## November 1, 1966

## DRUG COSTS AND PRICES

Mr. COFFIN: I do not know how the pharmacist makes out on that but it certainly would appear to be more equitable, if they can.

Mr. Howe (*Hamilton South*): There are two or three drug stores in Hamilton that have successfully done this for at least four years now that I know of and they are still in business. One of the stores of which I speak is strictly a prescription store. They do nothing but dispense prescriptions; they have no across the counter items at all and none of the various home commodities—they simply dispense prescriptions.

Mr. FROSST: I would expect that they do a fairly large volume.

Mr. Howe (*Hamilton South*): The volume obviously has built up and they are managing to survive at this rate.

Mr. BRAND: I wonder if we could give the committee some idea of the suggested retail price for, say, two of your most commonly used products—and I will mention Trulfacillin again because it is most certainly one of your high volume items, and certainly 292's.

Mr. COFFIN: The 60 c.c. size of the 3-200 strength of Trulfacillin is \$1.90 and that is the biggest one we have. I am afraid I neglected to bring a price list along with me and I cannot go through the list for you, but that is one that I recall.

Mr. BRAND: Would a prescription of a dozen 292's retail at the suggested retail price of about \$1.25?

Mr. COFFIN: We do not have a suggested retail that would be applicable because we do not now manufacture anything smaller than a bottle of 100 in 292's.

Mr. BRAND: Well let us say that it is about \$1.25.

Mr. COFFIN: I think that is probably around the average price range.

Mr. BRAND: Now the question arises, do you think those prices are too high for those two particular products?

Mr. FROSST: No I do not think they are. We are selling what we consider quality pharmaceuticals. There are a number of things that are involved in the manufacture; the formula is an A, P, C and C but that does not mean that an A, P, C and C is necessarily a 292. I do not have the formula card here but we want to make sure that these disintegrate at a certain time; that they have a certain amount of stability; that there is no odour or at least a minimum of odour of A.S.A.; that they do not mottle—there are a number of things involved. We would like to think we sell quality pharmaceuticals at reasonable prices.

Mr. O'KEEFE: What percentage of the cost is in your suggested mark-up to the drugs.

Mr. COFFIN: If I understand you correctly, we sell to the druggist at our suggested list less 40 per cent. In certain cases, where large quantities are involved, there may be an additional small discount, but the basic rate is our suggested list, less 40 per cent. Does that answer your question. I am not sure I understood it.

Mr. O'KEEFE: That is just exactly what I wanted to know.