

FURTHER CHAIN STORE FIGURES.*

BY CLYDE L. EDDY.

It is my painful duty to remind you of the Athenians, to spoil your perfect day, to throw a wet blanket on the proceedings, to be a kill-joy, a spoil-sport and a sudden shower at the summer picnic. I have bad news.

There are at the present time upward of 1800 chain drug stores in the United States. One in every twenty-five of the drug stores in the country is a link in a chain of similar stores. Four percent of the apothecary shops in the land are making money, or losing it, for persons who operate three such stores or more. In 303 chains of this kind there were 1,763 stores a few months ago—an average of six stores in every chain. In 1,763 drug stores, distributed between Portland, Maine, and San Diego, California, and Seattle, Washington, and Tampa, Florida, the men in charge are not the owners but only managers or super-salesmen whose main interest in the business must of necessity be in what they find in their weekly pay envelopes.

According to the best figures available these chains of stores transact about one hundred million dollars' worth of business annually, or ten percent of the total retail drug business of the country. Of every hundred dollars spent each year in American pharmacies, ten find their way to chain-owned establishments, and six of them to the 625 stores of the 21 largest chains. Every twenty-fifth drug store in the United States is a chain drug store. No city of 25,000 or more population is without chain stores or systems of them and the chains actually dominate the drug, as they do the tobacco and grocery, business in all of our larger cities.

There may be some consolation in knowing that the chain store is by no means confined to the drug field. As long ago as 1914 there were more than 2,000 chains of grocery, candy, cigar, five-and-ten-cent, and other kinds of stores, in each chain of which there were from three to 900 links—or 20,000 stores in all and that this number has increased enormously since that time is indicated by the fact that one of the chains, the Great Atlantic and Pacific Tea Company, operating 800 stores in 1914, had 4,905 of them at the beginning of 1922 and was opening new ones at the rate of twenty every week.

In the late nineties the Whelan brothers were operating eight stores in Syracuse, N. Y. The United Cigar Stores Company, which they founded, now operates 1,200 stores in 200 different cities and has back of it the enormous wealth of the Whelan interest and of the American Tobacco Company (through John B. Duke, its president). The F. W. Woolworth Company, with 774 stores in 1914, now has more than a thousand of them and, in the meantime, there has been a rapid and steady growth in such chains as the Butler groceries, the Child's restaurants, the United Candy stores and others. It is probably that not less than 50,000 chain stores have been opened in the United States since 1900.

Twenty-two years ago the old Hegeman Company had only four stores, all in New York City, and the Riker interests had two. There were three links in the Owl chain in California—and that was about the extent of chain drug store operations in this country. At the beginning of 1922 the Liggett Company had 230 stores in the United States and nearly 500 in England; the Owl, of California, had

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forty-one; the National of New York had twenty-seven and throughout the country there were 300 chains of drug stores, averaging six stores to the chain—and doing ten percent of the drug business of the United States.

Big money is behind this movement. When the Sherman and other anti-trust laws made it difficult for big financial interests to further exploit the industries a few years ago, they turned promptly to the retail field and so we have Standard Oil money in the Childs restaurants and in the Woolworth stores, while it is understood that Percy Rockefeller and E. H. Harriman money is back of the National Drug Stores and of the recently organized Mutual chain in Connecticut. It seems a little hard when we realize that the identical "Captain of Industry" who got our money yesterday when we bought gasoline at a filling station will get some more of it to-morrow, as a "Merchant Prince" when we go to the ten-cent store to buy something nice to take home to the wife.

Those of you who live in the large cities are familiar with that old story, "The Coming of the Chain." Some of you watched the United Cigar Stores Company come into New York City a number of years ago and promptly drive thousands of the old-time independent tobacco merchants out of business. Lately, and the process is still going on, you have watched the chain grocery stores invade the newly developing suburban sections of the city and strangle independent grocers so effectively that within a few months' time the field is in sole possession of the Great Atlantic and Pacific Tea Company, Daniel Reeves, Butlers' and Grinstead Brothers. "God Save the King!"

I leave it to you to decide if conditions similar to that exist in retail pharmacy. Does the chain store operator rub elbows in friendly fashion with the independent dealer on the main streets of our larger cities or has he crowded him, with rare exceptions, into the suburbs, where he is following after him as rapidly as conditions permit? Has this unfriendly pushing led to an overcrowding of independent dealers in the less populous sections of our large cities and are these independent retailers hard put to make a decent living under the circumstances? Is there discontent among them and are they wondering which way to turn to make ends meet? Even a casual survey of conditions in retail pharmacy will give you the answer to these questions. The title of my paper does not permit me to take up those phases of the matter at this time.

COMMERCIAL PHARMACY OR BUSINESS ADMINISTRATION?*

BY ROBERT P. FISCHER.

Several years ago while conducting an investigation of the teaching of commercial training in pharmacy schools I was surprised at the number of letters received on the subject from pharmaceutical educators who did not believe in the teaching of what the "Pharmaceutical Syllabus" calls "commercial pharmacy." Discussion of the subject brought out that these professors did not fail to realize the make-up of the modern drug store, the need of training prospective pharmacists in accounting, advertising, selling and general merchandising and the advisability of giving such training in the enlarged pharmacy course. What then, was the objection to "Com-

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