As he carries out the chairman duties for the Healthcare Distribution Management Association during the upcoming year, David Moody will rely upon the same style that has served him so well for more than three decades as a pharmacist and wholesale distributor.

“I’m not a very talkative person,” Moody says. “I’m more of a listener. That’s just my style and it’s how I run a company. I hire smart people and I let them do what they’re supposed to do. I listen to them and I put my two cents in when I need to, but I’m not a very big talker.”

Moody, the chief executive officer for North Carolina Mutual Wholesale Drug Company, was officially handed the HDMA chairmanship October 12 at the group’s inaugural Annual Board and Membership meeting in White Sulphur Springs, West Virginia.

Carolina on His Mind
Throughout his life, there have been two constants for Moody: North Carolina and pharmacy.

He was born and raised in Durham, part of the state’s fabled Tobacco Road that includes Chapel Hill, Raleigh and Winston-Salem.

Moody got his first taste of life behind the pharmacy counter in high school while working at Crabtree Pharmacy, a small independent drugstore in Durham. Knowing he wanted to go into some sector of the medical field, it did not take long working closely with Al King, owner of Crabtree Pharmacy, to decide he wanted to be a pharmacist.

After high school, Moody moved down the road to Chapel Hill to begin earning his bachelor’s degree in pharmacy at the University of North Carolina School of Pharmacy (’73). He continued his work at Crabtree Pharmacy during school, and following graduation, began working in the store as pharmacist. Moody owned the pharmacy from 1981–1988, prior to joining the Mutual staff.

Because Mutual is a co-op, and Crabtree Pharmacy was a Mutual member, Moody’s association with the company he now runs, also dates back to his high school days at the corner drugstore.

“It’s kind of funny,” Moody muses. “I’m working at Mutual and it’s only about a mile from where my drugstore was, so all of my jobs have been within a mile of each other.”

Crabtree Pharmacy is also where Moody met his wife, Dianne. They have been married for 37 years and have two sons, Patrick and Bryan.

“The drugstore is a real background in my life,” Moody says. “I met Dianne when I was working there and we dated through college. I graduated on May 13, 1973, and got married on June 3, 1973.”

The Moody’s also have two granddaughters, courtesy of Bryan and his wife, Angel: 2-year old Embri and Elaina, who is ten-months old.

“My main focus is my two granddaughters,” Moody says. “It’s whatever they want to do; they’ve got Grandpa wrapped around their little finger.”

Moody also stays involved with
Moody received the 2010 Honorary Doctorate of Pharmacy degree in May from Campbell University College of Pharmacy and Health Sciences. Following a hooded ceremony, Moody delivered the commencement address to the Campbell graduates.

Moody speaks often to classes at both schools and serves as a preceptor for pharmacy students as part of their senior-year rotations.

“One of my biggest accomplishments happened last year when Campbell asked me to be the speaker at their graduation for the college of pharmacy and I was awarded an honorary doctorate.”

He has also received a Distinguished Service Award from UNC.

“All the awards are nice and mean a lot to me,” Moody professes, “but I keep going back to the schools because the future of pharmacy — and pharmacy is a profession — all starts with the students who are in school. I guess that’s why I do so much work with them and why I enjoy getting involved with them.”

When he isn’t working or doting on his granddaughters, Moody says he enjoys watching college sports. Despite growing up in Durham, which is the home turf of the Duke University Blue Devils, Moody says he is UNC Blue through and through.

“I love Carolina sports: the Tar Heels,” Moody proclaims without hesitation. “It doesn’t matter whether it’s basketball, football, or women’s basketball, I enjoy going to all the different sporting events. With Duke and NC State so close, it’s quite a rivalry, but it’s fun.”

The Tobacco Road rivalry extends to the Moody family room, where Duke fans Patrick and Bryan don’t see the world in the same shade of blue as their father.

“It has made for some interesting dinner discussions through the years,” Moody says with a laugh. “But they’re very fortunate; when they were small they actually got to be ball boys for the Duke basketball team when they were national champs. They really enjoyed it.”

From the Pharmacy Counter to the Board Room

The North Carolina Mutual Wholesale Drug Company was formed in 1952 by a group of independent pharmacies. In 1961, the company constructed a 10,000 square-foot building that has expanded to roughly 165,000 square feet today. It is from this single distribution center that Mutual services its member stores in North Carolina, South Carolina and Virginia.

“We are a regional wholesaler and a co-op, which means we only sell to our members,” Moody explains. “The member stores own us 100 percent. We have a 15-member board that are all store owners and are elected by the membership.”

As CEO, Moody oversees approximately 150 employees who provide a full product line. Mutual carries everything a pharmacy needs to operate with the exception of some seasonal items such as lawn chairs. The distribution center houses approximately 25,000 different items ranging from OTC, HBA, DME and pharmaceuticals.

Mutual members can also select from a menu of programs to help them purchase generics and address issues related to pharmacist staffing, patient care, third-party negotiations, immunization training, merchandising, compliance and buying or selling stores.

If someone wants to open a new store, Mutual has a complete program showing them how they can do it, Moody noted.

Mutual also provides a governmental affairs program that engages lobbyists at the state and national level to keep its membership apprised of the latest developments in the regulations and policy-making arenas.

Moody says the key to Mutual’s success is that every member — big or small, old or new — has a voice and is treated equally.

“We sell the same to every member,” Moody says. “Whether they’re opening a new smaller store or they’re an existing larger store, they buy at exactly the same price as everyone else. Being a co-op, every member gets back their rebate at the end of the year. Everybody is treated equally.”

Moody says any success he has had can be traced back to the efforts of his managers. He says he has tried to hire good people who know their roles, work hard for their members and are team-oriented.
The 165,000 square foot building that houses Mutual Drug’s headquarters and distribution operations. It is from this single distribution center that Mutual services its member stores in North Carolina, South Carolina and Virginia.

The Moodys with Bruce and Karen Briggs, then with Schering-Plough Pharmaceuticals at the 2005 HDMA Annual Leadership Forum in San Diego, California.

Moody with Dale Smith of H. D. Smith at the 2005 HDMA Annual Leadership Forum in San Diego, California.

Dianne and Dave at the inaugural 2010 HDMA Business & Leadership Conference in Orlando, Florida.
Sponsored by Bayer HealthCare Pharmaceuticals

Dianne and Dave at son Bryan’s wedding. Pictured from left: Dianne, daughter-in-law Angel, son Bryan, Dave and son Patrick.

The Moodys at the 2004 HDMA Annual Meeting in Palm Desert, California.

Moody and HDMA’s John Gray were DIANA Award and Merit Finalist Award presenters at the 2010 HDMA Business & Leadership Conference in Orlando. Moody and Gray are shown presenting a Merit Finalist Award to Jon Kerr, Mylan Pharmaceuticals.

Dave and Hal Harrison represented N.C. Mutual Wholesale Drug Co. at the 2006 HDMA Annual Leadership Forum in Orlando, Florida.
Bright and early in the registration area at the 2007 HDMA Annual Leadership Forum in Phoenix, Arizona.

Dave with Ken Couth, Smith Drug Company at the 2009 HDMA Annual Leadership Forum in Orlando, Florida.

Moody with from left: Dave Klaum, Fougera, and Linda and Mike Kaufmann, Cardinal Health, at the 2009 HDMA Annual Leadership Forum in Orlando, Florida.

Dave Moody and Joe Conda, H. D. Smith, listening to the table discussion on healthcare reform at the 2009 HDMA LEF Luncheon in Orlando.
I think it’s important to hire people who know what they’re doing and then listen to them. I have a terrific management team here at Mutual; they know what their duties are and I let them run their teams. We have our meetings, but they do the talking and I do the listening. If I hear something I don’t agree with or something I have questions about, I’ll bring it up, but that’s what I hired them for. I don’t need them if I’m going to make all the decisions. It’s like I tell a lot of people, my management team makes me look real good.”

Moody singled out Wayne Neal as one of the people who played an important role for the Mutual team before he passed away in November.

“Wayne had been with Mutual for 41 years,” Moody says. “We had just worked his retirement out and he was still going to do some things for me. We finalized everything on a Friday afternoon, and then he had a heart attack Saturday morning.”

Despite the loss of important people like Neal, Moody says organizations can continue to move forward if there is a positive atmosphere built around teamwork. To do that, Moody emphasizes, it’s important to make sure people get credit for what they do.

“If you’ve got a real team that you have buy-in from, it’s just like a sports team — things work well,” Moody points out. “I’ll use myself as an example: If I just want to do things so I stand out, how am I going to encourage my team to do their job? You must be a team player. At our annual meetings I always try to make sure they get the credit for what they do, because they sure can get the other side of it if they don’t do things right.”

Serving the Industry

Moody has been involved with the Healthcare Distribution Management Association since he took off his white pharmacy coat and joined Mutual in 1988. Over the years he has chaired the organization’s audit and federal governmental affairs committees and has been a member of the association’s political action committee and reimbursement task force. He became a member of the HDMA board of directors in 2004.

Moody praises the leadership John Gray, HDMA president and CEO, has provided to HDMA and to the industry, especially in the governmental affairs arena, which Moody says is very impor-
tant for a regional distributor like Mutual.

“HDMA is our voice on Capitol Hill and can accomplish some things that we can’t as a regional. And that holds true also if you’re one of the Big Three. HDMA is a good advocate for the entire industry and it does everything it can to help keep us all in business.”

Moody spent the past two years as HDMA vice-chair. He says he is proud to have the opportunity to succeed McKesson’s Paul Julian as HDMA chair. “It will be an honor to play a role in shaping how HDMA advises, educates and advocates keeping our supply chain robust, secure and efficient,” Moody says.

To that end, Moody expects to spend much of the next year focusing on pedigree and reimbursement.

He says adopting a uniform pedigree will allow the industry to make better use of technology to prevent diversion and stop the entry of adulterated products into the supply chain. HDMA, he adds, will continue to encourage Congress to introduce and pass legislation that will create uniform pedigree requirements.

“The country’s patchwork of state and federal pedigree requirements is inefficient and costly,” Moody contends.

On the reimbursement issue, Moody says healthcare reform is changing Medicare and Medicaid reimbursements for all industry customers, including pharmacies and physicians.

“As a pharmacist, I am well aware of how inadequate and ill-conceived reimbursement rates and methodologies could compromise patient access to medicines. HDMA is helping to facilitate efficiency between policymakers, regulators and industry to clarify reimbursement methodologies specifically to AMP, which is the average manufacturer price.”

Moody says there is a rapid growth in specialty distribution and that the industry needs to work with the Centers for Medicare & Medicaid Services so it can better adapt to new requirements, such as the risk evaluation and mitigation strategies (REMS). He says dealing with the expanded availability of generics will also be a key for the industry in the months and years ahead.

“Over the next 24 to 36 months you will see a lot of pharmaceuticals going off patent,” Moody explains. “That means distributors will need to adapt to moving significantly more generic products and understand how generic product reimbursement will affect our business and that of our customers. That goes back to the AMP.”

Although the issues facing the healthcare distribution are challenging,
Moody says he looks forward to helping the industry find and develop solutions through HDMA.

“One thing I think the HDMA chairperson has been able to do in the past, whether they’ve been from a big national distributor or a regional distributor, is look at the industry as a whole and try to speak for everybody and not just one sector.”

Once he has fulfilled his responsibilities as chairman, Moody plans to remain heavily involved with HDMA through his role on the organization’s executive committee.

“If you’re a member, HDMA plays a vital part in making sure you know what’s going on, and if you expect them to work for you, you need to also do your part.”

He also plans to continue his work at Mutual and with the schools and students that he considers so critical to the future of pharmacy.

“Pharmacy has been my whole life and I like being involved. As far as retirement goes, I haven’t looked ahead that far. I’m 60 years old, so I’ll be around a while longer, I hope.”

Dave Moody and Wayne Neal (both center), meet with students from UNC Eshelman School of Pharmacy.

About the Author

Mark Hendricks earned his journalism degree from West Texas State University and has spent 20 years as a communicator and writer for private industry, non-profit organizations and academic/research institutions. He also works as a freelance writer; his stories and articles have been published by a variety of newspapers, magazines and trade publications.

Sponsored by Bayer HealthCare Pharmaceuticals