

stand for. A trade-mark, or other identifying means, applied to merchandise, is the thing which distinguishes the object of good-will to people who know nothing about the manufacturer. There is no magic in the name. The magic is in the good-will that the name symbolizes. The American Writing Paper Company place upon their good-will a value of eighteen millions of dollars, the Royal Baking Powder Company, twelve millions, and the Shredded Wheat Biscuit Company eight and one-half millions.

What, then, does all this mean? It means just this: That good-will as an asset, although apparently intangible, is possessed of a value far greater than generally realized, that every effort should be directed toward its proper development and conservation.

Is every man associated with your business rowing the stroke of the organization? A machine made of the best materials in the world would be useless if the parts were not properly put together. Great things gravitate naturally to him who has done the small things well. Are you maintaining a real interest in the community which you serve? Are you systematizing the day's work? Do you work and rest by a schedule, and keep to that schedule? Are the responsibilities properly distributed? Do you rid yourself of all possible details, assigning errands to boys and routine to clerks?

The manager is the brains of the business. He should, therefore, engage his mind only with vital, worth-while deeds and decisions. He should take time to study his organization, that he may thereby aid in the proper direction and up-building of those all-important elements known as coördination and coöperation. Only through right supervision can there result the proper *esprit de corps*.

And, finally, integrity and courtesy, a tidiness of the place of business, well-groomed employees, a thoroughness in everything, honest advertising, a willingness to serve, spontaneity, a promptness in meeting obligations, coupled with commendable service, give a basis for a claim to that mysterious something known as Good-Will, the fulcrum of modern business.

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## INSURANCE FOR RETAIL DRUGGISTS

BY A. G. CRANDALL.<sup>1</sup>

It is my purpose to outline briefly and yet as concisely as possible, the different forms of insurance which should be carried by the retail druggist for the purpose of protecting his property, also calling attention to certain recommendations which will make it possible to get the maximum result from the insurance investment.

*Fire Insurance.*—This form of insurance is generally pretty well understood and needs little comment from me except on two points. If the 80% co-insurance clause is carried it gives the insured a lower rate, but, on the other hand, the purchaser must at all times carry insurance representing at least 80 percent of the value of the property insured. In these days of re-adjustment, the fluctuating value of merchandise must be watched closely so that there will be enough insurance to value in case of a loss.

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\* Parts of an address before Detroit Branch A. Ph. A., January meeting, 1921.

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Always be sure that all fire policies are concurrent, that is, the filled in or typewritten portion of the policies should read exactly alike so that in case of fire each company would pay its proper proportion. If one of the policies does not cover in the same way the others do—it might not be possible to make the company assume its share in the settlement. I will refer to this matter later and show you how it should be handled.

*Use and Occupancy Insurance* may be written in connection with the fire insurance. It covers the loss of net profits during the period the store is out of business on account of a fire and also pays the fixed charges which of course continue just the same as when the store is in operation. This is particularly desirable for a retail store which depends almost wholly on its neighborhood trade and cannot move to another location and continue business as a wholesale or manufacturing house might do. The rate is reasonable and generally is somewhat less than the cost of fire insurance.

*Workmen's Compensation or Employers' Liability Insurance.*—Nearly all states have adopted Workmen's Compensation laws and in most cases the retail druggist must provide this protection for his employees. While it is not lawful to make the employer accept a compensation act, the same result is obtained by depriving him of his statutory defenses if he does not voluntarily choose to come under it. These defenses are, 1, *assumption of risk*, in which the employer contends that the employee assumed the normal risks of employment when he accepted the job; 2, *contributory negligence*, wherein the employee himself may have contributed to the accident by carelessness or other means; 3, *fellow servant defense*, in which case a fellow servant may have caused or contributed to the cause of the accident.

It will be readily seen that without these defenses an employer is helpless and the best thing to do is to elect to come under the act and accept a known and restricted liability instead of an indefinite and immeasurable one. This liability can be carried by an Insurance Company at a very nominal rate and brings the matter down to a fixed charge each year for his protection.

*Robbery and Burglary Insurance.*—Drug stores are frequently the scenes of quick and well-planned hold-ups, usually when the druggist is counting his cash, or just before the store is closed for the night. The clerk who goes to the bank for a payroll or with a deposit is also a frequent victim of these bandits. A policy may be written at a very moderate rate to protect the druggist against either of these misfortunes.

A good many drug store burglaries have been laid to the efforts of drug addicts to obtain their favorite narcotics, some of them going so far as to blow the safe in order to complete the search. An *open stock burglary policy*, and a *safe burglary policy* are written to cover the premises when they are not open for business and these cover not only the loss of money and property, but the destruction and damages to premises and fixtures due to the operations of yeggmen and burglars.

Probably the most popular and valuable protection offered by an Insurance Company, however, is that which is peculiar to the business—and is known as *druggists' liability*, still written by a few companies, but not very attractive to most of them. It protects the druggist against loss from his liability for death or injuries due to errors in compounding prescriptions or putting up drugs or medi-

cines. No druggist, however careful in the selection of his help, can be certain of eliminating errors of this kind and even if the errors are made there are always unscrupulous people ever ready to push fraudulent claims and trying to make dishonest gain whenever the slightest opportunity presents itself.

This policy includes the cost of employing expert counsel to defend actions of this kind which in itself would involve considerable expense even if no verdict were awarded the plaintiff.

The cost of this insurance is based upon a store charge of \$15.00 for a \$5,000 policy, to which is added a charge of \$3.00 for each registered pharmacist (except the proprietor), \$2.00 for each assistant pharmacist or junior prescription clerk, \$3.00 for each relief clerk, and \$1.00 each for salesmen, soda water clerks, store boys or porters, although it is not necessary to include these if it is not desired. For the small cost of this coverage it is doubtful if there is any other class of insurance which is of so much value to the druggist. The security of his business might be said to rest upon it.

*Public Liability Insurance* is as yet not very generally carried, except in downtown stores, where the public traffic is heavy and continuous. This insurance covers the druggist against loss resulting from accidents or injuries in his store to the general public either within the store premises or on the sidewalks or other ways immediately adjoining. The cost is nominal, usually from \$6.00 to \$10.00 a year and covers up to \$5,000 for an injury to one person, or \$10,000 for any accident in which more than one are injured. Such a policy would cover the personal injuries caused by an explosion of a soda water tank, a fall over a torn floor covering or a defect in the floor itself. Accidents of this kind are also a source of profit to unscrupulous claim hunters and they are usually aided and abetted by that species of notorious legal talent known as the "ambulance chaser." Protection against these commercial sharks is part of the regular service under a public liability policy.

In conclusion, I wish to say that it is unfortunate that the retail druggist numbers among his cigar counter patrons and other regular customers quite a few insurance agents or solicitors, as he usually tries to please them all and as a result spreads out his insurance so thin that he gets no real service from any one of his agents. I cannot impress upon you too strongly the error of this method of handling your insurance. The only way to get the maximum results from your insurance investment is to choose the most experienced agent from your acquaintance and give him the whole line. Make him responsible for the form, rate and concurrency of your fire policies, and the handling of your adjustment in the event of a fire. Your entire line of insurance will make you an important client and you will get his personal attention and assistance in arranging your forms, getting the broadest coverage possible and in advising you of the possibilities of rate reduction. You would not think of employing a half dozen attorneys to look after your legal interests and surely your insurance interests are deserving of the same consideration.