

viously pharmacist at University Hospitals in Cleveland, gave a paper in the development of anode rubber and its uses in the hospital. Items, such as anode tubing, anode gloves, anode hot water bottles, and throat collars were discussed. It was found that the anode tubing and gloves had a larger number of sterilizations than the ordinary brown rubber.

Our eighth meeting and last meeting for the year was held at a local restaurant. Election of officers took place and a general good time was afforded to all present.

During the year our society was asked to help to instigate the forming of a State Hospital Pharmacists' Association. We did considerable work for the organization of this association, and I feel assured that it was through our efforts that the Ohio Hospital Pharmacists' Society was founded. Two of our local members are officers in this state society.

I hope that I have given you a clear picture of the reason for my intense enthusiasm about our Hospital Pharmacists' Association. You can readily see that there are great possibilities and that the hospital pharmacists, themselves, are making great strides to better the future and encourage the advancements of hospital pharmacy.

May I say in closing that it is my sincere wish that every hospital pharmacist or any pharmacist who is working with a hospital should support this sub-section and help to create local groups, in order that they may build up the feeling that the hospital pharmacy is an important department in the institution. It is no longer just a hole in the wall, but it is a department just as important and necessary as surgery, x-ray, laboratory, medical and dietary departments and it should be supervised by trained pharmacists who have had special hospital pharmacy courses or internship.

COMMERCIAL AND PROFESSIONAL PROBLEMS IN RETAIL PHARMACY ARE DISTINCT BUT INSEPARABLE.*

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The practice of Pharmacy in retail drug stores is unique among the professions in that commercial activities proceed simultaneously with professional practice. This close connection between the professional services of Pharmacy and retail trade has caused some people to conclude that retail pharmacy is a trade and not a profession.

The professional responsibilities of retail pharmacists require here no explanation nor defense. Many of the business activities which are a customary part of the responsibilities involved in the conduct of a drug store arose from advances in Pharmacy and related professions and sciences. Half to three quarters a century ago it became apparent that there were some medicinal substances and preparations which could be prepared most economically in manufacturing establishments.

This trend has not relieved retail pharmacists of professional responsibilities. They still must assume these professional responsibilities in the selection of these

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manufactured articles for their stocks and in their storage, preservation and dispensing. Even in the sale of manufactured articles intended for self medication, retail pharmacists have had a responsibility, particularly with respect to those articles containing narcotics and poisons. With the partial formula disclosure provisions of the Federal Food, Drug and Cosmetic Act of 1938, these professional responsibilities with respect to manufactured proprietary medicines intended for self medication have been increased because the partial formula disclosure supplies to retail pharmacists information that may be used to warn patrons against improper or dangerous use of these articles.

In a department apparently so unrelated to the practice of Pharmacy in drug stores as the soda fountain, there is a definite and historical relationship to traditional professional responsibilities. Carbonated water, the basis of the soda fountain, has its therapeutic uses in addition to its uses as an important ingredient in many delightful beverages.

Even when there were relatively few packaged articles sold in drug stores, retail pharmacists had to have commercial arrangements with various wholesale druggists, manufacturers and other sources of supply for the articles prepared and dispensed in their stores. With the growth in the number of packaged articles of standardized size and quality, the commercial problems involved in the practice of Pharmacy in retail drug stores have increased, but there has been no diminution in the professional duties and responsibilities of retail pharmacists.

Just as advances in medical science have immensely increased the amount of training that physicians must receive before they are competent to practice Medicine, so have increased in like degree the knowledge and training required of retail pharmacists. In addition, retail pharmacists must possess a knowledge of commercial methods and practices of ever increasing complexity. Retail pharmacists of the present day can no more serve with full satisfaction to their customers and themselves without an adequate knowledge of commercial practices than they can without a similarly complete experience and understanding of professional methods. It is for this reason that the AMERICAN PHARMACEUTICAL ASSOCIATION has maintained for more than fifty years the section which is now called the Section on Pharmaceutical Economics and at each of its annual meetings has devoted a portion of its program to discussions on this subject.

The increase in the number of medicinal articles offered for sale in drug stores in packaged form resulted in the development of trade practices which, in turn, caused among retail pharmacists as far back as half a century ago, demands for legal restrictions upon unfair trade practices.

The ultimate result of the agitation for this control has been the enactment in forty-four of our states of laws which permit owners of trade-marked merchandise to make legally binding resale price agreements with their wholesale and retail distributors. These laws have greatly reduced the unfair trade practices which formerly existed in the sale of many packaged articles sold in drug stores.

It is manifestly impossible for any retailer to sell merchandise for less than he paid for it and remain long in business. If, however, he chooses a few well-known articles from his stock and sells them for less than he paid for them, he may succeed in creating the impression that everything in his store is sold at similarly reduced prices. Competing retailers who price all of their merchandise at figures which

permit them to recover their costs are obviously at a difficult and frequently insurmountable disadvantage against such deceitful competition. Resale price agreements have eliminated this kind of competition for many of the most popular articles sold in drug stores. There also exist in nearly half the states laws which are out and out prohibitions of retaining or wholesaling any article below cost. Sometimes these laws are called unfair practices acts while in other states they have been named unfair sales acts.

With these efforts to eliminate by law the deceitful use of sales below cost as a means of attracting trade, no one can have a legitimate quarrel yet there are interests all over the United States who are actively working now for the repeal of these unfair practices and fair trade laws. No one should underestimate the strength or the ability of these opponents.

The demand for the repeal of these laws is not being directed at the principle the laws are designed to protect but rather at the abuses, real and fancied, which have occurred in the operation of these laws. If retail pharmacists will remember that neither fair trade laws nor unfair practices acts are designed to guarantee them a profit but are instead designed to relieve them of the unfair competition of merchants who are selling goods for less than they paid for them, this agitation will lose much of its force. Thus commercial and professional interests, though distinctly different, are inseparable in retail pharmacy.

Another illustration is to be found in the state pharmacy laws. Every one recognizes that the retail distribution of many dangerous drugs and poisons is a responsibility which can be safely entrusted only to a person with professional knowledge and experience. That is why the state pharmacy laws impose restrictions on the retail distribution of various poisons and narcotics and entrust their sale only to retail pharmacists. Again retail pharmacists must recognize that this privilege is given to them for the protection of the public health and is not an award of a commercial monopoly. Any attempt to make from this privilege a commercial monopoly is bound to result in a public reaction which will bring general disapproval on the whole profession of Pharmacy.

In one state a persistent attempt has been made during recent years to limit to drug stores the retail sale of such household necessities as bicarbonate of soda and witch-hazel. The Legislature of this state took matters in its own hands this spring and now the pharmacy law has been so modified that retail merchants of every type and class may sell without professional supervision virtually every medicinal article except a few containing dangerous narcotics and poisons. That is what happens when an attempt is made to use for private gain a control that has been established for public health and safety.

There are drug stores in this country so poorly equipped that pharmaceutical practice cannot be conducted competently. Likewise, there are stores which, because of limitation of space and surroundings, cannot safely supply pharmaceutical services. To laws which specify the minimum standards of equipment for the practice of pharmacy in retail drug stores there can be no reasonable objection, but when the discretionary powers of the licensing authorities are used to prevent new stores from opening simply because that would mean more competition for the stores already in operation, there is an abuse of authority which inevitably must bring an adverse criticism of the entire profession.

I am not sure that there are too many drug stores in the United States but I am positive that there are entirely too many poorly located drug stores. Every day are to be seen drug stores operating in locations in which there is no need for additional pharmaceutical service and which, as a result, are not only certain to be professionally and commercially unsuccessful, but also by their presence will so cripple the existing stores that their ability to render satisfactory professional service is in danger. The choice of a suitable location for undertaking the retail practice of Pharmacy should be based upon adequate economic knowledge and not upon arbitrary legal restrictions.

Commercial education is the thing that will keep an ambitious but poorly informed pharmacist from offering his services in a location where they are not needed. Commercial education will inform a pharmacist that bank nights in his store have a narcotic effect which, with continued use, will only lead to disaster. Commercial education will teach him that the same amount of money, time and energy devoted to health education among his professional and lay patrons will bring lastingly beneficial results.

The form and extent of this commercial education has been a subject of discussion in this ASSOCIATION for forty years. I emphasize here the inseparable relationship that appears to me to exist between professional and commercial education in the practice of Pharmacy. Each is of fundamental importance and for the future welfare of Pharmacy neither should be neglected in the training of the pharmacists of the future.

Commercial education for the practice of Pharmacy includes a study of economic theory and of the economic problems of modern life. It should include a lecture, discussion and laboratory course in Psychology, a scientific field in which the knowledge of why we behave as we do is constantly expanding. While the study of English literature and composition by a pharmacist is not exclusively for his commercial interests, it is obvious that ability in written and oral expression is of inestimable value in commercial as well as in professional activities.

Marketing is the technical term usually applied by specialists in the field to the methods and problems involved in the distribution of goods from the places where they are produced and made to the places where they are ultimately consumed or used. Many unique and difficult problems arise in the marketing of drug products because of the closely intertwined professional and commercial problems. Marketing costs are a subject which is receiving an increasing amount of attention from economists generally and governmental authorities. Marketing costs in the drug trade are among the highest of any field and therefore are certain to be the subject of special inquiry. Stated thus academically, the problem may seem to have no special application to the pharmacist practicing in his own drug store, but when he hears of plans to distribute medicines and fill prescriptions through government owned dispensaries, in a general program of socialized medicine, he then will be quick to recognize just what a general inquiry into the costs of marketing of medicinal products means to him.

Another general commercial field upon which a retail pharmacist should be informed is the management problems involved in the operation of a drug store. These include a knowledge of the uses of the various articles which are for sale in drug stores and the most effective methods of presenting these uses to his patrons.

When there is a more general knowledge of these uses and the methods of presenting them effectively, drug store window and store displays will contain fewer cardboard cut-outs designed to promote the sale of articles wholly unrelated to Pharmacy and more displays that adequately picture the unique and invaluable services which are available in retail pharmacies.

Among the professions, retail pharmacy is unusual in that a far larger proportion of its gross income goes for the purchase of merchandise, supplies and operating costs than is characteristic of other professions. It therefore follows that, while a knowledge of finances and record keeping is of value in any profession, it is indispensable in the conduct of a retail drug store. I have had the opportunity in the past twelve years to examine the operating statements of more than three thousand individually owned drug stores. Many of these stores are outstandingly successful and from year to year have achieved steadily improved results.

Others have faults which, from an analysis of their operations, are readily recognizable and easily corrected. Many, many times I receive the answers, "I wish I had known what my trouble was ten years ago or twenty years ago. I'd be that much further ahead now." There is nothing especially difficult about analyzing the operations of a drug store but, to a person unfamiliar with the technique, it is as mysterious as osmosis or catalytic action. Yet how to analyze operating results is certainly an ability which every drug store proprietor should have.

While it has been a genuine satisfaction to point out to drug store proprietors the things they need to do to control their costs with more profit to themselves, it has always been most disturbing to me that the retail pharmacists most in need of such an analysis are the ones who do not get it. They cannot get it because they do not have a sufficiently complete or detailed record of their operations to make possible an analysis.

This failure to maintain adequate records results not so much from neglect nor from any lack of recognition of the importance of adequate records, but from a lack of understanding of just what are the records a drug store proprietor needs to guide his business. Accounting is a profession which requires study, training and experience comparable to that expected of a pharmacist. Fortunately the amount of accounting knowledge necessary to prepare adequate drug store records is not great, just as some of the professional tasks in the prescription department can be safely entrusted to the youngest apprentice.

I am perfectly well aware that, with the development of scientific knowledge in Pharmacy and allied sciences, the demands for inclusion of various subjects in a course of study steadily increase. The thing that I have been trying to make clear is that any neglect of commercial training for pharmacists is just as serious as a neglect of professional training. Failure to acquire an adequate knowledge in both fields means a burdensome handicap, if not outright failure for the retail pharmacist.

Exports of medicinals, pharmaceuticals and biologicals from the United States to South America were well maintained in 1938 with an advance over shipments during 1937, according to the Chemical Division, Department of Commerce. Total imports of the above-named products into South American countries are estimated at close to \$20,000,000 yearly, of which the United States carries between 15% and 20%. It is likely that South American countries will look to the United States for an increasing share of such imports.