

Mr. RAEBEN. The drug companies'—depending upon the size of their advertising commitment—cost ranges from about \$200,000 for a year up to perhaps \$700,000 for the year. This is a function of the amount of advertising time they have purchased.

Senator NELSON. What is the total cost for all the companies?

Mr. RAEBEN. Well, this is a fluctuating number as we hope to be acquiring additional advertisers.

Senator NELSON. I was wondering, what is the current annual cost of the program, not to the advertiser, but the total cost?

Mr. RAEBEN. Well, the cost is at this point substantially in excess of our revenues since we are in the building stage. This is really an investment activity of our corporation and it is substantially in excess of what we can recover from advertisers. I think it will be some time before advertising has caught up to our own expenses.

Senator NELSON. I am interested in the total costs, if you have it at hand. Receipts from advertising don't cover all your costs. You have your own costs, which are higher than that, because you are making some capital investments. Is that it?

Mr. RAEBEN. Yes.

Senator NELSON. Well, then what is the total advertising budget thus far on an annualized basis?

Mr. RAEBEN. Well, at the moment I suppose our advertising revenues might be running at the rate of \$2 million for the year. It is a difficult calculation for me to do at this moment. And as I say, we hope that for any given period—say, the calendar year—it will be a different number.

Senator NELSON. All right. Go ahead.

Mr. RAEBEN. If practicable, we intend to offer blocks of time for teaching purposes to the general and special medical associations which presently have the training and education responsibility for their constituencies.

It seems surprising to us that until PRN, medicine had no medium to transmit important information quickly. If regional or national health crises threatened, there was no way, except in sometimes inappropriate public media, for medicine to communicate about it. Setting aside the matter of emergencies, if a scientific advance of any importance takes place, many months normally elapse from authorship to publication. Many more months elapse before confirmation or rebuttal by others. Our hope is that by accelerating this process, by telescoping into a few months, or even weeks, a dialog that now may take years, PRN can have a genuine impact on medical progress not achievable in any other way.

PRN news is reported by medical correspondents throughout the United States and by a permanent office staff of experienced medical journalists. Decisions on which 25 or 30 stories make up the daily broadcast are made solely by the editorial staff. Advertisers play no part. We have made a considerable effort to determine how much physicians listen to PRN and I believe we have excellent information on this, better perhaps than that possessed by many other media used for medical communication or education. We assume also that sponsors will ultimately try to employ advertising measurement techniques on PRN messages.

We do feel it is certainly important to protect education from undue bias. And it is always reasonable to fear that he who pays the