

Mr. BURROWS. \$2,733 to Upjohn for the period from the latter part of 1956 through the middle of 1959.

Senator NELSON. Go ahead.

Mr. BURROWS. In summary, our U.S. catalog price has no real significance because sales are virtually nonexistent to or through the retail drug trade. Further, our average sale price of \$1.36 per 100 tablets in the United States during 1966 is competitive with other suppliers in this country and also is lower than our prices for the same product abroad.

Senator JAVITS. Senator Nelson, may I ask one question?

Senator NELSON. Sure.

Senator JAVITS. I must say that I am very puzzled by this last statement, Mr. Burrows. Why would you publish this catalog price if it is so completely misleading and misleading in such a manner as to be harmful to you? The drug industry complains that they are being crucified by exaggerated reports of what they charge as compared with the nongeneric price, and yet you yourself by printing this catalog and making this offer to the retail druggist, I don't want to speak a conclusion. You say it for me. Why do you do it?

Mr. BURROWS. I wish I knew.

Senator JAVITS. Well, are you going to continue to do it?

Mr. BURROWS. We are going to have a little session on the subject with our sales people. As I said initially, I doubt that we can justify carrying this product when we sell less than \$30,000 a year, and practically none to the retail drug trade.

Senator JAVITS. Well, people are often their own worst enemies, and, as I have said many times before, it is high time that we had all the facts in toto. This is one evidence that all the facts may do you the most good, though many in your business started out by thinking they do you the most harm, in terms of cleaning up your own situation.

It seems to me really beyond belief that you torture yourself with this kind of standard, which you don't observe yourself.

Thank you, Senator Nelson.

Senator NELSON. I understand you buy the prednisone compound from Upjohn.

Mr. BURROWS. Yes, at the present time.

Senator NELSON. Do you manufacture—

Mr. BURROWS. This is the bulk chemical.

Senator NELSON. Yes. Do you manufacture, does your company manufacture and sell any bulk chemicals to other companies?

Mr. BURROWS. The prednisone bulk chemical?

Senator NELSON. Of any drug.

Mr. BURROWS. As a finished drug I can't think of any we sell in bulk. We sell some intermediate chemical compounds in bulk to other companies.

Senator NELSON. Is this a bulk chemical compound that is not in tablet form, that requires final processing by another company?

Mr. BURROWS. I can't think of any compounds of the same category as prednisone would be.

Senator NELSON. No, I mean of any category, any drug.

Mr. BURROWS. I can't think of any drug that we sell in bulk in any quantity.