

mind of a preparation if he is going to continue to prescribe and recommend it. This is only natural. These days there are so many new preparations being brought out and so many new ideas that a doctor has difficulty in keeping up with all of them. Yet you can't afford to harass or annoy him with your claims. I suggest that you mail monthly a blotter which has printed on it one or two important advantages or uses of the preparation. Here are some samples. Few people throw away a blotter because it is useful. In that way you keep your name before him.

"In the case of physicians who apparently ignore your first letter you will find you will get almost as great a response month after month as you did from the original letter, if you inclose with the blotter a return envelope and a card on which he can ask for a trial bottle.

"One benefit you will receive from this propaganda is that physicians who never knew of you before will become acquainted with your store and your entire business will benefit. Eventually, however, you will have to get other stores to carry your preparation to satisfy the demand which you create for it. The easiest way to do this is to telephone the druggists you know best and tell them whom you have detailed in their neighborhood. Any druggist will lay in a small stock of an article if he is assured there is going to be a demand for it and not left with dead stock on hand. You can talk the same way to the wholesale houses.

"Fourth, you can capitalize this widened distribution by writing to doctors in the neighborhood of each store you sell and tell them the name of the store. You will notice in this letter that there is also a request for him to suggest additional stores. Very few druggists will refuse to stock an article that a doctor asks him to carry provided he feels certain the doctor intends to prescribe the preparation."

"This all sounds very fine," said Marsden when the advertising man had finished, "but what's it all going to cost?"

"Just as much or as little as you want it to. You are making a living from the store now, so I would suggest that for the next couple of years you put back into this preparation all you take in on it. In this way as your sales increase you can gradually extend your detailing and with it your distribution. In two or three years you will be in a strong enough position to begin safely to draw some of the profits which have begun to accumulate because you have built upon this solid foundation."

Strict, unfaltering observance of the code of ethics at all times should be a prime essential in all undertakings promoted by pharmacists.

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#### QUESTIONNAIRE FOR INVESTIGATION OF A MANUFACTURING ESTABLISHMENT.

Through the courtesy of a prominent manufacturer the JOURNAL is enabled to publish a questionnaire which is used as a basis for estimating the financial strength and future earning power of a pharmaceutical, proprietary, toilet or sundry article and of the establishment producing the preparation under consideration.

1. When started.
2. Capital invested at beginning. If cash or property, amount of each.
3. Additional capital paid in. If cash or property.
4. Partnership or Corporation.
  - (a) If Corporation, state where incorporated.
  - (b) Present capitalization.
5. Tangible assets

*A.—Building and Ground.*

1. Size.
2. Stories high.
3. Total floor space.
4. Value conservatively estimated.
5. Has building been appraised; if so, give date and value.
6. Location of. If good neighborhood.

*B.—Equipment.*

1. Office.
  - (a) Condition of.
  - (b) Estimated value.
2. Factory.
  - (a) If antiquated or new.
  - (b) Estimated usable.
  - (c) What portion permanent, moving cost of which would about equal or exceed value. This includes such items, as shafting, built in conveyors, electric dummy elevators, etc.
3. Motor or horse trucks or vehicles, if any.
  - (a) Condition of.
  - (b) Estimated value of.
4. Cost of all equipment as shown on books.
5. Cost at which carried on books.
6. Is usable value equal to book value.
7. Has company an appraisalment of equipment. If so, give date and value.

*C.—Merchandise.*

- (a) Raw material.
  1. Inventory value of . . . . . date.
  2. Condition of.
    - (a) Quantity if any of deteriorated or of doubtful value.
  3. Has there been a great depreciation or advance in value of any items of which there is a substantial quantity on hand.
  4. Is stock fully worth value at which carried on books.
- (b) Finishing material.
  1. Inventory value of . . . . . date of.
  2. Condition of.
    - (a) Quantity, if any, discontinued or obsolete.
  3. Has there been a material change in price either higher or lower over price paid.
  4. Is stock fully worth value at which carried on books.
- (c) Finished stock.
  1. Inventory value of . . . . . Date . . . . .
  2. Condition of.
    - (a) State quantity if any of deteriorated or doubtful value.
  3. Have costs of production changed materially, in last 2 years.
  4. Does replacement cost exceed cost at which produced or carried.
  5. Is stock fully worth value at which carried on books.

*D.—Accounts Receivable.*

1. Amount of . . . . . Date . . . . .
2. Kind.
  - (a) Retailers.
  - (b) Jobbers.
3. If any large single accounts.
4. If any large credit balances or advance payments.
5. If freight prepaid or allowed when remitting.
6. Are collections followed up closely.
7. Amount of suspense account if any.
8. Amount past due if possible to state.
9. Are suspense accounts included in total or stated as separately in financial statements and on this report.
10. Method of bookkeeping used. Single or double entry.
11. Are monthly trial balances taken and monthly statements made.
12. Are balances forced.
13. Terms of sales.
  - (a) Cash discount.
  - (b) Time due net.

*E.—Products, Manufacturing.*

- (a) If few—name.
- (b) If many supply printed or other list.
- (c) Give yearly sale of principal item or items.
- (d) Give cost of principal item or items.
- (e) If not self evident give use of items.
- (f) Market possibilities of principal item or items.
- (g) No products deteriorate with age.
- (h) Additional data and comments discovered by investigations which buyer should know.

*F.—Advertising.*

1. Amount of annual advertising by year since beginning of company or for last five years.
2. Kind of advertising.
  - (a) Magazine.
    1. Amount if any, in dollars.
  - (b) Newspapers.
    1. Amount if any, in dollars.
  - (c) Bill boards.
    - (a) Amount if any, in dollars.
  - (d) Painted signs.
    - (a) Amount if any, in dollars.
  - (e) Window displays.
    - (a) Amount if any.
  - (f) Samples.
    - (a) Amount if any.
  - (g) Miscellaneous advertising.
    - (a) Kind if any.
    - (b) Amount spent if any.
  - (h) Additional data and comments by investigator.

*G.—Sales Force, if any.*

1. How long in existence.
2. If a special sales manager.
3. Number of regular salesmen.
4. How paid.
  - (a) Straight salary.

- (b) Salary and expenses.
- (c) Commission salesmen.
- (d) Pay own expenses.
- 5. Average monthly sales per man.
  - (a) To jobbers.
  - (b) To retailers.
- 6. Average cost per man.
- 7. Total cost.
- 8. Demonstrators.
  - (a) Number.
  - (b) How paid.
    - (x) Straight salary.
    - (y) Salary and commission.
  - (c) Total cost of.
- 9. Number of women travelers, if any.
- 10. Any indications goods are drag on market.
- 11. Additional data and comments by investigator.

*H.—Sales Policy.*

- (a) Any effort to maintain retail prices.
- (b) If sold exclusively to retailers.
- (c) If sold exclusively through jobbers.
- (d) If sold direct to both jobbers and retailers.
- (e) Free deals.
  - (x) To retailers.
  - (y) To jobbers.
- (f) Trade discount.
  - (x) To retailers.
  - (y) To jobbers.
- (g) State if jobber is given both free goods and trade or jobbing discount.
- (h) State if retailer is given both free goods and trade discount or if he only has choice to take either free goods or trade discount but not both.
- (i) Does sales policy include leading retailer or jobber or both.
- (j) Additional data and comments by investigator.

*I.—Finished Stocks.*

- (a) Is any carried in warehouses in different cities.
- (b) If so, state where and amount carried, also basis of cost.

*J.—Sales.*

- 1. For year since beginning or previous five years.
- 2. Are sales given, gross or net.
- 3. If gross, state discounts or other deductions made by buyers.
- 4. State sales.
  - (a) To jobbers.
  - (b) To retailers.
- 5. Are goods sold to department stores.
  - (a) If so, to what extent.
  - (b) If possible state amount.

*K.—Good Will, Formulas, etc., and Other Intangible Assets.*

- 1. State amount at which carried on books.
- 2. State if developed by company or if acquired through purchase.
- 3. If acquired in part or whole by purchase, state price paid.
- 4. Additional data and comments by investigator.

*L.—Summary of Impressions Gained by Investigator.*

*M.—Foreign Branches.*

1. What countries.
2. What city located.
3. Capital each.
4. Tangible assets each.
5. Sales per year last 5 years of each.
6. Give names of countries where trade marked.
7. Above are recapitulation figures.

Fill in as far as possible this entire questionnaire for each branch.

*N.—Additional Data Not Requested in this Questionnaire Noticed by Investigator Which Buyer Should Know.*

## COMMENTS, QUESTIONS AND SUGGESTIONS ARE WELCOME.

Readers are invited to submit comments, criticisms and suggestions regarding the material which appears in this department. The editor will also undertake to answer questions regarding general problems of business management. Letters of general interest will be published, but the writer's name will not be revealed without his permission.

## SEASONABLE DISPLAYS FOR FEBRUARY AND MARCH.

Surgical goods and sick-room supplies.  
 Dental supplies.  
 Olive oil.  
 Telephone order business.  
 Shampoos and hair tonics.  
 Castile soap.  
 Face creams, lotions and powders.  
 Easter perfumes, toilet waters and sachets.

## A COMPARATIVE STATISTICAL STUDY OF THE NUMBER OF REGISTERED PHARMACISTS, OF DRUG STORES AND OF HOSPITALS OF TWENTY-FIVE OR MORE BEDS' CAPACITY.\*

BY HENRY J. GOECKEL.<sup>1</sup>

The objective of this investigation is to show, if possible, on the basis of supply that a large percentage of the hospitals in the United States do not employ registered or qualified pharmacists to compound and dispense and to have general supervision over the drug supplies of these institutions. Incidental objectives are to call attention to the need for developing this branch of pharmaceutical service, to learn how many registered pharmacists there actually are and how this number compares with the total number of pharmacies, hospitals of more than twenty-five beds' capacity and with the total population.

The excellent statistical study on the number of drug stores and the relation to populations of the various states, etc., by W. F. Rudd,<sup>2</sup> presented at the last

\* Read before Section on Practical Pharmacy and Dispensing, A. PH. A., Des Moines meeting, 1925.

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<sup>2</sup> W. F. Rudd, JOUR. A. PH. A., p. 1153 (December 1924).