

Druggist goes all out for medical compounding

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Photo courtesy of The Apothecary Shoppe Pharmacies

The Apothecary Shoppe Pharmacies has created a clean room in which the prescription compounding takes place.

At a time when pharmacies nationwide are struggling or closing their doors, a Midland company not only is growing but has built a high-tech facility in hopes of capturing a niche market.

That company is The Apothecary Shoppe Pharmacies, owned by Kevin and Amy Roeder. When the Roeders started their company in 2000, they had six employees and an annual payroll of \$260,000. Now, with two retail pharmacies in Midland and a newly purchased store in Traverse City, they have more than 70 employees and a \$2 million payroll.

The Roeders' new venture is prescription compounding, a practice most druggists performed many years ago before big companies made prescriptions in set dosages. If a doctor needs a medication with a short shelf life, such as about 48 hours, an unusual dose or a medication in an unusual form, he or she might call on the Roeders.

Kevin Roeder isn't shy about his desire to have one of the cleanest, most accurate drug compounding facilities in the country. He believes his new equipment at the West Wackerly Street store will give him that kind of distinction and, even though compounding is less than 1 percent of his revenue, might bring insurance companies to his door with contracts to serve large numbers of patients.

But Roeder knew it wouldn't be easy or cheap. The U.S. Food and Drug Administration views some compound medicines as manufactured products, thus subject to FDA regulation. The FDA already has closed other compounding businesses for failing to meet

its standards, he said.

"You either need to put a lot of resources into it or, in my opinion, you need to get out," he said. "Most independents aren't going to spend the money or set aside the square footage to do this type of business."

This year, Michigan has 104 fewer licensed pharmacies than last year, said Greg Baran, director of governmental relations for the Michigan Pharmacists Association. A big reason for the decline is mandatory mail-order prescriptions for some health plans, he said.

Roeder joined the Professional Compounding Center of America, a trade group with a hefty membership fee, and employed a consultant to build his compounding center at a cost of several hundred thousand dollars.



The Apothecary Shoppe Pharmacies is now doing prescription compounding, a practice most druggists performed many years ago before big companies made prescriptions in set dosages.

Photo courtesy of The Apothecary Shoppe Pharmacies

The compounding center has electronic equipment for grinding and mixing the ingredients to precision, Roeder said. Another piece of equipment fills capsules. Each batch of medicine is bar coded with the manufacture date, the country of origin of each ingredient and the time each ingredient arrives at Roeder's store.

"I think there are maybe two to three in the whole state that have gone to the extent he has," Pat Travis said of Roeder. Travis, owner of a company called Travis CleanAir, built Roeder's clean room.

Roeder said he's gone to great lengths to keep the center and its contents sterile. A mat on the floor traps bacteria that sticks to shoes. The walls are built so they're easily cleaned – every day. Employees wear gowns, gloves, hair nets and sometimes respirators. Faucets and lights automatically turn on so they don't have to be touched. The facility is tested to make certain no airborne organisms are there. A portion of each batch of compound medicine is laboratory tested during its shelf life to make certain it's stable and sterile.

"Some would say it's overkill, but considering the direction the FDA is going, we felt we wanted to be way above the standards that the FDA is requiring," he said.

Roeder's compounding center isn't the end of his big plans. Later this year, he plans to open the former Community Drug Store on the Ashman Circle. It would have drive-up

service and eventually would be open 24 hours a day. He's working with a wholesaler to establish a network of pharmacies to buy drugs at cheaper rates.

Scott Walker, economic development manager for Midland Tomorrow, said he'll ask the governor to name The Apothecary Shoppe one of 50 small businesses to watch next year.

Granholm launched the effort in April to reward businesses with fewer than 100 employees and that generate \$750,000 to \$50 million in gross annual revenue.

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