

## Section on Commercial Interests

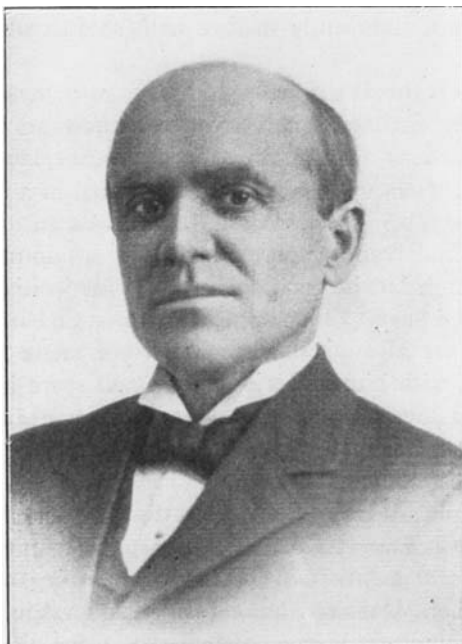
Papers Presented at the Sixty-First Annual Convention

### THE CHAIRMAN'S ADDRESS.

A. V. PEASE, FAIRBURY, NEB.

To accurately picture the state of the drug business over the wide territory covered by the American Pharmaceutical Association is beyond the power of one man. It is, however, possible to indulge in some fairly accurate generalities.

It is too often that men of our profession seem to see very untoward conditions. Ruinous cut prices, the dispensing doctor, the rapidly growing variety of mer-



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chandise we are compelled to carry, all these arouse the fear of the more timid. I am not in sympathy with the pessimist who sees only falling off in the profitable business, ruinous competition and general decay. The aggressive and far-seeing merchant makes conditions, largely; and if conditions get wholly beyond his control, he adapts himself to the change.

If local conditions force a loss in the volume of business, the keen merchant will reduce his selling force and overhead expense, and put in more of his own

personal service. It has frequently proven the saving of the merchant to take more careful account of his expenses, to cut off superfluous employes, and to get into closer touch with his trade.

Our business is peculiarly one of personal service, and the pharmacist who can impress the community that his hand is driving and that he knows the road, will have more passengers.

The retail business demands constant growth, if not in volume, then in net profits and accumulated surplus. To a certain point in life the earning power of the proprietor increases; beyond that it declines. The business that ceases growth in one, any, or in all particulars does not stand still. When growth ceases, decay begins. The business that stands still goes back. Retrogression may manifest itself slowly. It may be a gradual accumulation of unsalable stock, or the loss, one at a time, of customers who demand better service or more modern ideas. Or the shifting of population may change the character of the patronage, without a corresponding change in the store. But, however it comes, it must be noted and met. Could we look upon our business, not merely as a means of support, but as a most fascinating game, it would look more attractive to us; and if one is not sufficiently in love with so fascinating a business, then, the better out of it.

I have deep respect for the man who finds enjoyment in the business of pharmacy. It was my fortune, when a boy, to know an old fashioned French pharmacist—one trained as an apprentice in his native land. His business was very small. By force of circumstances he was located in a small western country town. He was far from being a merchant, but he was an enthusiastic scientist so far as his education and training permitted. His attainments were neither appreciated nor in demand, but he took an honest pride in his tinctures and elixirs. The scrupulous care he gave to his simple apparatus and utensils was a joy, and he had an honest horror of any pharmaceutical not made by his own hands. I used to enjoy to visit with him in his pitifully small store in a nearby town, and from him I imbibed a love of pharmacy as a recreation and pursuit, as well as a means of livelihood. I believe that we must have a real love of pharmacy in order to win the highest commercial reward.

There are several phases of our business that attract attention. The steady growth of cooperation is impressive. Cooperation in manufacturing, buying and selling. It is needless to mention by name one such organization that has over seven thousand members scattered among English-speaking people. It has not grown because the promoters discovered any new principle of commerce. They merely copied their predecessors and took advantage of their educational success. And this great organization has grown because it followed the line of least resistance.

It does not require a large organization to buy together in reasonable lots. The retailers in any community should be on such terms that they could buy together. If four dealers in a city usually buy one-fourth gross of an article costing \$2.00 per dozen and selling for 25 cents, that is, 50 percent gross profit on first cost. If buying together in gross lots they get 5 percent discount and sell at the same price, the article yields 58 percent gross profit. The additional 8 percent or even 5 percent may mean profit or loss for the year.

The pharmacist's special knowledge of chemistry, botany, toxicology and posology peculiarly fit him to give much practical advice, and reap profit in the sale of germicides, sprays, washes, dips and disinfectants. Such information is readily accessible, much of it through government bulletins. Our customers are constantly in need of disinfectants for their houses and barns, sprays for orchards, shrubbery and house plants. There is a growth of general intelligence along these lines and judicious advertising will bring results. It might be an extreme application, but there are communities in which it would be profitable for the druggist to finance some reliable man with a power spray outfit and supply him with the necessary chemicals for commercial spraying of isolated fruit trees in private grounds.

A little knowledge of simple remedies for live stock is profitable for the retailer. The recent epidemic among horses in Kansas and Nebraska was a striking illustration of an opportunity for the retailer. The man who saved his customers from foolish and harmful remedies stored up good will that must bring accumulated dividends.

The city pharmacist is often asked for advice as to poultry remedies, as well as the country pharmacist. Many residents of the city are poultry fanciers and do not hesitate to pay well for good advice. Here lies a profitable field.

This same special knowledge fits us as advisers to small manufacturers and repair men. Do you go after this business? Are you aware of the persistence of specialty men in searching for this business, which lies at your very door. Reliable service and the prevention of mistakes gains friends and dividends, and better yet, a sense of usefulness and service in the exercise of these faculties. As many men rise to wealth and power in our business as in any other business.

The growing tendency to restrict the sales of habit-forming drugs should meet with the fullest support of the retailer. No reputable pharmacist will ever sell a habit-forming drug excepting upon the prescription of a reputable physician, and never repeat the prescription except as authorized by the physician. We cannot afford to have in our ranks, bringing disrepute to our business, any one who will do otherwise. In self-defense we should welcome reasonable restrictions. The term habit-forming drugs is coming to mean a larger and larger class of preparations.

Another changing phase of pharmacy which challenges our attention is the rapidly growing use of bacteriological products. The stage is set and the curtain rises. Through the press and the medical fraternity the public is learning the certainty and safety of these products. Let us look at it from a purely business standpoint. A case of typhoid fever treated in the old way used to mean a bill of ten, fifteen or twenty dollars for prescriptions and sick-room supplies, a long drawn out spell of sickness, and possibly the undertaker. Now it means a package or two of typho-bacterin therapeutic with supportive after treatment and a number of immunizing doses. Just a few days ago I received a telephone message from a nearby town calling for one package of typho-bacterin therapeutic and nine immunizing doses. And there follows a demand for prophylactics, disinfectants and germicides. And there is left a family who are thoroughly alive to the value of preventive remedies. Paradoxical as it may seem, healthy, earning customers are better patrons of the pharmacist than sickly ones

of small earning power. The great range of merchandise kept by the modern drug store, appeals to so many wants of the healthy person that the pharmacist is interested in getting his patrons well and keeping them well.

Let me tell you of a recent epidemic of diphtheria that occurred in Lincoln, Nebraska, and the increased business that it brought. The epidemic was in a residence neighborhood supplied largely by one dairyman. It was soon ascertained that he had a man in his employ with a sore throat that proved to be diphtheretic. Before the epidemic was stopped there were eighty-six cases. One manufacturer of bacteriological products alone sold through one salesman two hundred and twenty-eight therapeutic doses and two hundred and sixty-nine immunizing doses. This does not include the preparations of any other manufacturer, nor orders sent direct by dealers. At the end of the epidemic the stock in hand of the retailers were at normal. It is noticeable that ninety packages of those enumerated were of from 7,500 to 10,000 units. There was a total of 497 packages enumerated, about five to the actual case. And this only tells part of the story.

One small suburban store that does an annual business of about \$10,000, sold in one week, above his normal business, more than \$400 worth of antitoxin and disinfectants. The public press gives us a lot of free advertising at such times and we are remiss if we do not profit by it.

However, we kill the goose that lays the golden egg if we presume upon the credulity of the patient. He must have honest and competent advice. He must be saved from mistaken purchases. If any member of his family shows the least sign of infection, he should be urged to call in a competent physician. Correct diagnosis and treatment is his proper work. We may supply him with culture tubes, stains, test solutions and test outfits.

The pharmacist of the future must be better trained in bacteriology. Our schools in pharmacy should give more complete courses. The pharmacist must be able to assist the doctor in making a test. It is not far in the future when all good pharmacists will be supplied with microscopes, incubating ovens and culture mediums. Yes, even to prepare autogenous vaccines as required.

Careful attention to the storage of bacteriological products is important. No pharmacist should attempt to carry a stock without keeping them in a refrigerator. Regular attention to expiration dates is desirable. In fact, a register of the stock on hand, with the expiration dates might well be kept.

I believe that the retailer should receive full list price for all vaccines. The investment, cost of exchange, frequent telegrams, cost of refrigeration and occasional loss justify full price. In fact, it is worth much to the physician to have a full stock at hand for instant use. Time is a very important element in the use of bacteriological preparations.

In conclusion, the outlook for the pharmacist who is a merchant as well as a professional man is very rosy. The public is always willing to pay for real service. Our business is just as necessary as that of a grocer or blacksmith. If general business conditions become untoward, the pharmacist can cut his overhead expense as quickly as his fellow merchant and rely upon his professional training for his profit.