

own dispensing instead. The dispensing house makes the following observations on its experience:

Glasses now cost the patient more than previously in most cases. Our business has definitely been hurt and we have lost patients who have traded with us for years because the majority of doctors refused to give the patients their prescriptions. . . . If the doctors charge a professional fee for refracting and turn the prescriptions loose we could still lower our prices 15 to 20% and operate on a volume, . . .

You might be interested to know that most of the dispensers for the doctors are paid a salary and a per cent. The dispenser makes the prices and, naturally, the more he charges the patient the more he makes. We feel this is unfair to the public.

The same dispensing house further stated in another communication:

. . . the oculists are now controlling their prescriptions far more than they ever did before, as most of them absolutely refuse to give their patients their prescription . . . They are determined to still make a profit on the glasses they prescribe.

A dispensing house in another Texas city reported that in 1948, when it was doing a \$6,000 a month business on prescription sales to patients of doctors on a rebate basis, it announced to the doctors it would thereafter discontinue the payment of rebates and would sell on prescription to patients at prices substantially under the consumer prices then charged. Its volume of business then dropped to \$150 a week, as the doctors switched to doing their own dispensing. A similar experience is reported by another dispensing house in the same city which announced to the doctors that if the rebate system was outlawed by the local medical society the dispensing house would reduce prices on prescription sales to patients to the wholesale price, plus dispensing fee, and thereby give the average patient a saving of \$10 a pair on glasses. He reported shortly after the final judgments went into effect as follows:

I have repeatedly offered to heavily reduce prices of glasses to the public if they [the doctors] would turn prescriptions loose; and was told that if I reduced prices, that every prescription I filled would be pronounced as inaccurate and that I would be forced out.

In the same State another dispensing house reports a similar experience and states that 53 out of 65 local oculists are now doing their own dispensing.

In still another Texas city, two dispensing houses each report that their business in prescription sales to patients of doctors has been almost wiped out because of doctors doing their own dispensing and that with this reduced volume of business and the refusal of doctors to release prescriptions to their patients, they are unable to reduce prices, even though the doctors charge the patients the pre-rebate price or more.

In Michigan, one dispensing house with a number of branches stopped rebate payments in 1950, before the judgments were entered, and put into effect a substantial price reduction on all prescription sales to patients. One Michigan doctor referred as follows to the institution of this policy:

This attempt to eliminate the practice is a grand step toward honesty and fair business.

Unfortunately, the price reduction policy instituted by this dispensing house was not popular with numerous other doctors who then switched to doing their own dispensing and refused to release prescriptions to their patients. This so cut down the volume of prescription business available to the dispensing house that it was forced to close some of its branches which were located in the cities where the bulk of the doctors had switched to doing their own dispensing.

Another Michigan dispensing house reported that although it reduced its prices one-third on prescription sales to patients, its volume of business in this field was reduced 80 per cent because practically all of the oculists in the area had switched to doing their own dispensing.

In a large Wisconsin city, the doctors stated that a considerable number of dispensing houses had reduced prices substantially on prescription sales to patients. The reports from these companies confirmed this, but they complain bitterly of the fact that such a large number of oculists had switched to doing their own dispensing that on the reduced volume of business the optical houses are finding it difficult to keep the lower prices in effect.