

Now, we do not sell in U.S. dollars in Mexico. We sell in pesos and the price for 30 tablets of Meticcorten in Mexico is 46 pesos. Now, the officially recognized exchange rates is 12 pesos and 50 centavos to the U.S. dollar. Somebody in converting this peso price into U.S. dollars at this exchange rate apparently made an arithmetical error by moving a decimal point in the wrong direction, because if you convert 46 pesos into U.S. dollars, you have a price of \$3.68 in Mexico, which is a very different story from the one which I read in the paper; namely, of 37 cents.

Senator JAVITS. I don't follow you, sir. What quantity is this that you are selling at \$3.48?

Mr. CONZEN. Thirty tablets.

Senator JAVITS. Now, you are selling 100 tablets then at \$17 in this country; is that right?

Mr. CONZEN. That is the drug list price. This does not mean that we realize \$17.90. We have computed that in 1966 the average price for 100 tablets of Meticcorten realized in the United States was \$11.36. This price in Mexico—

Senator NELSON. May I interrupt for a moment?

Mr. CONZEN. Yes.

Senator NELSON. You said the average price in the United States?

Mr. CONZEN. Yes.

Senator NELSON. But what is your price to the retail druggist?

Mr. CONZEN. The price which appears in our price list as the drug list price, at which the retail druggist buys, is \$17.90.

Senator NELSON. You are including in your average price sales to other than retail druggists?

Mr. CONZEN. Yes. The bulk of our business goes to wholesalers to start with, and they too have a margin of profit.

Senator NELSON. But you list in your book \$17.90 to the druggist, is that not correct?

Mr. CONZEN. That is the price to the retail pharmacist, yes.

Senator NELSON. In purchasing on the open market for purposes of their tests, the Medical Letter said a price of \$17.90. In other words, the druggists they checked were paying \$17.90.

Mr. CONZEN. That is right.

Senator NELSON. Are you saying that you sell to many other druggists at less than \$17.90?

Mr. CONZEN. No. What I tried to convey is that these druggists buy usually from wholesalers, and that the wholesalers who buy from us buy at a lower price than the drug list price of \$17.90.

Senator NELSON. But is the druggist around the country paying \$17.90 when he gets it from you or the wholesaler?

Mr. CONZEN. That is right.

Senator NELSON. So then when you say the average price of 11 something, you aren't referring to what the druggist pays?

Mr. CONZEN. That is correct.

Senator JAVITS. Go ahead with your foreign sales. You say in Mexico you are still selling it for your average equivalent; is that right?

Mr. CONZEN. In Mexico our price is, as I indicated, 46 pesos for 30, or \$3.68.

Senator JAVITS. What about other countries; is that the same?

Mr. CONZEN. Now, take Brazil, which was another country mentioned in the press reports. We introduced Meticcorten in Brazil in