The Ante-Bellum Drug Trade: Troth & Company of Philadelphia

The modern drug trade bears little resemblance to its precursor of the mid-nineteenth century. The large manufacturing and jobbing firms such as McKesson & Robbins, Eli Lilly, Scheiffelin and Company, Squibb, and others arose in their current form only after the close of the Civil War. The retail drug chains, such as Rexall's and Walgreen's, were likewise a product of the marketing revolution which first sprinkled the land with chain stores during the Gilded Age. From colonial times through the Civil War, however, the controlling units in the drug trade were neither manufacturers nor retailers, but the wholesale houses in great urban distribution centers such as Philadelphia.*

The pre-eminent position of the wholesaler in the drug trade was typical of the early nineteenth-century economy in which the most important man in virtually all sectors of the economy was the specialized, wholesale merchant. After the end of the War of 1812 these specialized merchants supplanted the multipurpose colonial merchants as the most powerful men in the economy. Specialization came as a result of the increased volume of trade produced by the expansion of the economy after 1815. Most specialized, urban merchants depended on extensive trade with the interior to provide a wide market area with a sufficiently high volume of business to insure success. This dependence led to fierce intercity rivalry for inland markets, a rivalry which manifested itself in the construction of such transportation facilities as the Erie, Pennsylvania, and Susquehanna Canals, the Baltimore and Ohio Railroad, and numerous turnpikes. Competition also forced urban merchants to perform a variety of services for their customers.

Eastern wholesalers provided a vital link in westward expansion by supplying a wide range of goods and services to wholesalers and

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retailers on the frontier. They extended credit which financed the establishment of many stores in inland towns. The city merchants acted as bankers and urban agents for scores of customers in the sparsely populated regions of the West and the South. These services were an important catalyst in the growth of the American economy before the Civil War.¹

Drug merchants not only performed all these services for inland drug dealers, but for physicians as well. In addition to their mercantile contributions, the drug wholesalers also led the way in the struggle to make pharmacy more scientific and professional by establishing schools of pharmacy and pharmaceutical associations. These activities are demonstrated in the commercial and professional contributions of Troth and Company of Philadelphia, a successful wholesale drug house of the first half of the nineteenth century. The Troth firm’s records not only disclose the competitive problems, business methods, and economic significance of wholesalers generally, but they also shed light on the particular problems of the early development of pharmacy in the United States.

Throughout its lifetime of some forty years, the Troth firm was run by successive members of the same family. The business was founded in the spring of 1815 by Henry Troth, who employed his brother Samuel as an apprentice. In 1821 Samuel became a partner in what was then known as Henry Troth & Company, and the two brothers worked together until Henry’s death in 1842. The business then became Samuel F. Troth & Company, with Henry’s son William assuming a role first as apprentice and then as partner.² When


² Samuel Troth to John Anderson & Company, Mar. 13, 1846; Troth to A. M. Barnes, Feb. 11, 1842; Troth to Isaac Lehman, Mar. 2, 1843; Troth to Dr. C. E. Williams, Mar. 25, 1843; and Troth to Dr. A. Seyburn, Jan. 30, 1845, all in the Henry Troth and Samuel F. Troth Papers (Troth MSS) at the Eleutherian Mills Historical Library, Greenville, Del. All manuscripts cited are in the Troth Papers unless otherwise designated. See also the *Philadelphia Directory for 1816* (Philadelphia, 1816) and later Philadelphia city directories.
Samuel Troth died early in the 1850s, the firm then metamorphosed into the short-lived William P. Troth & Company.\textsuperscript{3}

Like most contemporary drug establishments, Troth & Company dealt in a variety of different goods, all of which were loosely termed “drugs.”\textsuperscript{4} Included under this general rubric were all medicinal items, paints, varnishes, and glass goods.\textsuperscript{5} The Troths did relatively little business in glass, though some window glass was retailed from their Philadelphia establishment. The manufacture and sale of paints and varnishes was also only a sideline with the Troth family.\textsuperscript{6} The trade in medicinal goods was their prime interest, and the focus of this study is on that aspect of the firm’s history. The Troths acted both as jobbers and as manufacturers of drugs, though the manufacturing activities were restricted merely to the simple processing or mixing of chemicals and medicines.\textsuperscript{7} Most of the drugs were sold in the same form in which the Troths purchased them from their several suppliers.

Many of the suppliers of drugs were importers, for the majority of medicinal goods used in ante-bellum America were of foreign (especially English) origin. Quinine, ginger, arrowroot, opium, gum Arabic, and many other drugs were largely unobtainable from domestic sources and had to be secured abroad.\textsuperscript{8} The Troths bought

\textsuperscript{3} William P. Troth & Company is first listed in \textit{McElroy's Philadelphia Directory for 1854} (Philadelphia, 1854), 533, and is subsequently listed for only two years. William P. Troth probably moved his business to another city, though this is not clear in the Troth MSS.

\textsuperscript{4} A committee of the American Pharmaceutical Association noted in 1868 that “the drug business is the most undefined of any. . . . It is said the term Drug applies especially to all commodities that are slow of sale, and for which there is little demand in the market.” American Pharmaceutical Association, \textit{Report of the Committee on the Drug Market} (Philadelphia, 1868), 2. The term “drug” as used in this paper, however, refers only to the medicinal goods.

\textsuperscript{5} The range of items sold by businesses such as Troth & Company may be seen in the Eleutherian Mills Historical Library’s collection (hereinafter cited as Drug Trade Collection) of advertisements, price lists, circulars, and leaflets of various firms, mainly in Philadelphia, for drugs, patent medicines, etc. from 1840–1900.

\textsuperscript{6} Many drug wholesalers also described themselves as manufacturers and as importers. See, for example, the letter from Ziegler & Smith to Brubaker & Smith, May 24, 1860, Drug Trade Collection.

\textsuperscript{7} By “jobber” we mean a merchant who takes title to the goods in which he deals, as opposed to a broker, who acts purely as a middleman between buyers and sellers and who never takes title to the goods whose sale he promotes. Commission merchants (except those who dealt strictly in a forwarding business) sometimes took title to goods.

\textsuperscript{8} This made some drug prices very sensitive to aberrations in foreign trade. Samuel Troth wrote two Pittsburgh physicians that the price of quinine was abnormally high “owing to the great scarcity of the Quinine bark which scarcity is caused by the civil wars and unsettled
drugs from import houses such as H. H. Schieffelin & Company, Clark & McConnin, and Cummins & Reach (all of New York), from Baltimore's Smith & Atkinson and Brickhead & Pierce, and from local Philadelphia merchants such as Ziegler & Smith.\(^9\)

In addition to purchases from importers and large wholesale houses in the port cities, Troth & Company obtained some of their goods from domestic manufacturers. These items, however, were usually raw materials for the paint and varnish business and not drugs. The Brooklyn Lead Company and the Wetherills of Philadelphia, for example, supplied white and red lead for the production of pigments for paints.\(^10\) Not until after the Civil War, however, did the domestic manufacture of raw drugs reach significant proportions.

Druggists of the early nineteenth century faced one additional supply problem, that of the many bottles, vials, and tins which were used as containers for their goods. These containers, which so delight antique lovers, were a constant problem to early druggists like the Troths. Because they were a necessary but costly part of doing business, the emptied containers had to be stored and returned to their owners. "Thy empty oil cans are still in our storeroom," Samuel Troth reminded a tardy supplier in 1843.\(^11\) Sometimes the problem of acquiring or disposing of containers was solved by bartering them for drugs or for other vials or tins.\(^12\) When jars could not be gotten by barter, Troth bought them in small lots from producers such as the American Pottery Manufacturing Company in New Jersey.\(^13\) In
one way or another the Troths managed to obtain the needed containers for their merchandise.

Their goods were sold primarily to two groups of customers. The first group consisted of local drug retailers and physicians. Retail establishments such as Carter & Scattergood bought a wide variety of nostrums, spices, and drugs from the Troth firm. In addition, local physicians often operated small drugstores in their offices, and they relied for their supplies on Philadelphia wholesalers such as the Troths.

The second and the larger portion of Troth & Company's many customers was composed of buyers in the interior of the United States. Because so few drugs were produced in the inland areas, wholesalers, retailers, and physicians in the West and the South had to establish firm commercial ties with seaboard merchants who had ready access to the import trade. In the West, Troth's customers included residents of central and western Pennsylvania, western Virginia, Tennessee, western Maryland, Ohio, and Missouri. In the South, customers in the Carolinas, Alabama, Mississippi, Georgia, and Louisiana had accounts with the Philadelphia firm. Unlike the local purchasers, the reliability of these distant customers was often an unknown quantity; as a result, the Troths followed a careful credit policy toward inland orders.

In both the interior and in the seacoast cities, the drug business, like most contemporary businesses, functioned on credit. Importers and large wholesale houses normally sold on credit to other wholesalers and to retailers, who in turn sold on credit to physicians and

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14 The Day Book of Carter & Scattergood, 1834-1835, contains many entries for goods bought of Henry Troth & Company. This Day Book is in the Carter and Scattergood Papers (hereinafter cited as Carter & Scattergood MSS), Eleutherian Mills Historical Library.

15 Troth also sold items used in the treatment of animals. "There is no doubt of its [white rosin's] being as good for the hogs as the other article [yellow rosin]," Samuel Troth assured a buyer. Troth to D. C. Miller, May 17, 1843.

16 In 1843 Samuel Troth estimated that he dealt with approximately 300 different customers. Troth to John Mitchell, Apr. 17, 1843. The correspondence in the Troth MSS indicates that a majority of those customers were outside the greater Philadelphia-Wilmington region.

17 The pattern of southern and western druggists and doctors buying their supplies from wholesalers in the cities of the northeast was common. See, for example, W. H. Schieffelin & Company, 100 Years of Business Life 1794-1894 (New York, n. d.), 40-41, and McKesson & Robbins, The Road to Market: 125 Years of Distribution Service (n. p., 1958), 21.

18 Outgoing correspondence, Troth MSS.
consumers. The scarcity of currency and the ubiquitous shortage of working capital made credit transactions a necessity. The usual credit in the drug trade in the 1840's and 1850's was six months, with a five-per-cent discount for cash.19

The Troth firm's credit policies differed somewhat from those common among other drug wholesalers, for the Troths were unusually affluent businessmen. Although the Troth manuscripts give no clue about the magnitude of profits, the firm's credit arrangements clearly indicate the financial strength of the business. For example, although the usual credit was for six months, the Troths allowed their customers nine months before requiring payment. Furthermore, the Troths almost invariably paid cash for their merchandise, thus regularly obtaining the standard five per cent discount from their suppliers. Such affluence was not the product of careless mercantile methods, for the risks of doing a credit business were high.

In order to render business less risky and difficult for all, the Troths co-operated with other drug merchants in several ways. The merchants maintained a steady flow of information on the credit standing of wholesale houses and retail stores. In addition, they acted as fiscal agents for one another by paying local accounts for fellow merchants in other cities. Samuel Troth sent a check to a New York wholesale firm, for example, and instructed it, "In case you have drawn on me for the above amount, then please hand this check over to the Brooklyn White Lead Co . . . to be placed to my credit on their books." 20 Sometimes a single check would be sent to a firm and then divided among others. Troth sent a large check to the agent for the Brooklyn Lead Company, asking that part of the funds be credited to his account with that firm and that the remainder be divided between "Clark & McConnin and Isaac Lehman

19 Several trade catalogues from the forties and fifties in the Drug Trade Collection at the Eleutherian Mills Library mention that goods are sold on the usual terms of six months. See, for example, the 1852 catalogue of Bullock & Crenshaw. On trade catalogues in general, see George B. Griffenhagen and Lawrence B. Romaine, "Early U. S. Pharmaceutical Catalogues," American Journal of Pharmacy, CXXXI (1959), 14-33. If payment was not rendered by the close of the credit period, interest charges of six per cent per year were appended. "Nearly all of our trade," Samuel Troth informed a prospective customer, "charge after 6 months." Troth to Dr. B. R. Owens, Nov. 19, 1846.

20 Samuel Troth to Grinnell Minturn & Company, Apr. 21, 1843.
Commission Merchant and Broker of your city.’”\textsuperscript{21} Such exchanges
of services and information worked to the advantage of all and
reduced the uncertainties of commerce.

Troth & Company also relied heavily on the co-operation of
merchants in the interior, especially when a general grocery merchant
or commission merchant sent an order from a retail druggist. These
retailers were usually addressed as “doctor” by contemporaries,
though they were not physicians.\textsuperscript{22} They were not so good a credit
risk as physicians, and the Troths would not sell goods to the
drugstore operators without a favorable reference from a reliable
merchant. “We find them the worst kind of customers,” Samuel
Troth declared after years of experience with the retailers.\textsuperscript{23} He
explained to a Tennessee druggist that “the question we generally
put to merchants who bring us orders from Doctors [druggists] whom
we have no knowledge of is, ‘would you credit this person to the
amount of this order out of your store.’”\textsuperscript{24} Even when informed that
a country retailer had a sound reputation, the Troth company never
sold goods to the prospective customer without first requiring one-
half of the amount in cash.

Merchants and physicians enjoyed a much stronger credit stand-
ing with the Troths than did the retail druggists. “We have for many
years refused to open new accounts where the articles were wanted
for Drug Stores, unless we had one half cash,” Samuel Troth sum-
marized his policy late in 1846, “while at the same time we have
opened new accounts freely with merchants and Physicians.”\textsuperscript{25}
Physicians in particular found quick co-operation and liberal credit
from the Troths if they could provide references. Credit terms were
quite generous for physicians building a practice in the sparsely
populated areas of the West. Indeed, such customers often were
allowed a full year before their payment was due.\textsuperscript{26}

\textsuperscript{21} Samuel Troth to Samuel Newby, May 20, 1843.
\textsuperscript{22} David Warren Ryder, The First Hundred Years: Being the Highlighted History of the
First & Oldest Wholesale Drug House in the West (San Francisco, 1949), 1.
\textsuperscript{23} Samuel Troth to Dr. William Blackstone, Apr. 8, 1844.
\textsuperscript{24} Samuel Troth to James M. Jetton, Mar. 6, 1844. See also Troth’s letter to a prospective
St. Louis retail druggist, Eugene Massie, Sept. 7, 1846.
\textsuperscript{25} Troth & Company to Dr. David Petriken, Dec. 18, 1846.
\textsuperscript{26} Samuel Troth to James M. Jetton, Mar. 6, 1844.
The extension of credit to merchants, physicians, and retail druggists in the interior was an important contribution to the economic growth of the nation. Working capital was a very large portion of the total capital needed by druggists and young physicians. For example, the Troths estimated in 1846 that as much working as fixed capital was necessary to open a retail drug business in the West. "We should suppose that $500 for fixtures and such articles as could be procured cheaper in the west and $500 worth of medicine from the east," Samuel Troth wrote, "would be sufficient to commence a very respectable store in St. Louis." By extending a credit of one-half of the medicine, the Troth company made available to western entrepreneurs a portion of the capital of the northeast. In addition, many physicians probably found the idea of establishing themselves in the interior a more palatable and more practical proposition because of the available credit. Eastern merchants, such as the Troth family, represented the major source of domestic capital before the Civil War, and their extension of credit to inland entrepreneurs underwrote the expanding frontier economy.

In addition to the extension of credit, Troth & Company provided a wide range of services to their customers (especially to the physicians). The widespread mercantile connections of the Philadelphia house allowed it to accept bank notes and checks from inland cities without subjecting the customer's notes to the usual heavy discount rates in Philadelphia for money from the interior. "Thee mentions a preference paying in Nashville," Samuel Troth noted of a Tennessee customer, "if thee would prefer paying in six months from date of bill [rather than the usual nine], thee may pay R. H. McEwen $50 which will be received in full." Troth would sometimes even accept bank notes from inland cities at face value, though he then gave no cash discount.

Besides acting as banker for physicians, the Troth business procured for frontier doctors many items obtainable only in the East.

27 Samuel Troth to Eugene Massie, Sept. 7, 1846. This figure may have been too high; a western druggist writing on the eve of the Civil War estimated that a retail drug operation could be started on as little as $500. James Bryan, Bryan's Druggists' Manual (Rochester, N. Y., 1860), 202-203.
28 Troth & Company to Dr. B. R. Owens, Apr. 8, 1843. McEwen was a Tennessee merchant with whom Troth dealt.
29 See, for example, Troth to Dr. John Heisley, May 10, 1843.
The Troths bought copies of early pharmaceutical journals, general periodicals, and specialized texts on medicine and surgery and packed them with the drug orders for physicians. They made inquiries of manufacturers to secure information on the proper use of medical devices. “We could not find McCulloch on fevers—notwithstanding we enquired at most of our principal Book Stores,” they told a South Carolina physician, “and the manufacturer of Chases Supporters had not any printed directions, but thinks the article will sufficiently explain itself.”

In addition to such errands, physicians often asked the Troths to arrange for the manufacture or purchase of items such as medical saddlebags, soda water apparatus, artificial limbs, and imported French skeletons. All these tasks the Troth partners performed with diligence, thereby providing indispensable services to doctors in remote areas.

A similar diligence marked the Troth firm’s performance in the primary function of packing and forwarding drugs. The wholesaler arranged for the transport of the goods to their ultimate destination, often through forwarding and commission agents in interior cities such as Pittsburgh and Cincinnati. In order to make the costs of their drugs competitive in areas served by houses in other seacoast cities, the Troths often paid the freight rates from Philadelphia to those cities. For a customer in upstate New York, for example, Troth & Company paid “all expenses on such of our goods as you may order, to New York [City], so as to place us on the same footing with you, as the New York druggists.”

Troth & Company usually employed water transport both to obtain and to distribute its merchandise, even when other means were available. Goods for the West usually went either around Florida to New Orleans and thence up the Mississippi, or else across the system of inland rivers and canals to distribution points such as Pittsburgh. The costs of water transportation were much lower than railroad rates. “I would prefer that the article should not be forwarded until the canal between your city and this opens,” Samuel Troth to Dr. F. W. Symmes, Apr. 10, 1843.

Troth to Poindexter & Rhey, Apr. 5, 1843; Troth to Isaac Thorn, May 22, 1843.

Troth to Pritchard & Son, July 26, 1843. To a doctor in the Baltimore region Troth wrote, “To compete with the Baltimore Druggists I have paid the freight on thy goods to that place.” Troth to Dr. N. Marmion, Aug. 30, 1843.
Troth cautioned a New York supplier, "as the Rail Road charges about four times as much as the tow boats and we are not in immediate want of the article." Only when they were in "immediate want" of an item did the Troths' desire for speed overcome their desire for low cost transport. They instructed a New York import house, for example, to "pack up the 40 lb. Blue Mass and send it over per railroad as soon as possible. The other articles we are in no hurry for."

The Troths believed that the success of their business depended on more than just the purchase of quality drugs and the selection of thrifty transportation means. The long term well-being of the business depended also on the competence and training of practicing pharmacists and the public's acceptance of the pharmacist as a professional. In order to further these goals, Philadelphia druggists such as Henry and Samuel Troth, John Carter of Carter & Scattergood, and others established in 1821 the Philadelphia College of Pharmacy, the first of its kind in the United States.

During his professional life Samuel Troth attended several courses of "Lectures on Materia Medica Pharmacy and Chemistry" in order to secure the most modern information available. He recalled with great pride the role of Troth & Company in making pharmacy more scientific and more professional:

Our firm together with most of the respectable druggists of our city have in the last 25 years devoted a great deal of time as well as thousands of dollars in establishing a College of Pharmacy, for the purpose of promoting and disseminating a correct knowledge of our business. We have courses of Lectures delivered and our young men go through a much more strict examination than the Medical Students at our Universities.

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33 Samuel Troth to Isaac Lehman, Mar. 6, 1843.
34 Troth to Clark & McConnin, Apr. 3, 1843. The Blue Mass was widely used as a cathartic. Like many remedies of the time, the cure was worse than the malady; repeated use of the Blue Pill (the ultimate form of the Blue Mass) causes systemic mercury poisoning. Paul Stecher, ed., *The Merck Index: An Encyclopedia of Chemicals and Drugs* (Rahway, N. J., 1968), 662.
35 Memoir on the origins of Carter & Scattergood by John E. Carter; Carter & Scattergood to Charles E. Munroe (Special Agent of the U. S. Census Office), Nov. 26, 1901, Carter & Scattergood MSS. See also Edward Kremers and George Urdang, *History of Pharmacy* (Philadelphia, 1940), chapters 9-11.
36 Samuel Troth to John Lagow, May 11, 1844.
Such activities helped build in the public mind a distinction between the purveyors of patent medicines ("quacks," Samuel Troth called them) and the educated pharmacists ("regular dealers").

The Troth family's contributions both to the expanding ante-bellum economy and to their profession were considerable. They extended vital credit to capital-poor druggists, general merchants, and physicians in the interior of the nation and thus helped make possible the economic growth of that region. They served as suppliers of chemicals and drugs to inland consumers who could not obtain those items locally. They acted as urban agents for rural doctors in need of medical texts, surgical supplies, and other accouterments of the medical arts. They and their fellow druggists in Philadelphia worked to make pharmacy a respected profession. Although the drug business was to undergo great change in the decades after the Civil War, its success prior to that conflict was due primarily to mercantile firms such as Troth & Company.

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37 These terms are in Troth's letter to Benjamin Brown, Oct. 25, 1843.