

My Turn

Small chains stand out at CDMA Expo

By David Pinto, Editor

Overlooked amid the cacophony of meetings planned, meetings scheduled, meetings held and meetings evaluated was a relatively quiet event late last month in Orlando, Fla. The meeting in question was the annual trade expo hosted by the Chain Drug Marketing Association. In its unassuming way, it was arguably the most impressive event in which a segment of the chain drug store community participated in some time.

As significant as what the CDMA meeting was about is what it was not about. It was not a gathering of major chain drug retailers or their suppliers. CVS was not in attendance. Nor was Walgreens or Rite Aid. Procter & Gamble was absent, as were L'Oréal, Johnson & Johnson and Unilever.

As to who was in attendance, that's not so easily described — or explained. Briefly, some 50 retailers and wholesalers were represented, most of them in considerable force. They came to peruse the merchandise offered by well over 100 different suppliers, the majority of it general merchandise. As well, the retailers were exposed to the latest additions to CDMA's hugely successful Quality Choice assortment, one that now numbers several hundred SKUs. Finally, they were given a preview of a Christmas merchandise assortment selected by CDMA's buyers on intensive buying trips to the Orient.

In short, over the better part of a week, many of America's smallest drug store retailers — among them such familiar names as Evans Drug, Kopp Drug, Fruth Pharmacy and Walker Drug — were exposed to a broad range of merchandise that included virtually every general merchandise category drug chains now sell or have ever sold, an assortment designed to enable them to compete more

vigorously with the larger retailers that increasingly constitute their major competition.

Additionally, this particular Expo marked the 85th anniversary of CDMA's predecessor buying groups, Affiliated Drug Stores and Associated Chain Drug Stores, organizations that once formed two of the three pillars (the other being NACDS) of America's chain drug community. Indeed, in the 1930s, '40s and '50s, before airplane travel became the preferred transportation mode in this country, virtually every U.S. drug chain — there were several hundred at the time — sent its merchants to New York City every autumn (the buying groups also participated in the annual January housewares show in Chicago) to engage in much the same activities to which the retailers in Orlando were exposed, examining merchandise with the idea

founded by his grandfather over 100 years ago, who attended with his wife Betty, once an integral contributor to that chain's success; and finally, Jack Walker, whose two drug stores in the Intermountain states of Utah and Colorado are worth the trip. On hand as well was perhaps America's best-known and most highly regarded wholesale drug executive, Ann Newman of F.W. Kerr, there to receive the organization's Hall of Fame award.

Younger, less traveled retailers were in evidence as well. But even they grasped the fact that Devine was giving them an opportunity to compete in an industry that has largely forgotten them, one that has come to be dominated by major companies that view small drug chains and independents as more nuisance than competition. And indeed, they found in Orlando a variety of merchandise categories — ap-

to represent, and possessing enough leverage to mount their own very sprawling private label programs.

This, then, is what the CDMA expo was all about, what it attempted and what it accomplished. The great majority of attendees were delighted to have participated, either because they were afforded an opportunity to do business with retailers or were given exposure to an array of merchandise they will come to depend on in the months ahead if they are to stay in the game.

Yet this explanation of CDMA's Expo hardly does the event justice. In a sense, the trip to Orlando was a journey back in time to an industry that once was and will never again be; a point in the industry's history where competitors easily and effortlessly shared ideas with each other; a time when retailers were friends first and rivals second; a time where the first questions asked were about family, where secrets were confided, where competition was more friendly than feverish, where the industry was more important than the individual companies doing business in that industry, where retailers and suppliers came to New York City for a week of business each fall and, by their presence, transformed that week into an endless series of social activities that were at least as significant as the business reasons for the trip.

Jim Devine has recreated that time — to the immense benefit, both tangible and intangible, of all those who showed up. The fact that this was CDMA's biggest expo yet is another proof of the organization's value, and its relentless diligence in conveying that value. But the larger lesson here is the lesson that time alone makes clear: To those who understand what CDMA has recreated, no explanation is necessary; to those who do not, no explanation is possible.

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that some of it at least would ultimately find its way into their merchandise assortments, there to spark sales and insure profits.

The man in charge of CDMA is Jim Devine, himself a veteran chain drug retailer, having worked at different times for such important drug chains as Cunningham Drug Stores and Gray Drug, names now familiar only to those few people who have been around for a time. Some of the people whose history coincides with the history of the industry they grew up with were on hand as well, invited to attend by Devine — former Genovese executive Alan Patrick; Jon Rudden, who spent a considerable part of his retail life at Peoples Drug Stores, Rea & Derick, Happy Harry's and, most recently, Walgreens; Jim Evans, grandson of the family company

parel (which Devine calls a hot category for many small retailers in these stressfully competitive times), housewares, hardware, a variety of holiday merchandise, low-price electronics, basic O-T-C products with an emphasis on vitamins and minerals, and, of course, the Quality Choice house label, which most of the attendees have long since come to rely on.

At Expo's end, the retailers emerged more confident in their ability to compete and more effectively buttressed with the merchandise to do so. For their part, the suppliers in attendance were content at having been granted a hearing often denied them at larger retail companies, obsessed as these major retailers have become with the names, offerings and opportunities major suppliers have come

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