

and all of these in essence can lead to an accusation of not having provided the best service so far as you as a veterinarian are required to do. The one particular incidence that I have on hand here had to do with a pure bred bull that subsequently died of pneumonia. Choking symptoms occurred following the use of Rompun. There was a very extensive legal work involved again in this case and we were not able to succeed in having an acquittal brought down and there was a payment made, some \$2,000 for the animal and we had about \$2,400 involved in legal fees.

You can see, involved in these cases we not only have had some claim payments, we have had some acquittals, but I would also say that you can see that we have had some legal fees involved in defending these cases. This is essentially a brief overview of what we have been faced with over the years that we have been looking at the claims in the Trust but I would also think that these are at least three examples that you should be aware of the consequences and of the particular problems that are facing the veterinarian today.

Drug Inventory Control
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Is there anyone here that has an inventory control monitoring system of some kind in their practice? Two? Tell me something. What do you tell the client that tells you "I don't need to write that down, I can keep it in my head, I remember every bit of it." Keeping track of inventory can make one or many differences in your practice. It is your choice. I am going to start with some of the small advantages that we have found starting with an inventory system brought to our office. (1) We had to organize our shelves, we labeled them, we found that it avoided waste. We found that by keeping all of one drug in one place, the only exception being those that we buy in cartons, and in dozens, but the partial bottles that come out of the truck, where the veterinarian has to have more than half of a bottle he will use large amounts at a time, we end up with partial bottles on the shelves. If we have one place to put these bottles so that they do not get lost or allowed to get too old to use, they can be put together and kept an eye on. It keeps all our medication in one place. We found also when we labeled our shelves that when new employees came in they had a much easier time in learning the drugs. They were all in one place. At the same time that we labeled them I tried alphabetical order but I did not like that so I placed the drugs on the shelf by the form that they came in. There were topical sprays, topical ointments, bandages, pills, powders, fluids and injectables. It forces us to mark each individual unit that came in. We knew each drug's complete history from the time it came in until the time it was used. This in turn facilitated the rotation of our stock. It helped us to keep an eye on those things that



were a little older and needed to be used first. We have two mobile units in our practice. That gives me three hospitals to take care of! I rotate not only by date but by condition of the product in the truck. I find that the labels get rubbed off and boxes get a little dog eared. I take those out and try to dispense those in the clinic as I can, trying to keep those all looking good. We do not label every unit of vaccine that comes in - that is the exception. Those all go into the refrigerator. They are labeled only on the card in the file and our vaccines are all stored with the expiration date up. It pays to keep a constant watch on your expiration dates nowadays because the companies have gotten pretty tight on taking anything that has gone out of date. We use a blackboard for a want list. When we get down to the point where something needs to be ordered and someone has taken the last one off the shelf or the one that indicates that we need to order that product, they write it on the board. When I have some things on the board that I am ready to order, I sit down with my file in front of me and that makes me ready to deal by telephone. This drove my suppliers crazy when I first got this thing going because they could not believe that I had all those prices in front of me and I find a lot of people a lot more willing to deal with me than they were when I was not really sure what I remembered from the last time I ordered a product. I found also that I was able to amortize in my own mind - we have some products, and I am sure you do too, that you prefer - alternative products that are similar, cost less money, and you think you might like to use them but you just won't settle for anything less than this product that is top of the line. I find that it is not so bad to overspend a little in that one area when I can prove by my cards that I can keep costs cut to the bone in other areas, possibly with generic drugs. I figure that every dollar that I overspend for my employer is delaying my next raise, if I ever get one!

Finally I hate to see the end of the year. That year end inventory kills me every time. I found that when I got my inventory system working I had everything, all my drugs in alphabetical order, it was much easier to type them down the line and then go to the shelves and write down how many of each I had, rather than going to the shelves and writing them

off the shelves and then worrying about whether or not I remembered everything. I am going to put just a few numbers up here. You have to turn in an inventory three or four times a year to be making a profit. I am not going to get into mark up. That is not necessary in this case. The only thing that I would say is that we do have higher mark ups on those drugs that are necessary to keep on our shelves for those things that we do not see very often, such as prussic acid poisoning. When it happens to one, it is most likely to happen to a number of animals and I have to keep quite a good supply of that drug on our shelves; however, we may go two years and never use any in this area. I do not try to stock items that our clients can buy at their feed stores. Feed stores have much better quantity buying prices, they can sell for less, they have less markup on them and they are on a cash basis only. I will, if a client wishes, and asks me to, inquire and give him a competitive bid on a large quantity of any product he may ask me for that I am able to buy and this will be on a cash basis. We have a lot of people who have really appreciated that and on a cash basis I do not have to mark up on the item. I find that most specials and sale prices that the salesman come up with are not really special for me in my small inventory situation. The September/October TVMA journal had an article on inventory control. The only thing wrong with it is that they used a ten percent interest rate and I think that that is already outdated. They say that at a 10 percent interest rate, your special price must be 0.417% lower for each extra month's supply per unit that you pay for. That is 0.00417 on the dollar. If you get extended billing, say for 90 days, a lot of companies are doing that now, you can buy an extra three months supply and still break even. How do you know what your month's supply is? I am going to show you. You can fill out a card, you know what you bought, how often you have bought it, and how often you are turning it. The only thing that might be keeping your true numbers for you is if someone stashes it away in the corner and you are not watching it. If it is on your shelves, or in your trucks, you will know exactly what you have.

One more set of numbers that I can understand - If your inventory is 3,000 and we will use a more realistic interest rate of 15%, you are paying \$450 a year to keep that inventory on your shelf. A special price is not special for you unless it is 7.5% or more off the regular price for you to pay. If it is 7.5% or more, you can buy a six month ahead supply and if you turn it in those six months, you will have made a profit on it. Going in the other direction, if you get a 20% savings, and that will be the day, you could keep that stock on your shelf for a year and three months. The best thing about our system, I just love it, is that it is very simple for other people to learn coming in and for the doctors to read it. It keeps all your information at your fingertips. You can use this information to keep as complicated a system as you want or as simple of system as you can handle in your place. Our code tells us the month and year of purchase, the cost, the number purchased at the time, and the dealer. Because we have these two mobile units, we mark every item that

comes in because those items will be put in the truck, and everything that goes in the truck in case the doctor is just lucky enough to get cash for a transaction and for some services and if he can get it, I want it. We use very small labels. On the board I have written two types of a code that we have. It is the same code but one is a little more difficult so that is why I wrote the other one. The last number which is a nine is the last number of the year. I hope that we will not keep anything for over ten years. The four numbers in the middle is the price written backwards, \$11.00. The two letters on the bottom are the code of the dealer, the six is how many I bought at the time. I bought six bottles for \$11.00 in November of 1979. The number on the bottom has a slash one on it. This is for products such as the mastitis products, boluses that come in a box of 50. Anything that my doctors are liable to break up and sell in one individual unit I figure out for them so that they do not have to figure it out in the field rather than price the entire box, I price the unit. I bought a product in June that cost 80¢, of two 00's, those middle numbers must always be at least three digits. If you only paid two digits for the product, then you put the extra 0 on. 080 is 80¢. Slash one, that is for one unit in that box, and I bought it in 1979. I got it from Lonestar, and I bought a gross of them. Down here in front of me, now this is what you call practicality, I have a dish pan. I bought a set of file cards. Of course you can get them in any size that you want, they are number 915 and for a set of 100 cards I paid \$12.95. There are 100 cards to a set and of course they are in alphabetical order. I put my products in this in alphabetical order. I use note cards and just tape it on the front of the card. When I fill one up I just tape another card over it. If it is a product that we use a lot, then we get the cards too full and I just take off the back ones. I can go back at any time and keep track of my inventory and I can change my cards. Since they are free standing cards, they can be taken out, if the product is taken off the market and new products can be put in easily. I do not have to worry about tearing out a whole page. I tried keeping something in a journal and that did not work well.

My first reaction when I was told that I was to do this was to run out and make everything nice and new, but I figured that that would not be very honest. This card file has served us since January 1976. Some of the tops are a little frayed. I have started to cover them with plastic and I hope to get all the way through it. It has stood the test of time very well. These are the Avery labels that you can buy. They are very tiny, your technician can sit down at the desk, fill out these labels from your invoice. She does not have to go back and stand there and write on the products. And also, if you ever want to return a product, you better not have written directly on the product. That comes from experience too! You might put it on glass if you have a choice, it is easier to peel off. These are very inconspicuous, very easy to put on. For what it has saved us in not charging the correct prices, in the time spent on inventory at the end of the year, and in knowing how we are using our drugs and where we are using our

drugs, and what time of year we are using our drugs, it has been worth every cent of it.

Feedlot

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I will talk about a few things that the feedlot veterinarian can do and this does not just apply to feedlot veterinarians but to all large animal practitioners and how to deal with the client who does not do all of his own work himself, in other words, he has some hired help. They are going to need some training and some helping. We need to figure out some ways to get veterinary medicine and what it can do for our clients in front of them so that they can realize some of the savings that they are missing out on. Every time I go to one of my feedlots, that I have been to many times, I find some things that they are doing wrong and that need correcting and it takes a constant job of monitoring. Each time you go there you should be able to pay your way many times over. I think sometimes we veterinarians are afraid that it is, maybe, a little unethical to point out anything that we can do to save money for our clients, but I do not think we should be, so this evening I would like to just point out a few things that are real money savers for the client and are real services.

One thing that I think is real important is dip vat management in the feedlot. Many times you go to a feedlot and you just look at the vat and it looks alright and you think that they are getting them dipped and that everything ought to be under control. There is a lot more to it than that. Each vat should have a record and each time you should know the capacity of that vat, what it holds, and have a record there so that each time water is added to it you will know how much is added, and each time a new batch of insecticide is added to bring it up to strength, you will know how much that is. Then you should test that each time you are there. Check it out, see how many cattle have been there, if they are changing it as they should be. Take a sample and check for concentration. Chemagro, Bayvet, puts out a test kit for their corral and you get it from them if you are testing vats. Your technician can run a vat check test in about 15 minutes and tell if it is up to concentration. Unfortunately, some people do not feel that veterinarians are smart enough to run a dip vat test, and it is very difficult for a veterinarian to get one of those kits. However, the lay drug salesman can get them. You might be able to find a drug salesman and get one from him. When you are pulling samples from those vats, do not just skim a little off the top, rig up some type of little dipper that you can get down about three or four inches below the surface to pull your sample. One problem has been in stirring up the vats and getting drugs from settling. One thing that I have found that really works well in getting these cage vats stirred up is going to a used machinery pile and picking up about three old used discs and weld a little bolt on to them and mount them on the bottom of the dip vat cage, concave down, and

then when you run that cage up and down, that concavity of those discs bolted on the bottom of the cage as they slosh up and down really stirs the water. I have tried them after they have set for a week and not been used and in three minutes you can have them back into solution and up to test. Corral puts out some good information and you can get it from them about methods of stirring the jump through a walk through type vats.

I would like to talk just a little about starting new calves. I am talking about feedlots or backgrounders starting the calves that are 200 to 400 pounds. I think that it has been proven by studies and some of this has been brought up in some of the seminars that we have had so far this week, that the light weight calves need some energy when they come in. I like to see the calf started on rations that are from 50 to 60% concentrate. This is on the light calf - 400 pounds and below. I like to see them when they first come in filled with hay and then given free access to this concentration ration. This would be in a megacal type ration with 40 to 50 megacal per pound dry matter.

I think it is a good thing for a veterinarian to know the feedlot situation about some additives in supplements and how much to put in to control certain things. One is the urinary calculi problem and ammonia sulfate is the additive of choice. Usually if that is put in as one fourth of one percent of the total ration, it will be about the proper level. And the other thing, it has been talked about somewhat here, is the addition of potassium chloride in fighting dehydration and restoring electrolyte balance and getting the calves off to a better start. I think that this is important and the other thing that you should know about is salt. About a fourth of one percent of the total ration is salt and this is important in controlling urinary calculi and water consumption. Another tip that I have and nearly every operator will ask you when you go to his place to set up a health program is that "When I went to school, a long time ago, they said that the idea was to wait two or three weeks until you had them all straightened out, but the studies are now heavily in favor of working these calves just as soon as you get them in. Our policy is that if they are long haul calves we wait one day and let them fill up and rehydrate and then vaccinate them. If they are fresh calves and have not gone far, and that shrinkage is 5% or less, we like to work them the first day that they are in. I think one reason that veterinarians will never be replaced is because we cannot standardize operating procedures and say this is a hard and fast rule, do it that way every time. There are always the exceptions, a few that are too sick to work at all, and that is why we have veterinarians.

Another tip that has helped me a lot in serving my clients is to have training sessions for the health crews, the pen riders, the doctoring crews, the processing crews, and have them over dinner and maybe have something that they are interested in, like a film on team roping. In conjunction with that we have a little session on a current problem that is going on in the feedlot, maybe communication from pen riders to doctoring crew, this type of thing. I think that it is