

SECTION ON COMMERCIAL INTERESTS, AMERICAN PHARMACEUTICAL ASSOCIATION.

ABSTRACT OF THE MINUTES OF THE SESSIONS HELD IN THE CITY OF WASHINGTON, MAY 8 AND 10, 1920.*

The first session of the Section on Commercial Interests, A. Ph. A., was convened by Chairman H. S. Noel, May 8, at 9.30 A.M. The first order of business was the reading of the Chairman's address. It follows:

ADDRESS OF THE CHAIRMAN OF THE SECTION ON COMMERCIAL INTERESTS.

BY H. S. NOEL.

The Section on Commercial Interests of the American Pharmaceutical Association is particularly fortunate in many respects that the meeting this year is being held in Washington. By reason of this fact we are enabled, through the courtesy and coöperation of members of the Local Branch of the Association, to secure speakers of national reputation whose subjects are of great interest at this time.

Your officers believe that the work of this Section is of a professional nature, and that the commercial pharmacist or druggist can establish his own status as a professional man. This thought is expressed advisedly because the keynote of men and women interested in pharmacy is service, whether their training has been along commercial lines or along scientific lines. It follows then that constructive suggestions that assist in fitting us to become better business men and women in turn assist us to better serve the public.

Last year at the New York meeting the sessions of the Section on Commercial Interests proved to be among the brightest spots of the convention. The sessions resolved themselves into veritable short courses in business ethics: investments, banking, insurance, auditing, advertising, buying and selling.

It was not without some trepidation that your chairman went about the duties of his office and the preparation of a program for 1920. The pace set by the 1919 meeting was decidedly fast and unusual in that many of the contributors to its success were quite outside the retail drug field. The idea seemed a good one, not that our membership does not number among it gentlemen amply qualified to inspire our audiences, but by reason of the fact that it is good to hear from specialists in other lines from whose experiences much can be adopted and who bring to us light on many interesting topics from new angles of approach.

The program this year may be said to be both inspirational and practical. It has been your chairman's studious endeavor to make it so. We need vision; we need faith; we need also advice to assist us in upholding the laws. These are trying times. The turbulent state of affairs that is the natural heritage of war is a law breeder and laws are no respecters of men. There are times when it is a temptation to disregard the law, when to rebel openly seems the logical course to pursue. The time to act in order to avoid impractical legislation is before it is enacted. The method of combating it then is by means of organized local, state, and national associations. It is indeed unfortunate that the drug trade is so apathetic, so lethargic concerning such vital matters until after they begin to inflict their hardships. As has been stated by many good authorities, pharmacy needs no new organizations; rather it needs concerted action and coördinated, united effort. Plans have been formulated in the past but for one reason or another they have fallen through. The latest idea, entitled "Organizing American Pharmacy" is being fostered by Dr. E. L. Newcomb, of Minneapolis. His plans are very ambitious, one might say almost Utopian, but they are worthy of very careful consideration and earnest thought, and your chairman, feeling that some such idea would greatly improve the status of pharmacy and the pharmacist, recommends to the Council that every encouragement possible be given to Dr. Newcomb's project.

A review of some of the legislation that affects the drug trade is interesting at this time. We have had the general pharmacy laws of the states, food and drug acts, state and Federal, and the narcotic laws, state and Federal. Among others have been the insecticide laws, weights and measures laws, Federal explosive act, and finally the amendment to the Federal narcotic

* Papers with discussions will, hereafter, be printed apart from the minutes. It is understood, unless otherwise stated, that the papers were referred to the Publication Committee.

act, and the Federal prohibition laws. These and many more intimately concern the drug trade. New problems and new responsibilities must be met and measured up to in a manner that will characterize men representative of the business of pharmacy. There may be room for difference of opinion, but as Americans who have helped to build the great institutions of liberty and helped safeguard American traditions, we know that the way to better conditions, under a democratic form of government, can never be realized in evasion, subterfuge, or artifice. And Democracy must live by the united support of law-abiding citizens, regardless of hardships or the apparent injustice of regulations imposed upon them. The solemn truths of Lincoln very fittingly sum up the situation, irrespective of class or calling.

“Let every American, every lover of liberty, every well-wisher to his posterity, swear by the blood of the Revolution never to violate in the least particular the laws of the country and never to tolerate their violation. * * * * * Let every man remember that to violate the law is to trample on the blood of his father, and to tear the charter of his own and his children's liberty. Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in schools, in seminaries, and in colleges; let it be written in primers, spelling books, and in almanacs; let it be preached from the pulpit, proclaimed in legislative halls, and enforced in courts of justice. And, in short, let it become the political religion of the nation, and let the old and the young, the rich and the poor, the grave and the gay, of all sexes and tongues, and colors and conditions, sacrifice unceasingly upon its altars.”

It is a regrettable fact that echoes are still being heard concerning distinctions between pharmacists and business men—professionalism and commercialism. It seems so futile. To your chairman there is no distinction save that personal characteristic that causes one man to honor a calling and another to misuse it. Business is a profession and is rapidly receiving recognition as such. The public, the arbiter of practically all such things, is recognizing business as a profession about as rapidly as it is forgetting pharmacy as such. Your chairman believes that pharmacy as a profession is losing ground in the public eye and that it is most futile for any group of men to buck evolution or to stop the trend of public opinion. There will always be a field for pharmacists, but the professional recognition that will come to the man or woman who is graduated in the none too far off future will come because of higher entrance requirements and a broader, better knowledge of such subjects as biology, physics, chemistry, economics, accounting, business law, literature, salesmanship, advertising, banking, and mathematics. Two, three, or even four years devoted to teaching a young man pharmacy, materia medica, chemistry, microscopy, etc., who has had a grammar school education or one or two years in high school, with the idea of turning out a professional man, seems absurd to your chairman. The scarce, highly paid men in the successful drug stores of to-day are those of managerial ability and sound business training. It is regrettable that our schools of pharmacy are not turning them out more rapidly.

If the schools of pharmacy of this country will standardize entrance requirements, making them higher, and broaden their commercial courses, giving their students actual business practice instead of theory, much good can be accomplished for these students. Some young men and women have definite aims and it should be possible for a student to select for himself the courses that will best serve his needs after graduation.

The Section on Commercial Interests should be interested in knowing what our schools of pharmacy are at present offering in the way of commercial courses. This might be made a very interesting part of the program of this Section for 1921, and your chairman recommends that a committee of three be appointed to make investigation and report at the next annual meeting.

In 1919 Chairman E. Fullerton Cook recommended that a committee be appointed by the chairman of this Section to ascertain the relationship existing in the retail drug store between sales, first cost, expense, and net profit. The idea in mind was that these figures, made available in a general way, would prove of great value to the drug trade. Some preliminary work was done on this matter, but owing to the uncertainty of business affairs due to unsettled conditions, varying costs, etc., it was abandoned. Since conditions are little, if any, better at this time your chairman hesitates about reappointing a committee, yet feels that at some future time a good survey should prove of wonderful assistance.

On motion of J. W. England the address of the Chairman was accepted and the recommendations adopted.

R. P. Fischelis, L. A. Seltzer and D. F. Jones were appointed members of the Committee on Nominations.

Mr. Merle Thorpe, editor of *The Nation's Business*, was introduced. He addressed the Section on "Business is Business." Some of the points considered by him were:

The defensive part business has played as a profession, carrying with it the implication that business ethics are different from the ethics of other professions. The rôle played by politics and the resulting legislations. The romance and adventure of business, its inspirational side, professional attributes, etc. The three great professions—law, medicine and the ministry set apart from business. Professions measured by service that business has given the world.

A rising vote of thanks was given Mr. Thorpe.

Prohibition Commissioner John F. Kramer addressed the Section on the regulations and importance of the enforcement of the Prohibition Act.

ABSTRACTS FROM THE ADDRESS OF JOHN F. KRAMER, PROHIBITION COMMISSIONER.

In my opinion, there never was adopted a principle in this country that has brought about such a radical, and in many cases sudden, change as has the principle of prohibition—sudden to business, to the individual, and to the economic affairs of the country. That makes it important to consider very carefully the matter of carrying out the Eighteenth Amendment to the Constitution of the United States and the laws in connection therewith, because whatever is done along that line touches vitally upon personal affairs, business affairs and economic affairs.

Prohibition is here to stay; it has been written into our Constitution and it will never in the history of the country be taken out. That makes the carrying out of the principle all the more important. It does not mean that you and I as American citizens are going to obey the principle for a day, or a week, or a month, or a year, or disobey it for a day, or a week, or a month, or a year. It means that you and I as American citizens are going to respect and honor and revere the supreme law of the land for all time to come. If it were just for a day I would not be concerned with it.

We have prohibition here to stay and the question is how are we going to accept it. We are living in a democracy. We are living in a republic. In a democracy and in a republic there are not two different classes of people. There are not the governed and those who are not governed. In other words, the people govern themselves. And it is not the province and the duty of the officials of the land alone to try to see that the laws are obeyed, but it is the province and duty of every American citizen, as far as possible, to see that the laws of the land are obeyed and respected. The people of the land speak through their representatives. They act through their agents. When you business men select an agent you don't go off and sit down and say "We have no business." You transact your business through your agents and you are just as much interested in the business as you ever were before. That is how business is carried on in a democracy—in a republic. But too many people make the mistake of selecting an agent and then saying "let the agent do it." You are responsible for the acts of your agents.

I am appealing to you and to your organization to get back of your agents and help us out with the biggest job ever entrusted to agents. You have through your organization indicated your attitude—that you want to help us. There is no other line of business that has been so vitally affected by this principle of prohibition as that of the druggists and pharmacists, and there is no line of business that is as liable to be dragged down as the drug business due to this principle of prohibition, unless the utmost care is used in the enforcement of the laws concerned with this provision. You are practically the only agency in this country that is permitted to handle intoxicating liquors.

A great many druggists have complained to me that, due to the present construction of the law, they are classed as retail liquor dealers. The statute requiring you to pay a tax of twenty-five dollars puts you in that class, and I don't blame you for finding fault with the classification. The liquor traffic is now outlawed.

I want to call your attention to a danger at this time. The matter of issuing books for prescriptions and approving applications for the withdrawal of bottled liquors by druggists is

of grave concern. Let me tell you this: If the door is thrown wide open and the department in Washington issues all the books that physicians want, and we approve all the applications for withdrawals, the business will be a "retail liquor business." You will understand I am not implying that the great number of physicians will lend themselves to questionable prescribing of liquor, or that very many druggists will prosecute their business for gain in an illegitimate way. I do not mean that at all. But you know it takes only a few men in any profession to bring all of the members into disrepute. I am asking you men and women to help us in so adjusting these matters that we can prevent those who have no respect for their business and for their profession from dragging you down to a lower level.

I started out the Federal prohibition officials in the various states not with a rule, but with a suggestion that they might take as a basis for the approving of applications for withdrawal a certain figure and issue a book of prescriptions containing one hundred blanks. I know that you cannot make a hard and fast rule to cover every business; conditions vary. But we must have a basis for guidance. Before we adopted this rule, physicians in no distant city were writing as many as 485 prescriptions a day. We did not have to go to Chicago to find that, either. One of the druggists in that same city was filling all of them, not only for this one doctor but all the doctors who sent prescriptions to him. This druggist filled 6900 prescriptions in a little over a month. It does not take a very wise man to arrive at the conclusion that if that thing goes on some druggists will be liquor dealers. I don't want to interfere with business. If a druggist needs 200 wine gallons of liquor he ought to have it, if he is going to use it in a right and legitimate way. If a prescription is written, it is pretty difficult for the druggist to say whether it should be filled or not. But there are cases where he could readily say "No." If a doctor sends in 300 prescriptions a day the druggist would be justified in refusing to fill the prescriptions, because it is plain the doctor is not acting in good faith. I would not hesitate in the least to take away the permit from a doctor who writes that many prescriptions daily, nor that of the druggist who fills such prescriptions. No honorable druggist would want me to act otherwise.

The law says that all prescriptions should designate the druggist who fills them and be signed, in handwriting, by the man who issues the prescriptions. If they don't come in to you that way you ought not to fill them. A great many druggists fill emergency prescriptions. There is no such thing as an emergency prescription any more; only in rare instances are they to be found. We have made a provision for the doctors that if they do not happen to have a prescription book, and a case before them requires immediate treatment with intoxicating liquor, they can use another blank, but they must state these facts on that blank. You should never have more than one such order a week. Some doctors after using up their official blanks write emergency prescriptions for colds, bronchitis, etc., not coming into the class of emergency cases at all. As long as business plays fair we will play fair with business. I would not think of taking away a permit of a druggist who makes a mistake through an oversight; you don't need to be worried about that. The only object we have in view is to help business and to keep it on the plane where it ought to be.

We have a big proposition before us. We tackle men's jobs every day and we get away with them. And that is what we will do with this job—not in a day, or a week, or a year, but in a generation. I was struck by the statement made by the speaker who just preceded me, when he said that it "was almost impossible to carry on the retail drug business without a lawyer." Well, that is so. It is almost impossible for lawyers to conduct their legal business without having other lawyers to help them out. You haven't anything on us. Things are getting somewhat complicated, but we live in a democracy where things are done by the people. When inspectors come into your place of business, don't think that they are coming in merely to see whether they can get some charge against you. They are coming in to help; at least, they are so instructed. You can't always tell; you can give them instructions, but some won't heed or obey them. If you have any complaints to make about inspectors, write to me and I will see what can be done.

Preceding a general discussion of the subject, W. L. Crouse presented a paper on "Alcohol—Its Relation to Science and Industry." (See pp. 600-609, June issue JOURNAL A. PH. A.)

A vote of thanks was tendered to the Commissioner and to Mr. Crouse. C. A. Mayo moved that the paper by Mr. Crouse be referred to a special committee, with the view that suggestions be forthcoming for the guidance of pharmacists in the dispensing of liquors. Carried.

ABSTRACT OF DISCUSSION.

The discussion which followed was participated in by Messrs. Beringer, Mayo, Emanuel, Walton, Antonow, Selzer, LaWall, Osseward, Anderson, Lascoff, Crounse, the Commissioner and others.

Mr. Mayo stated he had held the view that liquor should not be dispensed by pharmacists, but had now about arrived at the conclusion that it was the duty of pharmacists to dispense for medicinal purposes. He also participated in the discussion of other questions.

Mr. Beringer was of the opinion that it was as much the duty of pharmacists to fill bona fide prescriptions for whisky and brandy as for any other medicines; that pharmacists should be relieved of the odium of being designated retail liquor dealers. Mr. Anderson concurred, and offered suggestions relative to other designation. The latter proposition was freely discussed from various viewpoints, and a motion carried to request the Council A. Ph. A. to appoint a committee to study the matter and seek by Congressional enactment to bring about a betterment of present conditions, more particularly with reference to the designation, which under the prohibition law was not in conformity with facts.

Mr. LaWall called attention to saloon men seeking to employ registered pharmacists. Mr. Lascoff made a similar statement. Mr. Antonow spoke of his efforts in keeping the same class out of the drug business in Chicago, who sought to engage therein for the evident purpose of selling liquor. The consensus of opinion was that any pharmacist who engaged in the liquor business, who violated the Harrison law and prohibition laws, should have his license revoked. All felt keenly the injustice of being classed as retail liquor dealers, and that a change was a matter of importance to the drug trade, medical practice and the people. Mr. Osseward and others called attention to the lack of uniformity, if not conflict, of State and Federal laws.

Commissioner Kramer stated that the Department cooperated with states in the enforcement of prohibition laws. Federal permits do not give a person immunity under State laws. In some instances State laws were more stringent than the Federal law.

Mr. Emanuel was of the opinion that the Volstead Act was not consistent with other revenue laws. The Internal Revenue law provides for the licensing of liquor dealers; the Volstead law prohibits the sale of liquors except as medicines. Commissioner Kramer did not recognize the inconsistency; he said, "the granting of permits and exacting the tax are two different propositions."

The first session of the Section on Commercial Interests was then adjourned.

SECOND SESSION.

The second session of the Section on Commercial Interests was convened by Chairman H. S. Noel at 9.50 A.M., May 8.

Clyde L. Eddy read his paper on "Why Chain Stores Succeed."

H. M. Gaylord, Assistant Prohibition Commissioner, then presented side-lights on narcotic legislation.

ABSTRACT OF ADDRESS OF H. M. GAYLORD, ASSISTANT PROHIBITION COMMISSIONER.

In his preliminary remarks, Mr. Gaylord spoke of the helpfulness of the American Pharmaceutical Association, other associations and the drug trade generally, in drafting the regulations of the amended Harrison Act. He also stated that further assistance and counsel would be asked by the Department.

He referred to the regulations which required the signature of the recipient of a prescription containing narcotics; that considerable opposition had come from druggists relative thereto; that the Department was now investigating, through their field officers, the value of this requirement, and if deemed advisable there would be a revision of these regulations.

Mr. Gaylord stated that the annual inventory which is required to be made at the time of registration or re-registration will not be required of the registrants in Classes 1 and 2, who submit a monthly return giving the amount of narcotic drugs on hand, from month to month, and in that case an inventory will not be required prior to the payment of fees, about July 1.

CONTROL OF THE NARCOTIC TRAFFIC.

The United States was the prime mover among the nations of the world for the control of the Narcotic Traffic. The Hague Convention was called at the instance of America, and the

American Government was the leading Government there in voicing the conscience of the world in respect to this matter, and that convention adopted the program to which we bound ourselves when we became a signatory to the convention. While we have gone further, I think, than any other nation in the world, we have not by any means done all the things which we there agreed to do. This has been due to the fact that immediately after the convention concluded its labors the world war broke out and the thoughts of men were absorbed in the great conflict and all their spirit was given to America's great purpose. It seems right, therefore, that we should take an inventory of where we stand on this matter with regard to our promises, which we made, and see what we should do further to carry out the agreements of the Hague Convention.

The Harrison Act is a very substantial compliance with the promises made at the Hague Convention, but with regard to the promises as to exportation and importation we have fallen down. For instance, we agreed to limit the importation of the drugs under strict Governmental regulation to certain ports, but that is not being observed. It has been suggested that it would be proper to amend the Harrison Act with regard to importation so as to limit the importing power to the raw material, that after the raw material entered this country it should be assayed for narcotic content, and the manufacturer should be made to account for all the drugs that he has received.

Most of you are probably familiar with the Act of January 17, 1914, the Customs Act, which undertook to carry out the promise at the Hague Convention that they would not export to any country which did not become a signatory to the Convention in accordance with the agreement entered into to establish control of the use of narcotic drugs, and that generally we should see that the exports of narcotic drugs were for legitimate medicinal purposes. The Act of January 17, 1914, vested the authority to promulgate regulations in regard to these matters in three different departmental factors of the Government. I think that this is one reason why no action was ever achieved in regard to this matter under the law until very recently, because when the law gives jurisdiction to three different departments, unless there is some one in each of these departments who is extremely interested in these matters, it is almost impossible to get any action. A committee was appointed, but what ever became of the committee of investigation is a field for speculation. Last summer there came into my office Mrs. Hamilton Wright, known throughout the world in every consulate and recognized as the one who, perhaps more than any other person, is familiar with the whole international situation with regard to the narcotic question, and she inquired of me what had become of our promise made at the Hague Convention, with regard to controlling exports of narcotic drugs and that such exports should be used only for legitimate medicinal purposes. From that inquiry there developed an interdepartment committee which drafted the regulations that have been promulgated and are effective the first of this month (May, 1920). They do not live up to half of the promises which we made at the Hague Convention, although it is hoped that they will somewhat restrict the export of narcotic drugs from this country. Without attempting to criticize the manufacturers of drugs in this country I will state that the exportation of drugs to the Orient has resulted in very serious diminution of the American prestige in China. Drugs exported from this country have been used for improper purposes in that country and it has enabled a rival nation to inaugurate a very extensive program of propaganda against America. There is no doubt that the remarkably exalted position which this country has held in the Chinese mind is threatened by debasement, due largely to the fact that large quantities of drugs have been sent into China from the United States and used for improper purposes. It seems to me we shall not be able to carry out the promises of the Hague until we amend our export law so as to require that exports are to licensed consignees in foreign countries and that the drug is actually needed for legitimate medicinal purposes.

I am asked to suggest to this Association that paregoric—the formula for paregoric in the U. S. P.—be changed during the coming revision of the U. S. P. so that it will no longer be an exempt preparation. The request is made to me that I submit it to you. I leave it to your Association to consider.

Concluding, Mr. Gaylord again expressed his appreciation and that of the Department for the coöperation of the American Pharmaceutical Association, and said "We all know it is of the very greatest importance to lift the restraints off from the legitimate trade in narcotics as far as possible and how necessary it is to the welfare of our country that we put all the restraint we can on the illegitimate trade in narcotics."

ABSTRACT OF DISCUSSION.

Mr. Emanuel stated that most retail pharmacists did not sell enough narcotics to physicians to pay the extra twelve dollars required as wholesalers. He asked the reason for the provision. Replying, Mr. Gaylord admitted that this tax did not seem exactly right, but the differentiation between wholesaler and retailer in the law compelled the Department to act accordingly and was beyond its control and discretion. Mr. Osseward called attention to the fact that many retail pharmacists discontinued selling narcotics to physicians because of this extra tax, and it devolved on a few to supply them. He was pleased that the inventory referred to would not be necessary. Mr. Gaylord said that a treasury decision, now in the final process of determination, will not require a new inventory, and any recent inventory will be accepted, in case other requirements have been complied with.

The question was asked why the Department required the names of purchasers of exempted narcotic preparations; that no official had called for these records from the questioner. Mr. Gaylord replied that the Department was now determining the value of these records, and the requirement would be dispensed with if the results did not show justification for it.

Mr. Philip stated that it was the desire of the Association represented by him to register exempted narcotics by number instead of by name. The present method informed the patient of the name of the drug and had a tendency to create addicts. This information is withheld when the patient signs by number. Mr. Gaylord considered this a good suggestion. Mr. Emanuel contended that to change the formula of paregoric would extend its use.

Mr. Mortenson moved as a recommendation to the Council A. Ph. A., that a resolution be adopted condemning the practice of supplying other nations with narcotics for illegitimate uses. Carried.

A vote of thanks was tendered Mr. Gaylord.

The Committee on Nominations reported the names of the following as nominees for the ensuing year:

Chairman, Charles O. Lee, of Indiana.

Secretary, C. W. Holzhauser, of New Jersey.

Associates, Adam Wirth, Louisiana; Frank Schachleiter, Arkansas; Sinclair Jacobs, Georgia.

The nominees were elected by a unanimous vote.

The following papers were read:

"Honest Advertising Will Not Sell Goods," by Lyman F. Kebler.—The goods that honest advertising will not sell are those which will not bear investigation, and those referred to have been subject to the scrutiny of the Post Office Department, largely those purporting to be cures for venereal diseases, tuberculosis, etc.

"Foreign Trade in Pharmaceuticals," by L. F. Schmeckebier, Chief of Research Division, U. S. Department of Commerce.

"The Value of Good Will," by J. H. McCormick.

"Would it be Beneficial to the Student of Pharmacy to Develop his Knowledge of Commercialism," by F. E. Caballero.

The final session was then adjourned.

THE WORLD WAR VETERANS' SECTION, AMERICAN PHARMACEUTICAL ASSOCIATION.

ABSTRACT OF THE MINUTES OF THE SESSIONS HELD IN THE CITY OF WASHINGTON, MAY 7 AND 8, 1920.

The first session of the World War Veterans' Section, A. Ph. A., was convened by Chairman Robert P. Fischelis, May 7, at 2.00 P.M. In the absence of Secretary W. D. Walters, Tappen Fairchild, of New York City, was appointed temporary secretary.

THE CHAIRMAN'S ADDRESS.

Chairman Robert P. Fischelis brought out the following points in his address:

1. Considerable difficulty had been experienced by the Section in getting its work under way, because of changes in the location of the Secretary, who removed from Cincinnati to Fort