





# FIVE FINE PHILLY PHARMACIES

Feeling the love  
in the City of  
Brotherly Love

*By Bruce Kneeland*

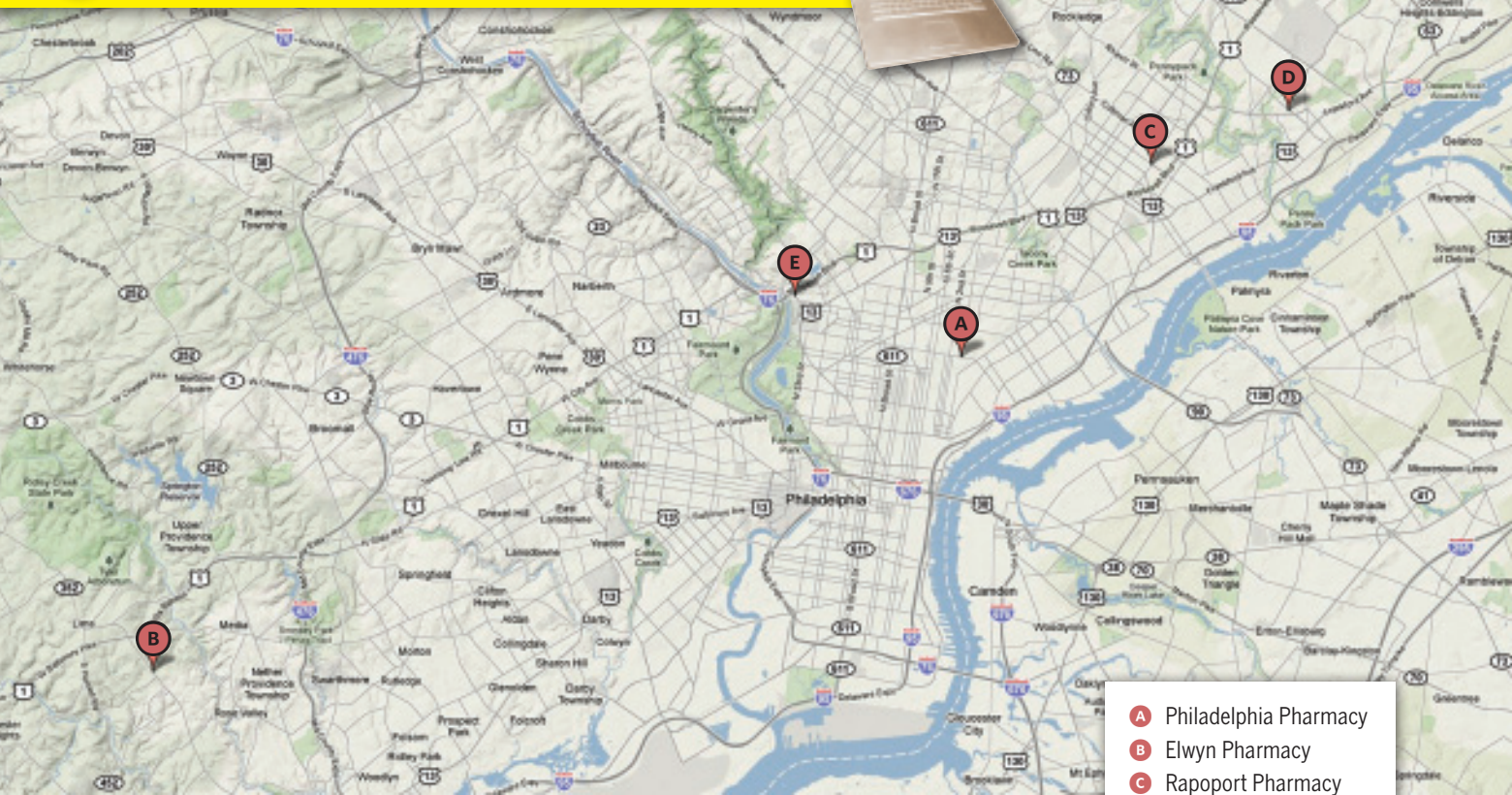
*Photography by Bruce Kneeland*

## **IN ANTICIPATION OF NCPA'S 112TH ANNUAL CONFERENCE AND TRADE EXPOSITION BEING**

held in Philadelphia this year, *America's Pharmacist* asked me to visit a few successful pharmacies in Philadelphia. The goal was to document some of the things they are doing to thrive in a rapidly changing industry. With the help of several local wholesaler representatives who pointed me to some great stores, I set out one bright and sunny day in June to visit five pharmacy owners who are



In case you missed out on our other articles featuring 30 pharmacies, log on to [www.americaspharmacist.net](http://www.americaspharmacist.net), and catch up!



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“makin’ it happen” in the City of Brotherly Love. I hope their stories help you in tackling some of the challenges you might face in your own business.

### Fast, Friendly, and Festive

**Philadelphia Pharmacy** is an institution in the northernmost section of central city Philadelphia. Owner Richard Ost, RPh, has found a number of ways to tie into the community. The most visible thing he has done is sponsor a large mural that covers the entire exterior of his store. Building art is a fairly common part of the Philadelphia culture, and this colorful mural speaks to the ethnic roots of the area and is a major landmark.

But the real magic in Philadelphia Pharmacy takes place on the inside, where attention to detail and a well-structured workflow allow this pharmacy to fill several hundred prescriptions quickly and accurately each day—without the aid of robot. Ost is a stickler for detail and has organized his pharmacy staff into layers, each with specific duties and responsibilities.

The core purpose of this structure is to make sure

three things happen: Prescriptions get filled accurately, prescriptions get filled fast, and—this is central to Ost’s philosophy—every customer gets individualized attention. That means calling people by name, treating them with respect, explaining the purpose of each medication, and making sure the patient’s entire regimen is reviewed. If lapses are occurring on any medication, the patient (or caregiver) gets counseled on the benefits of taking all medications properly.

One of the most amazing things Ost has done is organize a process that allows his technicians to make hundreds of outbound refill reminder calls each week. To ensure that patients are served quickly, Ost employs a few more pharmacy technicians than would be customary in other pharmacies. This means that there are times when all that talented labor is not filling prescriptions. So, being the creative entrepreneur that he is, Ost has formalized a process for having his technicians, who know each patient well, make calls and



inquire as to why medications have not been picked up or requested to be refilled. During the call, technicians work with patients to understand the problem—and help overcome any obstacles—by contacting doctors, calling insurance companies, and providing any other services they can to make sure their patients come in and get the medications they need.

On a final note, Ost has completely plugged into the social fabric of the large Latino population in the community. Many of his staff members speak Spanish fluently, and others do so with at least the ability to communicate pleasantries with their customers. And his front end has been carefully merchandized with a variety of household chemical and kitchen supplies, and other convenience items popular in the community.

### Entrepreneur Extraordinaire

Nick Karalis, RPh, purchased **Elwyn Pharmacy** in 2003. Located in Glen Mills, a close-in suburb of Philadelphia, the pharmacy is well-established in the community. The previous owner had long ago branched out and serviced a number of nursing homes and assisted living facilities. Since purchasing the retail pharmacy, Karalis moved the long-term care and assisted living operations to a closed door facility, and then set out to grow the business in truly amazing ways.

Today Karalis is the proud owner of not only Elwyn Pharmacy but Elwyn Specialty Pharmacy, a closed door facility that occupies the entire second floor of a commercial building in an industrial complex about five

miles from his retail pharmacy. In the specialty business Karalis and his team provide a wide variety of injectable medications to patients nationwide. And it is in the area of specialty pharmacy that Karalis is making his mark.

Karalis says, “I am building my practice on three legs: traditional retail pharmacy, specialty pharmacy, and my growing LTC and assisted living area.” But to call his retail pharmacy traditional would be an understatement. The location features customary dispensing, compounding, and a large durable medical equipment/home medical equipment section. To top it all off, he is refurbishing the outside with a special new “wrap” that has turned this once staid retail location into a truly amazing topic of conversation in the community. Using technology developed for advertising on buses, Karalis has found an effective and affordable way to update and modernize the look and feel of his business, and turn his storefront into a powerful ad vehicle.



My visit in June was to the specialty pharmacy site, and it is truly a remarkable facility. Occupying about 8,000 square feet of second floor space, it includes a number of offices, supports a call center, has administrative and clinical office space, and even includes a nicely furnished conference room. But the real action is on the pharmacy floor, which includes conveyer belts for moving product from one work station to another, an AutoMed unit dose system, and bar code scanning and document imaging technology, all connected to the outside world by a T1 line. And to make sure this all works together to support his customers, he and his team have developed an electronic medical administration record (eMAR) software package that they have named Accuflow, which they intend to market to other like-minded pharmacies in the near future.

Karalis has become an expert in networking and relationship building. He currently sits on the board of the Community Specialty Pharmacy Network, which serves about 150 member pharmacies, and also serves on the Cardinal Health National Retail Advisory Board. Both of these groups provide Karalis with access to important people and information that helps him acquire the products he needs to build his specialty pharmacy.

### Mr. Moskowitz's Neighborhood

Jeff Moskowitz, RPh, grew up in the 1960s in North Philly, just a block or so from the corner drugstore. When he was 14, he took his first job working in Rapoport Pharmacy, and he has worked in this 1,300 square-foot location ever since, buying it from the original owner in 1989.

Today, **Rapoport Pharmacy** is a neighborhood institution. It services the community with a number of traditional drugstore services, such as personal charge accounts and free delivery—a service so in demand that the pharmacy keeps two delivery cars busy making 30–50 deliveries daily.

Moskowitz has moved aggressively into the durable medical equipment/home medical equipment market. He has completed the durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) accreditation process and accepts Medicare assignment.



The store displays a collection of canes, wheel chairs, and walkers, along with ostomy, surgical hose, and other products. And he even provides oxygen.

Moskowitz is an outgoing guy. One way he builds his DME business is to call on doctors and discharge planners. He says one of the most successful things he does is visit chain pharmacies and explain the products and services he provides. He says they seem more than happy to suggest Rapoport Pharmacy to their patients for a product they are seeking. The Rapoport store manager is also a handyman and is often able to install bathroom safety equipment. Of course, he says, he carries extra liability insurance to cover this service.

Moskowitz has arranged to service a number of assisted living homes with compliance packaging. He says even a few adult family caregivers find his compliance packaging useful.

He is quick to point out that surviving in this day and age is not easy. Many of his long-time patients are also career union members and, as they retire, he finds many of them being forced, or at least assuming they are being forced, to use mail order. He says he sees mail order and its uncompetitive practices as one of the biggest threats to his business; he continually struggles to help customers understand the value of the extra care and service he provides.

To combat this negative trend, Moskowitz says that the best thing going for him is his relationship with the physicians in his neighborhood. He calls on them routinely, explains his unique services, provides them with flu and other vaccines, and even fills and delivers prescriptions for personnel who work in their offices. The thing that keeps him excited about pharmacy, he says, is the ability it gives him to work face-to-face with patients and get to know them and their families and help them feel better. And indeed, doing this has made Rapoport Pharmacy an integral part of this north Philly neighborhood.

### Nice, New, and Nifty

Without question, one of the most effective success formulas I have noticed over the past few years is the power of carefully organized pharmacy partnerships. By pulling a few like-minded owners together into formal partnerships, there is no question that synergy can be created. Such is the case with Jim Reginelli, RPh, and Mike Cavanaugh, RPh, owners of the brand-spanking-new **Willits Road Pharmacy**. To be clear, the actual business itself is many years old and a community institution. But the pharmacy I saw had just moved a few doors down to a newly refurbished and larger facility in the same strip center.

Cavanaugh is the day-to-day manager of this location but, in concert with Reginelli and a handful of others, shares ownership in six Philadelphia pharmacies. They combine their purchasing power to negotiate for better prices, terms, and services from their suppliers. But more importantly, they share ideas and inspire one another.

The first thing I noticed when walking into the store was how clean it was. Granted, they had only been in this new location a few weeks, but the floors were still immaculate, the lighting was bright, and the shelves were clean, well-stocked, and featured a variety of point-of-purchase signage. All are common elements of the super-successful pharmacies I visit.

As part of the move to the new location, the pharmacy had just installed a Parata Max, replacing an earlier-version robot. According to Cavanaugh, the



robot makes his pharmacy a much more pleasant place to work and allows his staff to provide an extra measure of personal attention to their patrons. Another key to the pharmacy's success is the networking it does in the community, which has resulted in winning the rights to serve a number of assisted living facilities. Cavanaugh rounds out the professional side of his practice with a fully equipped compounding lab (still located on the second floor of his former retail location); he aggressively promotes his custom prescription services to patients and prescribers.

To help pull traffic into the store (which competes with several independents as well as Rite Aid, Walgreens, CVS, a supermarket, and big box stores), Willits distributes several Promotions Unlimited circulars each year. Cavanaugh says that, while this takes a fair amount of work, the circulars bring people to the store, where the staff can convince them to become customers by talking with them and giving them useful information. Cavanaugh says that one point they try to make with all their patients is this: Whether they are on some sort of financial aid or have a company-sponsored prescription plan, the co-pay for prescriptions is the same at Willits Road Pharmacy as at one of the chains.

“Once we get people to understand that, they turn into prescription customers,” Cavanaugh says.

### Never Look Back

Beth Dewan, RPh, and Genevieve Levans, RPh/MBA, opened **Falls Pharmacy** on the extreme western edge of Philadelphia about 10 years ago. Dewan, who grew up



in this part of town, says she just “sort of knew” the area would support an independent pharmacy. Based on her gut feel, they started their pharmacy from scratch and have never looked back.

After eight years in their original location, they sensed the need to expand into a larger facility and offer a few more traditional items. So, in December 2009, they moved a few blocks south and set up shop in a new building with a great storefront and enhanced visibility on Ridge Ave., one of the city’s major thoroughfares.

In the new location, the entire front of the store features a large sign announcing the presence of Falls Pharmacy. To help bring people in, they run a number of Promotions Unlimited sales each year. They also have an attractive selection of boxed and regular candy bars, cold sodas, and other convenience foods. Additional items include greeting cards and a variety of household chemicals.

On a professional level, both Dewan and Levans provide a number of immunizations, including Zostavax. They get out and meet the doctors and health care professionals in the area; they are not shy about calling doctors with recommendations for medication changes or asking them to recommend their pharmacy for patients with special needs. They are active in working with the University of the Sciences 6th year PharmD students and use students to provide hands-on blood pressure monitoring and to write health-related articles for the neighborhood newspaper.

Along with the traditional circular, Dewan and Levans use The HealthConnections flyer and say the product selection and health tips it features seems to be well received by their patients. They also have subscribed to the Drug-On-Card, a device that supports a prescription loyalty card program. It provides a wallet card with all patient prescriptions listed, allowing patients to show their physicians all of the medications they are taking. As with Philadelphia Pharmacy, Falls Pharmacy makes personal outbound compliance calls. Dewan says they call about 50 patients each week and that “our customers say they appreciate the reminders, and the vast majority of them come in and pick up their medication in the next day or two.”

The two owners have an outgoing and friendly style, and it shows up in their staff. They take great pride in wearing their Falls Pharmacy golf shirts and in providing personalized service. They are “plugged into” the community and have become a genuine resource for people living in the neighborhood.

### Where to Start?

Two of these five fine pharmacies recently moved into a new location, close to their previous one, that expanded and improved the curb appeal of their pharmacy. The other three of these super stores made significant improvements to the exterior of their existing location, making it much more appealing. For all of them, sprucing up the premises was a starting point for greater community presence and growth. Perhaps there’s an idea here for your pharmacy’s to-do list of improvements. **ap**



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