

Dr Sir

CH380

(May 1860)

Referring you to my respects of 21st Feb, have embraced the first Rainy Day to give a further Examination to your Statement of Business affairs, and am sorry to say that the Result is any thing but favourable to your prospects - according to your own Showing in plan of having the value of £195 over Meeting what you owe, when you include my £200 with what you owe to other Parties, you owe £5 worse than when you began even admitting that your Stock would realize the amt you have balanced it at, of which I am very doubtful, for I perceive that a large portion of it consists of costly & unsuitable goods, or too much of one thing - this is shown in the Linen 100^{ms} & half Doz^{ms} of more than half the Items - you seem to have paid little attention to the Councils I gave you about ordering little at first, and that of only cheap and suitable things, such as Families and Schools are daily using such as writing Paper, Envelopes, Writing Ink, Cheap Room Paper, Cheap Bibles Tests or School Books only such as are in constant use, &c. had you attended to this, and imported no more the first year than my £200 or perhaps £50 more, would have paid for your Inventory & Balance Sheet at least next year you would have shown a very different Result, the fact is that you should not have owed a Shilling thing beyond what you owed to myself. I can not see how a young man like you can have used up all the Profits & more of your first year's Business in personal Expenses

your Banding & Mint & perhaps a little Tayloring and
Shoe making should be nearly all your Expenditure.

When I began Bookbinding in 1828 I was in most un-
favourable Circumstances compared to you, besides
the unavoidable Expenses of a family, Educating my
two Sons, Keeping an Orphan Girl & had to pay for
a long time more than £200 a year for interest on Old
Debts which I was unable to pay and yet by the appli-
cation of those Principles I have laid down for your
Guidance and the Blessing of God I was Enabled
after a long Series of years not only to pay off all my
Old Debts, ^{& Interest} amounting to more than £3000, but also
to save up a little to keep me in my old age. yet as
I told you in a former Letter my yearly Sales did
not Exceed your first year till after four many yrs
in the Business. Of the Danger of counting too much
on the value of Stock in hand I can refer you to two
Instances well known to you & me too - When I sold out
to Mr. M. Pherson I was Glad to accept of £1200 for
a Stock that cost me originally more than £3000
and the Instance of Geo. M^r May, his Supporters took an
Inventory of his Stock and struck a Balance Sheet
showing that it was of much more value than ^{he}
pay all his Debts - They sent it to the Hammer and
yet altho it sold really well - it left his friends short
by one half of the money they had to pay for him.

Talking this view of your affairs and, also taking into
~~account the increasing amount of your monthly sales,~~ I would
 not discourage you, because you evidently have your
 success or failure in your own hands, but if you
 wish to succeed, you must deny yourself the plea-
 sure of increasing your stock by ordering so
 many shop dresses, and you must further be exceedingly sparing
 in your personal expenses, unless these rules are strictly com-
 plied with, your ruin is only the work of a little time, but
 it is nevertheless saving. The steady increase of your monthly
 sales are encouraging and will gradually help you out of
 your difficulties if you take care what I fear whom you
 order. I must take the liberty here to modify a little what I
 wrote you in my last, I think as the time is so near when
 my guarantees expire it will be for your good and save
 me much annoyance if you will abstain altogether
 from ordering till the end of Aug^r. and in the mean-
 time turn all you can of your present stock into
 cash and call in what you have out on credit, by
 which course, with what you have on hand you may
 have all your debts paid, except myself. If you
 suffer any of your cred^{rs} to come on me for their
 guarantees, I shall certainly, at once insist on your paying
 me or giving me undoubted security both for the loan,

and what may have to pay for my Guarantee. I in-
hence with your property and am yours truly

Close

J. Davidson

Copy letter to
Chas S Stearns
May 1860

you might find from that time out have ordered a little more
so your experience would have guided you - except sending a
Memorandum to cover all done, so that you were obliged to
be sure of a month - this is what I charge 2/6 and what
all proceedings like - when you put off payments for a year
or more they lose confidence in you, and are off to
take you at once - I am sure you know how it is
taken that I never think when they hear of it or of it
looking, and I can believe them

Copy
Chas S Stevens
Statement of Stock
1st Feby 60

Copy
 S S Davis 7th 1860

CH 380

Currency

British Stock in hand	£171 5 9	£214 6 6
Am ⁿ do	\$301.32	75 6 7
out on Credit	£30 5	37 5 3
Sundries omitted	£12	88 1 10
		<u>£415 5 4</u>

Due Over & Sons	69 10
Cowan & Co	28 11 9
W & N Chamberz	14 1 4
G Philip & Son	24 5 8
Exchanges	33 19 9
	<u>169 18 6</u>

American

Brown, Taggart & Chase	\$134.17	
J R Bigelow & Co	30 69	
B Carter & Bros	35 18 5	50 3 7
		<u>£220 2 1</u>
		£195 6 3

Money Borrowed from J D	£200	
	12	212
put on do due in June		<u>16 13 9</u>
		Balance due J D by GSS

Date of Provisions

Philip & S	Aug 17 1858
W & N Chamberz	24 - 50
J R Bigelow	25 50
B Carter & Bros	25 50
Cowan & Co	Oct 27 - 50