

## Good things come in small batches at Waco Company

In scattered stores around the country, somewhere near the white Kaopectate and the pink Pepto Bismol bottles sits a throwback Percy Medicine box the unusual color of a ripe tangerine.

On the front, a boy cured of diarrhea more than 100 years ago promises mercy to anyone willing to pass up mass-marketed drugs for a little-known elixir from Waco.

"It's Americana, a 19th-century product still here in the 21st," said shareholder Guion Trau Taylor of

Pittsburgh, Penn. "It's amazing. The whole idea of patent medicine is an anachronism, an antiquity."

Merrick Medicine Co. has made Percy Medicine here for nearly a century. It holds the Texas Alcoholic Beverage Commission's oldest continuously active industrial alcohol permit, No. 10, issued in 1939. The over-the-counter drug contains 5 percent ethyl alcohol, used as a preservative.

Percy Medicine, also recommended for indigestion and heartburn, may not have the "space-age" appeal of the pink stuff, Merrick president Reese Killion said, but people swear by it.

"I am of the notion that if it can't be cured with Bayer aspirin, jalapeno peppers or Baby Percy Medicine, you're just in an awful lot of trouble," said faithful customer Leo Bradshaw, owner of Cogdell's used gun shop. "I've got a bottle of it here, I've got a bottle in my car, I've got a bottle at

home."

In 1898, young Albert Percy took ill on a train ride from New York to Texas. His father, A.W. Percy, a traveling buggy whip

dropped in 1938. In 1904, the men signed a handwritten contract to split the interest in the product. They were joined in the Merrick Medicine Co. by two employees of Behren's

***"It holds the Texas Alcoholic Beverage Commission's oldest continuously active industrial alcohol permit, No. 10, issued in 1939."***

Drug Co., Frank J. Trau and Louis Collie.

"That was the way medicine

was dispensed before modern pharmacies. The doctor or pharmacist would concoct something, with a little bit of this and a little of that," said Taylor, Trau's granddaughter. "This whole patent medicine thing, it was quite the rage in the 90's -- not our '90s but the other 90's -- before sulfa drugs and penicillin."

Within a few years, the company built an \$8,000 two-story brick building at Eighth Street and Webster Avenue. The building, also a deep orange hue much like the

Albert became sick with diarrhea again in Waco, and the elder Percy asked druggist, W.S. Merrick to mix the concoction. Again, the boy's health improved quickly.

Percy and Merrick soon began selling Baby Percy Medicine, a name that lingers even though "Baby" was

See "Still Percy" on page 3...

### Inside ♦♦♦♦♦

- ◆ Budget Request ..... 2
- ◆ Still Percy..... 3
- ◆ CRISNET ..... 4
- ◆ Internet Site .. 5
- ◆ You Asked ..... 6

## Jansen & Gregorczyk To Lead Audits

With the promotion of Internal Auditor Charlie Kerr to the position of Director of Fiscal Services, the agency has been studying the possibility of contracting with a private audit firm to perform the necessary duties of the internal audit function.

After serious review, the Texas Alcoholic Beverage Commission hired the certified public accounting firm of Jansen and Gregorczyk to perform the internal audit services for fiscal year 2001. The audits will be directed by Mr. Russell Gregorczyk who has numerous years of experience in both the public and private sectors. ♦



Pictured (left to right) Russell Gregorczyk and Charlie Kerr.

## TABC Submits Appropriation Requests for FY 2002-2003

**O**n July 28, 2000 the Texas Alcoholic Beverage Commission submitted its Fiscal Year 2002-2003 Legislative Appropriation Request to the Governor's Office of Budget & Planning and to the Legislative Budget Board. This request is the first step in the budget process for the next biennium. In addition to the current operating expenses of approximately \$25 million, the agency has requested an additional \$8.5 million to fund some

much needed projects. Some of these projects are listed below.

- Replacement and re-engineering of the agency's mainframe computer and database. This project would enable the agency to offer e-commerce and 24 hour services.

- Add 10 agents and 10 compliance officers in order to meet the staffing needs throughout the state.

- Provide funding for the enforcement career ladder. In the past the agency has had to absorb these costs.

- Add 4 positions in the licensing department in order to meet increased demands within the licensing process.

- Add 2 positions in the seller/training section. These new positions would develop a program to standardize testing proficiencies, and answer an

interactive voice response system that has been requested in order to allow retailers to inquire 24 hours a day about the status of seller-trained employees.

- Add 9 staff positions to the ports of entry locations in order to man bridges which are currently unstaffed and in order to assist with the increased traffic at other locations. Funding has also been requested for the construction of 5 new tax booths.

- Acquire an automated label approval system which would give expanded label approval capabilities for the marketing practices section.

These requests must meet with legislative and executive approval. ♦

## Administrator's Corner



**O**nce again, it seems that I must bid a fond farewell to an employee who has contributed so much to this organization and as well as to the many communities throughout the state. Don Engleking, an employee with over twenty years with the agency, hit the retirement trail on September 30, 2000. Don began his career in the enforcement division as a law enforcement officer on November 5, 1979. Most of you, however, have known Don as the director of the agency's grant programs. Don took over the administration of the grant programs in October of 1997. With his organizational skills, he was able to improve current programs and develop new ones. We wish Don good luck in his retirement and we shall miss him.

While I am on the subject of grants, this might be a good time to review our grants program as well as some of the other programs that are now underway. I know that most of you are familiar with Project SAVE, Safe Prom/Safe Graduation, MADD/TABC Power Camps, Operation Fake-Out, Minor Stings, Cops In Shops and Shattered Dreams. These programs have been mentioned in past issues of "TABC

Today," but did you know that we are in the process of administering new ones?

**Seller-Server Monitoring and Evaluation**

The purpose of this program is to determine the effectiveness of the seller-server training as it relates to the number of violations involving the sale or service of alcohol to minors and the sale of alcohol to intoxicated persons. A professional evaluator shall be retained to assess the overall effectiveness of the seller-server training. The evaluator will actually participate in stings for both minors and intoxicated persons. Normal agency procedures will be followed for all stings. The evaluator will complete pre- and post-tests of those attending seller-server classes in order to determine the amount of knowledge gained from the course. This testing will be conducted through the cooperation of currently licensed seller-server schools.

**Youth Alcohol Enforcement Workshops for Police Managers**

The goals of the Youth Alcohol Enforcement Workshop for Police Managers are to help law enforcement agencies come together as a local team to combat alcohol abuse and to provide these teams with information on successful programs that are being used in Texas and other states. The workshop curriculum and concept were first developed by the International

Association of Chiefs of Police and the National Highway Traffic Safety Administration. This class is an eight hour interactive session.

**Automated Law Enforcement Underage Project**

The goal of this project is to dramatically reduce teenage alcohol abuse by studying those retailers that are less likely to sell alcoholic beverages to minors versus those retailers who appear more inclined to sell alcoholic beverages to minors. What makes a difference? With this program, the agency will attempt to establish a factual comparison between the actions of these retailers. Is it a matter of policy, procedure, hiring practices or some other factor? The information gleaned from this study will be used to create a training curriculum, provide electronic data analysis, access timely information in order to develop lesson plans to present to students, parents, coalitions, civic organizations as well as to other public agencies, or search for common threads and recognize trends. This project may make possible the acquisition of a software database that would permit law enforcement officers to work smarter and therefore make a larger impact towards eliminating teenage alcohol abuse. ♦

*Doyme Bailey*

## Still Percy after all these years *continued from page 1...*

product's box, remains the home of Percy Medicine.

### Sticking with what works

The bottle and packaging have kept the same basic look for years, though the bar code at the bottom of the carton shows it has kept up with the times as necessary.

The stainless steel equipment used to make the medicine is more than 50 years old. Most of the handful of Merrick shareholders are descended from the original officers of the company.

volume medicine are produced on Saturdays about once every three or four weeks.

"We want it to be a fresh product. It has a shelf life of three years, but there's no reason to make a year's supply," Killion said. "For anything to last 100 years and be profitable, it's got to be a good product. We wouldn't exist if it wasn't."

A tiny, loyal team of workers manufactures Percy on a small production line on the second floor of the building. Some have helped with Percy production for nearly 20 years.

"Medicina Percy," which accounted for about half the company's sales. Merrick lost control of it in the late 1960's and legal efforts to get the plant back failed.

Miller and Killion said they do not know whether the Mexican product is still made.

### Hard to find

The bigger problem, they said, is that American customers have trouble finding it. Miller said the company gets several calls and letters each month.

"I bought four bottles about four years ago. I gave one to my daughter and my mom. We just finished the last bottle, that is why I am so desperate," a California woman wrote in November.

Miller sent her a case and received a prompt thank-you note reading "P.S. If you move, please let me know."

Leo Bradshaw, the longtime Waco customer, said he thinks a little more marketing and modernization could boost Percy Medicine's prominence.

The most high-tech piece of equipment at Merrick is a fax machine.

"It's very quaint but, as I say, it's still there. It's mind boggling,"

Taylor said.

She said she's not sure it would be worthwhile to modernize the business.

"Ideally, what we had hoped for was maybe one of the larger companies might incorporate it and buy the formula and the trademarks because they'd have the wherewithal to invest in it," she said.

For now, the stakeholders plan to keep plugging away, making 3-ounce bottles of Percy Medicine that retail for about \$3 -- if you can find it.

"Everytime I go to the grocery store, I look to see how many bottles are on the shelf and I pull them to the front. People probably wonder what I'm doing," Miller said, "I think it's pretty neat to see something I'm part of on the shelves with everything else." ♦



ARTICLE FIRST APPEARED IN WACO TRIBUNE-HERALD

After Collie and Trau died in 1946, two other men ran the company for several years. William Clayton, Collie's son-in-law, took over from 1955 until his death about five years ago.

Killion, a distant relation, bought Clayton's shares and took over operations. His daughter, Ruth Miller, left her job as headmistress at St. Paul's Episcopal Day School three years ago to help with the company. Her husband, Jeff is the sales director.

Now business is starting to look up.

"Last year, the Killions managed a profit," Taylor said. "Within the last decades, there were a couple of years where things were not profitable. But it's never been big."

About 6,000 bottles of the small-

"If we didn't have the other people here, we'd have had to lock the door," Killion said.

The medicine is shipped in cases of 12 bottles through several wholesale drug distributors. Killion said he doesn't know exactly who the distributors sell to, but the product can be found in a variety of cities outside Texas, including Albuquerque, Atlanta, Chicago, Denver, Phoenix, Oklahoma City, Sacramento, San Diego and San Francisco.

It is available around the state and does its best business in South Texas. The company advertises in several Spanish-language newspapers because Percy is popular among Hispanics.

In fact, years ago, Merrick Medicine licensed a Mexico City plant to make

# CRISNET

A new age is dawning for the Texas Alcoholic Beverage Commission. Thanks to a generous matching funds grant from the Governor's Criminal Justice Division, the TABC has recently acquired a state of the art records management system.

Though TABC currently has an archive of the dispositions of criminal and administrative cases, it did not have an electronic archive of the written case itself. The new system will be able to take advantage of TABC's recently completed Wide Area Network (WAN).

The software was designed and purchased from Megg & Associate's CRISNET and is called NetRMS. CRISNET is the largest provider of police dispatch and records management software in the U.S. and all their systems are compliant with the National Incident Based Reporting System (NIBRS), a federal standard.

computer before the computer can access the system. Active Paper and Windows NT technology provide a strong partnership for providing data security.

Presently the system is undergoing testing with the Austin District Office, where agents are already using the unmodified system. NetRMS is a "canned" system designed for uniformed, full service police departments. The system comes with a full compliment of modules which work from and through a relational database, making it easier to generate reports and to make inquiries into various trends. Following a period of review and comment, the system will be modified to better meet the needs of the TABC and the clients we serve.

NetRMS will make better and more efficient use of agents' time by giving them access to the database of the written cases of the entire agency. Compliance officers and licensing

investigators will also have access to enter and use reports within NetRMS. The system will allow its users to identify trends, disseminate information & bulletins, track evidence & property, and provide instant access to reports state-wide.

The tech-specs: the server is a Dell 2400 with twin 600mhz Pentium III chips, 1GB or RAM, and a 75GB hard drive. The server's operating system is Windows 2000 Server. There are three ethernet lines feeding into it and two brown-out power protection sources.

The modifications should be finished on or about the beginning of January, 2001, for the system to go "live" and on line. Training for the agents and investigators has already begun. ♦

## Seller/Training Information

The following is a brief list of some general information which should be helpful with regards to the seller/training program.

The public may correspond with seller/training by e-mailing them at

[seller-training@tabc.state.tx.us](mailto:seller-training@tabc.state.tx.us)

or you may view a list of course providers at

[www.tabc.state.tx.us/liccom/seller](http://www.tabc.state.tx.us/liccom/seller)

In order to verify seller/training certification status call:

Dallas Area (214) 688-1961  
Houston Area (713) 880-3003  
San Antonio Area (210) 736-4466  
Lubbock Area (806) 793-3221

In order to request certificate reprints or for general inquiries call:

Austin (512) 206-3420

## TABC Millennium Yearbook

Delayed but not forgotten, the work continues on the TABC Millennium Yearbook. "Although the composition of the yearbook is underway, we still have a good way to go before completion. More orders are still needed before we meet our minimum number required for printing" states Enforcement Chief Greg Hamilton.

The Millennium Yearbook traces the history of the TABC and the alcoholic beverage industry from the repeal of prohibition to present day. The book will feature pictures and stories from the people who participated in the history of these events and times.

Copies of this historic book will be \$49.00 each (plus \$4.95 for shipping and handling) and checks or money orders should be made payable to TABC Millennium Book and sent to Chief Hamilton at TABC, P.O. Box 13127, Austin, TX 78711. Reserve your copy today! ♦



The "Lobby" screen of NetRMS.

NetRMS is a web-enabled interface with a web-browser presentation. There are several features which made this product attractive. CRISNET is a full partner with Microsoft and all of the features are compatible in TABC's hardware and software environment. In addition, CRISNET has a proprietary feature called "Active Paper" which must be individually installed on a

## New Internet Site Targets Underage Drinking

The Alliance Against Underage Drinking, which includes the Texas Alcoholic Beverage Commission, launched a new Internet site in September. The new site, [www.2young2drink.com](http://www.2young2drink.com), will serve as a toolbox for community groups by providing information, statistics, a media kit, activities for youths and links to other resources. "This is one more effective way in which to communicate our efforts to curb underage drinking," states Doyme Bailey, administrator of the Texas Alcoholic Beverage Commission.

The Internet site includes tips for parents, a roundup of underage drinking programs in Texas, information about law enforcement efforts and resources for retailers. The 2young2drink site also includes information in Spanish.

The Internet site was launched September 18 in Austin during a ceremony that included the release of new statistics from the 2000 Texas School Survey which showed that student alcohol use was not declining as fast as the use of illicit drugs and tobacco.

While past-month use of marijuana fell to 10 percent among secondary students from 1998 to 2000, past-month

alcohol use dropped only 5 percent, according to the survey. Secondary students reported a 15 percent decline in past-month use of tobacco.

"Clearly, the state's prevention efforts are working," said Jay Kimbrough, executive director of the Texas Commission on Alcohol and Drug Abuse. "But we want to see the same dramatic declines in teen alcohol use that we're seeing today in tobacco and marijuana use."

More than 200,000 Texas students in grades 4-12 participated in the survey, the largest of its kind in the nation. The Texas Commission on Alcohol and Drug Abuse has been conducting the statewide survey every two years since 1988. Other findings from the survey included:

Alcohol continues to be the most widely used substance among Texas students with 71 percent of students reporting they had used alcohol at some point in their lives. This percentage has remained relatively steady in recent years; however, the rate fell 7 percent among seventh graders. Seventh graders also reported a 14 percent drop in past-month use of alcohol.

More than 9 percent of students

said they had attended class while drunk at least once during the past school year.

Binge drinking, defined as having five or more drinks on one occasion, was reported by 27 percent of students.

One in four seniors said they had driven a car after having a good bit to drink at least once during the past year. This represents 80,000 impaired drivers on Texas roads each year.

The percentage of past-month alcohol users who reported it was easy to get alcohol from stores has decreased 38 percent since 1994. The percentage fell 14 percent from 1998 to 2000.

Among seventh graders, 74 percent reported that their parents strongly disapprove of underage drinking; however, the rate fell to 54 percent among seniors.

Only 22 percent of students who said their parents disapproved of teen alcohol use reported past-month drinking, compared to 55 percent of their peers who reported their parents approved of teen alcohol use.

The Alliance Against Underage Drinking is a coalition of more than 40 public and private organizations working together to prevent underage drinking in Texas. ♦

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# You Asked . . . questions about alcoholic beverage regulations

*Does the Alcoholic Beverage Code mandate a particular form of identification as proof of age?*

No, retailers are free to accept any form of ID that they choose. They are also free not to accept any form of ID that they choose.

State law does, however, provide licensees with a statutory defense to the charge of selling to a minor if the licensee asks for a Texas DL or DPS issued ID and upon reasonable examination the document appeared to be valid, to contain a physical description (including picture, if any) consistent with the person's physical appearance, and to show the person to be 21 years of age or older. The statute does not extend this defense to other forms of ID, but, on the other hand, it doesn't mandate a "Texas Only" ID policy either. Because of the statutory defense provided when the ID in question is a Texas DL or a DPS issued ID card, some have chosen to go

with a "Texas Only" policy. It is within their rights to do so, but again such a policy is a private business practice. It is not a requirement of state law.

*I would like to know when the TABC is going to change the way beers are classified?*

The classification of beer and ale is set by statute. "Beer" means a malt beverage containing one-half of one percent or more by volume and not more than four percent of alcohol by weight, and does not include a beverage designated by label or otherwise by a name other than beer (Section 1.04(15) TABC Code). "Ale" is defined as a malt beverage containing more than four percent of alcohol by weight (Section 1.04(12) TABC Code). Statutes may not be deleted or altered by any state agency. The legislature has sole authority to adopt, alter or delete statutes.

Allan Shivers, Jr., Chairman  
John T. Steen, Jr., Commissioner  
Gail Madden, Commissioner  
Doyle Bailey, Administrator

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