

Our endeavor is to give to the physicians practical prescriptions which will take the place of certain proprietary preparations. We differentiate between so-called *proprietary preparations* and *ethical specialties*.

A little more than a year ago, in April 1936, we commenced the simultaneous publication in both of our Journals—the JOURNAL OF THE PHARMACEUTICAL ASSOCIATION and the *Journal of the Medical Society*—a group of six seasonable, ethical formulas. They appeared bimonthly. These prescriptions have proved very popular and practical with many of the physicians in our state and I am sure that many New Jersey pharmacists have already noted that doctors are prescribing more of these ethical formulas.

It is gratifying to note that in one of the hospitals of our State of New Jersey our prescriptions are being used as a basis for instruction at the weekly conferences with the interns and medical staff.

In addition to our prescription feature we plan to present in the JOURNAL OF THE PHARMACEUTICAL ASSOCIATION and the *Journal of the State Medical Society* a series of articles covering recent developments in the use of therapeutic agents and new drugs. In the August issue of our respective Journals appeared a timely article sponsored by our Joint Committee on Professional Relations on Sulfanilamide.

In New Jersey we are going on with our work. It has really just begun.

PHARMACY AND MEDICINE—two great allied professions. With so many common interests it is most important that we face together the inevitable problems of the future.

IS THE PHARMACIST A POOR MERCHANT BECAUSE HE LACKS TRAINING IN ACCOUNTING, ECONOMICS AND BUSINESS STUDIES?*

BY RALPH R. KREUER.¹

I have asked a question as the title of my paper, and, while I admit that it is difficult for anyone to answer that question, I am convinced, after much study and personal observations, that the answer is, "yes." Yes, the pharmacist is a poor merchant because he lacks these necessary and vital requirements.

I have seen conditions in drug stores that were appalling. I have seen pharmacists going about their daily duties with absolutely no idea of how much business they must do in order to make a profit. They could not tell whether they were heading for bankruptcy or actually making money. They could not discuss a profit-and-loss statement or stock control. Many pharmacists haven't the least idea of what their inventory is, for the simple reason that they don't take one. I have asked many pharmacists if they were making a profit on their soda fountains. The answer is usually, "yes," or "I believe so." On further questioning as to how much money they were making, or what gross profit they realized, the answer was almost invariably "I don't know." Keen competition usually takes its toll of these poor business men, because they lack the weapons with which to fight their com-

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petitors. In times of close competition a merchant must call upon his reserve training and experience in waging his battle. When business comes easy, some merchants are satisfied with their sales and are inclined to allow their commercial knowledge to lie dormant, then when an emergency arises or an economic crisis takes place, the methods of increasing sales that he once knew have become obsolete or ineffective. In other cases where the merchant has never had training in business methods, he is almost at a total loss how to meet competition.

A pharmacist, like any other merchant, should have his finger on the pulse of his business at all times, so that he may immediately detect any change in his organization. In order to do this he must constantly know its condition, just as a physician watches for a change in his patient. If a change for the worse takes place, the doctor applies the proper stimulant. But if the pharmacist is ignorant of his business ailment, he doesn't know what stimulant to use or where to apply it.

Every one is familiar with the survey made a few years ago by the U. S. Department of Commerce, in which a number of failed drug stores were studied in order to determine the causes of failure. Some very interesting results were obtained from this survey, but the one outstanding cause of failure which impressed me was poor business management. The creditors stated that 73% of the stores failed because of incompetency or inability to manage the stores. This covers a large variety of offences, but I believe it can be boiled down to the statement that the owners lacked the knowledge of, what I shall call, business principles, disregarding the fact that some pharmacists are merely lazy. Too many pharmacists have little or no knowledge of the essentials necessary to conduct a profitable business. Too many of them are content to sit back and bemoan the fact that their competitors are ruining their trade. Competition is very often used as an excuse to cover up personal shortcomings.

In the survey I have mentioned, competition did not seem to be a direct or important cause of failure in any of the stores. I have referred to this survey merely to supplement my own observations in the thirty-odd stores in which I have worked.

Where, then, does the fault lie? Is it because the owners and managers were never taught these important subjects of accounting, economics and various other business studies? Or is it the fault of the pharmacy schools? I have examined the pharmacy bulletins of practically every school of pharmacy in the country, and I find that every one offers some type of business course as a part of its curricula. In some schools these courses are optional. Still, the fault may be because in some schools of pharmacy the courses in economics, etc., are not taught by the faculty of the pharmacy school, but by the regular department of commerce, by men who are not pharmacists and who are not familiar with the pharmacists' problems. The fact remains, however, that to-day pharmacy schools are offering these courses. Changes have been suggested, and some will undoubtedly take place. It has been proposed that a combination course in pharmacy and business, consisting of five years, be inaugurated. It is unfortunate that the older pharmacists did not have the advantages of courses in business training and economics when they attended college. This does not mean, however, that the man already in business, and who is without this vital training, is lost. He is not lost if he has the initiative and the courage to acquire this knowledge for himself. How? There are several ways. One is by attending classes in business colleges and universities in his spare

time, and the other is by reading texts that deal with these subjects. Our drug journals carry very excellent articles on business management, salesmanship, accounting, etc., and these are certainly within reach of every pharmacist.

ADVERTISING PROFESSIONAL PHARMACY.*

BY LIEUTENANT JOSEPH A. ORTOLAN.^{1,2}

Economic conditions have arisen in pharmacy during the past twenty-five years making it very difficult for the average pharmacist to eke out a living in keeping with his education, training and responsibility.

In a majority of instances these economic conditions have been brought about not by any one particular cause but a number of different reasons: Advancement in Medicine, a greater number of students taking up the profession of Pharmacy, depressions and unemployment.

Slowly, but surely, the pharmacist has had to increase the already large and overwhelming number of items in his pharmacy in an effort to meet competition with the merchants in his locality. These items, most of them entirely foreign to a professional pharmacy, were a means toward an end. These goods and the luncheonette were used as a method to have people come to his pharmacy (which was in reality more of a store than a pharmacy). So-called customers came only in an emergency, usually when the merchants really having a right to sell these goods had their places closed because of the late hour, Sundays and holidays. Then the customer had no alternative except to go to the neighborhood pharmacy and reluctantly pay the price charged for the item.

In this the average pharmacist believed he was making a profit, whereas in reality he was making a scanty living, if he was really making a living at all. His success, if any, was problematical. However, this is just so much water over the dam.

The thing that annoys the professional, thinking and intelligent pharmacist to-day is that, granted for the sake of argument that he ekes out an existence, he has had to pocket his pride, lose his prestige and finally lose the professional attitude which is his rightful heritage and which heritage belongs to all thinking, deserving and intelligent pharmacists who do their work well and conscientiously. These men are proud of the fact that they belong to an ancient and honorable profession allied with medicine and dentistry.

The dawn of a new day is coming for the pharmacist, however. To my way of thinking, the pharmacy of to-morrow will not be located, as it is in many instances at present, on the corner of a building occupying perhaps the most expensive piece of real estate on the block.

Rather I want you thinking pharmacists, both men and women, to visualize, if you will, the ideal as well as the practical professional pharmacy of the future, situated either on the first, second, third and even fourth floor of an up-to-date building. Here we would have better light and ventilation, even though we have

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