

Entrepreneur Moore vows to fight government over Canadian drugs

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MIAMI (AP) Carl Moore has made and lost money lots of different ways. In oil. In water, too.

This time, he says, it feels different. As the founder of a chain of storefronts that help seniors buy cheap prescription drugs from Canada, Moore has a sense he is doing good, and that his cause is worth the battle against state and federal regulators trying to shut him down.

"I'm on a crusade," Moore declares in a deep voice with an Oklahoma twang.

He's also making good money, he says, with revenues totaling \$36 million since opening. And he isn't one to give that up easily _ or give anything up easily. "When someone tells me not to do something, I do it," he told The Associated Press in an interview.

Since he started his chain of 85 stores, under the names Rx Depot and Rx of Canada, regulators in five states have tried to close them.

When the owner of the Indianapolis storefront buckled under pressure from regulators and wanted to shut the store last month, Moore bought it just to keep it open. When the U.S. Food and Drug Administration tried to get Moore to close the Arkansas location earlier this year, not only did he refuse, he kept expanding.

Last month, Moore received his toughest challenge yet, when the Justice Department gave him an ultimatum: Close all the shops or be sued. The first court hearing is set for Oct. 8.

Moore, 59, is a husky man with twinkling eyes, a crop of salt-and-pepper hair and a hearty paunch. He has never been a political activist or consumer advocate.

Having grown up in a poor farming family outside Tulsa, he says it was money that always galvanized him. After a stint in baseball's minor leagues, he built a lucrative oil importing and shipping business but an industry downturn drove him into bankruptcy in 1984. He bounced back with several other businesses, including one that sold purified water to pharmaceutical plants in Puerto Rico.

A heart attack four years ago helped him put life in perspective. "I've always been profit motivated and that hasn't changed. But I guess I want to leave something behind," he said.

"I made a ton of money in the oil business, and I guess I always felt a pinch of guilt that I was making money and people were paying more for oil," he said.

"This business is a win-win situation. I make money and the seniors save money."

The Food and Drug Administration disagrees that it is a winning situation. After watching growing numbers of senior citizens turn to services like Moore's and the Internet to buy medicine from Canada, it asked the Justice Department to get involved. Pharmaceutical companies also are trying to shut off supplies to the distributors who supply Canadian exporters.

Price controls in Canada keep medicines up to 50 percent cheaper than in the United States. U.S. laws prohibit importation of prescription drugs by anyone other than the manufacturer, although regulators have largely ignored transgressions.

Moore's lawyer, Fred Stoops, said he believes the importation regulations violate antitrust laws as well as the North American Free Trade Agreement.

Most of the money to set up the chain came from Moore's son, Joe-Max, a 32-year old professional soccer player for the New England Revolution. The father and son own 22 of the stores; the rest are operated as franchises, with owners paying a start-up fee and a percentage of profits to the Moores.

The elder Moore clearly adores his son, showing off a Rolex watch Joe-Max was awarded for his play on the U.S. national team and gave to his father.

The feeling of pride is mutual. "I'm not surprised by what my father has done," Joe-Max said. "He's always stood up for what he believed in, and he has a business that is being attacked."

Moore said he became interested in the health care industry after his heart attack. At the time he had no health insurance, he said. Moreover, his ex-wife was diagnosed with breast cancer, and discovered that drugs she needed were much cheaper in Canada, he said.

About two years ago, Moore founded a company which offered people without insurance discounts on doctors and hospitals. It also allowed members to order drugs from Canada through a Web site. Few used the site, and Moore realized that many of his customers were older and not particularly Internet savvy.

He opened the first Rx Depot in Tulsa last October. State regulators succeeded in closing that store a few weeks ago. A store in Montana also was shuttered earlier this year.

The stores do not directly sell drugs. Customers tell a store administrator what they need and receive a price quote. Then a copy of their prescription is faxed, along with health information, to a Canadian pharmacy. The drugs arrive within three weeks.

"We are not a pharmacy," Moore said. "We are an information provider."

Happy clients are plentiful. At the Rx Depot site in Aventura, Fla., Sid Sherman, 86, said buying drugs through the store for his wife's osteoporosis and high cholesterol was saving him about \$600 a year.

"I believe the drug companies are gouging the American public," he said. "If I thought they were inferior, I would stop."

The Justice Department complaint said the stores pose significant risks to public health and their drugs' quality is unpredictable. FDA Associate Commissioner William Hubbard said the agency worries people are sacrificing safety for savings.

There is no record of how many Canadian drugs entering the United States are inferior. Based on packages inspected by customs officials, Hubbard estimates about 20 percent don't meet FDA standards.

"If you go into a corner drug store in the U.S., you are 99 percent certain that the drug you take is good," he said. "Why would you want to take a chance with anything else?"

Moore, his son and the other store owners foresaw the challenges from regulators, but aren't ready to give up.

Tom Kennedy ran the storefront in Montana for just two months before it was shut down. Moore promises to provide legal support to the other owners, who feel as he does about the service they provide.

"Carl was very straightforward with me. I knew there could be problems," Kennedy said. "I believe what we are doing is right."