

AN UNFOUNDED REFLECTION UPON LIVE STOCK COMMISSION MEN

"THE PRODUCER" WEAKENS ITS OWN INFLUENCE FOR GOOD BY INACCURATE AND UNFAIR STATEMENT IN THE INITIAL NUMBER.

By John W. Thomas

"The Producer" is the name of a new monthly periodical, the first number of which was issued from the publication office in Denver in June.

At the twenty-second annual convention of the American National Live Stock Association, held at Denver in January of this year, the Executive Committee was authorized to start the publication of a paper. Pursuant to this action, the American National Live Stock Publishing Company was incorporated, and the necessary steps were taken to put into effect the object of the resolution.

The first issue contains a large amount of editorial and news matter that is interesting and valuable to live stock men. Because of the high character which it is intended that this publication shall bear, it is all the more regrettable that a gross misstatement should have crept into a leading editorial in the first number.

Speaking of live stock commission men who overcharged their clients on feeding charges, The Producer said: "Every commission firm in the trade to a greater or less degree, aimed to secure a profit from this source of revenue."

The principal criticism that I have to offer on the above quoted statement is that it is ABSOLUTELY UNTRUE.

Unprincipled and dishonest men sometimes get into the live stock commission business, as well as in all other kinds of business, but that does not justify a wholesale condemnation of men engaged in that business.

There is probably not another business organization that more strictly requires square dealing on the part of its members than the live stock exchanges in the open markets in this country.

Following is the editorial in The Producer from which the above quotation is taken:

Overcharges on Feed Bills.
The following statement has been issued by the Chicago Live Stock Exchange:

The Chicago Live Stock Exchange has expelled Messrs. Lawrence L. Rappal, Fred J. Rappal, Simon P. Rappal, John H. Rappal, and Charles F. Shipman from membership in this exchange, and has indefinitely suspended Mr. John E. Quinn from the privileges of the exchange. This action was taken by its board of directors on May 9, and was the direct result of charges made by the prosecuting committee of the exchange, charging that these men, operating as Rappal Brothers & Company and Rappal Brothers & Quinn, had violated Rule VII of the rules of the exchange by excessive overcharges for feed made against their customers. The United States government, through its Bureau of Markets, is alleged to have found, by auditing the firm's books, that during the year 1918 its customers had been overcharged for feed to the extent of \$20,066.12.

The Chicago Live Stock Exchange.
By E. M. Hughes, Secretary.

Under authority conferred on him by the act of Congress approved August 10, 1917, known as the Food Control Act, the President of the United States, on June 26, 1918, placed under federal license the commission men, traders, packer buyers, and stock-yard companies; the administration of the license to be under the Department of Agriculture through its Bureau of Markets.

Under the license regulations it was provided:

Sec. 7. A license shall not make or exact any unjust, exorbitant, unreasonable, or discriminatory and unfair commission, profit, or charge for buying, selling, receiving, holding, feeding, watering, shipping, or otherwise handling or dealing in live stock or in connection with stock-yards.

Last fall the commission men, by concerted action through their various exchanges, advanced the commission charges for the sale of live stock from 20 to 50 per cent—averaging about 30 per cent. Upon complaint the American National Live Stock Association and other live-stock organizations, the Bureau of Markets instituted hearings as to the reasonableness of these advances. Public hearings were held at Chicago, Denver and Kansas City. Commission men were required to furnish financial statements showing their receipts and expenditures, including charges for feeding, etc. After the conclusion of these hearings, accountants from the Bureau of Markets went over the books of representative commission firms at the various markets, in order to ascertain the character of their earnings and expenditures. Among the interesting data secured was information clearly proving that some commission firms were making large sums of money through excessive feed bills charged against their patrons. It has long been suspected by shippers that commission firms were very lax in their methods of handling feed charges; that hay and grain was charged for which was never fed; that whatever feed was left was also charged to the next user of the pen a double charge. In other words, commission firms, so as to be on the safe side in their feed accounts, charged up a liberal amount of feed to practically every consignment received.

The fact that the Chicago firm which was expelled garnered a profit of over 20,000 dollars during one year on its feed bills demonstrates how criminally careless some commission firms are in the handling of their feed accounts. The juggling of these feed accounts was not an accident. Every commission firm in the trade, to a greater or less degree, aimed to secure a profit from this source of revenue. It was well known in commission house circles that this reprehensible practice existed for years, and that the graft was increasing; and it is truly regrettable that our agents, the commission men, did not take some steps to correct it. Nothing was done until the Bureau of Markets unearthed some scandalous instances of its grave abuse. Probably it would have gone on forever, and been winked at by these live-stock exchanges, had it not been for the expose through the Bureau of Markets. Let us score one for that bureau.

Possibly the expulsion from the live-stock exchanges of some of the firms guilty of unjust and exorbitant methods may make the other commission firms more careful in the handling of their food accounts. Let us hope so. It will, however, pay all shippers to exercise reasonable care in seeing that the feeding charges assessed against them bear some just relation to the actual amount of food consumed.

The case in point well emphasizes the importance of the regulation of the commission firms by the government. Publicity of the conduct of

their business will, in time, cure many of these market evils. When peace is declared, the authority conferred on the President by the Food Control Act ceases, and it will be necessary for Congress to enact some legislation which will enable the Department of Agriculture to exercise supervision over these various agencies connected with the handling of live stock at market centers. The Kendrick Bill provides for such authority.

The Bureau of Markets still has under advisement the reasonableness of the advance in commission charges. It is hoped that a decision will be handed down this spring. The vice of the live-stock commission business is that there are too many people seeking to extract a living from it. The actual necessary work could be performed much better with fewer firms. Most of the time of many of these firms is devoted to securing business and attracting it from their competitors. Is this a legitimate expense which the shipper should pay for?

Self-Conquest.

Patience and gentleness are not easy virtues when one is troubled within and buffeted without by the day's trials and demands. There are many times when the taking of a city might mean less to the individual soldier concerned than the conquest of his own spirit and tongue. There are tense days when a carping or unjust word falls on the spirit like a lighted match on tinder; wherefore we should be the more careful to store no tinder for ourselves, and toss no lighted matches at our fellows.

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A LETTER

From Dr. Todd, Well Known and Popular Dentist
of Omaha
DR. G. W. TODD
DENTIST

403 Barker Block.

(Over Beaton's Drug Store)

Corner 15th & Farnum Sts.

Omaha, Neb., July 7, 1919

DEAR FRIENDS:—

With the completion of eighteen years of practice in Dentistry we find ourselves occupying the largest, most complete and best equipped dental office in the middle west; having just moved to our new location in the Barker Block, Fifteenth and Farnam streets, occupying the Fourth Floor.

We desire especially to express our appreciation to our friends who read The Alliance Herald, for they have been most cordial in the support of our institution. The many kind words spoken by them in behalf of our work helped to make possible the marked progress we have made.

Sunday hours: 9 a. m. to 12 m. Evening hours by appointment.

Advanced methods in dentistry, many of them the product of our own ingenuity, has contributed largely to the popularity of our service; in this connection we mention with considerable pride the Whole Porcelain Teeth, used in bridge work, and the respirator, which has proven a great success in the relief of pain in delicate dental execution.

Our service is a guaranteed dental service, and we are always glad of the opportunity for inspection of our work to enable us to make good our guarantee.

Our facilities are greater now than ever before, therefore, we are now better prepared than ever to attend your dental needs in a manner which cannot be otherwise than satisfying.

We urge you to call and see us, no matter whether you have work to be done or not, we are always pleased to welcome our friends, and to inform them of the best to be obtained in dentistry, that they may be informed when dental work becomes a necessity for them.

Extending to you every courtesy and hoping to be favored with a visit to our new home, I remain,

Very cordially,

Dr. G. W. Todd

The Herald takes pleasure in recommending Dr. Todd and his dental establishment to stockmen and others who visit Omaha and are in need of dental work.



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