

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

(Present Status of Competition in the Pharmaceutical Industry)

WEDNESDAY, APRIL 28, 1976

U.S. SENATE,
SUBCOMMITTEE ON MONOPOLY OF THE
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C.

The subcommittee met, pursuant to notice, in room 318, Russell Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Also present: Benjamin Gordon, staff economist; and Karen Young, research assistant.

Senator NELSON. The Monopoly Subcommittee of the Senate Small Business Committee resumes its hearings on competitive problems in the drug industry. Today, on May 10 and 24, and on other days we shall be concerned with the problem of how the medical profession gets information about drugs and the relationship to prescribing practices, competition, and the health and welfare of the public.

Dr. Charles D. May, the eminent medical educator and clinician, 15 years ago warned¹ that the traditional independence of physicians and the welfare of the public are being threatened by the new vogue among drug manufacturers to promote their products by assuming an aggressive role in the "education" of doctors. Dr. May asked the following questions:

Is the public likely to benefit if practicing physicians and medical educators must perform their duties amidst the clamor and striving of merchants seeking to increase the sales of drugs by conscripting "education" in the service of promotion?

Is it prudent for physicians to become greatly dependent upon pharmaceutical manufacturers for support of scientific journals and medical societies, for entertainment, and now also for a large part of their "education"?

Do all concerned realize the hazard of arousing the wrath of the people by an unwholesome entanglement of doctors with the makers and sellers of drugs?

These questions are still relevant today. The courses which doctors take for their postgraduate education, the books, journals, and other printed material they receive, the exhibits at conferences and medical conventions they see, the closed circuit TV and radio programs they see and hear, are virtually all sponsored by the drug industry. No one

¹ Charles D. May: "Selling Drugs by 'Educating' Physicians," *Journal of Medical Education*, issue of January 1961.