14954 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Preludin problem here by highly successful criminal and civil cases involving physicians and pharmacies. Continuing investigations by DEA indicate the existence of sophisticated criminal enterprises employing prescriptions obtained from doctors and forged prescriptions to build street supplies. Thefts from pharmacies also play a part in supplying the illicit traffic in Preludin.

In 1975 Western Fehr Laboratories, manufacturers of the basic ingredient in Preludin, Ciba-Geigy Corporation, the sole manufacturer of Preludin in dosage form, and Boehringer-Ingelheim Limited, the sole distributors of Preludin to wholesalers, petitioned DEA for an increase in the 1975 manufacturing and procurement quotas for Preludin previously set by DEA. That petition was rejected by DEA and it was again rejected by an Administrative Law Judge following a lengthy hearing demanded by the companies. This resulted in an appeal by the companies to the United States Court of Appeals for the First Circuit which, on January 28, 1976,