

January 22, 1939

Board of Directors  
Consumers Wholesale Clothiers, Inc.,  
Mr. Benjamin, President,

Gentlemen:

In reviewing the financial report as of Nov. 30th, 1938 we found that a loss of twenty thousand dollars was incurred in the first five months of operation. We further found that the accounts receivable amount to fifty two thousand dollars and the inventory on hand amounts to- 46,169.59

As a result of the above mentioned facts, too small a capital is left on hand for future manufacturing.

Concerned as we are about our manufacturing enterprise at Jersey Homesteads, which is the main source of livelihood for three-fourths of the settlers of our community, we hereby call to the attention of our management corporation, the Consumers Wholesale Clothiers, Inc., to review and try to establish a more sound base for the direct management of the business. We recommend to the C.W.C. Board at their assembly on January 23, 1939 to review among other business on hand also the following:

1. The necessity of establishing a more careful and sounder system of credit to our customers particularly to the cooperative units in existence, as well as those to be established.

2. Consignment business and approval merchandising policies seem to require reconsideration.

3. To consider how much our manufacturing capital is allowed to spend on promotion of business in general, and particularly the outlay of expense on field men employed by C.W.C., but not working directly for the same.

4. We call to the attention of the Board the necessity of establishing additional sources of operating capital to maintain an uninterrupted schedule of manufacturing.

We are calling your attention to the above in a cooperative spirit and we believe that proper solution of these problems would help to raise this cooperative enterprise to a point where we are sure all of you desire and feel that this enterprise deserves.

Cooperatively your,

JERSEY HOMESTEADS INDUSTRIAL COOPERATIVE ASS'N.

*Boris Kravitz Pres.*