

► The ghosts of pharma past

Companies that were once household names can vanish—hidden or dissolved in mergers and acquisitions.

BY MARK S. LESNEY

One of the greatest powers of history lies in its ability to explain and influence the present. One of the greatest powers of evolving technology lies in its ability to erase history. As more and more of the Internet becomes the library of modern life, the past becomes fluid territory, transformable and edited. Although written in a precomputer age, a telling parable of the modern risks due to electronic history is found in the book *1984*, where the collective power of the Ministry of Truth under the aegis of Big Brother ensured that “The past was erased, the erasure was forgotten.”

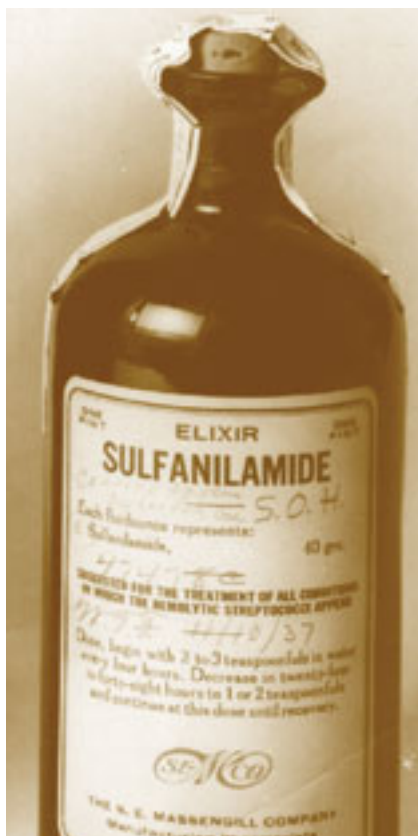
In the modern world, it is not only governments that censor, edit, and remove webpages; corporate histories also are subject to revision and disappearance when mergers, acquisitions, and rebranding of companies at best lead to a truncation of the past, and at worst to an erasure. For this reason, it is sometimes good to look at the histories of “lost” corporate entities and to understand what lies behind the current corporate acronyms that appear so modern and new.

A good example of what can happen in the realm of business history is found in the evolution of GlaxoSmithKline (GSK). It was formed from a number of venerable old companies, some all-but-forgotten, and more likely to be—at least by the general public. The risk of disappearance is not because corporations are necessarily ashamed of their histories or are unwilling for them to be available, but because, by their very nature, businesses must be forward-looking, and the past is not their primary concern.

Many paths to GSK

The GSK website has an extensive timeline, detailing most of the corporate threads that have woven in and out to create one of the largest pharmaceutical companies in the world (1). These companies form an impres-

sive litany of the history of drug discovery and development. They include John K. Smith & Co. (founded in 1841), Beecham's Pills (1842), Burroughs Wellcome and Company (1880), and Mcleans Ltd. (1919). The Glaxo in the current name traces its history to Wellington, New Zealand, where



Joseph Nathan established a trading company in 1873 that was a forerunner to Glaxo's milk powder drying operation. Several of these companies maintain a presence in the names of GSK subsidiaries—but they are no longer the pinnacle of corporate evolution as they once were (see box, “Lest they be forgotten . . .”).

Bye, bye Beecham?

It would have been difficult in an earlier era

to imagine that the Beecham name would ever be anything but paramount in the development and marketing of pharmaceuticals. In 1842, Englishman Thomas Beecham founded the Beecham's Pills laxative business, and in 1859, he opened the first factory built solely to manufacture drugs. By the late 1920s, the company was a major diversified pharmaceutical manufacturer, and by the 1940s, a major hub of pharmaceutical research. As the Beecham Group, the company would be a major international producer of antibiotics and other pharmaceuticals, merging with SmithKline Beckman in 1989 (see box, “Being Beckman”).

In 2000, the umbrella SmithKline Beecham dropped the name, becoming only the SK of GlaxoSmithKline. The local SmithKline Beechams throughout the world became subsidiaries to the newly formed corporate giant.

No longer Wellcome?

Similarly, the Wellcome name might have once seemed sacrosanct in the history of pharmacy. Burroughs Wellcome and Co. was founded in London by two American pharmacists, Henry Wellcome and Silas Burroughs, in 1880. After a long and prosperous independence, Wellcome merged with Glaxo in 1995. Then, in 2000, the Wellcome name lost further prominence as a pharmaceutical giant when GlaxoWellcome became simply the G in the GlaxoSmithKline moniker. As with SmithKline Beecham, Wellcome is still a living component of the GlaxoWellcome subsidiaries of GSK throughout the world (2). But if history is anything to go by, the long-term trend of name attrition will occur even here, and it may only be a matter of time as the prominence of GSK as a corporate entity grows.

Memories of Massengill

But compared to the retirement of the Myers Laboratories from active concern, and living through the diminished presence of Beecham, Burroughs, and Wellcome, one company in particular is noticeably absent in what remains of GSK corporate history—the S. E. Massengill Co. And yet, in its day,

Massengill held both fame and infamy in a history spanning the years from 1897 to 1971—a past now represented more clearly in the history of the FDA and in eBay memorabilia than in the presented memory of the corporate giant that ultimately subsumed it.

The S. E. Massengill Co. was founded in 1897 by Norman Hood Massengill and Samuel Evans Massengill, M.D. The company's main research and production laboratory was in Bristol, TN, in a historic set of buildings that had been the original site of King College (3). S. E. Massengill was a relatively small company, manufacturing everything from analgesics to ointments with a quaint tendency to name many of its marketed drugs in homage to the Massengill name: Anagill, Dermagill, Giagill, Resagill, Salogill, etc. The company's old bottles and the commemorative coins distributed by its salesmen are staples among collectors of pharmaceutical memorabilia, in part because of Massengill's strong claim to legislative, if not corporate, fame.

For the S. E. Massengill Co. is remembered not for its commercial successes but for its tragic role in helping to ensure the passage of the 1938 Federal Food, Drug, and Cosmetic Act (4).

Sulfanilamide was one of the first antibiotics—the active component isolated from Gerhard Domagk's miracle drug, Prontosil, and proven to be an effective treatment for deadly streptococcal infections. Although it was commonly sold in pill and powder form, a Massengill salesman convinced the company that his clients in the Southern United

States wanted a liquid formulation. Harold Cole Watkins, Massengill's chief chemist, tested several liquid formulations and chose the sweet-tasting—but toxic—diethylene glycol as the solvent of choice. The company added artificial raspberry flavoring to improve palatability. Safety testing on the new formulation was not performed, as it was not then legally required.

On the market for two months in 1937, Elixir of Sulfanilamide killed more than 100 people in 15 states, many of them children, by destroying their kidneys and liver. The FDA managed to recall the gallon jugs of the liquid once the poisonings began to appear, not because they were deadly but because they had been mislabeled. By definition, an elixir required the use of alcohol.

“My chemists and I deeply regret the fatal results, but there was no error in the manufacture of the product. . . . I do not feel there was any responsibility on our part.”

Had Massengill simply called their formulation Liquid Sulfanilamide, the federal government would have been legally helpless. The company was ultimately prosecuted for the mislabeling, not the poisonings. At the time, “Selling toxic drugs was, undoubtedly, bad for business and could damage a firm's reputation, but it was not illegal” (5).

Afterwards, in a prepared statement, Samuel Evans Massengill made his apology: “My chemists and I deeply regret the fatal results, but there was no error in the manufacture of the product. . . . I do not feel there was any responsibility on our part.” Harold Watkins, on the other hand “apologized” to his victims and their families by committing suicide upon finding out the effects of what he had done (5). The mass poisoning prompted the 1938 legislation that gave teeth to the FDA.

Despite the Elixir tragedy, the Massengill Co. remained a successful, family-run, and independent provider of drugs for more than 30 years until, in 1971, it was sold to Beecham Pharmaceuticals, becoming a

Being Beckman

Some companies are regurgitated after being swallowed, like Jonah from the whale. One such “survivor” of the GSK mergers and acquisitions process, of particular interest to chemists, was Beckman. In 1982, SmithKline acquired Beckman Instruments, Inc., to become SmithKline Beckman. When, in 1988, SmithKline Beckman and Beecham Group merged, they formed SmithKline Beecham—a typical disappearance of a company moniker. But in 1989, the Beckman name re-emerged as the company spun back out as an independent venture, to ultimately become Beckman-Coulter in 1998 (6). Another company that survived merger with the forces of GSK to regain its own name and market was Allergan, an eye and skin care company, currently most notable for BoTox, which was acquired by SmithKline Beckman in 1982 and spun out again by the end of the decade.

name-retaining part of the new corporate entity Beecham–Massengill Pharmaceuticals.

Today, after mergers and acquisitions, and perhaps some selective memory loss, the Massengill name survives not in corporate logos or even timelines, but as the trademark for certain women's health care products, brought into the GSK lineup through the Beecham connection. The old Massengill laboratory building, renewed and refurbished, lives on as the site of the totally unrelated King Pharmaceuticals, Inc. (www.kingpharm.com), founded in 1994 as a provider of cardiovascular, women's health, and endocrinology products.

References

- (1) GlaxoSmithKline timeline; www.gsk.com/about/background.htm.
- (2) GSK group companies; www.gsk.com/financial/reports/ar/report/group_com/group_com.html.
- (3) Tour of King Pharmaceuticals; www.tnengi.neering.net/AICHE/pipe1200.htm.
- (4) Wax, P. M. *Ann. Intern. Med.* **1995**, *122*, 456–461; available at www.annals.org/cgi/content/full/122/6/456.
- (5) Ballentine, C. *FDA Consumer*, June 1981; available at www.fda.gov/oc/history/elixir.html.
- (6) Beckman Coulter timeline; www.beckman.com/hr/ourcompany/oc_timeline.asp. ■

Lest they be forgotten . . .

In a classic case of big fish eat little fish ad infinitum, the entities that became GSK also swallowed a wide variety of other pharmaceutical and specialty companies over the years. The list is extensive, including many companies that are no longer remembered. For example, Beecham acquired Macleans, Ltd., and Endo's Proprietaries, Ltd., in 1938, memorialized now in Macleans toothpaste and Lucozade “energy drink”, respectively. And in 1978, Glaxo, Inc., absorbed Myer Laboratories, Inc.