

Purchasing Agents' Association a Proven Benefit

This Period Favorable for Membership. At psychological moments in the past we have endeavored to point out to clients interested in buying the advisability of joining a purchasing agents' association. In 1915 and 1916, the initial era of a sellers' market, we sanctioned such a move, primarily for additional knowledge and protection. In March, 1920, with the culmination of hysterical buying and a sellers' market, we again emphasized the possible advantages. Since early 1920 we have entered an unprecedented period of depression where abnormal economic problems have confronted the buyer. Even today we find ourselves in the depth of a depression period.

True, the worst is over, but many obstacles are ahead. There are certain fundamentals that will inevitably retard the recovery in industrial activity and commodity prices. For example, the producing capacity of this country is recognized as greatly in excess of our ability to consume and export; the radical expansion in new incorporations on a rising market has forced heavy failures; unemployment is severe; wage and living costs are unliquidated; finally, the questions of taxation, transportation, and tariff must be revised to a basis more in keeping with existing conditions. The average buyer today still faces solemn problems that will not be solved until fundamentals assume a brighter aspect.

Purchasing Agents' Association Direct Aid. The benefits, directly and indirectly, of a purchasing agents' association are one of the important steps to better efficiency in purchasing departments. We believe in the association movement, feeling that in the long run it will prove an asset to the average buyer. The advantages of an assembly of purchasing agents are obvious. It establishes a favorable basis for friendly relations and the interchange of ideas. This includes a complete discussion of efficient methods, a study of national resources, fundamental production and manufacturing, in conjunction with fundamental conditions; a study of transportation and labor, and local, national, and world markets. Further, an assembly affords an opportunity to discuss efficient purchasing and sales co-operation, and co-operation with every department; standardization methods including classification, catalogs, and invoices; the elimination of unfavorable factors and trade abuses. In short, it endeavors to take into consideration every phase of the purchasing game in the attempt to aid the individual purchaser.

Elevation of Purchasing Agent Pronounced. The purchasing agent is being recognized more and more as an important factor in modern business administration. The old-fashioned hit-or-miss method of buying is now an event of the past. Modern scientific methods now prevail and inevitably are here to stay. Your business this coming year depends largely upon one factor—the cost on which your prices and profits must be based. In a period such as we are in today, the purchasing department is of paramount importance. The modern purchasing agent must know his plant thoroly, the methods, articles used, the personnel, the markets of the world—local and national, controlling economic factors, labor, transportation, current events, and finally his own office system.

In addition, the highest quality must be obtained at the lowest possible price. Inventories must be built up at one period and cut down at another. Purchasing will prove more and more an important spoke of the business wheel—to a large extent, the key to profits. The purchasing counsel should not be satisfied with his present position in the business administration, notwithstanding the rapid improvement during the past few years. There is still room for marked improvement and a stronger local and national purchasing agents' association should prove beneficial to all interested in this phase of the commercial field.