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The Rexall Story: A History of Genius and Neglect

Mickey C. Smith
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For anyone wondering whatever happened to all the small neighborhood Rexall drug stores that were common in the 1920s through 1960s, this book answers that question and more about the Rexall era. The author is a professor emeritus in the School of Pharmacy at University of Mississippi, principal author of *Pharmaceutical Marketing,* and Mississippis Professor of the Year for 1993.

The story begins with Louis Kohl Liggett, dubbed the “Father of Rexall,” organizing the Drug Merchants of America in 1901 with forty original stockholders and a set of guiding principles on manufacturing and distributing name brand drug products. The name Rexall (meaning “king of all”) was chosen for the group of products for what later became the United Drug Company.

The book is illustrated with interesting old photographs and excerpts from Liggetts letters to his shareholders, advising and motivating them on advertising and selling. “Look at our prices again, please,” he writes. “There is the Toothache Gum, about $2.00 per hundred packages. There are 250 of you stockholders. Why not each take 100, thats $500 to us.”

Liggett was an industrialist and an entrepreneur, but also a man who understood the value of loyalty and affectionately referred to his shareholders as “Pardners.” One chapter describes the sense of family among the Rexall Family Druggists-independently owned, franchised drug stores-across the country, and contains numerous quotations and anecdotes from former Rexall employees. Many discussed the changes in the company that eventually resulted in bankruptcy. “Rexall premiered many ideas that I still see being used in retailing today,” says one. “The franchise idea itself, Rexall was the first franchiser in America.”

Four chapters are devoted to illustrating how the company effectively executed the “4 Ps of marketing”-products, price, place, and promotion. It premiered the use of private label marketing to sell its product line of more than 2,000 items.

The last chapter discusses Justin Darts role in the last three decades of Rexall history. Its a fascinating account of the downward spiral of the company as a result of management changes; acquisitions of non-related product manufacturers such as the Tupper Company, manufacturer of Tupperware; a mass merchandising strategy of distribution to wholesalers and retailers; and multiple sales of the company. In 1980 company president Larry Weber put the last nail in the Rexall coffin by canceling the contracts with the 10,000 Rexall druggists. In 1985 the Rexall name was purchased by the Florida-based Sundown company.

The Rexall name may be visible on a handful of drug stores that still carry the brand name, but nowhere near the volume as before. “It seems somehow appropriate but also sad,” writes Smith, “that the sunset of Rexall should occur with its name attached to Sundown.”

CINDY KRYSZAK (August 18, 2009)

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