# Salem Held Virtually Free of Eye-Correction Rebate Racket; **Basis for Collections Detailed**

By Marguerite Wright Staff Writer, The Statesman

Mention the rebate racket to most any opthalmologist, optometrist or optician in Salem and he will hasten to explain that everything oculists' cooperation because many of them are not adverse to extra dealings were the slowest in more professional relations in Salem are very cordial. And most of the cash, especially when the patient specialists and craftsmen interviewed by The Statesman want no is in the dark. part of the mudslinging making headlines in other western cities. (A Chicago dispatch includes oculists in Washington and Oregon among 2.750 accused by the government of accepting rebates).

But in Pertland, San Francisco and elsewhere, Better Business bureaus are tracking down opticians and oculists who have been glass dispensers.

Racket Condemned termed a "credit" or "commission" system, means a hidden charge to the customer and has been condemned by the American Medical association and other professional

It doesn't happen in Salem, however, several local oculists, optometrists and opticians protested. At least, the local rebate prac- Someone "Talked" tice is on a small-scale and could

hardly be proved, they said. The system operates like this: the most regular practitioners of An oculist (or opthalmologist) afthe kickback system which jacks ter examining the patient (for up prices of refractions to pad the anything from free to \$15 or pockets of eye doctors and eye- m.ore), prescribes the proper lens and sends the customer to an optical dispensing firm. The dispen-The racket, euphemistically doctor gets the overcharge—his ser overcharges the patient and the commission for dispatching pa-tients to the wholesaler. It has year in secret kickbacks-a practice which could make necessary visual correction a high - priced luxury for the average consumer.

Albert Q. Maisel, in the Janu-

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ary Readers Digest, attributes the racket to companies (like American Optical and Bausch and Lomb which control two-thirds of the eye-glass business) which reportedly hatched the scheme to keep peace between competing optometrists and oculists. If everyone Grow Steadier patronized oculists or opthalmologists (MDs) the non-medical professional eye examiners and glass broke. The rebate system has some play selectively steadier tenden-

The racket is also common in some areas with physicians rebated by pharmacists and physicians collecting kickbacks from surgeons, but the oculist-optician deal was publicized, evidently, because someone who didn't get his cut, "talked."

Jealousy Blamed

of Salem thinks it is all the re- fessionals, in the concluding sessult of professional jealousy. Medidea a technical comeback was ical doctors (usually eye-ear- overdue. Throughout the week, nose-throat experts) have not however, brokerage customers been fond of optometrists in some held aloof or sold holdings bebeen estimated that U.S. oculists areas, although optometrists, cause of persistent doubts rerake in about \$35,000,000 every trained vision specialists, refer pa- garding business, taxes, European tients needing medical care to their economic situations and labor.

> MD competitors, he said. So, by pointing out the sins of tions for virtually all some oculists, some optometrists issues were in fractions. Transare revenging the slighting they've fers of 280,000 shares compared taken from the medicos. And in a with 330,000 last Saturday and recent Oregon supreme court case, were a low since last November State vs. Standard Optical com- 8. The five-session aggregate was pany, the firm's general manager 4,812,590 shares against 5,126,100 took a poke at optometrists with in the preceding six sessions. The his assertion that "it has been the Associated Press 60-stock compractice of optometry to charge posite was unchanged on the day all the traffic can bear."

> Propaganda Charged Manager G. Lewis of the Salem week the decline was 1.5 points. Riggs Optical company blames the opticians' union for the expose. He says it's all "malicious propaganda by the Guild Prescription Not Here "To Any Extent" Opticians who want to force the eye glass business into retail The Riggs firm is a wholesale dispensary whose workers are non-union. Lewis warns that "if the Guild opticians take over, glasses will cost 30 per cent more than now."

In the Maisel article the Guild is mentioned as one organization opposed to the rebate system. Dr. W. N. Thompson, of the

Optical was their agency for grinding and dispensing glasses and that Riggs did not handle the financial transactions — thus negating any opportunity for rebatthere are several competing dis- umns.

NEW YORK, Feb. 14 -(P)- The stock market continued to disthan three months and the averages showed a substantial loss on the week.

An early rally in recently slumping commodities, which did not follow through for grains, buoyed sentiment for securities to some extent in the final session. From Monday on nose-diving staples had received part of At least, Dr. Harry A. Brown stocks. Bidding, mostly by pro-

In today's proceedings, variaat 60.5 where it was only .2 above the low of last May 27. For the

pensing opticians who give "commissions" to drum up trade.

This situation does not exist in Salem "to any extent," those interviewed said, and most of them eye the inter-professional feud with distaste because they feel

there is "room for all of us here." Meanwhile, Better Business Bureaus in other cities have launched campaigns against the rebate system because they believe the profit motive can destroy the whole structure of ethical stand-Findley, Clement, Baum, Thomp- ards and that the public, which son and Dunham clinic, said Riggs foots the bill in any case, is entitled to know where the money

Want a job; want a house; want ing. He pointed out that the rebate a washing machine? Insert an ad system was more common when in The Statesman classified col-

### Scout Leader



Mart P. Bushnell, national Boy Scout training officer from Los Angeles, who is conducting a three-day training course, ending today, for about 30 faculty members of the Cascade area council adult training and leadership committee at Silver Creek recreational area camp. Bushnell will leave Monday for Aberdeen, Wash., to conduct a similar course.

#### Public Records

MUNICIPAL COURT Darrell Miner, Salem route 9, driving without driver's license,

posted \$5 bail. Blaine Merritt Cline, 879 N. Liberty st., violation of basic rule, Henry; cruel and inhuman treatposted \$10 bail.

Carl F. Cox, Salem route 7, vio- on minor child. lation of noise ordinance, posted

CIRCUIT COURT C. E. McKibbon vs Hattie Mc-Kibbon: Default order issued. Anna C. Holmes vs Earl Holmes

Default order issued. Mortimer A. Rowe vs Elizabeth C. Rowe: Default order issued.

alimony, possession of certain personal property and restoration of plaintiff's former name of Rosemary Grenz. Married March 30, 1946, at Vancouver, Wash.

Vera Jackson vs Charles Wesley Keller and L. Allen Perkins: Defendants file answer admitting and

PROBATE COURT Frank R. Burns estate: Order appoints Mary Ellen Burns as administratrix and I. N. Howe, Lil-

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#### The Statesman, Salem, Oregon, Sunday, February 15, 1948—3 lie J. Howe and George Pense appointed appraisers.

Circuit Court DALLAS-J. K. Parmenter vs. Harvey Wheeler; plaintiff asking judgment for \$1429,24 for labor

to defendant and for costs. Lloyd V. Henry vs. Juanita S. ment cause for action. There is est gains while corn contracts

POLK COUNTY RECORDS

County Court DALLAS-Winona G. Riggs has estate of Cecil Lynne Riggs, de- rent break began on February 4,

within six months. Marriage Applications waitress, both of Valsetz.

portunities.

# Grain Price Plunge Halts

CHICAGO, Feb. 14 -(P)- The and material allegedly delivered plunge in grain prices was halted on the board of trade today. Wheat and oats ended with modwere mixed. Soybeans extended

their dive and lard advanced. Brokers said the market was been appointed executrix of the the most orderly since the curceased. Claims to be presented although there was one sinking spell late in the session when corn tumbled several cents with-DALLAS - Theodore F. Nova, in a few minutes. The urgent litruck driver, and Dolores Wallace, quidation appeared at least temporarily ended, traders said.

Wheat closed 1/4-21/2 higher, Rosemary Spraker vs James John William Agard, Monmouth, Wheat closed 14-214 higher, Spraker: Suit for divorce asks \$500 sawmill worker, and Donna J. May \$2.3414-34; corn was 34 low-Vanderseen, Independence, typist. er to 1 cent higher. May \$1.96% = %; outs were 11/2-21/4 higher, May Look over The Statesman clas- \$1.021/2-24, and all soybeans were sified columns for bargains, op- down the 8-cent dally limit, March \$3.25.



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