

OFFICERS OF NATIONAL ASSOCIATION
OF DRUG CLERKS.

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THE PHARMACIST AND THE LAW.

GOVERNMENT IS CHANGING FROM A
REPRESENTATIVE TO A
BUREAUCRATIC FORM.

Congressman Hatton W. Sumners of Texas recently said:

"Perhaps the most important thing which has ever happened in the history of any important government, unless a change is brought about by a revolution, is the change which is taking place in the functioning machinery of the National Government.

"Without a modification of our Constitution, without any formal act whatever, the National Government is rapidly changing from a representative government to a bureaucratic government. This change is resulting from the fact that the share of general governmental responsibility which has been transferred to the Federal Government exceeds the capacity of any representative government to discharge.

"The result is that resort is had to bureaus which, insofar as their practical operation is concerned, combine in themselves legislative, executive and judicial powers. That is, they promulgate rules and regulations, construe them and assess penalties.

"No member of Congress favors this change. It is resulting from the limitation which nature puts upon human capacity. It is impossible for the members of Congress, with our vast territory, population, diversity of interests, to formulate an independent judgment with regard to important governmental matters of the most vital interest to the people. As a result, bureaus are created to which general grants of power are made which include the power to make rules and regulations and to enforce them.

"Some of those who founded the Government were apprehensive that governmental power would be absorbed by the Federal Government, but they never dreamed that the people of the States would themselves initiate the transfer of that power to the Federal Government. It has been a surrender and not an absorption.

"Lying at the bottom of the whole difficulty, of course, is the mistaken notion which the people of the country seem to have gotten in comparatively recent years as to the efficiency of laws enacted by legislative agencies."

200,000 LAWS ANNUALLY ENACTED IN
UNITED STATES.

Year in and year out an average of 10,000 new laws are annually enacted by Congress and the several State legislatures in response to the American passion for law-making, according to an article in the May issue of "*The Budget*," the monthly publication of the National Budget Committee, by William P. Helm, Jr., its Washington correspondent. In addition to the Federal and State law-making bodies there are city, town and county councils meeting regularly to the number of more than 15,000; and upwards of 3,000 county legislatures. Allowing an average of only ten laws or ordinances a year for these bodies, the writer estimates that as a nation we enact each year more than 200,000 legislative measures applying to the various jurisdictions.

The drug business and pharmacy come in for a share of this legislation, which adds not only to enforcement expenditures but also to the overhead expenses of druggists and pharmacists.

THE WARNER AND MENNEN PRICE
PLANS.

The Federal Trade Commissioner has issued a formal complaint against Wm. R. Warner & Co., Inc., alleging unfair competition and price discrimination. The *Oil, Paint and Drug Reporter* comments:

"It is noted that the nature of the price discrimination presented in the Warner case is different from that presented in the Mennen case. In the Mennen case the discrimination was in favor of wholesalers as against retailers purchasing coöperatively. In the Warner case the discrimination alleged to be in use is in favor of a preferred class as against a non-preferred class, the preferred class including both wholesalers and retailers and the non-preferred class also including both wholesalers and retailers.

"In the Mennen case the commission's order prohibited a discrimination against retailers purchasing coöperatively upon the same terms as wholesalers. The court reversed the order and stated:

"Whether a buyer is a wholesaler or not does not depend upon the quantity he buys. It is not the character of his buying, but the character of his selling which marks him as a wholesaler. . . ."

"The question in the Warner case to be determined by the commission is whether it is unlawful to discriminate in price between wholesalers who purchase in the same quality, quantity and upon the same terms, and likewise, whether it is unlawful to discriminate between retailers who purchase under like conditions."

MANUFACTURERS MAY ESTABLISH WHOLESALE AND RETAIL PRICE LISTS AND MAY CLASSIFY THEIR CUSTOMERS ON A BASIS OF CHARACTER OF BUSINESS.

The United States Supreme Court on Monday, June 11, 1923, denied the application of the Federal Trade Commission for a review of the decision of the United States Circuit Court of Appeals, Second Circuit, in the case of Federal Trade Commission vs. Mennen Company.

A comment from "Bulletin No. 74" of the Wholesale Druggists' Association follows:

"This decision by the United States Supreme Court establishes clearly the following rights of a manufacturer engaged in a wholly private business, in the absence of any intention to create a monopoly, or of a combination or conspiracy with any other party:

"1. The right to sell only to individuals, firms or corporations of his own selection, and to decline to sell to all others for any reason or for no reason. He may sell only to wholesalers, or he may sell only to retailers, or he may sell to both wholesalers and retailers.

"2. The right to establish and announce list prices for wholesalers and different list prices for retailers.

"3. The right to classify customers as wholesalers or as retailers on the basis of the character of their selling, regardless of quantity purchased.

"The decision does not give the right to a group or association of manufacturers to adopt in combination a sales policy similar to that of the Mennen Company, or to a group or association of dealers the right to coerce manufacturers into adopting such a sales policy. It likewise gives no right to a group or association of dealers to coerce manufac-

turers to abandon the Mennen or a similar sales policy and to adopt one based on quantity price schedules.

"What every wholesale druggist and every manufacturer should clearly understand is that a manufacturer by his own individual voluntary action may vary his schedule of prices and may establish wholesale prices and retail prices, allowing wholesale prices only to wholesalers of his own selection and charging retail prices to all retailers regardless of the quantity purchased."

RETAIL DRUGGISTS' AND HOSPITAL LIQUOR ALLOWANCES.

Below are printed rules that have been set forth in Pro-Mim 221 issued by Prohibition Commissioner Haynes regarding the procurement and allowance of liquor supplies for retail druggists and hospitals.

1. The basic permit fixes the quantity which may be procured yearly or quarterly by retail druggists and hospitals.

2. Retail druggists and hospital permittees shall be permitted to procure the full amount fixed by their basic permit, and no Director or other officer shall reduce the amount so procurable when applied for, except upon satisfactory proof that it is more than is needed for legitimate use, and no Director or other officer shall make any reduction of this allowance without first giving the permittee an opportunity to appear in person, or by attorney, or submit a statement in writing, giving his reasons why he should have the amount applied for, and a reasonable time shall be given permittee to supply this information.

3. When a permittee shall not use this entire quarterly allowance within a given quarter such residue shall not be deducted from his allowance for subsequent quarters, and he shall be entitled to withdraw during the year an amount equal to his aggregate quarterly allowance.

4. In passing upon the renewal applications of retail druggists and hospitals, previous allowances thereunder will be authorized without delay or question, unless the Director is in possession of proof sufficient to warrant the inquiry provided for in the preceding paragraph.

5. As the needs of hospitals are usually imperative, their applications should be subjected to as little delay as possible and should have priority of consideration.

6. These instructions shall be construed and applied with a view of allowing retail druggists and hospitals such quantities of liquors as are required to meet their legitimate demands, and action thereon shall be expedited as far as is practicable.

TREASURY DECISION 3480.

Prohibition—Certain basic permits to be issued by directors—Certain applications to be approved without investigation.

Modification of Article III, Regulations No. 60, as amended by T. D. 3398.

TREASURY DEPARTMENT,

Office of Commissioner of Internal Revenue,
Washington, D. C.

To Federal Prohibition Directors and Others Concerned:

1. Directors are hereby vested with the same authority as that given the commissioner by Article III of Regulations No. 60, as amended by T. D. 3398 to approve or disapprove applications for and to issue the following basic permits:

- (1) Permits to physicians to prescribe;
- (2) Permits to physicians to use intoxicating liquor;
- (3) Permits to dentists and veterinarians to use alcohol;
- (4) Permits to transport by truck; and the procedure relating to such applications and permits will correspond with that relating to basic permits issued by the commissioner.

2. Applications on Form 1404 may be acted upon by the director without making inspection, where the director has evidence justifying his action without inspection.

3. T. D. 3288 and T. D. 3395 are in no way affected by the foregoing, and applications for increased quantities of liquor and for additional books of prescription blanks will be forwarded to and acted upon by the commissioner as heretofore.

D. H. BLAIR,

Commissioner of Internal Revenue.

Approved May 18, 1923:

A. W. MELLON,

Secretary of the Treasury.

BOOK NOTICES AND REVIEWS.

The Year Book of the American Pharmaceutical Association, 1921. Volume 10. Containing the Sixty-fourth Annual Report on the Progress of Pharmacy, and the Constitution, By-Laws, Roll of Members, and Report of the Treasurer, A. Ph. A. Frontispiece, Samuel L. Hilton, President A. Ph. A., 1921-1922. Corresponding to Volume Sixty-nine of the former Proceedings of the A. Ph. A. Cloth. Published by the American Pharmaceutical Association, Chicago, 1923.

The Introductory of the volume by the present Reporter on the Progress of Pharmacy, Dr. A. G. DuMez, gives full credit to Professor Henry V. Army and his collaborators for the completeness and excellence of the Report; the former edited the manuscript and participated in the preparation of the volume, as one of the collaborators—the others being: Charles W. Ballard, Clarence M. Brown, Lewis N. Brown, Henry M. Burlage, Otto Canis, Zada M. Cooper, May O'C. Davis, William B. Day, George C. Dickman, Herman Engelhardt, Ralph R. Foran, Chester G. Fuss, Edmund N. Gathercoal, Ernest H. Grant, Fanchon Hart, Bruno E. Höckert, Jeannot Hostmann, William J. Macsata, Harold McAdams, E. C. L. Miller,

William A. Puckner, Hugo H. Schaefer, Clyde M. Snow, Curt P. Wimmer, Heber W. Youngken.

The abstracts are drawn from the pharmaceutical literature, not only from American publications but from all parts of the world. The subjects have been chosen with judgment of the needs of the pharmacists, representative of the various pharmaceutical activities, and designed to keep pharmacists fully acquainted with the technical side of their calling.

Several years ago an educator declared that a large proportion of the queries he is called upon to answer for students and pharmacists can be answered most satisfactorily by referring to the YEAR BOOKS of the American Pharmaceutical Association. Each subject quotes the publication from which the articles abstracted are taken, so that when necessary the original contribution may be consulted. The Bibliography of Pharmaceutical Research, published in the JOURNAL A. PH. A., indicates the abstracts printed in the YEAR BOOKS.

The general divisions of the YEAR BOOK are classified into subjects under Pharmacy, Materia Medica, Inorganic Chemistry and Organic Chemistry.