

Patient Welfare Should Guide Sale of Products

BY TIMOTHY F. KIRN
Sacramento Bureau

LAS VEGAS — Dispensing cosmeceuticals from the office can be as lucrative as injecting fillers or performing laser procedures, said Dr. Ira Berman, a dermatologist in York, Pa., who has been dispensing products for 30 years.

With that income comes temptation, however, and the dermatologist who dispenses has to resist becoming greedy, he said. The patient's welfare must always come first, or the whole arrangement will come down like a house of cards, he said.

"Ethics is always important because the most important thing you have besides your education is your reputation," said Dr. Berman, speaking at the annual meeting of the American Society for Cosmetic Dermatology and Aesthetic Surgery.

He developed a list 10 years ago of what he considers to be the 10 commandments of ethical office dispensing. (See box.)

"If we don't follow basic ethical guidelines, we risk losing the privilege of . . . dispensing altogether," he added.

In his talk on this subject, Dr. Berman presented several of the lessons he has learned from his 30 years of experience. Among those lessons were:

► **Pay your taxes.** Most states require that

a retail business acquire a sales tax license, Dr. Berman said.

He has a computer program at his office that figures the sales tax on items sold. "You do not want to wind up in the newspaper because your office has been raided due to a failure to pay sales tax," he said.

► **Have adequate storage.** The minimum amount of a product that a physician should keep on hand is a 1-month supply. The storage area should also be in a convenient location so members of your staff do not have to go too far to retrieve items and become resentful of the imposition. "If people come back and want refills, and you don't have them, it is an embarrassing situation," Dr. Berman said.

► **Put one person in charge.** Have one staff person assigned to keeping track of inventory. That gives that person incentive to be more attentive than they otherwise might be, and it prevents confusion about the responsibility for tracking sales and ordering.

► **Don't offer freebies.** Members of the staff need to be told clearly that they cannot take any free samples for themselves, friends, or family. Charge them cost, but make sure everyone knows that they cannot just help themselves, Dr. Berman said.

► **Decide whether to carry name brands**

or use boutique labeling instead. The decision over whether to carry name-brand products or to create your own products with your own label is one that needs to be based on several factors.

For a physician who is selling small amounts of cosmeceuticals, name-brand items might be a more efficient choice, but if he or she is selling large amounts, it may behoove the office to create its own labeling.

A rule of thumb is that dermatologists can price the items they sell at twice their cost, but this can be trickier with brand-name items, he said.

"The one thing with carrying [a] brand-name item is that you must remember you are going to be competing with some people who are selling it on the Internet, and that affects how you can price it," he pointed out.

► **Determine whether employees will receive a commission.** Decide whether the members of your staff are going to get a percentage of the product sales before you start selling, and remember that if you consider the sales of items to be a low priority so will your staff, Dr. Berman said.

His office has two separate reception areas, one for cosmetic patients and one for medical patients.

Members of the staff who work in the medical area earn a straight salary, while those in the cosmetic area earn commissions. Be sure that the members of your staff understand the office is not a retail store and that they should not engage in high-pressure sales tactics, he added.

Office Dispensing Commandments

1. The best interests of the patient come first.
2. There must be a legitimate basis for the patient's use of the product.
3. There must be valid scientific evidence for the product.
4. The cost should be reasonable and be of true value to the patient.
5. Office staff should maintain the same values as the physician—that the patient comes first.
6. Office staff should also maintain an unconditional money-back guarantee.
7. The dispensing physician should not charge for a consultation when any product causes problems.
8. The physician should obtain the products from responsible manufacturers who carry insurance.
9. The product labeling should provide full disclosure of what is in the product.
10. The office should never sell outdated, damaged, or chemically altered products.

Dr. Berman noted that the American Academy of Dermatology has articulated the position that selling products is an appropriate practice. But the position statement says that those products should have proven benefit. ■

Botanical Products Move to Front of Cosmeceuticals Class

BY TIMOTHY F. KIRN
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LAS VEGAS — Botanicals have become the new hot commodity in cosmeceuticals, as part of a larger trend that has consumers searching for natural ingredients in all kinds of products.

"Natural ingredients have become popular again," Dr. Diane Berson said at the annual meeting of the American Society of Cosmetic Dermatology and Aesthetic Surgery. "They have always been popular, but they definitely are having a renaissance."

"Part of this is consumer driven. Patients want things that are natural, so they want botanicals," she added.

It is estimated that 40%-50% of new skin care products include a botanical agent, said Dr. Berson, who is with the department of dermatology at Cornell University, New York.

According to Dr. Berson, here are some of the currently popular botanicals:

► **Soy.** This highly potent anti-inflammatory and antioxidant contains the phytoestrogen genistein.

It may inhibit hair growth, and it probably lightens pigment, which is why it is used for lightening and brightening skin. There are also suggestions that it can stimulate collagen synthesis and initiate skin elastin repair processes. "It's also a good product for sensitive skin," Dr. Berson said.

► **Mushroom.** Several companies sell products containing shiitake mushroom, including the Aveeno Positively Ageless line. According to Johnson & Johnson Consumer Products Co., the mushroom has anti-inflammatory and antioxidant properties. It may also

inhibit production of matrix metalloproteinases, which break down collagen, and it has been reported to stimulate epidermal proliferation.

"If this is true, that would be very interesting," Dr. Berson said. "It would actually be getting into retinoid territory."

As with so many cosmeceuticals that may have properties when tested in animals or culture, however, one cannot be sure—in the absence of randomized controlled trials—that the topical application actually penetrates human skin in adequate concentration, she noted.

► **Feverfew.** Feverfew PFE (parthenolide-free extract) has anti-inflammatory, antioxidant, and anti-irritant properties. It appears to inhibit tumor necrosis factor- α production, interleukin-2 and interleukin-4 production, and neutrophil chemotaxis, activities that may explain its anti-inflammatory properties, Dr. Berson said.

In fact, because feverfew naturally contains parthenolide, a compound that relieves smooth muscle spasm, it is being used orally as a prophylactic agent to prevent migraine, Dr. Berson noted.

In the skin care market, it is being sold to people with rosacea.

Feverfew (*Tanacetum parthenium*) is a member of the sunflower family and has been used for centuries as a folk remedy for headache, arthritis, and fevers.

► **Coffeeferry.** The extract of the husk around the coffee cherry contains quite powerful antioxidants. Ac-

cording to Stiefel Laboratories Inc., the company that makes the product (Revaléskin), its antioxidants have a free radical-absorbing capacity that is 10 times greater than those in green tea.

In a trial of 10 women treated in a split-face fashion for 6 weeks, the coffeeferry extract produced a 30% global improvement on the treated sides, versus 7% improvement on the control sides ("Novel Antioxidant Shows Promise as Photoaging Topical," April 2007, p. 1). The problem is that the study involved only 10 patients, Dr. Berson noted.

Even so, "I think we are going to be hearing more about this extract," she said.

► **Witch hazel.** The old folk remedy for sunburns is now included in a number of skin rejuvenation and skin toner products, such as Skin-

Medica Inc.'s Rejuvenative Toner.

Witch hazel (*Hamamelis virginiana*), it turns out, contains anti-inflammatory polyphenols, Dr. Berson said at the meeting.

"It would be great if we could see that these natural compounds do indeed do what they are supposed to do," she said. "But, even so, a lot of these products are very popular."

Dr. Berson said that she has financial conflicts of interest with many cosmeceutical manufacturers, including her service as a consultant to Medicis Pharmaceutical Corp., Kao Corp., Stiefel Laboratories, Dusa Pharmaceuticals Inc., OrthoNeutrogena, and CollaGenex Pharmaceuticals Inc. ■

'Part of this is consumer driven. Patients want things that are natural,' so now 40%-50% of new skin care products include a botanical agent.