

13424 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

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make a fundamental difference in a patients life and survival are being neglected." (ibid, Senate Hearings)

Dr. John Davidson, Director of the Grady Hospital (Atlanta) Diabetes Unit which has been very successful in getting diabetics off of the oral drugs, has said,

"Why do so many physicians have little success in treating it? [the problem of obese diabetics]. . . . In my experience, at least 80% of diet therapy failures are due to physician failure, not patient failure." (ibid, Senate Hearings)

3) Profits

In a letter to the FDA, requesting to speak at this hearing, H.R. Allen of Upjohn commented that:

"The proposed class labelling of oral diabetes drugs. . . . is, in our view, inappropriate, uninformative, and hence misleading. . . ."

Translated into English, Upjohn -- which has about 40% of the \$100 million American market for oral diabetes drugs -- doesn't want its leading money-makers -- tolbutamide (Orinase) and tolazamide (Tolinase) -- to suffer in sales and profits just because scientific studies show the drugs are ineffective and extremely dangerous.

That the extraordinary profits of Upjohn, Pfizer, Ciba-Geigy and Lilly -- who have cornered this several hundred million dollars per year worldwide market for these drugs -- has had a major effect on the irresponsible delay in ending the massive misuse of these drugs is not arguable.

In addition to sponsoring hundreds of "educational" symposia around the country -- with academic facades -- intended to assure doctors that these drugs are O.K., the drug industry has kept the AMA alive with infusions of advertising revenue and political contributions and, in return, the AMA has written reassuring letters (Dr. Sammons) to physicians about these drugs.

To demonstrate how much of a curtailment of profits would occur if the abuse of these drugs were ended, consider the experience at Cleveland Metropolitan General Hospital. At the peak of use of the oral diabetes drugs (1970) at that hospital, expenditures per year were as follows:

<u>Tolbutamide</u> <u>(Orinase)</u>	<u>Phenformin</u> <u>(DBI)</u>	<u>Chlorpropamide</u> <u>(Diabinese)</u>
\$32,376	\$7,857	\$8,294

After use was restricted, the 1975 figures (projected by the hospital) were:

\$6,966	\$138.00	\$3,371
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a savings of \$38,000 or 78% of the \$48,527 1970 expenditures for these drugs.

In the face of pride, profits, and inadequate dietary management, aided and abetted by court delays, the FDA has somehow found it possible to delay for almost 5 years finalized labelling changes for these drugs.

Anita Johnson will discuss our specific criticisms of the present version of proposed labelling (the third in 3 years) but I would make the following addition.