the general supervision of Robert J. McFall, chief statistician for distribution. The data were compiled under the immediate supervision of C. E. Warner, jr., expert in marketing.

The data for the Census of Distribution were secured by a field canvass covering every State, county, and city in continental United States. The canvass was based upon wholesale establishments which are defined, for census purposes, as places of business where goods are sold in a wholesale manner. *Consequently, no establishments are included in this study unless over 50 per cent of their sales were made at wholesale.* A wholesale establishment may take the form of a store which does not generally sell to the public; a wholesaling warehouse; an office; or part of an office, as when the office is shared with other similar establishments. The census was taken on the basis of establishments in order to facilitate the canvass and to make it possible to present data by geographic areas. A separate report was required for each establishment, regardless of whether or not it was owned or operated as part of a larger business organization. Wholesale peddlers, as well as others who maintained no place of business, were not included in this census.

Nature of multiple-type wholesaling.—The existence of multiple types of wholesaling, i. e., *the practice on the part of a wholesale establishment of engaging in two or more separate and distinct, though sometimes closely related, types of wholesaling*, is well known to the different factors in the various trades. As a matter of fact, the extent of such practice has been greatly exaggerated, as will be shown in the following pages, and many wholesalers and others have been unduly alarmed by what they consider an encroachment by certain types of wholesale organizations on the business of other types operating in the same line of trade.

The explanation for the development of multiple-type wholesaling is not difficult to find. The practice grows out of the very nature of business itself. Men engage in wholesale trade in anticipation of earning profits. Although they may select a particular method of operation, many of them will usually adhere to that method only in so far as it seems to them most profitable to do so. They seldom hesitate to broaden the scope of their activities if by so doing it is possible for them to secure additional profits. Consequently, we find wholesalers engaging in retailing activities, as well as retailers engaging in wholesaling operations. Brokers often compete with wholesalers by selling to retail accounts, particularly the larger ones. Even when they do not sell to retailers, brokers often offend wholesalers when they also engage in merchandising activities, with the result that they do not serve their principals as they might. In the fruit and vegetable

trade, for example, there is the general feeling that commission merchants do not confine their operations to consignment selling, but that they frequently engage in a straight wholesaling business as well by buying and selling goods on their own account. Wholesalers, in turn, may frequently handle merchandise on a brokerage or commission basis, thus deviating from the functions normally belonging in the province of such organizations.

Attitude toward the practice.—Trading ethics usually frowned upon multiple-type wholesaling. It is held to be unethical, for example, for a wholesaler to compete with his customers by selling to consumers at retail. Brokers have been criticized for engaging in merchandising activities, and so on. In the grocery trade a rather elaborate set of trade practice rules has been drawn up and subscribed to by a large proportion of the national grocery industry, including manufacturers, brokers, and wholesalers. To quote from this set of rules, "The industry recognizes as beneficial to the grocery trade the work of the duly qualified food brokers, but condemns the practice of other than bona-fide brokers acting in that capacity and receiving brokerage commissions."¹

In spite of this general feeling against multiple types of operation, the practice still persists. Heretofore only conjecture as to its extent has been possible. Like many other developments in business, it is probably more annoying than extensive and has perhaps received more attention than is merited in most trades.

Basis for the study.—This study is based on an analysis of the answers to inquiry 2 (type of establishment) in the wholesale schedules used in cities having 10,000 population or more. Space was provided in this inquiry for check marks (✓) opposite each of a number of types of wholesale organizations. Every establishment which indicated, in answer to this inquiry, that it performed the functions of two or more types of wholesale organizations was required to report the volume of sales transacted in each manner. Thus, if a commission merchant, whose normal business consists of accepting goods for sale on consignment, also engaged in merchandising, i. e., in the actual purchase and sale of goods on his own account, check marks (✓) were placed opposite both terms "commission merchant" and "wholesale merchant," and the volume of business transacted by each method was reported at the bottom of the inquiry in spaces provided for the purpose.

To insure complete information on this subject, letters were sent out to each establishment checking more than one type of operation which neglected to report the sales by each type. In addition, a special letter was sent to every establishment reporting itself as a commission merchant, inquiring whether or not any business was done on a straight wholesaling basis and, if so, the amount. As a result of the field canvass and the follow-up work it is believed that the information herein contained represents an unusually complete picture of this interesting, but little known, phase of wholesaling.

Method of presentation.—As a result of the Census of Wholesale Distribution the extent of multiple type wholesaling can now be measured with a high degree of exactitude. The information is first presented by type of establishment, based on the principal method of operation, as will be explained in detail in the pages immediately following. In addition to this, the data are analyzed by kind of business or line of trade in which the establishments operated, such as grocery, drug, or hardware. The same classification of kind of business used in the State series of reports and in the United States volume on wholesale distribution has been followed here.² Kinds of business have been divided into 24 trade groups, which were further subdivided into 88 major classifications, and 343 minor or detailed classifications. In this study it has not been found possible to go beyond

¹ Federal Trade Commission press release, Mar. 14, 1932.

² For more detailed information on wholesale definitions and classifications, see Bulletin Distribution No. W-100. A copy of this bulletin will be sent by the Bureau of the Census upon request.

the 88 major classifications of kind of business in presenting the figures. Under kind of business each establishment was classified on the basis of the principal line or lines of merchandise handled. *This classification is, therefore, on a commodity basis, but it should not be confused with statistics on sales by commodities, since many establishments carry other commodities in addition to the dominant line by which they were classified.*

TYPES OF WHOLESALING

Classification of establishments by type of wholesaling.—To further clarify the character of the information analyzed in this report, it is important to understand the methods used in classifying establishments by the type of wholesaling in which they engaged. The approach to this problem is primarily on a functional basis. An establishment which engaged in the purchase and sale of goods at wholesale, maintaining a warehouse for the storage of such merchandise, employing salesmen for the solicitation of business, providing delivery service, and performing such other marketing functions as the extension of credit, was classified as a wholesale merchant or full-function wholesaler. (See complete definition of wholesale merchants, below.) In addition to these establishments, which are also popularly referred to as "service" wholesalers or just wholesalers or jobbers, there are in some trades as in the grocery business, for example, a number of newer types of wholesale distributors including drop shippers or desk jobbers; wagon distributors; and cash-and-carry wholesalers. There are also agents or brokers, operating in a number of trades who specialize in the performance of a single function such as buying or selling, as well as exporters, importers, and a number of other types of distributors. Altogether 43 different types have been isolated as a result of an examination of the wholesale schedules. The following 11 types of wholesale establishments reported that they engaged in two or more types of wholesaling to a sufficient extent to justify their inclusion in this report:

- | | |
|-----------------------------|--------------------------------|
| Brokers. | Manufacturers' agents. |
| Cash-and-carry wholesalers. | Manufacturers' sales branches. |
| Commission merchants. | Selling agents. |
| Drop shippers. | Wagon distributors. |
| Exporters. | Wholesale merchants. |
| Importers. | All other types. |

Types of wholesale establishments defined.³—The types of establishments listed above have been defined, for census purposes, as follows:

Brokers are wholesale middlemen whose function it is to negotiate transactions between buyers and sellers. They act as agents for their principals, who are usually wholesalers or producers, although they sometimes represent retailers as well. Brokers may represent either buyers or sellers in a given transaction, or both. (In certain fields brokers may concentrate largely on the buying of goods for their clients. In such cases they are frequently designated as buying brokers.) They do not take title to the goods to which their negotiations apply except incidentally, nor do they ordinarily have possession of the goods or finance their clients.

Brokers are not bound to any set of clients but operate freely in the wholesale field. Their relations with any one client are not continuous as they are in the

³ These establishments are called multiple type wholesalers although they were classified on the basis of their major type of wholesaling activity. If, for example, an establishment reported merchant wholesaling (outright buying and selling), cash-and-carry wholesaling, and also sales made on a commission basis it was classified as one of the three only, the decision being based upon the method showing the largest volume of sales.

case of selling agents or manufacturers' agents. The remuneration of brokers is in the form of a commission or fee, based upon the value of the goods or upon the quantity of merchandise involved in the transaction. The quantity unit may be a carload, a ton, a bag, a box, or some other package. In addition to performing the functions of buying or selling, their chief function consists in advising their clients as to market conditions; for knowledge of such conditions, of sources of supply, and of outlets is their main stock in trade. Normally brokers do not handle the invoices and have nothing whatever to do with the amounts invoiced. (In the grocery trade it is difficult to distinguish between brokers, selling agents, and manufacturers' agents, the three terms frequently being used in a synonymous manner.)

Cash-and-carry wholesalers buy and sell merchandise in their own name, carry stock in storage, assemble in large quantities, and sell in smaller amounts to retail and other dealers who call for the goods at their places of business and pay cash for them. They are to be distinguished from wholesale merchants by the fact that they usually carry a reduced line of products, mostly staples, and fast-moving items, and do not extend credit to the retailer, nor to they make free deliveries. As a rule, they employ no outside salesmen, hence they reduce the wholesale merchant's emphasis upon the selling function and at the same time cut down upon the amount of market information which the full-function wholesaler makes available for his customers. Frequently, such establishments are operated as branches of "service" wholesalers in order to meet competition from chains, cooperatives, and other cash-and-carry jobbers. For purposes of the census of distribution, only establishments that sell primarily on a cash-and-carry basis are regarded as cash-and-carry wholesalers.

Commission merchants handle commodities consigned to them on a commission basis. As commission merchants, they do not take title to the goods they sell for their clients. It is their practice, when the goods require it, to maintain places of business suitable for the handling, conditioning, warehousing, and selling of merchandise. In some few lines of trade, commission merchants, or commission houses, act purely as shippers' agents, but in most lines of business they combine some merchant business with commission dealing. When acting in the capacity of agents for their principals, it is the practice of commission merchants, when the goods require it, to prepare them for the market, to sell them at the best possible prices, and to remit the proceeds after deducting commissions and other charges. In this capacity commission merchants always represent sellers. When the emphasis is placed, however, on outright purchasing, so-called commission merchants become in reality wholesale merchants and are so classified for the purpose of the census of distribution. Thus, a concern is classed as a commission merchant only when the sales handled on a commission or consignment basis exceed 50 per cent of the total volume reported.

Drop shippers or desk jobbers usually operate from offices. They do not perform the functions of warehousing or storage and transporting or delivery, since all orders solicited from retailers and others who buy on a wholesale basis are shipped directly from the manufacturers to such retailers and other customers. While they buy and sell in their own names, assume some risk and may extend credit, drop shippers are to be sharply distinguished from the full-function wholesalers who physically handle the goods. Special provision has been made to show in another connection the amount of business done on a drop shipment basis by so-called regular wholesalers. Under this classification are listed only those wholesale merchants who do all or the bulk of their business on a drop-shipment basis.

Exporters are wholesale merchants selling in the foreign rather than in the domestic market. Furthermore, their sales may be largely to wholesale mer-

chants abroad or to industrial consumers, instead of to retail merchants, as is largely the case with wholesale merchants in domestic trade. (See wholesale merchants.)

Importers in the wholesale field are to be largely identified with wholesale merchants as far as functions are concerned. The chief distinction lies in the source of purchases which, for importers, is in the foreign market. Furthermore, the sales by importers may be made largely to wholesalers or to industrial consumers rather than direct to retailers.

Manufacturers' agents sell part of the output of certain manufacturers with whom continuous relations are maintained. These agents are limited with respect to (a) territory of operations, and (b) prices and terms of sale. Their principal function is selling, although they may also warehouse some of the goods. The compensation of manufacturers' agents is usually in the form of commissions but sometimes they may work on a salary basis. Manufacturers' agents, as used in this census, are in business for themselves and usually represent two or more manufacturers, the accounts consisting ordinarily of noncompeting but supplementing lines of merchandise. (This type of middleman is not to be confused with brokers or with selling agents.)

Manufacturers' sales branches are wholesale outlets owned and operated by manufacturers largely or entirely for the distribution of their own products. The purchasing aspect is stressed little, since most or all of the merchandise is manufactured by the parent concerns. The emphasis is largely upon the selling function. In fact, some manufacturers' sales branches carry no stocks and confine their activities to the promotion of sales and the securing of actual orders, while others operate in every detail like bona fide service wholesalers but with little or no emphasis on buying. The demarcation is rather sharp as between certain trades, the steel business illustrating the former type and the meat packing business the latter. (See Bulletin W-100, Definitions and Classifications, on General Sales Offices and District Sales Offices.)

Selling agents are independent operators working on a commission basis performing chiefly the selling function. They usually sell the entire output of a given line of goods for one or more manufacturers with whom they maintain continuous relations. In a great many cases they give their clients financial assistance. Selling agents differ from manufacturers' agents in the following respects: (1) They normally handle the entire output of their clients; (2) they may sell everywhere while manufacturers' agents are limited in their territory of operation; (3) they have full authority with regard to prices, terms, etc., while manufacturers' agents are limited in this regard; and (4) they frequently finance their clients and offer assistance in connection with their advertising and other sales-promotion activities. (Selling agents are not to be confused with brokers or manufacturers' agents.)

Wagon distributors or wagon jobbers perform the wholesale functions of buying, selling, warehousing or storage, and delivery or transportation. Occasionally they extend credit to their customers. Their chief distinction from ordinary wholesalers lies in the following points:

1. They combine the functions of salesmen with those of deliverymen. In other words, no separate sales force is employed, the work of selling and delivery being carried out by salesmen-drivers.
2. They normally carry a limited assortment of merchandise, consisting of nationally advertised specialties and fast-moving items of a perishable nature.
3. Normally they sell for cash and in original packages.

Wholesale merchants, or jobbers, sometimes designated as service wholesalers or full-function wholesalers, perform all of the principal wholesale functions. They

buy merchandise outright and sell on their own account. They maintain places of business, including warehouses for the storage of the surplus merchandise required by their communities. In most of the trades they usually sell to dealers by means of salesmen who call upon the trade regularly. They extend credit and make deliveries. They assemble certain lines of merchandise in large lots and redistribute them in smaller quantities. In some trades, particularly where the merchandise is of a perishable nature or derived from unstandardized production, the wholesale merchants must perform the function of grading and standardization. Finally, it is necessary that the wholesale merchants assume the risk incident to their type of business activity.

Wholesale merchants appear under many guises in many different trades. They may carry an extensive line of products of a varied nature or they may be highly specialized dealers in a single commodity. In the petroleum trade they commonly operate under the name of bulk tank stations, and have been so classified. When their activities are limited to sales to retail stores owned by a single manufacturing or mining company and operated in the interests of the employees of such company, the wholesale merchants become wholesale commissaries, and have been so classified. When engaged in international trade they may be either export merchants or importers. Wholesale merchants frequently operate under the name of jobbers. In the machinery, equipment, and supply business wholesale merchants often operate under the title "Supply and machinery distributors" or are designated as industrial distributors. Sales by these latter firms are made to industrial consumers and to retail and wholesale merchants for utilization rather than for resale. For census purposes, such establishments have been classified, under certain conditions, as "Supply and machinery distributors." Many dealers in mill supplies are included under the heading of "Wholesale merchants," however, because the bulk of their business was in hardware or plumbing and heating supplies, with mill supplies as an adjunct to their main business. In the field of agricultural commodities the two chief kinds of wholesalers included in this category are wholesale receivers, or car-lot receivers, and jobbers.

EXTENT OF MULTIPLE TYPE OF WHOLESALING

The extent to which wholesale establishments engage in two or more distinct, although frequently closely related, types of operation is perhaps not so great as anticipated, though substantial in absolute amount. There were 4,585 establishments with net sales of \$4,582,073,395 which reported multiple types of wholesaling. These establishments constituted 2.7 per cent of all wholesale establishments, and accounted for 6.6 per cent of total net sales. Moreover, these establishments were divided very largely among 10 out of a total of 43 types of wholesale establishments, the other types reporting this practice being too infrequent to justify their inclusion in this analysis.

Considerable variation may be noted in the extent to which different types of wholesale organizations engaged in more than one type of wholesaling. (See Chart I.) *Manufacturers' sales branches*, for example, reported such practice for only 1.7 per cent of their establishments. At the other extreme, 19.2 per cent of all *exporters* engaged in multiple type wholesaling. From the standpoint of volume of business, multiple type wholesaling was least important in the case of *manufacturers' sales branches*, since only 2.7 per cent of the sales by all such establishments was reported by those engaging in more than one type of operation. On the other hand, 36.8 per cent of the sales of all *wagon distributors* was reported by organizations which also engaged in other types of wholesaling activity. In the case of *importers* also a large per cent (27.7 per cent) of total sales was reported by

those importers who engaged in other types of wholesale operation, in addition to that of importing.

Only four types of wholesalers, namely, *commission merchants*, *drop shippers*, *exporters*, and *importers* reported more than 10 per cent of the total number of establishments as engaging in two or more distinct types of wholesaling. (See Table 1.)

TABLE 1.—EXTENT OF MULTIPLE TYPES OF WHOLESALING, BY TYPE OF ESTABLISHMENT—UNITED STATES: 1929

TYPE OF ESTABLISHMENT	Total number of all establishments	Total net sales of all establishments	Establishments reporting multiple-type wholesaling		Net sales of establishments reporting multiple-type wholesaling	
			Number	Per cent of total	Amount	Per cent of total
UNITED STATES, total.....	109,702	\$60,291,547,604	4,585	2.7	\$4,582,073,305	6.6
Brokers.....	3,689	4,037,944,460	210	5.7	217,400,696	5.4
Cash-and-carry wholesalers.....	760	178,805,645	54	7.1	23,320,563	13.0
Commission merchants.....	3,478	4,072,631,831	448	12.9	448,190,228	9.5
Drop shippers.....	593	242,268,948	74	12.7	38,064,563	16.0
Exporters.....	754	1,507,824,410	145	19.2	202,960,620	13.5
Importers.....	2,232	1,808,328,826	279	12.3	500,722,885	27.7
Manufacturers' agents.....	6,937	1,775,355,238	386	5.5	146,216,176	8.2
Manufacturers' sales branches.....	16,515	14,812,195,800	281	1.7	403,196,695	2.7
Selling agents.....	3,290	2,622,668,330	224	6.0	512,469,300	19.5
Wagon distributors.....	817	89,780,363	81	9.9	33,018,627	36.8
Wholesale merchants.....	74,328	25,423,299,013	2,295	3.1	1,778,258,163	7.0
All other.....	56,216	12,040,622,332	168	.2	277,657,091	2.3

MULTIPLE TYPES OF WHOLESALING, BY TYPE OF ESTABLISHMENT

Eleven types of wholesale establishments—including brokers, cash-and-carry wholesalers, commission merchants, drop shippers, exporters, importers, manufacturers' agents, manufacturers' sales branches, selling agents, wagon distributors, and wholesale merchants—have been analyzed on the basis of the extent to which each group engaged in wholesaling operations normally carried on by other specialized types of wholesale organization. The outstanding fact which an examination brings out is that auxiliary operations are relatively much less important than the main activity engaged in by the type of establishment concerned. In only one case, that of *cash-and-carry wholesalers*, did the combined extent of the multiple operations, apart from the major line of activity by which it was classified, exceed 30 per cent of the total volume of business and in that case it amounted to only 32.9 per cent of the business of the cash-and-carry wholesalers so operating. *Selling agents* departed least from their own special type of operation, nearly 82 per cent of their sales being on a sales agency basis. *Importers* were a close second with importing making up 80.9 per cent of their business.

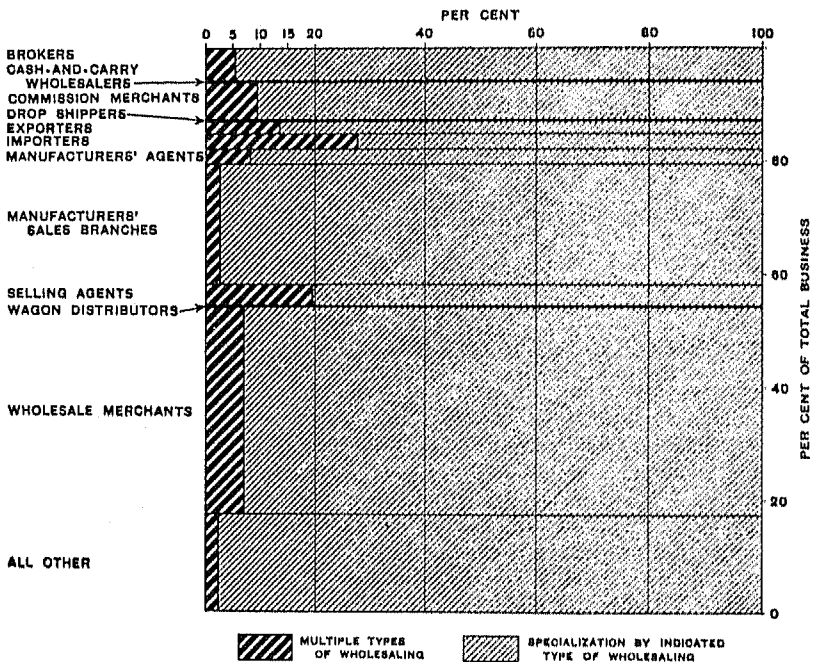
Another interesting and significant fact is that multiple methods for most types of wholesalers were largely restricted, as far as per cent of sales are concerned, to one or two types of operation frequently closely related to the major line of specialization. (See Table 2 and Chart II.) *Brokers*, for example, reported 76.2 per cent of their total business to be on a brokerage basis and 4.8 per cent on a commission merchant basis which, of course, is closely related to straight brokerage. They also showed 0.9 per cent and 3.4 per cent as manufacturers' agents and sell-

ing agents, respectively, making the closely related agency and brokerage business amount to 85.3 per cent of their total net sales. Of the remaining business, 11.6 per cent was handled on a merchandising basis similar to that followed by the straight wholesale merchant. *Cash-and-carry wholesalers* divided their business almost entirely between cash-and-carry wholesaling and straight service wholesaling, the percentages being 67.1 per cent and 31 per cent, respectively, or a total of 98.1 per cent.

In the case of *commission merchants*, the same procedure was followed in classifying as was applied to all of the other types of establishment. No establishment was classified as a commission merchant unless business in excess of 50

CHART I.—EXTENT OF MULTIPLE TYPES OF WHOLESALING, BY TYPE OF ESTABLISHMENT—UNITED STATES: 1920

[Total net sales=100 per cent. Width of bars measures relative volume of total net sales by each type of establishment]



per cent of the total was handled on a commission basis. This method of classification eliminated a considerable number of so-called commission merchants who were actually engaging in a strictly wholesale merchant business to the extent of over half of their total sales. It is noteworthy that of the commission merchants reporting more than one type of operation, 70.8 per cent of the business was strictly commission business, whereas 17.2 per cent was on the basis of outright purchase and sale typical of the wholesale merchant. These two types of activities together accounted for 94 per cent of the business of commission merchants. *Drop shippers*, or wholesale middlemen who normally do not handle the goods they sell but take orders which are shipped by the producer directly to the customer, reported 70.3 per cent of their business to be on a drop shipment basis, 16.8 per cent on a wholesale merchant basis, 3.6 per cent on a brokerage basis, and 6 per cent on an agency basis representing manufacturers. *Exporters*

divided their business largely between exporting, importing, and straight wholesaling, the percentages being 70, 15, and 9.4, respectively. In addition they reported 2.9 per cent on a brokerage basis. *Importers*, like exporters, concentrated largely on the same three activities of importing, exporting, and straight wholesaling with 80.9 per cent, 11.5 per cent, and 3.4 per cent of sales reported by each method in the order named or a total of 95.8 per cent by the three methods.

Manufacturers' agents with 76.5 per cent of their business on an agency basis, 1.6 per cent as selling agents, 0.7 per cent on a brokerage basis, and 0.9 per cent on a commission merchant basis showed a fairly high degree of concentration in their line of specialization, although they also reported 11.3 per cent of their business on a wholesale merchant basis.

It is interesting to note that manufacturers' sales branches did not confine their operations entirely to the sale of their own products. In addition to handling their own merchandise they served in the capacity of wholesale merchants and as agents or representatives for other manufacturers to the extent of 16.4 and 5.4 per cent of their total sales respectively. They also reported 3.1 per cent of their sales by the exporting method; import business to the extent of 1 per cent; commission merchant business, 1.2 per cent; and a small amount on a drop shipment basis. It is particularly interesting, in examining the reports presented by a number of manufacturers' sales branches, to note that in a number of cases a sales branch originally established for the marketing of the products of the manufacturer has taken on additional wholesaling activities to such a degree that the original business is considerably exceeded by the auxiliary activities.

As pointed out above, *selling agents* with 81.9 per cent of their business on a sales agency basis were the most consistent specialists. In addition to their main type of activity they engaged in the closely related operations of brokers and commission merchants to the combined extent of nearly 6 per cent of their business. They handled 4.7 per cent of their total sales on a wholesale merchant basis and also engaged in exporting and importing.

Wagon distributors divided their business very largely between their own specialized type of operations and those of wholesale merchants, the ratio being 73.7 per cent and 16.9 per cent, respectively, or a total of 90.6 per cent. Over 5 per cent of their business was in export sales and over 2 per cent was on a cash-and-carry basis. Wagon distributors, however, shared the distinction with wholesale merchants of being the only type of wholesaler which reported some of its business by each of the other types of operations.

Wholesale merchants reported 77.2 per cent of their business to be on a straight service wholesaling basis with 6.8 per cent as commission merchants, 2.7 per cent as brokers, 1 per cent as manufacturers' agents, and 1.4 per cent as selling agents. In addition, wholesale merchants engaged in exporting and importing to the extent of 3.3 per cent and 2.6 per cent of net sales, respectively, and reported 1.2 per cent as cash-and-carry wholesalers and 1.1 per cent as wagon distributors, although it is probable that the data on the extent to which service wholesalers operated as drop shippers or cash-and-carry wholesalers are less complete than is true of the other types of operation.

TABLE 2.—PER CENT OF NET SALES BY TYPE OF WHOLESALE ESTABLISHMENTS FOR ESTABLISHMENTS REPORTING OVERLAPPING FUNCTIONS—UNITED STATES: 1929

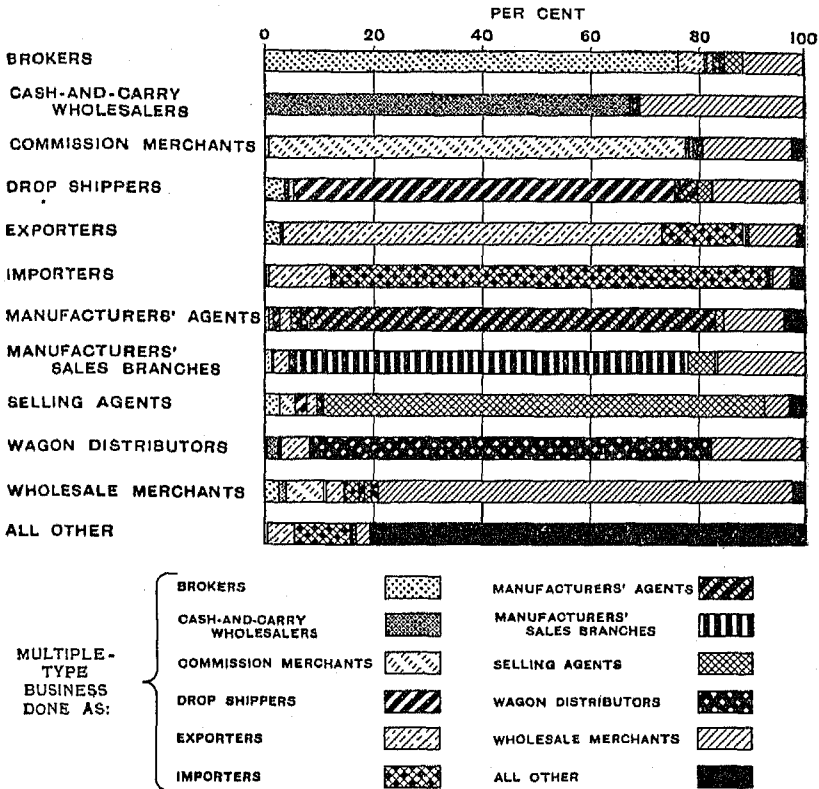
TYPE OF ESTABLISHMENT	All functions	OVERLAPPING FUNCTIONS											
		Brokers	Cash-and-carry wholesalers	Commission merchants	Drop shippers	Exporters	Importers	Manufacturers' agents	Manufacturers' sales branches	Selling agents	Wagon distributors	Wholesale merchants	All other
Brokers.....	100	76.2	-----	4.8	0.5	1.4	1.1	0.0	-----	3.4	-----	11.6	0.1
Cash-and-carry wholesalers.....	100	-----	67.1	.6	.8	-----	-----	-----	-----	-----	0.4	31.0	.1
Commission merchants.....	100	.7	-----	76.8	.5	.8	.8	.7	-----	.3	-----	17.2	2.2
Drop shippers.....	100	3.6	.7	-----	70.3	-----	-----	3.3	-----	2.7	.1	16.8	.7
Exporters.....	100	2.9	-----	.3	-----	70.0	15.0	.6	-----	.4	-----	9.4	1.4
Importers.....	100	.1	-----	.5	-----	11.5	80.9	.4	-----	.7	-----	3.4	2.5
Manufacturers' agents.....	100	.7	-----	.9	1.2	2.0	1.9	76.5	-----	1.6	-----	11.3	3.0
Manufacturers' sales branches.....	100	-----	-----	1.2	.2	3.1	1.0	.2	72.2	5.2	.5	16.4	-----
Selling agents.....	100	2.7	-----	3.0	2.0	1.7	1.2	.1	-----	81.9	-----	4.7	2.7
Wagon distributors.....	100	.3	2.1	.2	.3	5.4	.1	.8	-----	.3	78.1	16.8	.6
Wholesale merchants.....	100	2.7	1.2	6.8	.6	3.3	2.6	1.0	-----	1.4	1.1	77.2	2.1
All other.....	100	.06	.02	.20	-----	5.15	10.26	.31	-----	.60	.02	2.51	80.89

It is well known that wholesaling has long been subject to considerable pressure. Competition from newer types of retail institutions, such as department stores and chain systems, has made the position of the old line wholesaler a difficult one at best. Consequently, wholesalers have been groping, especially during the last decade or so, for new methods that will enable them to meet this new competition more effectively. The fact that such types as cash-and-carry wholesalers and wagon distributors have made their appearance in recent years in evidence of this attempt, not always successful, to find a more efficient method of performing wholesaling functions, or at least to reduce the costs of operations. The statistics on multiple types of wholesaling, indicating as they do, that wholesale merchants have also engaged in cash-and-carry wholesaling and in wagon distribution, as well as in a number of other activities, are but a reflection of the manner in which these changes work themselves out. The wholesaler may experiment first with one new method and then with another until he finds that system which is best suited to his own needs. Many cash-and-carry wholesalers were formerly full-service wholesalers who found it difficult to compete satisfactorily by the older methods and gradually shifted over to a cash-and-carry basis.

In conclusion of this phase of the analysis, it should be emphasized that from one point of view multiple-type wholesaling represents a small part of wholesaling activity. This is evidenced by the *relatively* small degree to which wholesale organizations engaged in the practice (as shown in Table 1) and the *relatively* small per cent which the auxiliary types of operation constitute of the total as compared with the major activity in each case (as shown in Table 2). From another standpoint, however, multiple-type wholesaling is of great significance. In the first place, it represents a volume of business in excess of \$4,500,000,000. Secondly, organizations so operating constitute a peculiar phenomenon, a departure from the orthodox. Thus, while anywhere between 70 and 80 per cent of the business reported by the establishments engaged in multiple-type wholesaling is confined to their major type of activity, according to which they were classified, the significant thing is that as high as 20 or 30 per cent of their business was

transacted on different bases. After all, it is this 20 to 30 per cent that is the cause of irritation and represents the extent of the deviation from the expected. In the third place, this phenomenon has particular significance for the student of the broad changes and trends in distribution. As future censuses of distribution are taken, comparisons on this score should prove illuminating.

CHART II.—PER CENT OF NET SALES OF MULTIPLE-TYPE ESTABLISHMENTS, BY TYPE OF WHOLESALING—UNITED STATES: 1929



MULTIPLE-TYPE WHOLESALING, BY KIND OF BUSINESS 4

Table 5 shows the extent to which multiple-type wholesaling prevails in the different lines of trade. It gives the total number of establishments for each of 88 kind of business classifications, their net sales, and the number of establishments, together with their net sales, that engaged in multiple-type wholesaling. The percentages under these latter two figures are based on the number of establishments and their net sales, respectively, of the kinds of business for the entire United States opposite which they are shown.

The analysis of the statistics in Table 5 showing multiple-type wholesaling by kind of business may be approached in two general ways. First, it is of importance to know the extent of the practice in each line of trade. This may be measured by the number of establishments in a given line of trade so engaged as

4 In this study the terms "kind of business," "trade," and "line of trade," are used interchangeably, since they are so recognized in actual practice.

compared with the total number of establishments operating in that kind of business or line of trade. It may also be measured by the net sales involved in multiple-type wholesaling in a given line of trade as compared with the total net sales for that line of trade. A summarized statement of this situation is shown in Table 3, below.

TABLE 3. EXTENT OF MULTIPLE-TYPE WHOLESALING, GENERAL SUMMARY: 1929

ESTABLISHMENTS		NET SALES	
Number of trades	Per cent of establishments	Number of trades	Per cent of net sales
67	Under 5 per cent.	47	Under 5 per cent.
18	5 per cent and under 10 per cent.	19	5 per cent and under 10 per cent.
3	10 per cent and under 20 per cent.	18	10 per cent and under 20 per cent.
-----	20 per cent and under 30 per cent.	3	20 per cent and under 30 per cent.
-----	30 per cent and under 40 per cent.	1	30 per cent and under 40 per cent.

This summary shows at a glance that all of the 88 different kinds of business reported multiple-type wholesaling and that the practice on the part of wholesale organizations of engaging in two or more distinct types of wholesaling is not confined to any special kind of business. Not only that, but it indicates the extent of the practice, by showing what per cent of the establishments engaged in multiple-type wholesaling and what per cent of the net sales were thus involved. Thus, there were 67 trades in each of which less than 5 per cent of the establishments engaged in multiple-type wholesaling.

In addition to the fact that in each of 67 of the 88 lines of trade, less than 5 per cent of the number of establishments performed two or more types of wholesaling, it is significant, conversely, that over 95 per cent of such establishments were true to type (as classified) to the fullest extent. In each of 18 kinds of business, between 5 and 10 per cent of the establishments reported multiple types of operation. In only three of the lines of trades was the number of establishments engaged in multiple-type wholesaling in excess of 10 per cent.

From the standpoint of net sales or the volume of business involved, multiple-type wholesaling becomes more significant even on the basis under discussion. While less than 5 per cent of the establishments followed this practice in as many as 67 of the 88 lines of trade, only 47 lines of trade reported net sales by multiple-type establishments less than 5 per cent of the total for the respective trades involved. In each of 19 of the trades the per cent of net sales handled by multiple-type concerns was between 5 and 10, while in 18 lines of trade from 10 to 20 per cent of the business was transacted by such establishments. In four more kinds of business the multiple-type organizations sold over 20 per cent of their respective totals.

A second way of treating this subject is from the standpoint of the absolute number of establishments and the absolute amount of business handled by such establishments that engaged in the performance of two or more distinct types of wholesaling. Table 4 throws much light on this point. It indicates the 10 kinds of business that were leading, as far as multiple-type wholesaling is concerned, in one or more of four things: The absolute number of establishments so operating, the per cent of all establishments in a given trade performing the functions of two or more types of operations, the absolute amounts of net sales

handled by the establishments engaged in multiple-type wholesaling, and the per cent of net sales that these establishments handled as compared with the total sales of all the establishments in a given line of trade.

As shown in this table, the fresh fruit and vegetable trade occupies first rank as far as the absolute number of establishments that engaged in multiple-type wholesaling is concerned. Not only that, but these establishments led in the net sales all other trades in which multiple-type wholesaling was practiced. However, the percentage of establishments in the fresh fruit and vegetable trade that engaged in multiple-type wholesaling was relatively small, as compared with the total number of establishments operating in that line of business. The same was true of the per cent of net sales of such concerns as compared with the total business in that line of trade.

This means that while the fresh fruit and vegetable trade led all other lines of business, as far as the absolute number of establishments that engaged in multiple-type wholesaling and the net sales of such establishments, relatively to the total number of establishments operating in the fruit and vegetable trade and their net sales, this type of operation was not very significant. On the other hand, the largest per cent of establishments engaging in multiple-type wholesaling was the general merchandise field, and these establishments also led that particular trade in the per cent of net sales.

TABLE 4. THE 10 KINDS OF BUSINESS LEADING IN MULTIPLE-TYPE WHOLESALING

KIND OF BUSINESS	RANK OF ESTABLISHMENTS ENGAGED IN MULTIPLE-TYPE WHOLESALING, ACCORDING TO—			
	Number of establishments	Per cent of establishments	Net sales	Per cent of net sales
Chemicals (industrial).....	8	3	10	-----
Cotton (raw).....	-----	-----	4	-----
Dry goods (general line).....	-----	6	0	5
Farm supplies (except feed and fertilizer).....	-----	7	-----	7
Food and grocery specialties.....	4	-----	7	-----
Fruits and vegetables (fresh).....	1	-----	1	-----
General merchandise.....	1	1	5	1
Grain.....	-----	-----	0	-----
Groceries (general line).....	2	-----	3	-----
Hides, skins, and furs.....	-----	-----	-----	10
House furnishings.....	10	-----	-----	-----
Jewelry.....	9	-----	-----	-----
Leather and leather belting.....	-----	5	-----	8
Lumber and millwork.....	7	-----	-----	-----
Manufacturing, mining, and drilling machinery, equipment and supplies.....	3	-----	-----	-----
Metals and metal work (other than iron and steel).....	-----	9	2	4
Oils and greases (animal and vegetable).....	-----	2	-----	-----
Piece goods.....	6	8	8	-----
Plumbing equipment and supplies.....	5	4	-----	9
Shoe findings and cut stock.....	-----	-----	-----	2
Textiles and textile materials (other than dry goods).....	-----	10	-----	-----
Toilet articles and preparations.....	-----	-----	-----	3
Wool and mohair.....	-----	-----	-----	6

In other words, multiple-type wholesaling presented a real problem in the general merchandise trade, the shoe-findings and cut-stock trade, the toilet-articles trade, the metal and metal-work (other than iron and steel) trade, the dry goods (general line) trade, the wool and mohair trade, the farm supplies (except feed and fertilizer) trade, the leather and leather belting trade, the plumbing equipment and supplies trade, and the hides, skins, and furs trade. In each of these 10 lines of business, in the order mentioned, multiple-type wholesaling affected a substantial amount of the total volume. But the total net sales

handled by these 10 trades amounted to only \$1,037,448,816, as against \$2,440,-684,042 in net sales reported by the 10 lines of business leading from the standpoint of absolute amounts involved in multiple-type wholesaling. On this latter basis, the fruit and vegetable (fresh) trade takes first position, followed in order by the metals and metal-work (other than iron and steel) trade, the grocery (general line) trade, the raw cotton trade, the general merchandise trade, the grain trade, the food and grocery specialties trade, the piece goods trade, the general line dry-goods trade, and the industrial chemical trade. As to which of these methods of approach is the more significant depends largely upon the purpose in mind.

TABLE 5.—EXTENT OF MULTIPLE-TYPE WHOLESALING, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS	TOTAL		MULTIPLE-TYPE WHOLESALING			
	Number of establishments	Net sales	Establishments reporting		Net sales of establishments reporting	
			Number	Per cent of United States total for kind of business	Amount	Per cent of United States total for kind of business
UNITED STATES, total.....	160,702	\$69,291,547,604	4,585	2.7	\$4,582,073,305	6.6
Amusement and sporting goods:						
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	730	161,138,801	26	3.6	11,890,452	7.4
Cameras and motion-picture equipment and supplies.....	716	324,261,482	5	.7	237,832	.1
Automotive:						
Automobiles and other motor vehicles.....	743	1,226,346,751				
Automotive equipment.....	2,153	489,797,309	55	2.6	12,295,111	2.6
Automobile parts (new and used).....	1,049	152,777,240	5	.5	794,087	.5
Tires and tubes.....	655	386,003,407	1	.2	50,117	
Chemicals, drugs, and allied products:						
Chemicals.....	1,206	888,003,799	122	10.1	137,681,541	15.5
Drugs and drug sundries (general line).....	638	575,099,513	24	3.8	34,142,375	5.9
Drugs and drug sundries (specialty).....	849	193,898,438	34	4.0	25,220,099	13.0
Paints, varnishes, lacquers, and enamels.....	1,027	304,999,105	21	2.0	9,517,481	3.1
Toilet articles and preparations.....	303	96,333,673	14	4.6	19,859,700	20.6
Dry goods and apparel:						
Clothing and furnishings (other than millinery and footwear).....	3,971	1,432,948,220	107	2.7	58,090,530	4.1
Dry goods (general line).....	1,071	889,508,439	80	7.5	146,401,562	16.5
Dry goods (specialty, other than specified).....	417	122,311,961	21	5.0	7,269,091	5.9
Millinery and millinery supplies.....	489	116,022,922	18	3.7	7,146,586	6.2
Notions.....	1,113	203,671,400	56	5.0	21,530,675	10.6
Piece goods.....	2,696	2,624,280,838	181	6.7	133,060,553	7.0
Shoes and other footwear.....	750	560,073,097	20	2.6	24,520,723	4.4
Electrical:						
Electrical goods, including appliances.....	1,901	1,363,695,815	44	2.3	22,589,502	1.7
Electrical equipment and supplies.....	991	475,639,190	19	1.9	6,781,672	1.4
Radios and radio equipment.....	806	491,621,311	12	1.5	5,740,367	1.2
Refrigerators (electric).....	172	104,292,238				
Farm products (not elsewhere specified):						
Cotton.....	5,234	3,061,009,905	62	1.2	244,630,252	8.0
Flowers and nursery stock.....	533	71,330,914	38	6.0	9,550,599	13.4
Grain.....	12,245	4,001,105,461	65	.5	222,523,892	5.6
Hides, skins, and furs.....	1,639	557,397,015	73	4.3	87,161,780	15.6
Horses and mules.....	252	33,979,650	3	1.2	1,431,038	3.7

TABLE 5.—EXTENT OF MULTIPLE-TYPE WHOLESALING, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS	TOTAL		MULTIPLE-TYPE WHOLESALING			
	Number of establishments	Net sales	Establishments reporting		Net sales of establishments reporting	
			Number	Per cent of United States total for kind of business	Amount	Per cent of United States total for kind of business
Farm products (not elsewhere specified)—Continued.						
Livestock (other than horses and mules).....	7,288	\$3,170,312,847.	15	0.2	\$37,404,612	1.2
Silk (raw).....	33	170,946,744	1	3.0	52,500
Tobacco (leaf).....	1,003	469,142,161	27	2.7	13,319,940	2.8
Wool and mohair.....	403	234,060,748	23	5.7	54,680,014	16.3
Other farm products.....	1,693	156,649,847	8	.5	3,987,890	3.0
Farm supplies (except machinery and equipment):						
Farm supplies (except feed and fertilizer).....	410	139,735,116	28	0.8	22,812,588	16.3
Feed.....	1,284	571,068,148	40	3.1	52,602,880	9.2
Fertilizer and fertilizer materials.....	279	187,469,680	3	1.1	2,764,102	1.5
Food products (not elsewhere specified):						
Confectionery and soft drinks.....	2,959	356,241,881	60	2.2	16,170,384	4.5
Dairy products.....	2,181	1,124,180,167	57	2.6	68,302,505	5.0
Poultry and poultry products.....	3,830	760,794,824	63	1.0	79,210,478	10.4
Dairy and poultry products.....	3,691	670,160,108	41	1.1	40,687,493	6.1
Fish and sea foods.....	1,448	243,681,570	41	2.8	18,154,038	7.4
Fruits and vegetables (fresh).....	11,194	3,252,975,872	686	0.1	480,684,556	14.8
Meats and meat products.....	3,605	3,102,286,186	53	1.6	112,685,320	3.6
Forest products (except lumber):						
Boxes, shooks, and cooperage.....	205	49,697,922	3	3.0	1,952,682	3.9
Logs, railroad ties, piles, etc.....	537	59,691,658	8	.0	1,620,737	2.7
Other forest products.....	278	96,190,384	11	4.0	11,638,819	12.1
Furniture and house furnishings:						
Furniture.....	1,146	344,630,428	70	6.1	18,487,028	5.3
House furnishings.....	1,653	591,179,409	82	5.0	71,288,738	12.1
Musical instruments and sheet music.....	178	58,242,211	5	2.8	1,485,899	2.9
General merchandise.....	370	569,068,896	46	12.4	235,051,502	39.5
Groceries and food specialties:						
Groceries (general line).....	6,900	5,203,417,138	257	3.7	281,594,812	5.4
Food and grocery specialties.....	7,094	4,333,905,459	199	2.8	220,155,272	5.1
Hardware:						
Hardware (general line).....	1,227	754,593,635	45	3.7	22,508,294	3.0
Hardware (specialty).....	562	111,564,697	14	2.5	2,765,578	2.5
Iron and steel scrap and other waste materials:						
Iron and steel scrap.....	644	258,704,153	8	1.2	8,026,858	3.1
Junk and scrap.....	3,083	234,681,941	18	.0	12,015,350	5.1
Waste rubber, rags, and paper.....	273	59,404,169	4	1.5	1,863,078	3.1
Jewelry and optical goods:						
Jewelry.....	1,925	450,088,560	84	4.4	24,072,326	5.5
Optical goods.....	440	44,492,275	3	.7	468,301	1.1
Leather and leather goods (except gloves and shoes):						
Leather and leather goods (general line).....	84	18,306,022	2	2.4	782,200	4.3
Leather and leather belting.....	651	301,957,473	56	3.6	47,075,295	15.9
Luggage and leather goods.....	166	23,483,001	7	4.2	3,107,157	13.2
Saddlery and harness.....	38	7,195,614	1	2.6	62,000	.9
Shoe findings and cut stock.....	613	106,228,079	20	3.3	22,997,282	21.6
Lumber and building materials (other than metal):						
Construction and building materials (other than metal and wood).....	3,222	1,009,846,114	77	2.4	27,468,488	2.7
Lumber and millwork.....	2,291	1,134,206,126	134	5.8	93,637,647	8.3

TABLE 5.—EXTENT OF MULTIPLE-TYPE WHOLESALING, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS	TOTAL		MULTIPLE-TYPE WHOLESALING			
	Number of establishments	Net sales	Establishments reporting		Net sales of establishments reporting	
			Number	Per cent of United States total for kind of business	Amount	Per cent of United States total for kind of business
Machinery, equipment, and supplies (except electrical):						
Commercial equipment and supplies.....	1,804	\$250,029,433	44	2.4	\$11,112,053	4.4
Construction equipment and supplies.....	493	132,030,655	24	4.8	6,317,758	4.8
Farm machinery and equipment.....	560	385,838,429	8	1.4	6,514,091	1.7
Manufacturing, mining, and drilling machinery, equipment, and supplies.....	6,142	1,048,870,563	216	3.5	70,468,681	4.8
Professional equipment and supplies.....	1,000	207,815,659	22	2.2	3,674,009	1.8
Service equipment and supplies.....	1,430	201,008,103	45	3.1	17,676,766	8.8
Transportation equipment and supplies.....	412	230,879,491	21	5.1	10,574,095	4.6
Metals and minerals (except petroleum and scrap):						
Coal.....	1,343	1,160,290,340	80	6.0	102,931,319	8.9
Iron and steel (except scrap).....	1,643	2,830,964,477	49	3.0	54,321,537	1.9
Metals and metal work (other than iron and steel).....	634	1,599,845,902	42	6.6	288,341,130	18.0
Paper and paper products:						
Paper and paper products (general line).....	1,568	679,013,910	34	2.2	18,811,891	2.8
Paper and paper products (specialty, other than specified).....	584	307,812,090	17	2.9	7,535,349	2.4
Stationery and stationery supplies.....	719	113,567,708	9	1.3	2,030,580	2.3
Wall paper.....	232	32,188,220	2	.9	313,329	1.0
Petroleum and petroleum products.....	23,008	3,365,662,531	39	.2	82,387,545	2.4
Plumbing and heating equipment and supplies:						
Plumbing equipment and supplies.....	2,151	701,745,322	191	8.9	111,668,063	15.9
Heating equipment and supplies.....	635	117,921,101	19	3.0	3,361,099	2.9
Tobacco and tobacco products (except leaf).....	2,016	1,691,172,877	81	4.0	61,375,387	3.6
All other:						
Books, periodicals, and newspapers.....	636	203,040,817	13	2.0	5,627,888	2.8
Oils and greases (animal and vegetable).....	171	316,790,721	19	11.1	41,017,556	12.9
Rubber goods (general line).....	92	121,220,075	2	2.2	769,937	.6
Textile and textile materials (other than dry goods).....	1,299	831,883,779	80	6.2	105,007,969	12.6
Miscellaneous kinds of business.....	1,725	679,680,696	116	6.7	149,466,230	22.0

MULTIPLE TYPES OF OPERATIONS, BY TYPE OF WHOLESALER AND KIND OF BUSINESS

The exact degree of importance of multiple-type wholesaling, while brought out in part by the foregoing analyses, is more clearly revealed by an examination of each of the specific types of wholesale organizations by kind of business. In the following pages each of 10 types of organizations is shown separately by kind of business. (See Tables 6 through 16, inclusive.) It is thus possible to determine in just which kind of business the overlapping of wholesale functions by a particular type of wholesaler has had the greatest development.

Multiple-type brokers.—Multiple-type brokers constituted 5.7 per cent of all brokers in the United States and handled 5.4 per cent of all brokerage business. In the case of these brokers, as shown in Table 6, the average amount of business done on a brokerage basis by multiple-type wholesaling establishments which have been classified as brokers is 76.2 per cent of net sales. This, however, tells only a part of the story. In seven of the different trades in which these brokers operated, over 90 per cent of the business is on a brokerage basis; whereas, at the other extreme, in only three trades is the brokerage business less than 60 per cent and in no case is it below 54 per cent of the total sales of brokers reporting duplicate functions. Furthermore, in 12 of the trades in which these brokers functioned the auxiliary methods of operation are very closely related to the brokerage method of doing business consisting of the activities usually engaged in by manufacturers' agents, selling agents, or others operating on a commission basis. In fact practically 100 per cent of the business of these 12 trades done by concerns operating primarily as multiple-type brokers—*automotive; drugs and drug sundries; shoes and other footwear; boxes, shooks, and cooperage; other forest products; house furnishings; iron and steel; general merchandise; hardware (general line); commercial machinery, equipment, and supplies; coal; paper and paper products (general line)*—is done on an agency or brokerage basis. (See also Chart III.)

In other trades the most significant combination with the brokerage type of operation is that of straight wholesale merchandising. For all such establishments reporting, 11.6 per cent of the business is on a wholesale merchandising basis. This is as high as 35.9 per cent for the *machinery, equipment, and supplies* trade; and 32.3 per cent in the *hides, skins, and furs* trade. One broker in the *furniture* trade reports nearly 23 per cent of business on the drop shipment basis; brokers in the *cotton* trade combined some exporting with brokerage business; and in a few other minor cases brokers also engaged in importing.

TABLE 6.—MULTIPLE TYPES OF WHOLESALING DONE BY BROKERS BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales ('000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES								
			Brokers	Commission merchants	Drop shippers	Export merchants	Importers	Manufacturers' agents	Selling agents	Wholesale merchants	All other
Total.....	210	\$217,401	76.2	4.8	0.5	1.4	1.1	0.9	3.4	11.6	0.1
Automotive (automotive equipment).....	1	53	94.3					5.7			
Chemicals, drugs, and allied products.....	8	6,177	84.1	2.1				1.4	1.2	11.2	
Chemicals.....	4	3,205	77.4					2.8		19.8	
Drugs and drug sundries (general line).....	1	197	63.5						36.5		
Drugs and drug sundries (specialty).....	3	2,774	93.2	4.6					.1	2.1	
Dry goods and apparel (shoes and other footwear).....	1	129	54.3						45.7		
Farm products (not elsewhere specified).....	29	57,553	67.5	8.1	.7	4.1	2.1			17.5	
Cotton.....	11	22,753	70.0	6.9		10.3				12.8	
Grain.....	5	11,262	66.4	21.1			1.8			10.7	
Hides, skins, and furs.....	6	18,398	61.5		1.3		4.9			32.3	
Tobacco (leaf).....	5	3,484	76.1	16.4	7.2		.1			.2	
All other.....	2	1,656	90.8	6.8						2.4	

TABLE 6.—MULTIPLE TYPES OF WHOLESALING DONE BY BROKERS BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES								
			Brokers	Com-mis-sion mer-chants	Drop-ship-pers	Ex-port mer-chants	Im-port-ers	Manu-fac-tur-ers' agents	Sell-ing agents	Whole-sale mer-chants	All other
Farm supplies (except machinery and equipment).....	5	\$5,037	69.0	-----	7.9	0.5	2.8	5.9	8.0	5.9	-----
Feed.....	4	3,386	55.3	-----	11.8	.7	4.3	8.8	11.8	7.3	-----
Fertilizer and fertilizer materials.....	1	1,651	96.9	-----	-----	-----	-----	-----	-----	3.1	-----
Food products (not elsewhere specified).....	48	50,403	83.0	7.6	-----	.2	.3	.7	1.4	0.5	0.3
Dairy and poultry products.....	5	5,723	66.7	4.7	-----	-----	-----	-----	-----	28.6	-----
Fruits and vegetables (fresh).....	30	26,615	76.6	13.4	-----	.4	.1	1.1	2.7	5.1	.6
All other.....	4	18,005	97.5	.1	-----	-----	.9	.2	-----	1.3	-----
Forest products (except lumber).....	3	6,411	84.8	-----	-----	-----	-----	-----	14.8	.4	-----
Furniture and house furnishings.....	2	431	78.6	2.5	18.0	-----	-----	.9	-----	-----	-----
General merchandise.....	3	2,346	79.8	-----	-----	-----	-----	19.2	-----	1.0	-----
Groceries and food specialties.....	61	54,085	79.3	1.8	.2	.8	1.8	.6	-----	15.5	-----
Groceries (general line).....	27	31,690	80.7	.7	.3	.5	.1	.2	-----	17.5	-----
Food and grocery specialties.....	34	22,395	77.8	4.2	-----	1.4	3.9	1.0	-----	11.7	-----
Hardware (general line).....	1	33	90.9	-----	-----	-----	-----	-----	9.1	-----	-----
Iron and steel scrap and other waste material.....	4	3,093	84.0	-----	2.3	-----	-----	-----	-----	13.7	-----
Jewelry and optical goods (jewelry).....	2	768	86.6	4.0	-----	-----	-----	-----	-----	8.5	-----
Lumber and building material (other than metal).....	4	2,506	72.6	-----	-----	-----	.1	18.4	4.0	4.9	-----
Machinery, equipment, and supplies (except electrical).....	6	765	60.0	-----	-----	.1	-----	4.0	-----	35.9	-----
Metals and minerals (except petroleum and scrap).....	8	6,868	64.8	-----	-----	.2	-----	-----	33.0	2.0	-----
Coal.....	5	6,540	64.8	-----	-----	.3	-----	-----	34.6	.3	-----
Iron and steel (except scrap).....	3	328	64.0	-----	-----	-----	-----	-----	36.0	-----	-----
Paper and paper products.....	5	404	64.7	-----	28.9	-----	-----	.6	1.3	1.7	2.8
Petroleum and petroleum products.....	3	1,820	75.8	-----	-----	-----	-----	-----	-----	24.2	-----
All other.....	16	18,459	76.1	2.3	-----	-----	-----	.2	15.0	6.3	.1
Oils and greases (animal and vegetable).....	2	2,935	92.8	-----	-----	-----	-----	-----	-----	7.2	-----
Textiles and textile materials (other than dry goods).....	6	4,892	59.8	4.0	-----	-----	-----	-----	33.7	1.6	-----
Miscellaneous kinds of business.....	8	10,632	79.1	1.7	-----	-----	-----	.5	10.2	8.2	.3

Multiple-type cash-and-carry wholesalers.—There were 54 multiple-type cash-and-carry wholesalers out of a total of 756 in the United States, accounting

for 13 per cent of all cash-and-carry wholesale business. These multiple-type cash-and-carry wholesalers reported overlapping activities in only 7 trades out of 88. Out of the total of 54 establishments performing 2 or more types of wholesaling, 26 were confined to the *general line grocery* trade, 11 to the *tobacco and tobacco products* trade, 9 to the *fruits and vegetables* trade, 5 to *other food products* trade, and 1 each to the remaining 3 trades. With relatively few exceptions, the principal combination of cash-and-carry wholesaling was with straight service wholesaling. For the entire group, cash-and-carry wholesaling constituted 67.1 per cent of the business and straight wholesaling 31 per cent. This analysis is of particular interest in view of the relative recency of cash-and-carry wholesaling. The predominance of straight wholesaling as the chief auxiliary type of operation may be due to the fact that, in many cases, cash-and-carry wholesaling has been the result of an evolutionary process. Wholesale merchants, in an effort to meet the *new competition* of recent years, have taken up cash-and-carry wholesaling as a defensive device, finding it to be a less costly method of operation. Some of them have gradually shifted over until the bulk of their business is on a cash-and-carry basis. The statistics in Table 7 have significance in that they indicate the change that has been taking place with respect to different types of wholesaling. Of course, it is quite possible that in some cases establishments which were organized primarily as cash-and-carry wholesalers have found that it was essential to extend some services and to carry on part of their business on the same basis as the typical wholesale merchant. Both of these developments have, no doubt, been at work and lie behind the statistical picture here presented.

TABLE 7.—MULTIPLE TYPES OF WHOLESALING DONE BY CASH-AND-CARRY WHOLESALERS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES				
			Cash-and-carry wholesalers	Commission merchants	Drop shippers	Wagon distributors	Wholesale merchants ¹
Total.....	54	\$23, 321	67.1	0.8	0.8	0.4	31.1
Chemicals, drugs, and allied products (drugs, general line).....	1	49	83.8				16.2
Farm products (not elsewhere specified) (leaf tobacco).....	1	40	70.3				29.7
Food products (not elsewhere specified).....	14	4, 289	67.8	3.4		.8	28.0
Fruits and vegetables (fresh).....	9	1, 264	65.9	10.4		2.9	20.8
Other food products.....	5	3, 025	68.6	.1			31.3
Groceries (general line).....	26	14, 307	67.6		.2		32.2
Paper and paper products (general line).....	1	41	67.8				32.2
Tobacco and tobacco products (except leaf).....	11	4, 695	64.8		3.5	.9	30.8

¹ Includes "All other types."

Multiple-type commission merchants.—Multiple-type commission merchants of which there were 448 in the United States, accounted for 12.9 per cent of all commission merchants and 9.5 per cent of all commission merchants' sales. Commission merchants engaging in multiple-type wholesaling reported an average of 76.8 per cent of their sales to be in their own line of specialization. However, there is considerable variation among the different trades. One establishment in the *general merchandise* trade reported as low as 50.2 per cent of the total

business to be on a commission basis and one establishment, at the other extreme, in the livestock (other than horses and mules) trade, reported as high as 95.3 per cent of the business on a commission basis. In three trades the extent of commission business reported by commission merchants was less than 60 per cent of the total sales, whereas in one case it was in excess of 90 per cent. As in the case of brokers, there were a few trades in which the combinations of commission merchants' activities with the closely related agency and brokerage methods amounted to nearly 100 per cent. Such combinations, however, are fewer in the case of commission merchants than is true of brokers. Other combinations of interest occur such as one establishment in the *paper and paper products (specially)* trade, which reports 47.4 per cent of its business to be on a drop-shipment basis. Again, in the *general merchandise* trade an establishment reports over 40 per cent of its business in exports and, in the *notions* trade, an establishment reports nearly 44 per cent on an import basis.

The combination of commission merchant business with wholesale merchant business shows that on the average for the 448 multiple-type commission merchants 17.2 per cent is done on the straight wholesaling basis, although 2 establishments in the *jewelry* trade report as high as 45.4 per cent by that method. Similarly, in the *grocery trade (general line)* 1 establishment reports 39.8 per cent, 1 in the *radio and radio equipment* trade reports 39.1 per cent, and 1 commission merchant in *confectionery and soft drinks* reports 36.6 per cent on a straight wholesaling basis. It is particularly significant that in the exceptional cases, or the cases in which fairly large percentages of the business are done by a different method than the principal type of specialization, relatively few establishments are involved. The explanation may, therefore, be that certain business men are shifting over from one method of operation to another in an effort to increase profits or to avoid losses.

A steady shifting from the commission method of dealing to the straight merchant method has been evident for many years in the fresh fruit and vegetable trade. When the risks were extraordinarily great dealers refused to buy fresh fruits and vegetables outright. They preferred to handle them on a straight commission or consignment basis. This method prevailed until the risk could be reduced as a result of improvements in transportation, grading, and general market technique. The dissatisfaction on the part of shippers with the consignment method of selling, together with the willingness of commission merchants and others to buy outright as a result of reduced risks, are said to have brought about a change from consignment to outright dealing. Thus, there are many, so-called commission merchants to-day who buy outright on their own account most of the goods they handle. They still retain the old name, however. This phenomenon has, no doubt, given rise to the prevailing notion that commission merchants in the fresh fruit and vegetable trade handle consignments, i. e., operate as commission merchants, only to the extent of about 20 per cent. In this census all such concerns doing the bulk of their business on a merchant basis are classified as wholesale merchants.

There were in the United States a total of 825 commission merchants in the fruit and vegetable trade. The statistics in Table 8 show that only 157 commission-merchant establishments in that trade engaged in the wholesale merchandising business. The net sales of these 157 establishments were \$127,115,000, or 31.1 per cent of all sales made by commission merchants in the fruit and vegetable trade. Of this amount, 22 per cent was conducted on a wholesale merchant basis. (See Chart IV.) However, a larger number of wholesale merchants in the fruit and vegetable trade engaged also in the commission business, 451 of the 5,724 total operating in that manner. The net sales of the 451 wholesale merchants were \$308,259,000, or 17.8 per cent of all sales made by wholesale

merchants in the fruit and vegetable trade. Eighteen and a half per cent of this total was conducted on a commission basis by the wholesale merchants.

These statistics show, first, that the wholesale merchant business is now much more prominent in the fruit and vegetable trade than the commission method of dealing, the net sales of the former type being more than three times those transacted by the latter method; second, that a large volume of business in that trade (\$435,374,000) is involved in multiple types of operations relating principally to the wholesale merchant and the commission methods of doing business; and third, that *proportionately*, only a small number of establishments and volume of business are involved in the dual operations of wholesale merchant and commission merchant business. This means that the general notion referred to above is erroneous on three counts. In the first place, it does not distinguish between commission merchants and wholesale merchants on the basis of their actual performance, but rather on external evidence such as the name of the organization. In the second place, even when all those who perform both the functions of wholesale merchants and commission merchants are treated together as commission merchants much less than 80 per cent is being conducted on a wholesale merchant basis. In the third place, but a relatively small number of firms perform multiple types of wholesaling in the fruit and vegetable trade.

TABLE 8.—MULTIPLE TYPES OF WHOLESALING DONE BY COMMISSION MERCHANTS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of estab- lish- ments	Net sales ('000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE— PER CENT OF NET SALES								
			Com- mis- sion mer- chants	Bro- kers	Drop ship- pers	Export mer- chants	Im- porters	Manu- factur- ers' agents	Selling agents	Whole- sale mer- chants	All other
Total.....	448	\$448, 190	76.8	0.7	0.5	0.8	0.8	0.7	0.3	17.2	2.2
Chemicals, drugs, and allied products.....	9	10, 370	85.4	.1	2.4	.5	4.5		1.0	6.1	
Chemicals.....	7	9, 568	87.7		2.6	.5	2.6			6.6	
Drugs and drug sundries (spe- cialty).....	2	807	59.9	1.2			25.9		13.0		
Dry goods and apparel.....	43	45, 869	82.9		.5	.2	.5		1.0	10.5	4.4
Clothing and fur- nishings (other than millinery and footwear).....	10	3, 191	75.7		7.8	1.6		.3	11.6	3.0	
Dry goods (gen- eral line).....	4	3, 772	78.2				3.0			18.8	
Piece goods.....	25	37, 171	84.5	.1		.1	.1		.3	10.3	4.6
Other dry goods and apparel.....	4	1, 735	74.0				4.1			10.4	11.5
Electrical.....	3	2, 928	61.7					1.2		37.1	
Farm products (not elsewhere specified).....	77	124, 957	76.4	.2		.6	.4		.1	22.3	
Cotton.....	5	14, 523	70.8							29.2	
Flowers and nurs- ery stock.....	25	7, 526	71.9						1.1	27.0	
Grain.....	24	66, 678	69.2	.7		.7	.7			28.7	
Hides, skins, and furs.....	4	1, 208	86.6							13.4	
Livestock (other than horses and mules).....	8	26, 441	95.8	.2					1.1	2.0	
Wool and mohair.....	6	4, 730	69.2	.4						30.4	
Other farm prod- ucts.....	5	3, 851	88.5			6.9	1.3			3.3	

TABLE 8.—MULTIPLE TYPES OF WHOLESALING DONE BY COMMISSION MERCHANTS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of estab- lishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE— PER CENT OF NET SALES									
			Com- mis- sion mer- chants	Bro- kers	Drop ship- pers	Export mer- chants	Im- porters	Manu- factur- ers' agents	Selling agents	Whole- sale mer- chants	All other	
Farm supplies (except machinery and equipment)	6	\$4, 278	82.6	2.1							15.3	
Food products (not elsewhere specified)	205	185, 931	74.9	.3	0.6	1.0	0.1	1.3			20.0	1.8
Confectionery and soft drinks	1	183	63.4								36.6	
Dairy products	4	12, 135	68.2								11.9	10.0
Poultry and poul- try products	10	20, 134	81.4								18.6	
Dairy and poul- try products	6	10, 759	67.3					22.4			10.3	
Fish and sea foods	10	9, 123	87.3								12.5	
Fruits and vege- tables (fresh)	157	127, 115	73.1	1.2	.8	1.5	.1		0.2		22.0	1.1
Meats and meat products	8	6, 482	85.6								14.4	
Furniture and house furnishings	6	1, 204	85.6		1.7		.3	5.3			3.7	3.4
General merchandise	1	233	50.2			40.8	9.0					
Groceries and food specialties	10	14, 057	89.3	.3		2.0	2.3		.7		5.4	
Jewelry	2	490	54.6								45.4	
Leather and leather goods (except gloves and shoes)	17	14, 417	75.8					1.3			6.8	10.1
Lumber and building materials (other than metal)	24	9, 688	79.9					3.0			17.1	
Construction and building mate- rials (other than metal and wood)	4	1, 175	73.8					21.0	.2		5.0	
Lumber and mill- work	20	8, 513	80.9					.5			18.6	
Machinery, equip- ment, and supplies (except electrical)	9	1, 862	69.5						14.5		16.0	
Metals and minerals (except petroleum and scrap)	7	4, 410	81.8		11.7	.1					6.4	
Coal	3	910	70.5		18.6						11.0	
Iron and steel (ex- cept scrap)	3	3, 465	84.7		10.0						5.3	
Metals and metal work (other than iron and steel)	1	26	76.9			23.1						
Paper and paper prod- ucts	2	692	66.3		1.3				32.4			
Petroleum and petro- leum products	2	6, 013	85.0			3.1					11.2	1.7
Plumbing and heat- ing equipment and supplies (plumbing equipment and sup- plies)	1	204	70.6					29.4				
All other	18	19, 687	72.8	6.3		2.4	10.9	.1			5.3	2.2
Textiles and tex- tile materials (other than dry goods)	13	13, 262	76.1	9.3		3.5					7.7	3.4
Miscellaneous kinds of busi- ness	5	6, 425	65.9			.1	33.3	.4			.3	

¹ The "All other" types for commission merchants in petroleum and petroleum products consist of 0.7 per cent of their total sales by the wagon-distribution type of wholesaling.

Multiple-type drop shippers.—A total of 74 establishments, or 12.7 per cent of all drop shippers were classified as multiple-type drop shippers and reported multiple wholesaling activities in 34 out of the 88 trade classifications. In most cases, only one establishment was represented in a trade. The 74 drop shippers reported concentration on drop-shipment business to the extent of 70.3 per cent of their total sales. There were, however, two trades in which the percentage was below 60, a low of 50 per cent, which is the minimum for classification purposes, being reached in the *other forest products* trade. In three trades, on the other hand—*dry goods (general line)*, *dry goods (specialty)*, and *petroleum and petroleum products*—over 90 per cent was strictly drop-shipment business, the highest being 92.8 per cent for the *dry goods (specialty)* trade. There were some combinations with the functions of agents, brokers, and commission merchants, and one establishment reported a considerable amount of importing as the chief type of business in addition to the drop-shipment method of wholesaling.

In 6 trades over 30 per cent of such business was done on a wholesale-merchant basis, and more than 40 per cent in 2 of the 6 trades. Here, as was brought out in the discussion of cash-and-carry wholesalers, we have a newer type of wholesaling which has been resorted to in some cases by wholesalers as a method of reducing costs and to assist in maintaining their competitive footing. In other cases, drop shippers no doubt consist of separate types of wholesaling embarked in by individuals who are independent business men seeking methods of earning a livelihood. Table 9, therefore, reflects in part the same sort of phenomena previously discussed, namely, the shifts from straight wholesaling to drop-shipment business on the part of certain establishments which, no doubt, were originally straight wholesalers and conversely, the development of straight wholesaling business on the part of establishments which started out as drop shippers and found it necessary to establish warehouses, maintain stocks, and make deliveries in order to continue. Changes of this sort permeate the wholesale structure and constitute continuous processes.

TABLE 9.—MULTIPLE TYPES OF WHOLESALING DONE BY DROP SHIPPERS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES									
			Drop shippers	Brokers	Cash-and-carry wholesalers	Commission merchants	Importers	Manufacturers' agents	Selling agents	Wagon distributors	Wholesale merchants	All other
Total.....	74	\$88,665	70.3	3.6	0.7	1.1	0.7	3.3	2.7	0.1	16.8	0.7
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	2	200	80.0								20.0	
Chemicals, drugs, and allied products (chemicals).....	3	485	74.9									4.1
Dry goods and apparel.....	7	2,983	72.5				20.6	0.4			0.9	26.6
Electrical equipment and supplies.....	1	2,505	70.0									30.0
Farm products (not elsewhere specified).....	3	953	74.2									25.3
Farm supplies (except machinery and equipment).....	3	1,108	77.3	11.3			7.2					4.2
Food products (not elsewhere specified).....	6	3,171	72.8	1.2					24.2			1.8
Forest products (except lumber).....	2	1,537	84.2			5.2			10.0			
Furniture and house furnishings.....	10	3,508	72.3			9.8	2.2	4.9				10.8
Furniture.....	6	1,570	72.9			8.0						19.1
House furnishings.....	4	1,938	71.8			11.2	4.0	8.8				4.2

TABLE 9.—MULTIPLE TYPES OF WHOLESALING DONE BY DROP SHIPPERS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establish- ments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES											
			Drop shippers	Brokers	Cash-and-car- ry wholesalers	Commission merchants	Importers	Manufactur- ers agents	Selling agents	Wagon dis- tributors	Wholesale merchants	All other		
Groceries and food specialties.....	2	\$788	84.9	15.1										
Hardware (general line).....	1	237	59.1										40.9	
Iron and steel scrap and other waste materials.....	2	693	55.9				0.8						43.3	
Lumber and building materials (other than metal).....	9	7,862	76.1	7.5				1.8	1.1				13.5	
Construction and building mat- erials (other than metal and wood).....	3	596	73.5						14.9				11.6	
Lumber and millwork.....	6	7,266	76.3	8.1				2.0					13.6	
Machinery, equipment, and supplies (except electrical).....	12	8,597	65.9					0	.2				31.1	2.8
Commercial equipment and sup- plies.....	4	2,078	61.5					.2	.8				29.4	8.1
Manufacturing, mining, and drilling machinery, equipment and supplies.....	6	2,524	65.6						.2				31.7	2.5
Service equipment and supplies.....	2	3,995	68.4										31.6	
Metals and minerals (except petro- leum and scrap) (iron and steel, except scrap).....	2	2,461	62.5					37.5						
Paper and paper products (other than specified) (specialty).....	1	8	87.5					12.5						
Petroleum and petroleum products.....	1	40	92.5										7.5	
Tobacco and tobacco products (ex- cept leaf).....	2	945	66.0		29.7								4.3	
All other.....	5	584	78.9					6.5		3.4			5.1	6.1

Multiple-type exporters and importers.—The changes in wholesaling evidenced by the foregoing discussion and tables are particularly well exemplified in the case of foreign traders. Wholesaling in the United States may be traced back to the early colonial period in which the predominant type of trading was in the foreign market. There were not, to be sure, the distinctions between foreign trading, domestic trading, wholesaling, and retailing that obtain to-day, but the great trading institutions which imported the manufactured goods of the Mother country, exporting in turn the raw materials of the New World, were the forerunners of our modern wholesaling institutions. An examination of Tables 10 and 11, which show the overlapping operations on the part of exporters and importers, are interesting in this connection. Multiple-type exporters made up 19.2 per cent of all wholesale exporting establishments in the United States and accounted for 13.5 per cent of all business by such exporters. The percentages for importers were somewhat less, as far as establishments were concerned, but considerably more from the standpoint of net sales. There were 279 multiple-type importers accounting for 12.3 per cent of all importing establishments and 27.7 per cent of all import business by wholesale importing establishments. While there are considerable variations in both cases, the most frequent combinations for exporters are importing and straight wholesaling, and for importers, exporting and straight wholesaling.

In the case of multiple-type exporters, on the average 70 per cent of the business is confined to exporting. This varies, however, from as low as 39.7 per cent in the automotive equipment trade to as high as 89.3 per cent in the general merchandise

trade. There are four trades which show exporting to consist of less than 60 per cent of the total business and seven which show exporting to be more than 80 per cent of the total business. One establishment in the *fertilizer and fertilizer material* trade reports 41.6 per cent of the business to be on a commission basis. Similarly, in the *lumber and millwork* trade 27.5 per cent of the business is on a commission basis. One establishment in the *automotive equipment* trade reports 32.5 per cent on an agency basis and one in the *plumbing and equipment* trade reports that 23.4 per cent was sold in the same way. The combination of exporting with importing and straight wholesaling amounts to 94.4 per cent of the business for all multiple-type exporters.

In the case of *multiple-type importers* 80.9 per cent of their total sales is strictly importing business. Here again, however, is considerable variation between the different trades. Only 50.5 per cent of the business of one establishment in the *optical goods* trade is confined to importing, whereas as high as 98.9 per cent of the sales of one multiple-type importer of *meats and meat products* is strictly import business. Although importers, like exporters, report frequent combinations, as pointed out above, with straight wholesaling and other foreign trades, they adhere more closely to their line of specialization than do any of the other types except selling agents. In only 2 trades does the amount of importing done fall below 60 per cent of the total, whereas in 18 trades it is in excess of 80 per cent and in 7 it is above 90 per cent. The combination of importing with exporting and straight wholesaling amounts to 95.8 per cent of the business for all multiple-type importers.

Multiple-type manufacturers' agents.—A total of 386 manufacturers' agents reported multiple types of wholesaling. These multiple-type manufacturers' agents made up 5.5 per cent of all manufacturers' agents and accounted for 8.2 per cent of total sales by manufacturers' agents. For all trades, the extent to which these agents on the average specialized in their own type of activity was 76.5 per cent of all their business. There were three trades in which this percentage was below 60 per cent, and in the case of the *feed* trade only 50 per cent of the business was done in the capacity of manufacturers' agents. However, in this trade the remaining 50 per cent was performed in the capacity of selling agents, which means that practically 100 per cent of the business was done on a strictly agency basis. In three trades over 90 per cent of the business was in the major type of specialization, the highest ratio being 91.4 per cent in the *petroleum and petroleum-products* trade. In addition to the *feed* trade, practically 100 per cent of the business was done in the major form of specialization, or in combination with closely related forms, in the *food products (not elsewhere specified)* trade, and a total of 95 per cent was done in closely related functions in the *coal* trade.

There was some overlapping between multiple-type manufacturers' agents and exporting and importing and a very considerable amount with straight wholesaling. In fact, for all trades an average of 11.3 per cent of the total business was done on a straight wholesaling basis and in 32 trades the per cent was greater than 10. In the *books, periodicals, and newspapers* trade 33.8 per cent of the business was done on a straight wholesaling basis and 33.5 per cent in the *other machinery, equipment, and supplies* trade was transacted in a similar manner. A number of other trades showed straight wholesaling to consist of more than 20 per cent of the total. (See Table 12.)

Multiple-type manufacturers' sales branches.—There were 281 sales branches maintained by manufacturers with sales of \$403,196,695 which reported multiple-type wholesaling activities. These multiple-type sales branches made up but 1.7 per cent of all manufacturers' wholesale branches and accounted for but 2.7 per cent of total sales by manufacturers' sales branches. For this entire group 72.2 per cent of the business was confined to selling the manufacturers' own products.

CHART III.—FUNCTIONAL BASIS OF OPERATION OF MULTIPLE-TYPE BROKERS—
GROCERY TRADE

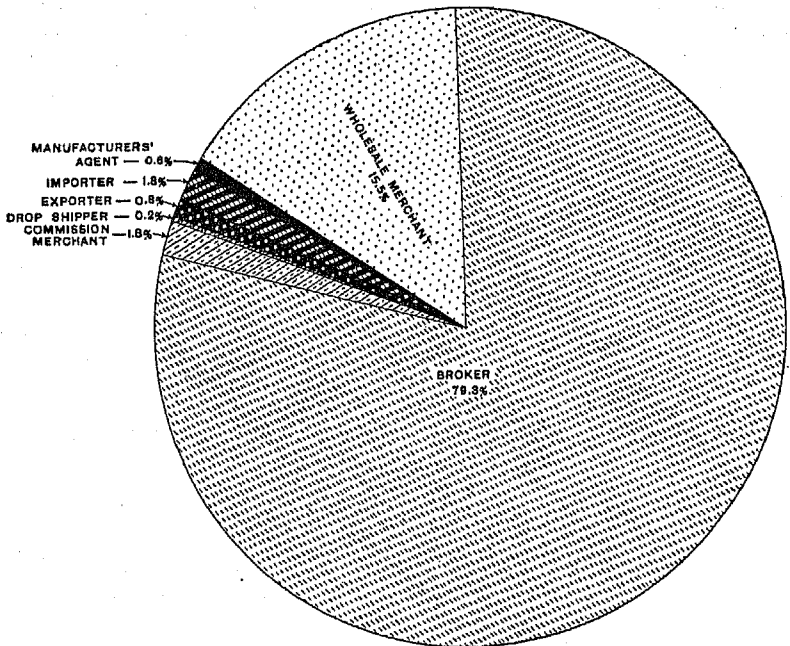


CHART IV.—FUNCTIONAL BASIS OF OPERATION OF MULTIPLE-TYPE COMMISSION
MERCHANTS—FRUIT AND VEGETABLE TRADE

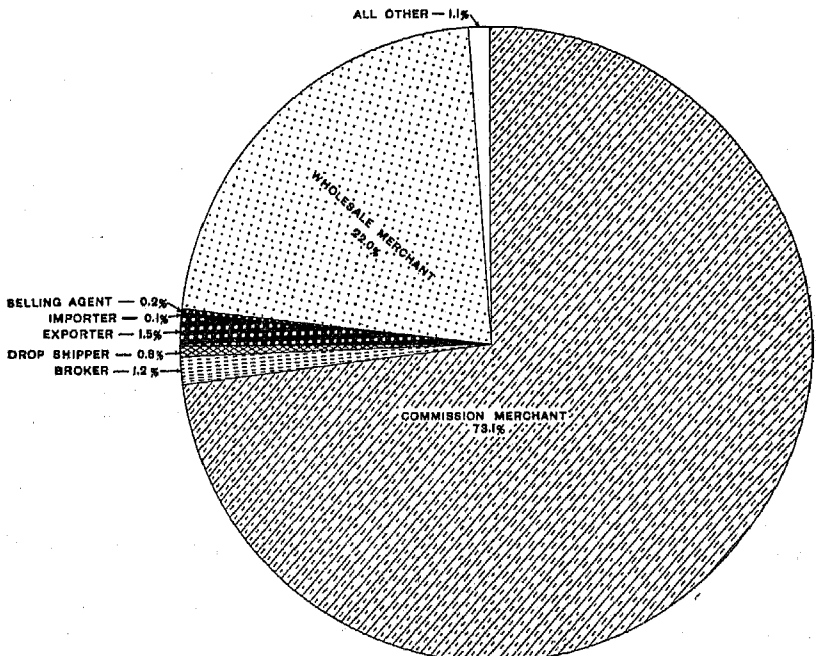


CHART V.—FUNCTIONAL BASIS OF OPERATION OF MULTIPLE-TYPE WHOLESALM MERCHANTS—GROCERY TRADE

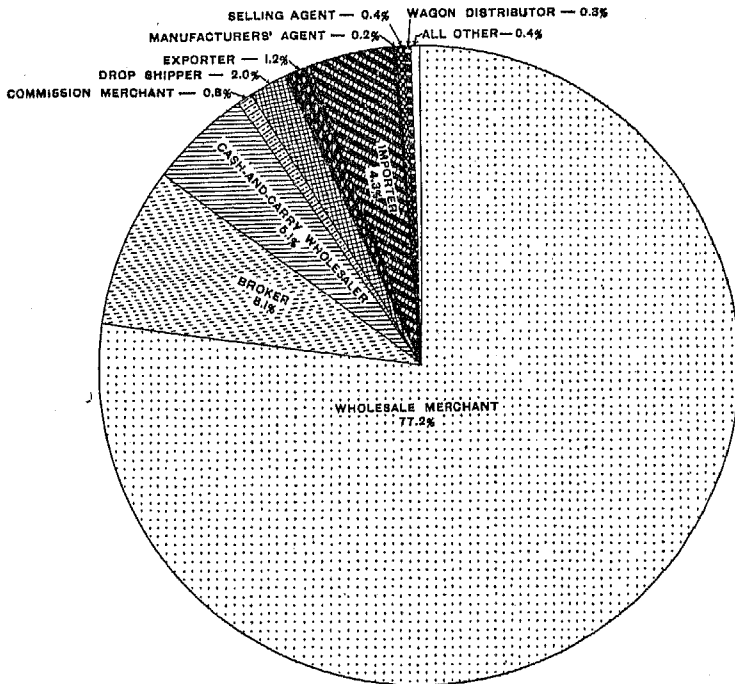
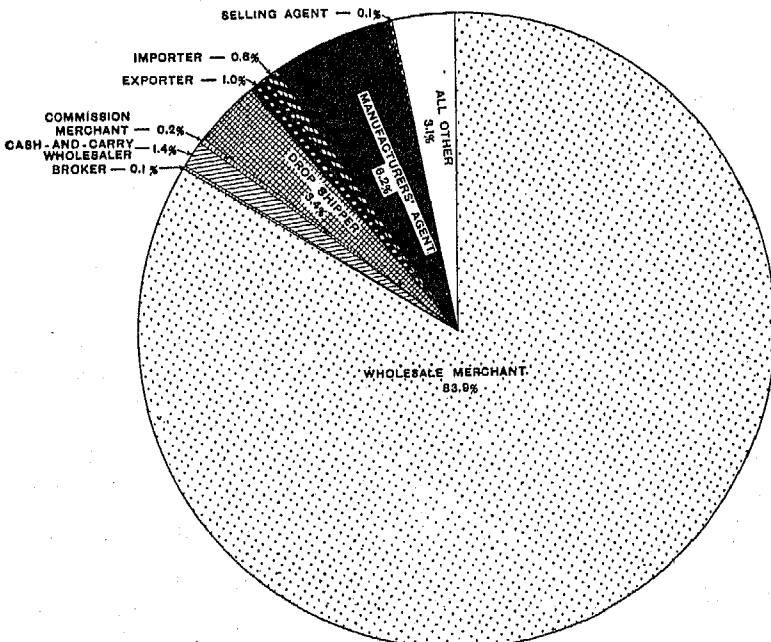


CHART VI.—FUNCTIONAL BASIS OF OPERATION OF MULTIPLE-TYPE WHOLESALM MERCHANTS—HARDWARE TRADE



In three trades, less than 60 per cent of the total was confined to the manufacturers' own sales activities, in the *feed* trade the percentage being as low as 51.6. On the other hand, there were three trades in which sales branches confined their activities to their own products to the extent of 90 per cent or more of their total sales, the highest percentage being 95 in the case of the *toilet articles and preparations* trade. In the *plumbing equipment and supplies* trade, manufacturers' sales branches reported some brokerage business in addition to their main type of activity. In five trades the sales branches also acted in the capacity of commission merchants, 31.5 per cent of the *general merchandise* houses being on such a basis and 10.9 per cent of the business of sales branches in the *chemicals* trade. In the *manufacturing, mining, and drilling machinery and supplies* trade, some drop shipment business was reported in addition to straight sales branch activity. Exporting was engaged in by manufacturers' sales branches in 16 trades, ranging from as high as 32.2 per cent in the *groceries and food specialties* trade to over 10 per cent in the *lumber and millwork* trade, *drugs and drug sundries (specialty)* trade, and *leather and leather belting* trade. Importing was reported as an auxiliary activity in eight trades, exceeding 11 per cent in the *clothing and furnishings* trade and amounting to as high as 43.3 per cent in the *notions* trade. In 7 trades, manufacturers' sales branches also acted as manufacturers' agents, and in 12 trades they also operated as selling agents. In the *dairy products* trade, wagon distribution was reported as an auxiliary activity to the extent of 17.7 per cent. Manufacturers' sales branches engaged in straight wholesaling in 36 trades, in 25 of which wholesaling amounted to over 10 per cent of the business, in 9 trades over 30 per cent of the business, and over 40 per cent in the *feed* trade and in the *dairy and poultry products* trade. Wholesale merchandising activities accounted, on the average, for 16.4 per cent of the business of all manufacturers' sales branches reporting more than a single type of wholesaling, which means that manufacturers' sales branches may be regarded to a certain extent as outlets for goods produced by others than the parent manufacturers. The combination of selling the parent manufacturer's products with the straight wholesaling of other producers' goods accounted for 88.6 per cent of the total business of multiple-type manufacturers' sales branches. (See Table 13.)

Multiple-type selling agents.—There were 224 multiple-type selling agents, or 6.9 per cent of all selling agents in the United States. Multiple-type selling agents were the most highly specialized of any single type of wholesale organization engaged in multiple-type wholesaling. Nearly 82 per cent of the sales of selling agents was confined to their own field of specialization. In four trades, however, the ratio fell below 60 per cent and was as low as 43.9 per cent in one case. It was in excess of 90 per cent in three trades, the highest point being 96.8 per cent in the *amusements and sporting goods* trade. There were four trades in which selling agent and closely related activities accounted for practically 100 per cent of the business. These were *farm supplies (except feed and fertilizer)*; *iron and steel scrap and other waste materials*; *shoe findings and cut stocks*; and *iron and steel (except scrap)*. For all trades shown in Table 14, the sales of selling agents on an agency, brokerage or commission basis, all of which are closely allied, approximated 90 per cent of the total. Selling agents engaged in drop shipping in 6 trades, in exporting in 7 trades, and in importing in 9 trades. In 27 trades, merchant wholesaling constituted an important auxiliary activity, amounting to over 10 per cent in 12 trades and reaching a high of 35.3 per cent in the *furniture and house furnishings* trade. (See Table 14.)

Multiple-type wagon distributors.—Although constituting but 9.9 per cent of all wagon distributors, multiple-type wagon distributors handled 36.8 per cent of total wagon distributors' sales in the United States. Wagon distributors are a relatively new type of wholesale establishment and are on that account com-

parable with cash-and-carry wholesalers and drop shippers. There were 81 establishments operating in 20 trades as wagon distributors which reported over-lapping activities. This group confined its activities to wagon distribution to the extent of 73.1 per cent of its sales. Although there were a number of different activities in which wagon distributors engaged, two types—cash-and-carry wholesaling and straight wholesaling—constituted the most important combinations. Wagon distributors reported cash-and-carry operations in 5 trades and straight wholesaling in 18 trades. No other type of operation was reported by wagon distributors for more than 2 trades. In two trades each, wagon distributors engaged in the activities of commission merchants, drop shippers, exporters, manufacturers' agents, and selling agents, and in one trade they also acted as brokers and importers. It may be concluded that wagon distribution, like cash-and-carry wholesaling, is a newer type of operation which has been tried out by service wholesalers in some cases and found so advantageous as to displace the earlier type of wholesaling. The frequent combination of wagon distribution with cash-and-carry wholesaling and service wholesaling indicates a considerable degree of affinity between these newer types and the older type of wholesale establishment. (See Table 15.) The combination of wagon distribution with service wholesaling accounted for 89.9 per cent of the business of multiple type wagon distributors.

Multiple-type wholesale merchants.—The most important single type of establishment in wholesale trade is the typical service wholesaler or the full-function wholesale merchant. There were 2,295 establishments with sales of \$1,778,258,163 reporting multiple types of wholesaling in 76 out of 88 different trade groups. (See Table 16 and Charts V and VI.) These multiple-type wholesale merchants constituted 3.1 per cent of all wholesale merchants in the United States and handled 7 per cent of their total volume of business. On the average, these wholesale merchants confined their activities to straight wholesaling to the extent of 77.2 per cent of their total net sales. In four trades, however, straight wholesaling was less than 60 per cent of the business, the lowest being 57.2 per cent for wholesale merchants in the *iron and steel scrap* trade. In two trades, on the other hand, straight wholesaling constituted over 90 per cent of the business and was as high as 96 per cent in the *optical goods* trade. Wholesale merchants engaged in the commission business in 49 of the 76 trades, the average commission business being 6.8 per cent of the total, although in the case of the *horses and mules* trade it reached a high of 37.5 per cent.

Importing was the second most important type of auxiliary activity, occurring in 57 out of 76 of the trade groups and accounting for as high as 24.6 per cent of the total business in the *metals and metal work (other than iron and steel)* trade. Wholesale merchants acted as brokers in 36 trades, as cash-and-carry wholesalers in 31 trades, as drop shippers in 35 trades, as exporters in 46 trades, as manufacturers' agents in 51 trades, as selling agents in 41 trades, as wagon distributors in 34 trades, and in miscellaneous types of activity in 44 additional trades. This variation in wholesaling operations on the part of service wholesalers may be considered as further evidence of the attempts of some of these wholesalers to find more effective ways of meeting the newer competition that has developed in recent years, although it is interesting to note that almost 86 per cent of all the business of such service wholesalers involved actual taking of the title to the goods and that only a little over 14 per cent was handled on an agency or brokerage basis.

TABLE 10.—MULTIPLE TYPES OF WHOLESALING DONE BY EXPORT MERCHANTS,
BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of estab- lish- ments	Net sales ('000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Exp- ort mer- chants	Bro- kers	Com- mis- sion mer- chants	Imp- ort- ers	Manu- fac- turers' agents	Sell- ing agents	Whole- sale mer- chants	All other
Total.....	145	\$202,961	70.0	2.9	0.3	15.0	0.6	0.4	9.4	1.4
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	1	34	41.2						58.8	
Automotive (automotive equipment).....	1	126	39.7				32.5		27.8	
Chemicals, d.rugs, and allied products.....	10	19,840	56.3			.3	.4		41.6	1.4
Dry goods and apparel.....	19	4,909	73.1			4.7			16.8	5.4
Dry goods (general line).....	3	609	83.9			3.7			6.2	6.2
Dry goods (specialty other than specified).....	2	877	81.0			16.1			2.0	
Piece goods.....	11	2,713	70.3			2.5			18.4	8.3
Shoes and other foot- wear.....	3	710	63.2						36.8	
Farm products (not else- where specified).....	21	66,015	72.9		.4	21.9			4.6	.2
Cotton.....	6	7,601	82.2		3.0				14.8	
Grain.....	3	50,945	72.0			27.1			.9	
Hides, skins, and furs.....	5	2,225	63.6			11.2			25.2	
Tobacco (leaf).....	6	2,921	69.0		.3	.2			30.5	
Other farm products.....	1	2,323	74.9			17.7				7.4
Farm supplies (except ma- chinery and equipment).....	3	1,696	71.9	16.3		11.8				
Food products (not else- where specified).....	9	4,828	64.9	5.0		7.9			22.2	
Forest products (except lum- ber).....	5	860	70.1						29.9	
Furniture and house fur- nishings (house furnish- ings).....	1	84	64.3			29.8	5.9			
General merchandise.....	9	5,329	89.3		3.6	6.3	.7		.1	
Groceries and food specialties. Iron and steel scrap and other waste materials.....	19	37,384	73.5	.3		14.2	.9		5.8	5.3
Jewelry and optical goods (jewelry).....	3	3,399	62.8			2.5			34.7	
Leather and leather goods (except gloves and shoes).....	1	321	56.1			43.9				
Lumber and building mate- rials (other than metal).....	3	1,677	73.0				5.5		9.6	11.9
Machinery, equipment, and supplies (except electrical).....	9	19,369	66.1	27.5			1.1		5.3	
Metals and minerals (except petroleum and scrap).....	7	1,403	69.7			5.8	5.5		19.0	
Petroleum and petroleum products (general line).....	2	1,381	83.0				.0		16.1	
Paper and paper products (general line).....	1	152	82.2				17.8			
Petroleum and petroleum products.....	3	6,756	87.7			7.0		5.3		
Plumbing, and heating equipment and supplies (plumbing equipment and supplies).....	1	3,067	75.7					24.3		
Tobacco and tobacco prod- ucts (except leaf).....	1	856	65.5		19.5				15.0	
All other.....	16	23,475	61.4			36.9	1.5		.1	.1

TABLE II.—MULTIPLE TYPES OF WHOLESALING DONE BY IMPORTERS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Importers	Brokers	Commission merchants	Export merchants	Manufacturers' agents	Selling agents	Wholesale merchants	All other
Total.....	279	\$500, 723	80.9	0.1	0.5	11.5	0.4	0.7	3.4	2.5
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	3	1, 105	75.7		.4		22.3	.2	1.4	
Chemicals, drugs, and allied products.....	16	25, 153	83.7				.9	.2	2.8	12.4
Chemicals.....	11	19, 750	81.5				1.1	.3	1.4	15.7
Other chemicals, drugs, and allied products.....	5	5, 403	91.9				.2		7.9	
Dry goods and apparel.....	50	27, 643	77.5		.5	.9	2.4	4.2	11.4	3.1
Clothing and furnishings (other than millinery and footwear).....	3	2, 120	81.7		.4	3.4		14.5		
Dry goods (general line).....	8	3, 325	83.6			4.0	.4		12.0	
Dry goods (specialty other than specified).....	4	1, 153	84.9		.5				31.6	3.0
Notions.....	12	5, 571	75.3				5.3		14.5	4.4
Piece goods.....	20	9, 364	72.6		1.3	.3	1.6	9.2	10.2	4.8
Other dry goods and apparel.....	3	3, 110	93.6			.3			6.1	
Electrical.....	3	704	75.9				5.0		19.1	
Farm products (not elsewhere specified).....	25	22, 355	84.1		8.2	4.6		.2	2.9	
Flowers and nursery stock.....	3	914	69.6					1.9	28.5	
Grain.....	3	166	75.7						24.3	
Hides, skins, and furs.....	12	10, 929	79.2		9.4	8.5			2.9	
Wool and mohair.....	5	10, 061	91.5		7.9	.1			.5	
Other farm products.....	2	345	86.7			24.6		8.7		
Farm supplies (except machinery and equipment).....	3	893	73.4			19.6			7.0	
Food products (not elsewhere specified).....	10	28, 572	94.2	1.0	.2	.4		.3	3.9	
Forest products (except lumber).....	1	3, 760	75.7					24.3		
Furniture and house furnishings.....	15	6, 215	76.5			.9	.4	7.0	15.2	
General merchandise.....	9	156, 364	86.2			13.3				1.5
Groceries and food specialties.....	23	34, 790	69.7	.9		17.6			11.5	.3
Hardware.....	5	368	63.3	5.3			.5	1.4	14.1	15.4
Iron and steel scrap and other waste materials.....	2	894	79.3		9.5	10.7		1.6	20.7	2.3
Jewelry and optical goods.....	36	12, 829	75.9			1.5				
Leather and leather goods (except gloves and shoes).....	3	3, 357	83.7			.6	15.4		.3	
Lumber and building materials (other than metal).....	10	2, 823	80.5			10.7	.5	1.2	7.1	
Construction and building material (other than metal and wood).....	7	1, 035	77.4			10.0	.8	1.4	10.4	
Lumber and millwork.....	3	388	87.1			12.3		.6		

¹ Includes 0.3 per cent drop shipment business by grocery importers.

² Includes 0.2 per cent cash and carry business and 0.1 per cent drop shipment business by jewelry importers.

TABLE 11.—MULTIPLE TYPES OF WHOLESALING DONE BY IMPORTERS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of estab- lish- ments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Im- port- ers	Bro- kers	Com- mis- sion mer- chants	Ex- port mer- chants	Manu- fac- turers' agents	Sell- ing agents	Wholesale mer- chants	All other
Machinery, equipment and supplies.....	10	\$2,494	80.6			0.9	4.3	1.2	9.0	4.0
Metals and metal work (except petroleum and scrap).....	11	18,041	86.8		2.5	9.8			.9	
Coal.....	1	865	90.4						9.6	
Iron and steel (except scrap).....	5	541	84.7		2.6		1.1		10.9	1.7
Metals and metal work (other than iron and steel).....	5	16,835	86.7		2.6	10.5			.2	
Paper and paper products (wallpaper).....	2	313	92.3			6.7			1.0	
Petroleum and petroleum products.....	2	44,851	59.9			39.8			.3	
Plumbing, equipment, and supplies.....	1	11	54.5						46.5	
Tobacco and tobacco products (except leaf).....	1	94	90.4						9.6	
All other.....	38	107,034	81.7		.1	7.9	.1	.8	2.7	6.7
Oils and greases (animal and vegetable).....	3	26,585	86.4			9.4		3.0	1.2	
Textiles and textile materials (other than dry goods).....	5	7,279	89.8			7.7		.7	1.8	
Miscellaneous kinds of business.....	30	73,170	79.1		.2	7.4	.2		3.4	9.7

^a Includes 0.7 per cent drop shipment business by iron and steel (except scrap) importers.

TABLE 12.—MULTIPLE TYPES OF WHOLESALING DONE BY MANUFACTURERS' AGENTS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES									
			Manu- facturers' agents	Bro- kers	Com- mission mer- chants	Drop shippers	Export merchants	Im- porters	Selling agents	Wagon distributors	Wholesale merchants	Other types
Total.....	386	\$146,216	76.5	0.7	0.0	1.2	2.0	1.9	1.6		11.3	3.0
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	4	812	76.6					19.7			3.7	
Automotive trade.....	9	1,032	81.7		.6						5.9	11.8
Chemicals, drugs, and allied products.....	23	13,669	83.0	1.8	.7	.2	4.5		.1		9.7	
Chemicals.....	16	7,700	79.0	3.2	1.0	.3	.1		.3		16.1	
Paints, varnishes, lacquers, and enamels.....	4	316	77.3		4.4	.6					17.7	
Other chemicals, drugs, and allied products.....	3	5,643	89.5				10.1				.4	

TABLE 12.—MULTIPLE TYPES OF WHOLESALING DONE BY MANUFACTURERS' AGENTS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES									
			Manufacturers' agents	Brokers	Commission merchants	Drop shippers	Export merchants	Importers	Selling agents	Wagon distributors	Wholesale merchants	Other types
Dry goods and apparel.....	37	\$16,028	78.3		4.8	5.2	0.4	4.0	0.4		8.2	1.7
Clothing and furnishings (other than millinery and footwear).....	15	8,096	74.3		8.4	7.7			.6		0.9	2.1
Notions.....	6	1,610	65.0		2.2	.8		17.5			14.5	
Piece goods.....	10	4,129	74.0		1.2	5.0	1.4	7.0			9.0	2.4
Other dry goods.....	6	2,294	75.9					3.7	1.0		19.4	
Electrical trade.....	28	7,928	81.6			.3	.1	.7			14.0	3.3
Electrical goods (including appliances).....	17	4,296	82.8			.5	.2	1.2			14.7	.6
Electrical equipment and supplies.....	7	2,428	89.0								6.9	4.1
Radios and radio equipment.....	4	1,203	93.0								25.8	11.2
Farm supplies (feed).....	1	1,280	50.0						50.0			
Food products (not elsewhere specified).....	6	1,249	82.1	9.1					1.4		7.4	
Forest products (except lumber).....	5	1,118	83.6	3.3		3.1					3.1	6.9
Furniture and house furnishings.....	36	7,892	75.3	.1	.4	1.0		.3	11.2		10.5	.3
Furniture.....	21	5,847	74.3		.5	.6			14.3		10.3	
House furnishings.....	15	2,045	78.1	.4		5.7		1.2	2.4		11.2	1.0
General merchandise.....	1	80	90.1									9.9
Groceries and food specialties.....	17	19,026	79.9	1.5	.8	.2	3.4	5.2	1.6		6.5	.9
Groceries (general line).....	6	10,244	78.0	2.7		.2	.3	9.7			9.1	
Food and grocery specialties.....	11	8,781	82.1	.1	1.7	.1	7.1		3.5	.1	3.4	1.9
Hardware.....	5	4,805	59.8					.1			1.8	38.3
Iron and steel scrap (waste rubber, rags, and paper).....	1	977	74.4					25.6				
Jewelry and optical goods (jewelry).....	4	1,386	66.8					15.9			17.3	
Leather and leather goods (except gloves and shoes).....	10	5,926	76.7		.3			1.9			20.8	.3
Leather and leather belting.....	7	5,100	75.5					2.2			21.9	.4
Other leather and leather goods.....	3	826	84.3		2.4						13.3	
Lumber and building materials (other than metal).....	35	14,525	77.0	1.0	.0	.8	.7	.7	.4		18.3	.5
Construction and building materials (other than metal and wood).....	19	3,737	90.3	.6	.1		.2	.6	1.5		4.7	2.0
Lumber and mill-work.....	16	10,788	72.5	1.1	.7	1.1	.9	.7			23.0	

TABLE 12.—MULTIPLE TYPES OF WHOLESALING DONE BY MANUFACTURERS AGENTS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES									
			Manufacturers' agents	Brokers	Commission merchants	Drop shippers	Export merchants	Importers	Selling agents	Wagon distributors	Wholesale merchants	Other types
Machinery, equipment, and supplies (except electrical)	97	\$24,956	72.7		0.9	1.7	0.9	0.3	0.7		12.8	10.5
Commercial equipment and supplies	7	1,290	69.9					.2	.4		29.5	
Construction equipment and supplies	6	1,100	71.3								28.7	
Manufacturing, mining, and drilling machinery, equipment, and supplies	63	12,684	76.6		1.7	3.4	1.4	.6	1.3		14.2	.8
Service equipment and supplies	8	1,339	75.3		.6						22.2	1.9
Transportation equipment and supplies	10	8,067	67.5								1.2	31.3
Other machinery, equipment, and supplies	3	475	57.9				8.6				33.5	
Metals and minerals (except petroleum and scrap)	15	6,602	70.0	4.0		.3	5.9		.7		11.7	.8
Coal	5	1,090	86.7	8.2		4.6					.5	
Iron and steel (except scrap)	9	3,783	71.7	5.6			.1		1.2		20.1	1.3
Metals and metal work (other than iron and steel)	1	1,729	78.3				21.7					
Paper and paper products	6	3,068	84.0	.3							15.7	
Petroleum and petroleum products	2	200	91.4			3.0	5.6					
Plumbing and heating equipment and supplies	20	4,445	78.4			.5					15.6	5.5
Plumbing equipment and supplies	10	2,698	81.0								12.7	6.3
Heating equipment and supplies	10	1,747	74.4			1.3					10.8	4.3
Other trades	24	9,143	78.5		.2	.1	8.8	1.2	1.3		9.9	
Books, periodicals, and newspapers	3	1,583	63.9						2.3		33.8	
Textiles and textile materials (other than dry goods)	4	4,498	85.9				8.9	1.1	.6		3.5	
Miscellaneous kinds of business	17	3,061	75.1	.1	.7	.2	13.2	1.8	2.0		6.9	

TABLE 13.—MULTIPLE TYPES OF WHOLESALING DONE BY MANUFACTURERS' SALES BRANCHES, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales ('000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Manufacturers' sales branches	Commission merchants	Export merchants	Importers	Manufacturers' agents	Selling agents	Wholesale merchants	All other
Total.....	281	\$403,107	72.2	1.2	3.1	1.0	0.2	5.2	16.4	0.7
Amusements and sporting goods (except cameras and motion-picture equipment and supplies).....	2	1,047	85.4		.1	14.5				
Automotive equipment.....	8	1,193	71.4				15.2	1.3	12.1	
Chemicals, drugs, and allied products.....	32	76,855	76.9	5.3	1.0			.8	16.5	
Chemicals.....	13	37,153	83.6	10.9	.9				4.6	
Drugs and drug sundries (general line).....	5	27,250	60.7						39.3	
Drugs and drug sundries (specialty).....	3	3,653	87.0		11.6		.2		1.2	
Paints, varnishes, lacquers and enamels.....	5	2,497	93.6		1.6				4.8	
Toilet articles and preparations.....	6	6,296	95.0					3.2	1.6	.2
Dry goods and apparel.....	25	24,749	68.7		.1	11.3			19.9	
Clothing and furnishings (other than millinery and footwear).....	8	2,843	73.6			11.8			14.6	
Dry goods (general line).....	3	2,544	68.2						31.8	
Notions.....	4	3,773	53.2			43.3			3.5	
Piece goods.....	7	12,637	71.1			6.5			22.4	
Other dry goods.....	3	2,847	74.1		.4				25.5	
Electrical.....	6	3,726	73.5		.2				23.6	2.7
Farm products (hides, skins, and furs).....	1	157	65.6						34.4	
Farm supplies (feed).....	2	2,898	51.6						48.4	
Food products (not elsewhere specified).....	24	22,102	74.2	1.4		3.6		.1	11.2	0.5
Confectionery and soft drinks.....	8	1,650	80.9					.7	18.4	
Dairy products.....	11	11,865	72.4			6.8			3.1	17.7
Dairy and poultry products.....	1	695	58.4						41.6	
Meats and meat products.....	4	7,802	70.8	4.0					19.2	
Forest products.....	2	1,021	82.5				13.5		4.0	
Furniture and house furnishings.....	8	12,948	76.0				1.7	.3	22.0	
General merchandise.....	1	200	68.5	31.5						
Groceries and food specialties.....	8	23,883	66.5		32.2			.8	.5	
Hardware.....	4	3,198	72.4				1.6		26.0	
Jewelry.....	1	3	66.6						33.4	
Leather and leather goods (except gloves and shoes).....	3	1,246	75.2		15.6			2.6	6.6	
Lumber and building materials (other than metal).....	11	5,414	77.0		8.8			0.0	5.2	
Construction and building materials (other than metal and wood).....	4	392	83.1						16.9	
Lumber and millwork.....	7	4,522	75.8		10.5			10.7	3.0	
Machinery, equipment, and supplies (except electrical).....	53	48,609	78.0		3.9	.1	.1	3.0	13.1	1.8
Commercial equipment and supplies.....	3	818	64.5		3.9				31.6	
Manufacturing, mining, and drilling machinery, equipment and supplies.....	41	40,915	79.3		4.5		.2	.1	13.8	2.1

¹ Includes 17.7 per cent of wagon distribution business by manufacturers' sales branches in dairy products.
² Includes 2.1 per cent of drop shipment business by manufacturers' sales branches in manufacturing, mining, and drilling machinery, equipment and supplies.

TABLE 13.—MULTIPLE TYPES OF WHOLESALING DONE BY MANUFACTURERS' SALES BRANCHES, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Manufacturers' sales branches	Commission merchants	Export merchants	Importers	Manufacturers' agents	Selling agents	Wholesale merchants	All other
Machinery, equipment, and supplies (except electrical)—Continued.										
Professional equipment and supplies.....	4	\$853	81.5		4.7					13.8
Service equipment and supplies.....	3	5,678	69.6					24.1		6.3
Transportation equipment and supplies.....	2	345	73.6			13.0		13.4		
Metals and minerals (except petroleum and scrap).....	27	99,736	69.5	0.2				18.6		11.7
Coal.....	4	18,733	81.7	.8						17.5
Iron and steel (except scrap).....	6	1,544	81.1					.4		18.5
Metals and metal work (other than iron and steel).....	17	79,459	66.4					23.4		10.2
Paper and paper products (general line).....	1	91	71.4							28.6
Petroleum and petroleum products.....	4	10,990	92.1		7.8	.1				
Plumbing and heating equipment and supplies.....	46	36,388	62.2		.9					36.5
All other.....	12	25,843	67.5	.6	.7		0.3			30.9
Textiles and textile materials (other than dry goods).....	5	22,948	65.9	.7						33.4
Miscellaneous kinds of business.....	7	2,895	80.5		6.0		2.3			11.2

³ Includes 0.4 per cent of brokerage business by manufacturers' sales branches in plumbing equipment and supplies.

TABLE 14.—MULTIPLE TYPES OF WHOLESALING DONE BY SELLING AGENTS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES								
			Selling agents	Brokers	Commission merchants	Drop shippers	Export merchants	Importers	Manufacturers' agents	Wholesale merchants	All other
Total.....	224	\$512,469	81.9	2.7	3.0	2.0	1.7	1.2	0.1	4.7	2.7
Amusement and sporting goods (except cameras and motion-picture equipment and supplies).....	1	190	96.8							3.2	
Automotive (automotive equipment).....	2	53	84.9					7.6	7.5		
Chemicals, drugs, and allied products.....	11	7,581	85.9					1.4	1.5	11.2	
Dry goods and apparel.....	43	91,484	80.4	.2	10.0	.5	.1	1.3	.2	7.0	.3
Clothing and furnishings (other than millinery and footwear).....	7	5,644	78.1		11.0	7.8	1.3		.9	1.3	2.6
Dry goods (general line).....	6	34,691	90.9		.4					8.7	
Notions.....	3	278	79.9		5.6				1.3	13.2	
Piece goods.....	23	49,302	73.7	.2	17.0	.1		2.1	.2	6.5	.2
Other dry goods and apparel.....	4	1,169	73.0	6.4					17.1	3.5	

TABLE 14.—MULTIPLE TYPES OF WHOLESALING DONE BY SELLING AGENTS, BY KIND OF BUSINESS—UNITED STATES: 1929—Continued

KIND OF BUSINESS (88 classifications)	Number of establishments	Net sales ('000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES							
			Selling agents	Brokers	Commission merchants	Drop shippers	Export merchants	Importers	Manufacturers' agents	Wholesale merchants
Electrical.....	1	\$45	88.9				11.1			
Farm products (not elsewhere specified).....	7	36,786	81.6	0.7	0.3		17.3		0.1	
Farm supplies (except machinery and equipment).....	2	6,054	62.1	37.0					.9	
Food products (not elsewhere specified).....	10	7,051	74.6	11.0	3.3	0.7			8.8	1.6
Forest products (except lumber).....	3	380	75.3					2.6	22.1	
Furniture and house furnishings.....	6	5,272	64.3					.4	35.3	
General merchandise.....	2	3,068	61.4		8.2				19.1	11.3
Groceries and food specialties.....	7	17,519	78.1	1.8	.5		14.6	1.3	1.1	2.6
Hardware (general line).....	1	561	67.0						33.0	
Iron and steel scrap other waste materials.....	1	490	54.1	45.0						
Leather and leather goods (except gloves and shoes).....	12	19,070	59.2		27.9					12.9
Leather and leather belting.....	8	6,354	67.1							32.9
Shoe findings and cut stock.....	4	13,316	55.4		41.2					3.4
Lumber and building material (other than metal).....	15	8,777	78.7	.4	.2		.4		.3	20.0
Construction and building materials (other than metal and wood).....	8	5,547	75.1					.4	24.5	
Lumber and millwork.....	7	3,230	85.0	.9	.5		1.2			12.4
Machinery, equipment, and supplies (except electrical).....	21	4,853	76.8						.5	19.0
Metals and minerals (except petroleum and scrap).....	52	268,310	89.3	2.8		3.7				2.3
Coal.....	40	48,860	82.0	1.3		4.4			.1	12.2
Iron and steel (except scrap).....	6	34,719	72.3	19.7		8.0				
Metals and metal work (other than iron and steel).....	6	184,740	94.4			2.6				.2
Paper and paper products.....	6	3,700	61.6					21.6		16.7
Plumbing and heating equipment and supplies.....	5	670	77.0						12.7	7.7
All other.....	16	30,328	53.7	7.7	.1		.4	12.8		1.1
Oils and greases (animal and vegetable).....	4	4,533	69.6	14.9			2.7	0.7		6.1
Textiles and textile materials (other than dry goods).....	6	11,654	59.3		.3			1.1	.1	.2
Miscellaneous kinds of business.....	6	14,141	43.9	11.9				24.3		.2

TABLE 16.—MULTIPLE TYPES OF WHOLESALING DONE BY WHOLESALER MERCHANTS, BY KIND OF BUSINESS—UNITED STATES: 1929

KIND OF BUSINESS (38 classifications)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES												
	Number of establishments	Net sales (000 omitted)	Whole-sale merchants	Brokers	Cash-and-carry wholesalers	Commission-merchants	Drop-shippers	Export-merchants	Importers	Manu-facturers' agents	Selling agents	Wagon distributors	All other
Total	2,295	\$1,778,258	77.2	2.7	1.2	6.8	0.6	3.3	2.6	1.0	1.4	1.1	2.1
Amusement and sporting goods	17	7,725	77.0					.3	2.7	2.3	17.0		.1
Amusement and sporting goods (except cameras and motion-picture equipment and supplies)	13	7,603	76.9					.2	2.6	2.3	17.9		.1
Cameras and motion-picture equipment and supplies	4	122	84.6					2.4	11.4	.8	.8		
Automotive	34	9,937	79.6			.5	1.0	5.8	1.6	5.5	.1	2.2	3.7
Automotive equipment	29	9,142	79.2			.5	1.1	5.7	1.8	5.7	.1	2.1	3.8
Automobile parts (new and used)	5	795	84.3					7.5		3.0		2.4	2.8
Chemicals, drugs and allied products	97	53,776	76.8	.3	1.2	1.6	.2	5.7	4.5	2.9	4.7	.3	1.8
Chemicals	43	34,015	72.8	.5		2.7	.1	8.8	6.2	3.9	4.1		.9
Drugs and drug sundries (general line)	15	16,465	85.4	.1	5.3	.1	1.3	2.4	1.5	2.1	1.5		.3
Drugs and drug sundries (specialty)	10	3,092	85.4		2.2	.1		1.2	1.6	.7	8.8		3.8
Paints, varnishes, lacquers, and enamels	11	2,324	78.4						3.5	3.5	3.2		11.1
Toilet articles and preparations	4	4,543	76.7		21.2					1.4			.7
Dry goods and apparel	223	134,202	79.0	.1	.2	1.8	.8	3.5	6.9	3.1	2.2		2.4
Clothing and furnishings (other than millinery and footwear)	57	32,237	77.9	.6	.1	2.5	1.1	1.8	5.0	8.4	1.1	.1	1.4
Dry goods (general line)	45	35,908	84.6		.3	1.0	2.1	2.2	4.9	.7	2.8		1.4
Dry goods (specialty, other than specified)	7	3,092	78.1				.2	1.8	15.7	.1	.2		3.9
Millinery and millinery supplies	10	1,863	68.0					1.1	19.7	11.2			
Notions	30	7,135	72.6			2.1		.3	19.6	1.4	1.4		2.4
Piece goods	68	50,617	76.9		.1	2.2	.2	6.4	6.6	1.6	3.0		3.2
Shoes and other footwear	6	3,350	81.9						7.3	1.4			9.4
Electrical	32	10,899	77.5		.3			.8		15.8	.2	.7	4.7
Electrical goods (including appliances)	19	8,128	72.1		.4			.4		19.9		.8	6.4
Electrical equipment and supplies	6	785	89.9							8.8		1.3	
Radios and radio equipment	7	4,976	94.7					2.7		1.4	1.0		.2

TABLE 16.—MULTIPLE TYPES OF WHOLESALING DONE BY WHOLESALER MERCHANTS, BY KIND OF BUSINESS—UNITED STATES: 1929—
Continued

FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES		Net sales (100 omitted)	Num- ber of dis- trib- u- t- e- m- e- n- t- s	KIND OF BUSINESS (88 classifications)	Whol- e- sale mer- chan- ts	Brokers	Cash- and- carry whole salers	Com- mis- sion mer- chan- ts	Drop ship- pers	Export mer- chan- ts	Import- ers	Manu- fac- turers' agents	Selling agents	Wagon dis- trib- utors	All other
Whol- e- sale mer- chan- ts	Brokers														
		\$347,807	132	Farm products (not elsewhere specified)	79.2	2.6		7.7		9.3	1.2				
		164,165	36	Cotton	84.0	1.7		0		12.1	.2				
		1,117	10	Flowers and nursery stock	85.5		1.1	11.5			.5			1.4	
		86,331	27	Grain	72.0	2.5	.2	24.8							
		46,749	32	Hides, skins, and furs	70.8	2.4				24.4	1.7				0.3
		48	1	Horses and mules				37.5							
		8,780	3	Livestock (other than horses and mules)	38.9	34.2		6.9							
		1,828	8	Wool	66.7			16.7		10.4	6.2				
		39,820	11	Wool and mohair	31.2			10.6		.6	7.6				3.0
		669	4	Other farm products	84.0			8.2			4.8				
		54,770	45	Farm supplies (except machinery and equipment)	84.5	.9		10.1	0.6	2.2	1.4			.1	.2
		18,503	20	Farm supplies (except feed and fertilizer)	85.9			10.1	.1	2.5	.9				.5
		36,257	25	Feed	83.8	1.4		10.1	.9	2.1	1.6			.1	
		474,703	632	Food products (not elsewhere specified)	75.8	3.3	.4	16.3	.1	.4	.2			.2	.5
		9,985	41	Confectionery and soft drinks	79.2	.6	6.4	5.2	1.1		.6		0.3	.2	1.2
		20,038	27	Dairy products	82.9	1.7		1.9			1.1			5.2	1.2
		57,719	39	Poultry and poultry products	81.4	4.8		14.1	.1	.7	1.1			11.1	3.0
		20,647	25	Dairy and poultry products	74.1	4.8		14.1						1.9	6.8
		5,360	19	Fish and sea foods	78.2		.6	19.3			1.9				
		308,259	451	Fruits and vegetables (fresh)	75.1	4.5	.4	18.5		.5				.4	.4
		52,985	30	Meats and meat products	71.3		.5	14.2			.2			13.8	
		115	1	Forest products (except lumber) (logs, railroad ties, piles, etc.)	69.6			30.4	.8	.6	5.6		1.0	9.0	1.8
		53,864	73	Furniture and house furnishings	80.3			.8							
		6,173	27	Furniture	67.8			3.5					7.3	8.0	13.1
		46,688	42	House furnishings	81.9			.4	.9	.6	6.5		.2	9.5	
		1,008	4	Musical instruments and sheet music	79.4					5.1	1.6		.1		13.5

General merchandise.....	9	81.7	6.5	5.1	.8	4.2	1.2	4.3	.8	1.7	5.0
Groceries and food specialties.....	252	230,661	77.2	8.1	5.1	.8	2.0	4.3	.2	.4	.3
Groceries (general line).....	159	182,567	76.1	10.0	6.5	.5	2.4	.7	.2	.2	.2
Food and grocery specialties.....	93	48,094	81.2	1.0	.4	1.8	.6	2.9	.5	1.8	.9
Hardware.....	40	13,161	83.9	.1	1.4	.2	3.4	1.0	.6	.1	3.1
Hardware (general line).....	29	11,800	85.6	.1	1.4	.2	1.0	1.1	.3	.6	3.4
Hardware (specialty).....	11	1,371	68.0	.6	.6		25.9	2.8	1.5	.2	1.0
Iron and steel scrap and other waste materials.....	16	12,272	72.6	17.9	.1	.1	2.4	5.6		.5	.9
Iron and steel scrap.....	4	3,840	57.2	40.5							
Junk and scrap.....	10	8,185	79.3	7.9		3.2	3.6	8.4		.8	2.3
Waste rubber, rags, and paper.....	2	247	83.7							8.1	
Jewelry and optical goods.....	40	9,510	75.5	1.2		.3	3.2	17.4	1.8	.1	.5
Jewelry.....	38	9,135	74.4	1.3		.4	3.4	18.1	1.9	1.6	.5
Optical goods.....	2	375	96.0					2.4			
Leather and leather goods (except gloves and shoes).....	37	27,049	79.5	.1	.1	.9		13.2	.3	4.3	.1
Lumber and building materials (other than metal).....	93	49,973	79.4	.8		5.0	1.5	2.8	5.1	1.6	1.6
Construction and building materials (other than metal and wood).....	32	13,596	81.8			3.2	.1	5.1	7.6	1.8	.2
Lumber and millwork.....	61	36,387	78.5	1.1		5.7	2.0	3.9	4.1	1.5	.9
Machinery, equipment, and supplies (except electrical).....	156	36,497	74.9	.8	.3	2.6	.4	3.4	7.8	4.7	1.9
Commercial equipment and supplies.....	24	5,967	68.1			8.9	.5	7.7	5.8	4.2	
Construction equipment and supplies.....	11	2,720	74.1		2.7	2.4		4.8	20.8		
Farm machinery and equipment.....	5	1,596	58.1	.6				.1	3.1	38.1	
Manufacturing, mining, and drilling machinery, equipment and supplies.....	72	16,705	75.5	1.7		1.4	.5	4.6	8.2	3.6	2.1
Professional equipment and supplies.....	9	1,790	75.4			3.6	.3	2.5	5.6		12.6
Service equipment and supplies.....	30	6,610	83.7	.3	.3	.9	.3	3.7	4.6	3.7	4.7
Transportation equipment and supplies.....	5	1,099	79.0				.5	10.0	8.6	1.9	1.8
Metals and minerals (except petroleum and scrap).....	46	36,503	71.1	.3		.4	.9	5.1	.7	14.8	3.1
Coal.....	21	24,837	71.0	.2		.6			.1	20.7	5.3
Iron and steel (except scrap).....	13	6,115	81.5	1.7		.3		1.9	2.5	.3	2.1
Metals and metal work (other than iron and steel).....	12	5,551	59.7				.2	3.6	.8	4.0	7.1
Paper and paper products.....	37	20,761	80.4	1.7	.1	.2	1.4	.1	3.6	2.8	6.6
Paper and paper products (general line).....	22	13,685	77.5	2.5	.1	.7	1.4		3.5	1.8	9.7
Paper and paper products (specialty, other than specified).....	8	4,747	85.7						4.1	7.0	1.2
Stationery and stationery supplies.....	7	2,329	86.9	.3			3.6	.5	3.8		3.8

TABLE 16.—MULTIPLE TYPES OF WHOLESALING DONE BY WHOLESALER MERCHANTS, BY KIND OF BUSINESS—UNITED STATES: 1929—
Continued

KIND OF BUSINESS (88 classifications)	Num- ber of estab- lish- ments	Net sales (000 omitted)	FUNCTIONAL BASIS ON WHICH MULTIPLE BUSINESS WAS DONE—PER CENT OF NET SALES										
			Whole- sale mer- chants	Brokers	Cash- and- carry whole salers	Com- mis- sion mer- chants	Drop ship- pers	Export mer- chants	Import- ers	Manu- fac- turers' agents	Selling agents	Wagon distrib- utors	All other
Petroleum and petroleum products.....	14	80,861	63.9	0.1	0.1	0.3	0.6	2.2	17.5	0.5	15.1	20.0	
Plumbing and heating equipment and supplies.....	155	70,068	68.7	.2	0.1	0.3	0.3	0.2	.2	1.1	0.3	20.4	
Plumbing equipment and supplies.....	190	68,970	68.5	1	0.1	.3	.2	.2	.2	1.0	.3	1.4	
Heating equipment and supplies.....	6	1,098	73.1	11.2	0.1	.3	.2	.2	.2	12.3	.3	1.2	
Tobacco and tobacco products (except leaf).....	53	45,123	77.2	.6	13.9	.4	2.0	4.8	2.5	.5	1.7	1.2	
All other.....	78	62,972	76.4	.3	13.9	1.1	.4	4.8	11.4	.2	.5	4.1	
Books, periodicals, and newspapers.....	4	356	61.7	1.1	1.1	1.3	.0	7.5	12.6	25.7	2.9	5.9	
Oils and greases (animal and vegetable).....	7	6,512	30.4	1.1	1.1	1.3	.0	7.5	2.2	2.2	2.9	18.3	
Rubber goods (general line).....	7	701	31.7	.2	.2	1.3	.0	3.4	4.4	.5	.5	5.4	
Textiles and textile materials (Other than dry goods).....	36	38,410	32.2	.2	.2	.9	.1	2.8	31.1	.8	2.0	5.4	
Miscellaneous kinds of business.....	29	10,984	62.0	.2	.2	.9	.1	2.8	31.1	.8	2.0	5.4	