

by Pennwalt's Strassenburgh Prescription Products division at Rochester, N.Y., was shipped to Mexico City and then smuggled back into the U.S. for sale in the illicit drug market.

The department didn't charge that Pennwalt or the division was involved in the alleged illicit sales.

In Philadelphia, a Pennwalt official said the company exports resins from the U.S. that are used to manufacture amphetamine products. But, he said, "the whole implication that we have done anything by design is upsetting."

The department's Bureau of Narcotics and Dangerous Drugs, which headed the investigation known as "Operation Blackjack," said the Strassenburgh division made shipments of the amphetamine product in bulk to Mexico City, where another Pennwalt affiliate, Laboratorios Strassenburgh de Mexico, markets it under the trade name Bifetamina.

The show-cause order said Bifetamina is "similar in contents and effects" to Biphphetamine and Biphphetamine-T, amphetamine drugs produced by the Strassenburgh division for sale only by prescription within the U.S. Amphetamines are stimulant drugs, normally prescribed for weight control and other medical uses.

The Bureau of Narcotics charged that the amphetamine product shipped to Mexico was smuggled back into the U.S. in the form of Bifetamina tablets and sold in the illicit market. The bureau said that since last April the tablets have been found in the illicit market in New Mexico, Texas, Oklahoma, Louisiana, Alabama, Tennessee, Georgia, Kentucky, Florida, Colorado, Mississippi and Arkansas.

The investigation, the bureau said, found that Bifetamina was entering the U.S. at a half-dozen points along the Mexico-Texas border. Most of it, the bureau said, was concealed across the border and then distributed along regular truck routes through Southeastern and Southwestern states. Some of the pills, however, were flown over the border by light aircraft, which landed at remote air strips in mountainous border areas, the agency added.

The bureau announced yesterday that about 40 persons had been arrested in connection with the alleged smuggling and that about one million amphetamine tablets, with an illicit street value of about \$1.5 million, had been seized. Most of the seizures were of unopened 40-capsule bottles, packaged at Mexico City and bearing the Laboratorios Strassenburgh de Mexico label, the bureau said.

The black Bifetamina capsules are sold illegally in the U.S. under the street name "Black Beauties," "Black Mollies," "Black Widows" and "RJSS," the bureau added. They said the price of a single Bifetamina capsule on the illicit market in the U.S. is about \$1.5, compared with between 9 cents and 13 cents in the illicit market in Mexico.

In announcing the order requiring Pennwalt's Strassenburgh division to show cause why its export license shouldn't be revoked, the Justice Department said the concern also was ordered to show cause why the 1972 industry-wide quota for U.S. amphetamine production shouldn't be reduced by the Pennwalt division's export allocation.

A hearing on the order tentatively was set for Feb. 23 in Washington.

The action against the Strassenburgh division was the first of its kind taken under the Drug Abuse Prevention and Control Act, which took effect last May. The law requires the bulk amphetamine powder produced in the U.S. for export be used in the country to which it's shipped exclusively for medical and scientific use. It also imposes strict controls on the manufacture and sale of amphetamines in the U.S.

The Bureau of Narcotics said that, after these strict controls went into effect in the U.S. last July, the amount of domestic amphetamines available for diversion into illicit channels in this country fell sharply.

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THERAPEUTIQUES APPLIQUEES S.A.
1040 Bruxelles, May 15, 1972.

Mr. Isaac R. McGraw, II,
Vice President, Pennwalt Corp.,
Pharmaceutical Division,
Rochester, N.Y.

DEAR IKE: I wish to reiterate my wholehearted thanks for your kind invitation to the International Symposium in London—"Modern Diuretic Therapy in