

Numerous other commercial "Remedies" were examined during this investigation, but were placed in the "non-secret" class, because of the frank statement of one or more, or all potent ingredients, on the labels.

Some of the "secret remedies" are, undoubtedly, meritorious, and would profit by their elevation to the "non-secret" class. For analysis of other "secret remedies," the reader is referred to the *Service and Regulatory Announcements* of the Bureau of Chemistry of the U. S. Department of Agriculture; the publications of State Chemists, Boards of Pharmacy, Boards of Health, and other State bodies (particularly the publication of the North Dakota Agricultural Experiment Station); "Secret Remedies," and "More Secret Remedies," of the British Medical Association; the reports of the Laboratory on Pharmacy and Chemistry on the American Medical Association; and various medical and pharmaceutical periodicals.

The elimination of "secret remedies" or their elevation into the "non-secret" class is in process of evolution, is inevitable, and to the advantage of all concerned.

It is to be earnestly hoped that the undoubted advantages to be derived from the success of this movement will be appreciated by all concerned and that every possible assistance will be rendered toward the achievement of this success.

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MEETING CHAIN STORE COMPETITION.*

BY CLYDE L. EDDY.

Figures compiled during the spring of 1920 by *The Druggists Circular* show that there are in the United States 315 individuals and corporations operating chains of three or more drug stores. These chains include a total of 1,565 stores—approximately 3.12 percent of all the drug stores in the country.

Twenty-one of these individuals and corporations operate chains of ten or more stores and one of them, the Louis K. Liggett Company, has 211 retail establishments scattered between Bangor, Maine, and Dallas, Texas. This group of 21 organizations, operating 544 stores, includes the following companies:

The Louis K. Liggett Company, of New York City.....	211 stores
The Owl Drug Company, of San Francisco, Cal.....	32 stores
The Mykrantz Company, of Columbus, Ohio.....	30 stores
The Dow Drug Company, of Cincinnati, Ohio.....	23 stores
The National Drug Stores Corp., of New York City.....	21 stores
The Walgreen Drug Co., of Chicago, Ill.....	21 stores
The Marshall Drug Co., of Cleveland, Ohio.....	20 stores
The Miller-Strong Drug Co., of Buffalo, N. Y.....	19 stores
The Sun Drug Co., of Los Angeles, Cal.....	17 stores
The Standard Drug Co., of Cleveland, Ohio.....	15 stores
The United Chemists' Corp., of New York City.....	15 stores
The Scholtz-Mutual Drug Co., of Denver, Colo.....	15 stores
Clem Thistlewaite, of Indianapolis, Ind.....	15 stores
The Day Drug Co., of Akron, Ohio.....	15 stores

* Read before Section on Commercial Interests, A. Ph. A., City of Washington meeting, 1920.

Shumates Pharmacies, of San Francisco, Cal.....	12 stores
Harvey and Carey, of Salamanca, N. Y.....	12 stores
The Coöperative Drug Co., of Philadelphia, Pa.....	11 stores
The Jacobs Pharmacy Co., of Atlanta, Ga.....	10 stores
Paul Freund, of New Orleans, La.....	10 stores
The Detroit Drug Co., of Detroit, Mich.....	10 stores
The May Drug Co., of Pittsburgh, Pa.....	10 stores

Remember this group of 21 chain organizations I shall refer to it again.

It will be noted that the "home offices" of 273 of these stores are in New York; 103 are in Ohio; 61, in California; 21 each, in Pennsylvania and Illinois; 15 each, in Indiana and Colorado; and 10 each, in Michigan, Georgia and Louisiana. These are the larger chains only. There are smaller chains in nearly every state, the only ones which are free from them being South Dakota, Wyoming, New Mexico and Arizona. Naturally most of the chains are found in the more thickly populated sections of the country and, especially, in the larger cities. Three drug stores of every hundred in the United States are *chain* drug stores.

ORIGIN OF THE CHAIN MOVEMENT.

The chain store is a product of our own times. As we understand the term, there were no chain stores in existence as recently as thirty years ago and practically all of the growth of the movement has been during the past twenty years. Prior to 1890 there were isolated instances where an individual operated two or more stores but they were all in the same city or neighborhood and were simply two stores under the same management. They were separate entities and there was no home office or central organization.

In 1900, the old Hegeman Company had four stores in New York; the Riker organization had two stores in the same city; Jaynes had two or three in Boston; and the Owl had three in California. These and perhaps a dozen others of less importance constituted the sum total of chain stores in the United States. Twenty years ago there were not more than 25 stores in the country which could be called chain stores—today there are 1,565 of them.

The Louis K. Liggett Company was not organized until 1907 and was operating but 26 stores three years later. At that time the Riker-Hegeman-Jaynes combination had 58 stores and the Owl had ten. That was in 1910. Six years later when the Liggett Company absorbed the Riker-Hegeman-Jaynes Company, the purchasing corporation was operating 45 stores and the selling corporation, 107. The Owl at that time had 21 stores. That was 4 years ago.

The Mykrantz Company was organized as recently as 1912 and now operates 30 stores. The Dow Drug Co. was organized in 1915, taking over the 11 stores of the M. C. Dow Company and the three stores of the Weatherhead Company, and now operates 23 stores. The Marshall Drug Company had but one store in 1900 and now it has 20. The Miller-Strong Company, with 19 stores, was not organized until 1908 and the Sun Drug Company, with only one store in 1901, served twenty-eight and a half million customers during 1919 in 17 stores.

The Standard Drug Company had one store in 1900, three in 1905, and 16 in 1919. The Scholtz-Mutual Company was organized only last year, taking over the seven Scholtz stores in Denver and adding seven more to them. In 1900 the Day Drug Co. was operating one store and the Jacobs Pharmacy Company two. The first of the Peoples' drug stores was opened in 1907.

The National Drug Stores Corporation was organized in 1919—only last year—and already is operating 21 stores. The United Chemists Corporation, the drug chain, if you will, of the United Retail Stores Corporation, the largest and wealthiest retail organization in the world, has been in existence only a few years and has only recently begun actually to expand. We may expect to see it number its stores by the hundreds within a few years, if the past performances of the company are used as a criterion.

WHY THE CHAIN STORES CAME INTO EXISTENCE.

There is no denying the fact that the chain store movement has been, and is, a successful one and it may be worth our while to inquire into the reasons for its success. Chain stores came into existence during the heyday of the old-time "patent" medicine and their *initial* success, undoubtedly, was due largely to their policy of cutting retail prices, but that alone did not, and does not altogether account for their success.

R. E. Miller, of the Owl Drug Company, says that chain stores, or at any rate the chain of stores of which he is president, came into existence because he saw an opportunity to duplicate, in San Francisco, a type of store then meeting with success in Philadelphia.

"The drug stores of the Pacific Coast were called apothecaries' or chemists' shops in those days," he says. "The windows contained a few flower pots but the old style colored drug symbols occupied most of the space. In the interior of the store everything was under cover, the shelves being filled with stock bottles on which Latin names were printed. The stores were cold and cheerless.

"Some of the department stores were just beginning to feature sundries and were gradually taking the business which I knew rightfully belonged to drug stores and I saw that if druggists insisted upon sticking to the old order of things they would soon be crowded into the suburbs. I was much impressed with the store of George B. Evans, in Philadelphia. His place was large and roomy; the windows were clean and well trimmed; and he dared occasionally to cut a few prices and use some printers' ink in his advertising. Each time I went East I noticed that his business was increasing and as often as I returned to San Francisco (Mr. Miller was then buyer for a wholesale sundry supply house) I tried to tell a few of my best customers something about his business methods, but they termed such methods 'unethical and improper' and would have nothing to do with them. I saw an opportunity to duplicate Mr. Evans' type of store in San Francisco and did so, our first store being opened June 1, 1892."

Mr. Miller was a price cutter and the earlier success of his company was due in part to that policy but there were other things and there are other things, of far greater importance than price, responsible for the success of the chain store movement. The public may think it cares a great deal about price but it will not go a step out of its way to trade at the low-price store that is dirty or dingy, or the one that gives unsatisfactory service, or the one in which it has no confidence.

The success of the chain store is the result of its having won the confidence of the buying public; upon its merchandising ability; and upon its location. Perhaps the most important of these is that it has won the confidence and has the goodwill of a large proportion of the buying public.

WINNING CONFIDENCE THROUGH HONESTY.

HONESTY IN SELLING.

Unfortunately, there are certain smaller chains of stores whose owners, apparently, do not think that "honesty is the best policy" but the larger chains—the more successful ones—know that it is and they do business accordingly. What I have to say, therefore, may not apply to all chains but, from personal experience and investigation, I know that it does apply to the larger ones.

They make it a rule to refund the money, *cheerfully*, when a customer brings back an article that he has paid for and is not satisfied with. They go out of their way to make the customer feel that the goods must give satisfaction. This is typical of the instructions sent out by the better type of chain-store organizations;

"Do not quibble or question when a customer brings back a Riker package and says the contents were not satisfactory. Hand out the purchase price promptly and as willingly and graciously as you do when you sell it. Living up to our guarantee is our salvation and your salvation. Do not misrepresent us. We advertise as follows: 'If a Riker preparation fails to satisfy you, bring back the empty package *and get your money.*' We mean just that and when you hesitate or question it you are creating a doubt in the mind of the customer as to our honesty. *Regardless of any other consideration—the customer must be satisfied.*"

Think of the fine courage required to send such a sweeping statement of policy out to 150 stores. Think what a tremendous monetary loss might result from the application of such a policy. Yet, such a policy is adhered to by many of the more successful retailers in all lines.

I have been on the floor myself in Owl stores and have had disputes referred to me by over-zealous salesmen who were unwilling to be imposed upon by unreasonable or unwitting customers seeking to exchange items not even purchased there. And I have made such exchanges quite confident that I was making a friend for the store and acting in accord with the wishes of the management.

I have seen tooth brushes brought back—tooth brushes that were purchased elsewhere—and I have exchanged them for new ones without ever letting the customer know that I doubted his honesty and *giving him no opportunity to doubt ours.* Perhaps this "money back" privilege is abused sometimes but you have no way of knowing when the customer is not honest and it is better to be the "goat" occasionally than to shake the confidence of the bona-fide customer by refusing to take back merchandise he honestly thinks came from your store.

Also, the guilty conscience of the customer who abused your confidence may send him back to make reparation by purchasing other merchandise and, in the long run, will refund you the money you lost on the original "exchange."

Finally—and especially—make refunds and exchanges cheerfully or do not make them at all. When you frown about it and seem displeased you lose both the money and the customer whereas, when you smile, you are out the money but you retain the good-will of the customer and are assured of his continued patronage.

THE CUSTOMER IS RIGHT.

Marshall Field is said to have been the first merchandiser to adopt the policy that "the customer is always right." Thousands of them employ a similar policy now. This is how the old Riker company expressed it; "The first principle of the 'Riker Idea' is that every transaction in a Riker store must be completely satisfactory to the customer. There will be no compromise, no quibble—right or wrong, the customer is *right.* Cost what it may in money, cost what it may in the personal feeling or dignity of the representative, the customer is *right.*"

Those are strong words and all of us know how very difficult it is to adhere to such a policy. We have all encountered unreasonable, snobbish, overbearing customers who deserved not kind consideration and tactful handling, but swift, effective and unmistakable assistance out of the door and on into the middle of the next block, but it has been amply demonstrated that it isn't good business to follow our inclination in such cases.

I have had customers come to me fairly "tearing their hair" accompanied by red-faced salesmen in a humor to bite "ten penny" nails in two and I have seen those same customers leave the store a few minutes later quite placated and loaded down with purchases the profits from which offset the monetary loss incurred in restoring the smiles to their faces.

SELLING WHAT THE CUSTOMER ASKS FOR.

Some of us can remember the "good old days" in the history of retailing when the idea was to "sell 'em your own merchandise, no matter what they ask for." Some of the small retailers still do it that way—and that is one of the reasons why they will always be small. The customer kept one eye on the door and all that was lacking to make the scene complete was a horse and a mask.

But, in the drug business at any rate, there is little of that nowadays and many of the better stores do not permit so much as a suggestion of their own brand when the product of another manufacturer is asked for. The Owl Drug Company advertises, "You get what you ask for in an Owl store—there is nothing 'just as good,' " and means exactly what it says. If you ask for a proprietary that is what you get, and if you want to take a chance on "Wuxated Zinc," you take your chance all unhindered. Salesmen who try to "switch" customers to "P. M." goods are peremptorily discharged. A glib salesman can sell almost anything he may set out to sell, but such items do not always stay sold, and it is better business to sell the customer what he wants and then—sell him something else to go with it.

SALES CLAIMS.

One of the larger chain organizations instructs its salespeople as follows: "Misrepresentation of merchandise is suicidal to any business. We must insist that you never misrepresent any article under any circumstances," and another one says, "Misrepresentation of any article offered for sale is strictly forbidden. The good faith of this company is largely in the salesmen's hands and this confidence must not be betrayed. Tell the customer exactly the truth about each article."

Undoubtedly there are salespeople who stretch the truth in order to make sales but that is the uncontrollable "human element." The instructions are clear and, where the *spirit* of the organization is for square dealing, the general *tone* of the company is one that encourages confidence.

One corporation advises, "You should not misrepresent ours or any one else's goods; neither should you guarantee any cures." That tends to correct any tendency to discourage the sale of outside products in favor of commission goods and, also, it urges that no exaggerated claims be made for the goods on sale.

HONEST MERCHANDISE.

First sell your business to your own sales-force. Be careful in your buying so that your stock will include only merchandise that you will feel safe in recommending and then let your salespeople know that your merchandise has your personal guarantee back of it. One of the larger chain organizations says, "Confidence in the value and quality of the article you are selling is necessary. That we believe thoroughly in goods we recommend is shown by the fact that we are willing at all times to refund money to dissatisfied customers," also, "We assure

customers that if at any time an article of our manufacture is not satisfactory, they are at liberty to return it and have the purchase money refunded to them."

Such a policy necessitates extreme care in buying and, for that reason, in some instances, any new article being added to stock must pass inspection by six or seven different men or departments. The application of such a policy does two things; it demands careful buying and it, ultimately, assures the customer that he or she is perfectly safe in buying from the company, and the average customer makes his *big* purchases from stores in which he has that confidence.

HONESTY IN ADVERTISING.

Advertising, to be effective, must be truthful—over a long period of time. The first impulse of the American public is to discount advertising statements. Too many advertisers exaggerate the quality of the wares or quote special prices that are special in name only. The larger, more successful, reputable concerns do not permit the use of the term "special" as applied to a price unless that price is lower than the regular, established price, and, for that reason, when they advertise a special sale the people go there, confident that they are going to get standard goods at reduced prices. A quarter-page advertisement of reduced prices in the men's clothing department of the John Wanamaker store will attract hundreds of men to that department while a full-page spread of several other concerns that I might mention will not cause a ripple of excitement.

The larger stores do not buy up a lot of inferior merchandise in job lots and then attempt to dispose of it as first-class material—they put it in their "bargain basements" and label it according to its quality.

The advertiser backs up his advertising statements. A well-known eastern pharmacist on a trip west one time saw what appeared to him to be an exceptionally good money purse displayed in an Owl window with a 25-cent price tag attached to it. He went in and asked to be shown that particular purse and when the obliging manager took it out of the window he discovered that a mistake had been made and that the actual price of the purse was \$1.25. The prospective customer accepted the explanation and was willing to give up making the purchase but the manager insisted that he take it for 25 cents if he wanted it—it was advertised at that price and at that price it would be sold.

So far as it is possible, no statements are made regarding service features unless those statements can be and are backed up by service in the stores. If the advertisement says "all prescription bottles are neatly capped," a determined effort is made to have prescription bottles capped, and if the soda glasses of the store that advertises "all glasses are washed in soap and water and carefully dried after each service" are not so washed and dried the fault is with the dispenser and not the management.

Honesty in advertising is essential to confidence and the advertiser who does not have the confidence of the people might better not advertise.

HONESTY IN THE PRESCRIPTION DEPARTMENT.

Here again, I want to make it clear that I refer to the more reputable chain organizations—the ones that are successful pharmacists as well as merchandisers.

One of the most successful chains in the country has the following sign prominently displayed in each of its stores: "Instant Dismissal Is the Penalty for Sub-

stitution," and it means exactly what it says. It may be that the signs are displayed partly for the effect they will have on the physicians and the patients, but, also, they serve as constant reminders to the prescriptionists and create confidence in the minds of everyone who reads them.

If A. Co.'s fluidextract of ergot or some other firm's compound syrup of squill is ordered by the physician, that is what is dispensed. A little thing perhaps and something that can be said as well of thousands of independent stores but a potent factor in building trade—through public confidence—when advertised to the people through the newspapers and to patients and physicians, *through the men who work in the prescription departments.*

ETHICAL HONESTY.

The chain organization frequently is not only honest but is too scrupulous to sell many items which it has a perfect right to sell. I remember a number of years ago when one of the chains threw out all of its "cures" for epilepsy and remedies for certain other ailments which should be treated only under the direction of a competent physician. This action caused no little financial loss but it increased the confidence which the salesforce had in the company and must have, ultimately, had a like effect upon the company's customers.

The same company did not permit its salespeople to recommend heart remedies, depilatories, remedies for sore eyes and medicines for children. Then, it discontinued the sale of liquors and venereal remedies—and this was long before there were any restrictions on the sale of either of them.

Despite the privilege granted by the pharmacy law of the state in which most of its stores were located, the company discontinued the sale of the following items except on prescription: powdered cantharides, tincture of cantharides (except in hair tonics), oil of savin, oil of pennyroyal (except in flea drivers), paregoric, fluidextract of cottonroot, fluidextract of ergot (except with maternity supplies), fluidextract of tansy, oil of rue, oil of tansy, cottonroot bark and emmenagogue pills. And this was several years ago when there were no bans of any kind against the sale of paregoric.

Counter prescribing has been forbidden in its stores since the organization of the company.

ADVERTISING THEIR POLICY.

Then, these corporations let the public know that they are honest, dependable pharmacists and merchandisers. They advertise the fact in the newspapers, but, more particularly, they advertise it through pleased customers who have had occasion to take some article of merchandise back for exchange or refund, or through pleased customers who know that merchandise must give satisfaction or it need not be kept by them.

They advertise through pleased customers who know that they will get what they ask for without quibble or question, through pleased customers who know sales arguments are based on facts and that the merchandise is of good quality. They advertise through pleased customers who know that the advertising is dependable, and through pleased customers who know that prescriptions are filled as they are directed to be filled. Finally, they are advertised through a contented and enthusiastic salesforce which has confidence in the merchandise it is selling and imparts that confidence to the customers.

A recent experiment conducted by a chain organization showed that 90 per cent of its customers patronized the company because they had confidence in its honesty and ability. We have seen what the chains do to prove their honesty; now let us see what they do to show their ability.

PROFESSIONAL REPUTATION AND ABILITY.

Do not get the impression that the chain stores do not compound prescriptions—last year two companies alone filled more than two million of them.

The chain stores are tremendously handicapped through a lack of *personality* in their prescription departments. When we have a prescription filled we want to take it to a druggist with whom we are acquainted—we want to feel that he compounded it personally. After having a heart to heart talk with the physician we are loath to take the prescription he gives us and hand it over to a clerk in a store and see him whisk it off somewhere in a dumb waiter. The process is too mechanical. Yet, the chains fill millions of prescriptions every year.

Lacking the personal touch, they take other means to impress the customer. They record his name and address very carefully on a printed form and give him a tag, numbered to correspond with a number on the form which accompanies the prescription to the prescription department. Then, they tell him exactly how long he will be required to wait for the medicine and, when it is completed, the numbers are checked and the medicine delivered.

Compare the effect upon the customer of such a system as compared with the too-prevalent custom in smaller stores of ripping a piece of wrapping paper off the roll and scribbling the name on that and sending it back with the prescription which is to be filled.

Also, when the prescription is to be delivered, it is given preference and is delivered ahead of less urgent packages. This is customary in thousands of independent stores and deliveries are made promptly but the chain gets some valuable and impressive advertising out of it by the simple expedient of placing on the package a string tag reading "Prescription—Deliver Immediately."

Some of the larger chains are making no special effort to get prescription business. They do not make deliveries and conduct the prescription department as a sort of "necessary evil," but others of them consider this department as important as any in the store and make every effort to establish a reputation for skill and ability. Their galenicals, usually, are made up at central laboratories and they do not hesitate to employ chemists and pharmacists who have established reputations. Their prescriptionists are well-paid, well-trained pharmacists and the departments they conduct, very frequently, are credits to the profession.

Then, having an excellent product, they do not cheapen it by dispensing it in a slipshod manner. There is no doubt that medicine dispensed from a bottle with a soiled, hand-written label or from a box that looks the worse for wear, may have the same potency as that which is delivered in a neatly capped bottle bearing a typewritten label or from a handsome box that shows care and thought in labelling but there is a psychological effect there that is worth considering. The neat package has the *appearance* of having had more care, thought, *skill*, expended upon it and the appearance counts for much in such a case.

Finally, the chain store enhances its professional reputation through the manner in which it dispenses crude and household drugs. First, they are careful of the quality of the drugs they dispense, sometimes aging their own cascara bark, re-sifting their senna leaves, etc., and, then, they realize the value of appearance again and dispense only in neat, dust-proof cartons which advertise their stores so long as the packages remain in the medicine chests where the purchasers place them.

PRESERVE THEIR IDENTITY AS DRUG STORES.

The average chain drug store looks like a drug store. Recently I made a study of the fronts of twenty-five drug stores along a much-travelled street in New York City. All but four of those stores looked more like hardware or candy stores than drug stores. The words "drugs," "prescriptions," etc., were subordinated to the names of proprietary remedies, safety razors, proprietary soda fountain beverages or theatrical make-up. The principal advertising on the front windows of twelve of them was for a safety razor. Four of them displayed exactly the same sign that the candy stores along the way displayed and five of them flaunted proprietary medicine advertisements to the exclusion of almost everything else. It remained for the chain store and three others of the twenty-five to show such signs as "prescriptions," "drugs," "sick room supplies," "rubber goods" and the name of the store.

Too few stores show the name of the store or the name of the proprietor. Customers frequently stand in front of such stores and say, "Whose store is this?" Notice that the larger chains never put in a display that does not include the name of the company.

We have been several generations informing the public that safety razors, theatrical make-up, soda water and proprietary remedies can be obtained at drug stores—why try now to tell them that the drugs are secondary to the other items. We are not hardware or candy stores carrying drugs, but drug stores carrying these other items as side-lines. The tail is beginning to wag the dog.

MERCHANDISING ABILITY.

There is much that could be said on this subject. Perhaps the success of the chain movement is due *principally* to the ability of chain-store owners to sell merchandise, but space does not permit me to go into detail on a subject of so much importance. Furthermore, the story already has been told and is being told every day—in the stores operated by the chain organizations.

They build light, airy stores and conduct their businesses with the idea of disposing of merchandise at a profit. They spend thousands of dollars every month on window displays and on displays inside of the store. They tell their salespeople how to greet their customers and how to sell them *more than they came in to buy*. That is the secret. Selling something in addition to what the customer came in to purchase. This they do through displays of seasonable merchandise at reduced prices but, more particularly, through the suggestion of "running mates."

There is hardly an item in the drug store that has not a "running mate." Tooth brushes suggest tooth pastes, soap suggests wash cloths, finger nail polish suggests nail buffers, cameras suggest films, face powder suggests chamois skins

or powder puffs, and so on throughout the entire stock. There are no less than thirty different items which might be advantageously suggested with a cake of shaving soap, and any thoughtful salesman can think of items which might accompany almost any item for which he may have a call. Through this "running mate" policy one of the western chains has increased its average sale nearly 30 percent in the past two years alone. And the added items are usually the profitable ones.

We cannot afford to be poor merchandisers—unless we are willing to give up all but the strictly professional work to the chain stores. And there is no need for us to do that. There is no good reason why the pharmacist should not be a skilful merchandiser as well as an able professional man and it is becoming apparent, with the continued growth of the chain organizations, that more thought must be given to improving our merchandising facilities.

BUSINESS DONE BY CHAIN STORES.

Twenty-eight years ago there were no chain stores in the United States—to-day there are 1,565 of them. To gain some idea of their phenomenal growth we have but to consider that a group that operates 451 stores had but 25 in 1900; 64 in 1906; 189 in 1912; and 344 in 1918.

The group of 21 companies described at the beginning of this paper did \$76,000,000 worth of business in 1919—six percent of all the drug business done in the United States. Four one-hundredths of one percent of the owners did six percent of the business.

FACING THE FACTS.

We must face the facts as they exist. To close our eyes to them is folly. The chain-store movement is in its infancy and yet it already has tremendous proportions. We must combat the movement by becoming better merchandisers.

We must let the people know that we are prepared to give service in every department of our stores that is as good as can be found anywhere. We must formulate store policies and set them down in black and white for our salespeople and customers to study.

We must make a special effort to win and hold public confidence. We might profit from a "money back" policy—advertised in every transaction that occurs in our stores. We must let it be known that goods must please and that exchanges or refunds are made cheerfully. Regardless of other considerations—the customer is right.

We must not permit our salespeople to advertise competitive merchandise by "knocking" it nor must we permit our clerks to discourage the sale of items that are asked for. We must buy with extreme care so that we can sell quality merchandise at low prices and we must advertise in a manner that cannot mislead prospective customers as to the quality of the goods being advertised.

We must advertise the prescription department by giving better service there and by conducting transactions with the deliberate intention of impressing our customers with the quality of our goods and material and the ability of our prescriptionists.

We must preserve our identity as drug stores and we must sell more "running mates."

Finally, we must inject more of our own personality into the business. Our customers are more than customers—they are our clients and they demand our personal attention. There is no store where personality counts for more—we must give our own services—without stint.

THE CHAIN STORE.
ITS INFLUENCE ON PHARMACY, AND IN GENERAL.
DESIRABLE LEGISLATION.*

BY FRANK H. FREERICKS.

Years of occasional study and thought have brought me to conclude that the "Chain Store" is an evil; its claimed advantage to the public infinitesimal, as compared with the harm which it imposes. This in my opinion is true, not only in retail pharmacy, but it is generally true. I do not ignore the claimed advantages, and admit there may be some, but these are disproportionately with the Chain Store owner, who is bringing into retail business an attempt to monopolize—to secure more than a fair share. It will be my endeavor in this paper first to briefly point to the harm which I believe is done to retail pharmacy, in particular, by the Chain Store, and then to the harm to it in common with all other lines, or, to be more exact, the public harm.

It is my claim that true pharmacy and its up-holding rests substantially upon the ideal, rather than the material; that the Chain Store, in pharmacy, is concerned only with the material—the need of money gain. It, consequently, is destructive of the ideal, and, as it continues to grow, it reduces the opportunity for true pharmacy. The spirit of public service, of serving humanity, other than as a means to better attract dollars, cannot be known or exercised by the Chain Store owner. It is dollars he wants, and the method that best brings the dollar must always be his method. In passing, it may not be out of place to touch upon the thought, more or less frequently expressed, that good may come to pharmacy out of the Chain Store, because it tends to educate the public in learning to discriminate, and in becoming more ready to support "exclusive pharmacies," so that their establishment would thus be encouraged, but I see little chance for this. It is possible that the commercial instinct will induce the Chain Store owner in the larger cities to establish Central Depots or one Depot, for the compounding of prescriptions, but then his other stores will be made feeders and way-stations. The Chain Store owner knows too well the value of a pharmaceutical mantle—that prescription and strictly pharmaceutical work gives him standing, which otherwise he would not have, and either directly or indirectly brings profit to him. As derogatory influences which I believe the Chain Store to have, particularly on pharmacy, I would enumerate the following:—

1.—The Chain Store owner, if he happens to be a trained pharmacist, allows his professional training to become entirely submerged by his pursuit of commercial success. The trained pharmacists employed by him are kept so busy with

* Read before Section on Education and Legislation, A. Ph. A., City of Washington meeting, 1920.