

Dr. WILLIAMS. It is not used as widely as the antibiotics of some other drugs, it ran right at \$20,000 in 1 year. The two big savings, because these drugs are so much used, were in the area of trade-named items where we forced companies to compete, the chlorothiazide diuretics, the \$40,000 saving, and presently today between generic and trade-name tetracycline, where the savings will run as high as \$100,000 a year.

Mr. GORDON. In teaching you generally use generic names for drugs. Is that right?

Dr. WILLIAMS. I generally use generic names.

Mr. GORDON. The textbooks use generic names too, don't they?

Dr. WILLIAMS. They do.

Mr. GORDON. Are you acquainted with the Merck Index and the Merck Manual?

Dr. WILLIAMS. Yes.

Mr. GORDON. Isn't it the case that where the Merck Co. itself prepares scientific material it uses generic terms also, does it not?

Dr. WILLIAMS. That is correct. You could have 50 trade names for one generic item. Which trade name would you pick to list it under?

Mr. GORDON. So it is potentially dangerous to use trade names, especially if the physician may not know what the ingredients are?

Dr. WILLIAMS. It is confusing and potentially dangerous.

Mr. GORDON. As well as expensive?

Dr. WILLIAMS. As well as expensive.

Senator NELSON. Dr. Williams, we appreciate very much your testimony. It has been an excellent contribution to the hearings. We appreciate your taking the time to come. We will take a 30-minute break so that we don't get too much lunch. We will recess and reconvene at 12:30. In the meantime I will be at the desk for 5 minutes for any of the drug industry representatives who would like to come up and advise me whether or not their companies would like to be heard, and we will make arrangements for a future date. I will stay here for the next 5 minutes. We will resume in 30 minutes. I will put in the record here at this stage an exchange of correspondence at the request of Senator Sparkman, with additional relevant material.

(The supplemental information submitted by Senator Nelson follows:)

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., June 23, 1967.

Hon. GAYLORD NELSON,
Chairman, Monopoly Subcommittee of the Senate Small Business Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: I would appreciate having the enclosed information and exchange of views included in the record of the hearings on drug prices, which I understand are to resume on June 27.

With best wishes, I am,

Sincerely,

JOHN SPARKMAN.

Enclosures.