

THE BUSINESS SIDE OF PHARMACY

This department is devoted to the discussion of problems of business administration and commercial policies relating to the various branches of pharmacy.

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The very interesting paper on "Volume Production Pharmacy" by William H. Gesell in the May number of THIS JOURNAL contained a chart of monthly sales of pharmaceuticals which showed a selling curve that reached a peak in March and October, and fell to its lowest level in June and July. The writer of this article recently discovered a retail pharmacist who also takes the trouble to plot his sales on paper and the curve which resulted for the past years' business was practically identical with the one shown by Mr. Gesell. There is nothing particularly striking about this, but there is so little evidence of painstaking effort on the part of retail pharmacists, generally, in the matter of determining the facts about their business, that the discovery of one who does it just as any large manufacturer would and finds it an aid in arriving at proper conclusions regarding the conduct of his business, is indeed refreshing.

Knowing the facts about one's business is the first prerequisite to commercial success just as the analysis of a crude drug is a fundamental requirement for knowledge of its therapeutic action.

After the facts are established and pictured before us graphically it is our business sense which must dictate the plan of action and usually business sense is merely common sense.

Retail pharmacy is not the only line of business in which lack of knowledge of the facts and proper interpretation of them has proved a serious handicap to the success of the storekeeper. The trade journals in other lines bewail the lack of appreciation of this important detail quite as much as do our pharmaceutical journals. The remedy lies with the individual. Business is made very easy for the merchant of to-day if he takes advantage of the vast funds of statistical and other useful information placed at his disposal either free or at very low cost. The difficulty is to make the average retailer realize that the economic forces at work throughout the world cannot help but effect his business just as surely as they effect iron and steel mills, textile industries and the thousand and one other trades or businesses which make up the fabric of our industrial structure.

Too often one hears the pharmacist say, "I am not interested in the state of the stock or bond market—I am a druggist," or "the drop in the price of steel does not interest me—drugs are not made in steel mills." No wide-awake pharmacist can afford to ignore general trade conditions. He fools no one but himself when he believes that general business conditions are not reflected in the drug trade right up to and including the prescription and drug department. Ask any manufacturing pharmacist whether the general business depression of a year and two years ago had any effect on his volume of business and on his profits. Ask any wholesaler or retailer, who keeps correct records, the same thing. The answer will invariably be that volume in drugs dropped just as it dropped in textiles or locomotives or any other line. True it is that there was not less sickness during this period but never-

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theless there was less drug business. The natural inference is that in times of depression people buy less of everything—including ready-made medicines. When they actually need medical advice and medicine they get both free at the hospitals and free dispensaries. In prosperous times they can afford to see a doctor and pay for their prescriptions. So the drug business in spite of the fact that it depends largely upon the health of a community fluctuates just like any other business and for the same reasons. Accepting this as a fact, does it not behoove the retailer to study national and international economic conditions? And how can this be done? There are a number of statistical services available like the Harvard University Bureau of Business Research, the Babson Statistical Service, and others which supply accurate and timely information on general business conditions and give forecasts of what may be expected, based on their experience and the records of previous business periods. Live business men use methods like this to keep in touch with conditions and regulate their buying and selling activities accordingly.

Another avenue for getting at the facts regarding general business conditions is to mix with other business men—rubbing shoulders with bankers, hardwaremen, grocery men, builders, contractors, and others from time to time, by attending meetings of Chambers of Commerce, Boards of Trade, or other business men's organizations and listening to their conversation regarding the status of business. One cannot help learning something of value through such contacts. And then there are the pharmacists' own organizations. Many men consider that the value of attending pharmaceutical conventions lies not so much in what they learn at the sessions but in what they gain from conversations and exchanges of ideas and experiences with others between meetings in the corridors of the convention hotel or on the front porch after the sessions have been adjourned.

Coupled with an intimate knowledge of the facts of one's own business the broader range of information, obtained through the agencies mentioned, is bound to be a tremendous asset in the wise determination of future policies.

We spend hours in making out narcotic reports, prohibition reports, tax reports and what not, all because somebody must know certain facts about our business in order to successfully administer certain laws. Why not spend at least half as much time in compiling some figures that will do *us* some good and may be the determining factor in the ultimate success of our business and the acquisition of the competence which every man who enters business looks forward to?



Left—East wing of the Pennsylvania Hospital with “Elaboratory” on the right, the latter built in 1768. The Botanical Garden was an adjunct to the latter. Right—The Hospital Pharmacy. Liberty has been taken by inserting a picture of Dr. John Conrad, apothecary here from 1831–1870.—From “History of Pennsylvania Hospital,” former p. 60; latter, p. 525.