

expressed surprise that purchasing agents had been able to give consideration to sellers in formulating a contract form.

A *Standard Form of Contract* covering pig iron and fuel oil, is also in more or less general use.

A bill recently passed in the House of Representatives against commercial bribery, contained provisions following precisely the National Association recommendations.

The Western Association of Rolled Steel Consumers which is conducting the campaign against "Pittsburgh Plus," was conceived at a meeting of the Chicago Association.

Many cities, counties and some states, have, as a result of our activities in that direction, instituted central purchasing departments, resulting in enormous economies.

These are only a few of the more important accomplishments. Relief from financial limitations, however, will soon increase the scope of our association activities.

Last, but not least, is the Informashow. The Informashow, conducted by, and at the time of the convention of the National Association, is the result of an idea conceived three or four years ago and brought into being at the last convention in Rochester.

The Informashow is an educational exhibition to enable purchasing agents and other plant executives to become more familiar with the commodities they buy and use, through exhibits of raw materials, processes of manufacture and finished products, explained by competent representatives of the exhibitors. It affords in many cases concrete demonstrations which would otherwise in individual or isolated cases be impractical, if not impossible.

At the Informashow the exhibitor is furnished with the opportunity to meet men who actually do the buying and to demonstrate to them at minimum expense, the value of what they have to offer. In short the Informashow is the place where the exhibitor comes to inform, and the purchasing agent to learn.

In some of the local associations the pooling of purchases has been undertaken with highly satisfactory results. The advantages thus gained may be divided into three general groups:

1. Lower unit costs.
2. The more efficient utilization of materials and supplies purchased, through an interchange of ideas, methods, etc.
3. A method, based upon experience, of selecting

the best materials to be so purchased, resulting in the elimination of the necessity of duplication of complete laboratory or physical tests, to determine the merits of any particular material or supply so purchased.

For example, let us consider drills, used in most plants in varying quantities. Each member desiring to pool his purchases, would be able to show the results of his experience with this or that make or kind of drill for certain classes of work. Tabulating the data so collected would quickly indicate what manufacturers or jobbers it would be feasible to negotiate with for the combined requirements.

In the main these pools have been handled by a committee of interested parties. The time expended has been their own and the expenses incurred were borne by committee members. While we may or may not be ready at the moment to undertake this problem, it occurs to me that here in our own association we could most advantageously adopt this pooling plan on a number of commodities more or less common to us all. With the aid and cooperation of the membership of the Taylor Society, this plan could be carried on with resultant economies. I desire to lay emphasis on the need of cooperation of production and engineering departments for the reason that in some instances routines and methods would necessarily need to be altered. The pooling plan is fertile ground for consideration and I hope in the very near future to see a start made. Its limitations are subordinate to its benefits.

Standardization is an endeavor on the part of the Purchasing Agents Association which calls for close cooperation with production and engineering, not to mention designing departments. Here lies one of the most concrete evidences of association work. The results of standardization in certain industries have been astounding and trade in general has been the better for what has already been done. It is for all of us to pull together in this work of standardization, that we may be freed to the maximum from the complexities of special this or that, and reap the benefits of standard products, be they materials, supplies or equipment.

It is more or less true that a purchasing agent is subject to more general cussing by word or pen than any other business executive. The very nature of his position makes this so. In the olden days industrial buying was usually done by several people in the same concern, the extent of which depended upon the materials or supplies a certain department might be interested in. During the past decade, the wisdom of cen-

tralization of purchasing has demonstrated its effectiveness and has, for the most part, become universal. During the transition period from the old to the new, the relinquishing of purchasing authority by the many to the one, has left open sores, sometimes slow in healing.

A purchasing agent has to buy according to the needs of his particular firm from specifications which should originate in the factory. For the most part there are many sources whence these needs may be supplied. His purchases being limited to the requirements of the business, he cannot, obviously, buy from all who seek the orders he has to place. He is shot at for this reason, thoughtlessly, from without and from within, on general principles; sometimes hit and sometimes missed, all of which he must absorb with a smile, otherwise he is a "grouch" or a "crook," according to the point of view.

Nevertheless, a purchasing agent is just an ordinary human being, possessed of certain definite knowledge, principles and policies concerning his profession, his concern and himself. To a large degree the success of a purchasing agent, outside his personal qualifications, depends largely upon his ability and desire to render to and receive from his associates, cooperation to the fullest extent. Equally important is the manner in which he may be permitted by the management to solve the problems with which he is constantly confronted by virtue of his position. During the past few years purchasing methods have been greatly improved, and I think you will agree with me that this has been largely due to the purchasing agents themselves. Until recently—and here the purchasing agents association has been a considerable factor—they have not been recognized, as a distinct and separate class of business men.

As an example that management is beginning to consider purchasing agents as important executives instead of more or less in the nature of super-clerks, I desire to quote from a paper read by Mr. C. F. Brown, General Manager of the Corona Typewriter Co., Inc., before the Syracuse Association upon the occasion of their visit to the Corona plant. Mr. Brown said:

"I believe that the necessary thought and attention has not been given by management to the problems which the purchasing agent has to meet and the difficulties with which he is beset. I believe that every man in such position, properly encouraged and aided, is only too anxious to do his best for his house, to be a real help to his brother workers, and to treat outsiders who come to see him in a fair and just manner; but

how often does the manager take pains and time to go over policies as fully and freely with his purchasing agent as he does with his other department heads with whom he is in almost daily contact, and with whom, as a result, there is constant interchange of ideas. How often does he emphasize to the other departments the importance of the purchasing agent and to indicate the great help, which, properly conducted, a purchasing department may be to them."

Summarizing his paper Mr. Brown closed with the following:

"The purchasing agent of tomorrow will be broad, fair-minded and possessed of tact and courtesy; he will have depth and vision. Given the incentive, clothed with the proper authority, encouraged, supported and helped in his work to the same degree as is done with other executives, he will be found to have developed into one of the most valuable and generally all around, useful men in the organization."

I have mentioned that specifications for various factory requirements should originate in the factory. Who, except those responsible for the operation of the plant and the quality of the work produced, should be permitted to exercise this prerogative? I contend, however, that once these specifications are established, that contact on the part of the factory in actual buying is erroneous, except when requested by the purchasing department. The purchasing agent should be left free, from this point on, from factory interference. No one thing is so detrimental to central purchasing as for salesmen to be permitted or encouraged to avoid the purchasing department.

In such articles as we read on purchasing, much stress is laid upon the value of courtesy to salesmen. While without question this is of extreme importance, to my mind courtesy on the part of purchasing agents to production and engineering in all their departments is equally important.

A purchasing agent of the right sort should know, in a general way, the requirements, routines and methods of all the departments into which the business may be divided and in the case of the more important ones this knowledge should be of an intimate nature. He should have a general technical knowledge with respect to the materials used, and in addition the processes through which such material subsequently passes. He should be able at any time to go into conference with other department heads on technical subjects. By frequent conferences between purchasing and production departments a much better understanding of each others