

# Ahead of the Curve: A Small Pharmacy Big on Technology

by Will Lockwood

When Eric Teng, owner of three pharmacies in Flushing, N.Y., was working at chain stores in the late 1990s, he'd visit the independent pharmacy in his neighborhood and come away with one impression: The owners were businessmen first, interested mainly in sales, and pharmacy professionals, interested in offering professional advice, a distant second. This started him thinking: What if he could run an extremely efficient pharmacy while at the same time providing a superior level of care? He was confident he could. So when he got the opportunity to buy the local pharmacy in 2001, he consulted with his fellow St. John's University College of Pharmacy graduate, and soon-to-be wife, and decided it was time to act. "It was perfect for me," says Teng. "The location in downtown Flushing and

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the small size were both perfect for a beginner."

## Customer Focused

Teng's objective, as he and two employees got underway in his new store, Medi-Space Drugs, was to spend every minute he could up front, talking to his customers. "I wanted to impress them with the fact that I was the new owner and

that I was going to offer more professional services," he says. Teng jumped right into the task of offering advice instead of pushing products. "For example, a young guy came in early on and had a sore throat and fever," says Teng. "I advised him to drink orange juice and get some rest rather than trying to sell him something." This focus has paid off. That one customer still comes in five years later, as do many others whom Teng has advised, because, in Teng's opinion, they know that quality advice comes first at Medi-Space Drugs.

## Efficiency Focused

The size of Medi-Space Drugs, which at only about 500 square feet in total area and about 110 square feet of pharmacy space is right at the New York state minimum, adds a significant hurdle to

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Teng's focus on his customers. "If we have five customers inside, a person walking by will just head to the next pharmacy," points out Teng. This means that even while Teng and his staff aim to provide the highest level of service, they also have to focus on making sure customers get their prescriptions promptly so that the small store does not appear too packed. The result is that Teng has set himself the slightly unusual goal of keeping Medi-Space as empty as possible. Putting all the factors together, Teng reached this conclusion: Prescription wait times must be ten minutes or less. This requires maximum prescription-filling efficiency.

Teng, who ended his first year as an independent pharmacist filling 100 prescriptions on the average day, quickly realized that dispens-

ing technology was the means to reach his goal. "You have to improve the technology before the customers come, not after," Teng points out. So in 2002, Teng started his search. He quickly settled on robotics as the solution that would best increase dispensing speed while maintaining accuracy. He had

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already worked with robotics during his chain store days, so while he was taking a big step to make such an investment soon after getting going, he was still confident in his choice of technology. Once decided

on robotics, Teng had several reasons for picking Parata RDS from among his range of choices. These, he explains, were the cutting-edge counting mechanism, the labeling and capping features, and the ability to sort vials alphabetically. Also extremely important was the fact that Parata RDS's small footprint allowed the robot to fit into his small store without taking away precious space. Teng feels he made a great decision. "Having robotics changes the value of the pharmacists," Teng says. "We are so much more valuable when we are giving advice. Not only can we help customers with their medications, but we can also help keep them from making mistakes."

#### **Robotics to the Rescue**

Teng has used Parata RDS to make improvements in his dispensing from end to end. For example,

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when a prescription came in before, he used to have one technician go to the shelf to fill the vial while another was doing data entry and adjudication. What Teng wanted, of course, was speed. The problem was that he sometimes over-filled because a doctor wrote for more than insurance would pay for. Parata RDS completely changed this workflow for the better, rapidly dispensing exactly what's adjudicated. "No matter how stressful the dispensing situation, the robot doesn't make a dispensing mistake," Teng says. At the other end of the dispensing cycle, Teng has also thought of a way to use the Parata RDS to eliminate the need for will-call space in his store. "We have no room for baskets or anything on the counter," he points out. "So we leave the vials as they are alphabetized by the RDS." From there it is a simple matter for his staff to pick prescriptions as customers arrive for them. Overall, robotics has given Teng a great deal of confidence. As he puts it, "The busier we are now, the happier I am." Even during high-volume times such as allergy season, Teng feels that his is the pharmacy in the area with the shortest wait times — all because of Parata RDS.

Teng also can't say enough about Parata's support. "It is some of the best I've experienced in pharmacy, or anywhere else," he says. For example, Teng had a rough start with his robot and got pretty upset, so much so that he considered sending the machine back. Instead he called Parata, which sent a technician out the very next day to make things right and help Teng get going. "They fixed my problem within the day," he says. As Teng tells it, Parata flew a part in from its warehouse and drove it to the



**Eric Teng looked to robotics to improve his dispensing from end to end, allowing him to spend as much time as possible up front consulting his customers.**

store, and a technician had the Parata RDS running in 30 minutes. Teng has had only very minor problems since, and when something comes up that he doesn't have time to fix, he simply calls Parata.

### A Ripple Effect

Another advantage Teng cites to

moving into robotics is that the investment made him take a hard look at his pharmacy management system. "What I had at first wasn't quite stable and robust enough," says Teng. As his volume at Medi-Space Drug moved toward his current daily average of 250 prescriptions, issues popped up. Teng couldn't afford to lose his reputation for speed and accuracy, in which he had made such a big investment with the robot. He researched and came up with QS/1 as the best fit for his volume and his need for stability. Teng points to the extensive clinical database that supports his counseling efforts and to the solid interface

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offered to the Parata RDS as two great features. The prescription image scanning and bar-code technologies offered by QS/1 have also been major contributors to Teng's satisfaction, particularly because these features help him keep dispensing accuracy up to standard in the face of heavier volume. "I was impressed with QS/1's professional approach," Teng says. "Even though Medi-Space Drugs is a small store, they could see the growth that I was capable of." Teng says that though he paid a little more for QS/1, he feels it has been well worth the price.

He's also recently added QS/1's point-of-sale (POS) system at Medi-Space Drugs. While he hasn't had much chance to work with it yet, Teng expects that the biggest advantage will be the control POS will give him over inventory management. "I'm learning about POS right now and training my employees," says Teng.

### Thinking Strategically

This might seem like an awful lot of technology for such a small store, but this is where Teng's strategic vision really came into play. He looked beyond the benefits that robotics and a first-class pharmacy management system could provide for Medi-Space Drugs and saw them as the stepping stones to opening new stores. He's done just that, adding two more small pharmacies in Flushing, Medi-Health Drugs and Apothe-Space Drugs. "The technology I'm using has allowed me to open new stores several years before I thought I was going to be able to," says Teng.

And when Teng opened the third store, he found that he could take yet another step in using technology to run the best pharmacies he can. Using a secure host-remote

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setup from Net-Rx, based in Vancouver, Wash., and Nashville, Tenn., Teng has linked together his pharmacy management systems. Now a pharmacist in any one of his stores has access to all prescription and patient data, which really smooths workflow, according to Teng. Significantly, the network also reduces the chance of making mistakes when his staff transfers a prescription. That's because, while his pharmacists still have to confirm prescription transfers on the phone in order to comply with state law, the actual data is transferred electronically via the Net-Rx link. "Less data entry means fewer chances for mistakes," points out Teng. The host-remote network even makes a scanned-in prescription available for viewing across all three stores. One innovative use Teng has found for this cross-store prescription image availability is that, in certain difficult situations, it allows his pharmacists to join together to offer advice based on reading the original prescription. This is a great way to leverage Teng's investment in technology into better customer care.

Net-Rx also allows Teng to monitor real-time prescription volume for all three stores, down to the individual prescription — something he can even do from home through a secure web link. Once an item is in the QS/1 inventory

database, Teng can track it using the Net-Rx link, no phone calls required. This means that he doesn't turn customers away if he's got the drug in one store and not in another. "Knowing your inventory is so important to making your business work," points out Teng. He also finds it easier to control shrinkage this way. "I look for discrepancies and decide if the data entry was wrong or if there is something more to watch," he says. In all, his robust pharmacy management system combines with the advantages of the Net-Rx network to provide customer convenience that, in Teng's opinion, is second to none.

### Leading the Way

Teng's implementation of Parata RDS in Medi-Space Drugs, along with QS/1 and Net-Rx in all three of his stores, clearly marks him as an innovator in the pharmacy community. Teng has even been singled out in the local press for his dedication to cutting-edge technology. But where Teng and his staff really look to gauge their success is to his customers, who are loyal and, according to conversations that Teng can overhear in his small stores, always willing to recommend his services to new walk-ins. Moreover, while other stores in the area are left playing technology catch-up, Teng is already in the process of moving forward with extending his use of POS and more robotics to include his other two stores. "The fact that other pharmacies are getting the same technology, like robotics, proves to me that I did the right thing, just two or three years early," says Teng. For him, being ahead of the curve is really paying off. **CT**

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