SIXTY-FOURTH ANNUAL MEETING OF THE AMERICAN PHARMACEUTICAL ASSOCIATION

SECOND GENERAL SESSION.

The second general session of the American Pharmaceutical Association was called to order by President Alpers, at the Hotel Chalfonte, Atlantic City, New Jersey, at 10 A.M., Wednesday, September 6, 1916.

Minutes of the first general session were read by General Secretary Wm. B. Day. (See report, p. 910, September number.)

THE PRESIDENT: You have heard the reading of the minutes. If there are no objections or corrections they will stand as read. (There being none, they were approved.)

THE SECRETARY: Mr. President, I have a few messages and telegrams of greeting. The first is a telegram from President-elect Frederick J. Wulling, addressed to President Alpers:

FRONTENAC, MINN., Sept. 4, 1916.

PRESIDENT W. C. ALFERS: Please convey to Convention my fraternal greetings and my regret and sorrow at my inability to attend. Uncertainty of strike delayed me, and now am laid up again with a not serious affliction. Hope the meeting will become notable for high achievements. FREDERICK J. WULLING.

Greetings were received from the National Association of Drug Clerks. The Women's Organization N. A. R. D., Mrs. Nellie Florence Lee, secretary, sent greetings as follows:

TO THE AMERICAN PHARMACEUTICAL ASSOCIATION, Assembled at Atlantic City, Sept. 6, 1916:

The Women's Organization National Association Retail Druggists extend most cordial greetings and best wishes to your association upon this its sixty-fourth anniversary, and as each one of you work at the "Loom of Life"

"And weave, and weave, and weave— May you all look into the future and see That you have not woven in vain. You know not the length of warp nor woof. You know not its given span. So into each year's allotted tasks, Be sure to put the best work you can, That when at the end of your working day, The shuttle falls from your tired hands, And the loom shall lie at rest, May each one hear the voice of the Master say, Take the rest well won, For the work thou hast done— For 'twas done as thou thought best."

Sincerely and fraternally yours,

NELLIE FLORENCE LEE, Secretary.

A letter of greetings from Mrs. Fletcher Howard, Los Angeles, was read, also greetings from the Los Angeles Ladies' Organization and from Thomas D. McElhenie of Brooklyn.

A telegram of greetings from the California Pharmaceutical Association, and one from Honorary President F. C. Godbold, as follows:

NEW ORLEANS, LA., Sept. 4, 1916.

WM. B. DAY, Secretary, A. Ph. A., Hotel Chalfonte:

Regret that I cannot be with you in person to day, as I am in spirit. Hearty thanks to officers and members for honoring me at San Francisco meeting.

F. C. GODBOLD.

5601 Rosemary Place.

The Secretary also announced greetings from the National Association of Retail Druggists, the National Association of Wholesale Druggists, the American Association of Pharmaceutical Chemists, and a number of other National Organizations, which, however, he stated are to be presented by their delegates and, therefore, no doubt, either have been or will be presented at the sessions of our House of Delegates.

THE PRESIDENT: You have heard these communications. What is your pleasure?

F. E. STEWART: I move they be accepted and take the usual course.

THE SECRETARY: Is it the pleasure of the meeting that President-elect Wulling's telegram be answered in some form?

C. B. LOWE: I move that we express our regret for his absence and hope for his speedy recovery to entire health and strength.

F. E. STEWART: I accept that as part of the original motion.

This motion was put before the session and carried.

Telegram from the American Fair Trade League was read as follows:

New York, Sept. 5, 1916.

WM. B. DAY, Secretary, American Pharmaceutical Association:

The American Fair Trade League sends cordial greetings and warmly appreciates cooperation of American Pharmaceutical Association in promoting cause of honest advertising and honest merchandising as represented in Stephens' Standard Price Bill. Victory is in sight but can only be won by continuance of earnest individual work.

Edmond A. Whittier,

Secretary-Treasurer, American Fair Trade League.

C. A. MAYO: I move the communication be referred to the Commercial Section. It is a matter relating to commercial and legislative matters, and it might be well to have it brought before the Commercial Section and I move, therefore, to have it referred to the Commercial Section.

This motion was duly seconded, put before the convention and carried.

THE PRESIDENT: The next order of business is the report of the Committee on Nominations.

S. L. HILTON: The Nominating Committee expected to be able to report this morning but a condition has arisen whereby we are compelled to have a little more time and I would like an announcement to be made that the Nominating Committee will meet immediately after adjournment of this general session. THE PRESIDENT: It is not necessary to repeat the announcement. The Committee reports progress and will have another meeting at the end of this session.

The next order of business is the minutes of the Council, by Secretary J. W. England.

(Minutes of the Council will appear under Council Business.)

THE PRESIDENT: You have heard the minutes of the Council, what is your pleasure?

A MEMBER: I move that they be adopted, Mr. Chairman.

(This motion duly seconded, put before the House and carried.)

Secretary England then read the minutes of the fourth session of the Council, which included a report of the Committee on Publication.

THE PRESIDENT: You have heard the comprehensive and most excellent report of the Publication Committee, what is your pleasure?

A MEMBER: I move that it be accepted with the thanks of the organization.

GEO. M. BERINGER: Do I understand that this is a report? I thought these were minutes of the Council.

THE PRESIDENT: I stand corrected. It is a part of the minutes of the Council, relating to the report of the Publication Committee.

GEO. M. BERINGER: I move that they be approved as read.

J. H. BEAL: Before the report is accepted I would like to ask a question or two. I think it is covered by the report of the Publication Committee, but I fear in such a lot of material the exact significance of the statements did not reach the consciousness of all of us. I want to inquire as to what charge is made for use of portion of the text of the National Formulary where the use is such that the book using it cannot be sold or used as a substitute for the Formulary itself but is rather in the nature of an educational text for the purpose of bringing the National Formulary to the attention of students, druggists and physicians, and in that sense is an advertisement. I would like to inquire just exactly what amount of compensation is exacted in such a case.

SECRETARY ENGLAND: Mr. Chairman, I think that is a very important question, a question upon which the members should have the fullest information possible. I would state at the beginning that absolutely no charge is made for a partial use of the National Formulary text in the manner indicated and I would like to repeat this part of the report.

(Secretary England then read the portion of the report covering this question.)

J. H. BEAL: I understood the report myself, but I wanted to make sure that all of the members here understood it. Now another question, the flat statement has been made that the Association charges for the use of formulas of the National Formulary, which has been interpreted by some to mean that if I wanted to use a formula from the National Formulary and I have not bought the book but get it from some other book or some other druggist, that thereby I owe something to the American Pharmaceutical Association. Now I am well satisfied in my own mind as to the status of the case but I would like to know from the Chairman of the Publication Committee whether such a state of affairs exists.

SECRETARY ENGLAND: Mr. Chairman, such a thought is absolutely unfounded. There is no charge whatever for the partial use of the National Formulary, so long as such use is not a partial or complete reproduction that can be used as a substitute.

THE PRESIDENT: Are there any further remarks? I then understand that the carrying of this motion put by Mr. Beringer carries along the adoption of the recommendation made in the Council minutes. Is that right? SECRETARY ENGLAND: Adoption of the Council minutes carries with it the recommendation. The only recommendation the Council has adopted so far is the first recommendation that the question of the cessation of the *Year-Book* be submitted to the members of the Association by mail along with the official ballots. In other words, the question will be, "Do you favor the issue of the *Year-Book* in monthly or quarterly instalments in the JOURNAL, or do you favor the issue of the *Year-Book* as a yearly volume?"

Motion put before the members and carried.

THE PRESIDENT: I now call for the report of the Treasurer.

THE TREASURER (Henry M. Whelpley): Mr. President and members of the American Pharmaceutical Association: The annual report of the Treasurer for the fiscal year 1916 was printed in the JOURNAL OF THE AMERICAN PHARMA-CEUTICAL ASSOCIATION, Volume V, pages 640 to 651. This was prepared in accordance with the By-Laws and has been approved by the Auditing Committee. I now submit a report showing the financial status of the Association at the present time and also reviewing some of the activities not recorded in the former report. I will say that in previous years I have submitted a corresponding report largely in verbal form. Last year the stenographer at San Francisco so mixed up that report that I made up my mind to give the entire report in written form at this meeting.

(This report is printed in September number, pp. 921-928.)

THE PRESIDENT: You have heard the report, what is your pleasure?

T. J. BRADLEY: I would like to move that we extend the Treasurer thanks for this report and that it be referred to the Council to consider the various questions which the Treasurer has asked in it. He has not specifically recommended anything in it, but he has asked for guidance and the Council can consider it and report back to the Association.

In making this motion I wish to add a comment and this comment is in no way a reflection on the officers of the Association, but it appears to me we are not as good business men now as our forefathers were. We are in the position of spending more than we receive, running behind on our annual receipts in one direction and in the other direction our invested funds are increasing because they were so wisely administered and invested.

A MEMBER: Mr. Chairman, in seconding this motion of Professor Bradley I would like to ask the Treasurer if he can tell us about what our membership ought to be so that the amount of dues would cover the necessary expenses. I don't know whether he can tell us but perhaps he has formed some idea what the number should be.

THE TREASURER: I think an additional five hundred members would cover our present expense account.

A MEMBER: It seems to me we ought to be able to get them.

THE PRESIDENT: I tried to make a careful calculation in order to answer that question but it is exceedingly difficult to do that, just as the Treasurer will probably know himself. I figured out we need twelve hundred more members to meet expenses.

A MEMBER: We ought to be able to get twelve hundred it seems to me.

THE TREASURER: Mr. President, as a further comment on this report I would say that this year I have placed in my report a number of items that ordinarily I would have brought up to the Council direct, but it occurred to me it would be better to present this so it will appear in the proceedings for future reference.

JACOB DINER: Mr. Chairman, I would like to say it is refreshing and reassuring to the members to have this frank statement of facts, not only that the members may know where they stand, but also that the members may know

that there is no attempt on the part of the officers to gloss over things which are essential for the membership to know. Now the question has been asked as to the number of additional members we ought to have in the Association, but very little has been said excepting in a general way as to the methods of securing the needed new members. It seems to me that consisting, as this organization does, of a number of men intimately associated with colleges, right there we have an opportunity for securing new members that has been more or less overlooked. I am speaking from personal experience in the matter to show that a little effort at times will be followed by a great deal of success and achievement for the benefit of the Association. I know that the New York Branch secured about one hundred new members this year without the expenditure of a single cent as far as the Association is concerned. I know that the colleges have been helpful in securing many of these members and it strikes me that this avenue of influx for new members has been too much neglected by perhaps a lack of consideration of the value of having members belonging to colleges on the Membership Committee. It is relatively an easy matter, when the students are full of glee and of satisfaction in having received word that they are entitled to their diploma, to make them feel that they are now members of a profession and that this satisfaction can be considerably heightened by belonging to the American Pharmaceutical Association. In my own college we succeeded in obtaining a hundred percent membership from the graduating class, and this can be done in every other college in the United States, and I would suggest that the men belonging to colleges be urged by personal letters from the Membeship Committee, by the President and no doubt by our ever-effective Treasurer. to work in that direction.

SECRETARY DAY: I wish to corroborate what Professor Diner has said, he interested the entire senior class for membership in the Association and deserves a great deal of credit for it. We have made efforts through the schools, and many of the schools are offering prize memberships. We are getting young men into the Association but not in the numbers that we should.

Now I would like to add a thought regarding the Treasurer's report. It has been suggested that we are somewhat in the position of a firm or an individual who is extravagant and living beyond his means. We have spent for several years from two to three thousand dollars more than our income. I do not believe that we are extravagant. I do not believe that we are living beyond our means. I think we are rather in the position of a business organization which, having a certain amount of capital, has decided to invest that capital wisely in the launching of a new enterprise. The reason that we have run behind these last three or four years has been that we made a very heavy expenditure for the JOURNAL. We expected to make a heavy expenditure for the JOURNAL at the time the JOURNAL was instituted. We knew very well that the JOURNAL would not immediately be self-supporting. We expected to invest money in it. We are investing money in it. We are coming to realize our expectations. The JOURNAL is coming very nearly to a self-supporting basis and the Publication Committee have to-day told us that from the present outlook the JOURNAL will be fully self-supporting next year, excepting so far as the salary of the Editor is concerned, and by a year or two later we can reasonably count upon the JOURNAL paying all expenses, including the Editor's salary. Now we have not been wasting this money. We have been putting it in the JOURNAL with the expectation of returns and good returns later. I think that is a viewpoint that ought not to be overlooked in this discussion of the finances of the Association.

THE TREASURER: The American Pharmaceutical Association is situated like a person working on a salary and has property that brings an income. Our dues may be compared to the salary, and may fluctuate from year to year, but it is a steady and certain income. Our funds are our property that brings an income. Now we have seen fit to try, and we are now focusing our argument on an effort to live on our dues, to live from the dues of the members, and to continue to add to the principal what we get out of an investment. For instance, we are getting seven hundred dollars a year from our Life Membership Fund. We are adding that to the fund. We are getting four hundred dollars a year from our cash that is put into registered bonds. That we are using in our current fund, but this seven hundred dollars we do not touch and we are in various ways adding to other funds wherever we can. Now I just simply call attention to the fact so that you will take this into consideration when you think we are extravagant.

H. B. MASON: This subject is one of very great importance, it seems to me. One aspect of this question has not been touched on. It is all very fine to say that an individual with a definite income may spend more than he earns because he has invested property, but it has been made clear this morning from the Treasurer's report I think that the income from our invested property which we can use is not sufficient to make up that annual deficit of three or four thousand dollars, and, furthermore, gentlemen, it seems to me this is a permanent organization that ought to be in existence fifty or a hundred years from now. We are building for the future as well as for the present and we want to look ahead and assure an independent and active future. Now it seems to me the height of folly for an organization like this to spend habitually more than it is earning. It seems to me from the Treasurer's report that apparently one-third of the income is used by the JOURNAL. Another third of the income is used by the Year-Book, which leaves only one-third of the income then for a great host of expenses. I am not familiar enough with the organization to name what those expenses are. A third of our income, which is approximately ten or twelve thousand dollars a year, is not enough to pay for all those expenses. Now, gentlemen, there is one way it seems to me of having our outgo equal our income and not exceed it, and that is what I shall develop within a minute or two. It has been suggested this morning that if we increase our membership enough, we shall adjust outgo to income, we shall make enough money so we can stand this drain of three or four thousand dollars a year, but is not that a fallacy? Everyone of those new members must receive the JOURNAL. Everyone of those new members must receive the Year-Book. It was figured out some months ago that for every five dollars we receive from a member we spend three dollars and eighty-five cents for publications for that member, the Year-Book and JOURNAL, which leaves us one dollar and fifteen cents of every five we collect from members to pay the floating expenses or overhead expenses of this organization. Now if you have ten thousand members you have substantially the same problem, not actually, but substantially. Of course some overhead expenses will have a lower pro rata, but the point is this, gentlemen, some years ago when we established the JOURNAL, and wisely established it, it took the place of the *Proceedings*. The supposition was we would spend the same amount of money we had previously spent for the Proceedings for the JOURNAL, but the facts are, we have two expenses, we have two publications instead of one. We have the Year-Book and the JOURNAL. Each of these, gentlemen, costs practically what the Proceedings used to cost, so you have doubled our publication expenses. Now the remedy to me is very simple, it is a practical one. It is one the officers of the Association do not agree with me in supporting. I have had some correspondence on the subject this year, but I would wipe out the Year-Book. There is an expenditure of three or four thousand dollars and if you discontinue the *Year-Book* you have discontinued a drain of three or four thousand dollars a year which amounts to the annual deficit; discontinue the YearBook and you adjust your outgo to income. What is the penalty? Some argue--wipe out the Year-Book and you take away all traditions. Well, tradition does not mean very much to me unless it has financial reasons behind it, and I do not believe the membership as a whole use the Year-Book. The great argument is-research workers need it; I contend the research worker does not get in our Year-Book what he wants, and furthermore he has other means of supply. As for the average member I do not think he ever looks at the Year-Book, and I think the man your Treasurer mentioned this morning is a typical individual. I do not mean to say the book is useless, but if we are spending three or four thousand dollars that way, it seems the part of wisdom to avoid such expenditure, and the way to avoid it is by discontinuing the Year-Book and then publish in the JOURNAL each month eight or ten pages of abstracts of what would appear in the Year-Book.

THE PRESIDENT: I would say for the information of Mr. Mason that the same question is in the hands of the Committee on President's Address, wherein the same recommendation is made.

The question of the Treasurer's report is before us. We are getting into an entirely different line of thought and argument.

Calls of question.

(Question put before the assembly and carried.)

THE PRESIDENT: The next order of business is the report of the General Secretary.

REPORT OF THE GENERAL SECRETARY.

TO THE PRESIDENT AND MEMBERS OF THE AMERICAN PHARMACEUTICAL ASSOCIATION :

During the past year the efforts of the General Secretary were chiefly devoted to the important task of building up the membership. To this end, a considerable correspondence was carried on and the support of many of the members was secured. Attempts were also made to assist in retaining the interest of members who had become indifferent to their obligations to the Association.

The results of the membership campaign are set forth in the report of the General Membership Committee. While not all that was desired or even expected, the gain in new members is encouraging and gives promise of further improvement.

Owing to the near approach of the new edition of the National Formulary, it was to be expected that the sales of the old edition should be small. It is rather a surprise then that 1060 copies of the N. F. were sold during 1915 and the income during the same period was \$1399.42.

Even as late as March, 1916, it was found necessary to print and bind 250 copies to meet the current demand for the book. The income for the first seven months of 1916 amounted to \$582.24.

In accord with the action of the Association at San Francisco, the receipts and expenditures for the National Formulary have been carefully designated as such, so that the Treasurer has been able to keep these accounts distinct from the current income and expense.

A large number of inquiries concerning the N. F. IV have been received and have received prompt attention. A considerable number of small orders have come to this office and have been promptly acknowledged and forwarded to the distributing agents.

The addressed labels for the distribution of the new Year-Book were supplied to the publishing house some time ago. The books are now being distributed but there have been unlooked-for delays, the latest being caused by a fire in the printing plant with the resulting damage by water of nearly a third of the edition, which the publishers will now have to reprint.

The stock of the N. F. III, 194 copies in the various bindings, has been stored in the Lloyd Library.

[SIGNED.] W. B. DAY, General Secretary.