

life, and I would feel pretty sure that there is both Swiss made and imported foreign prednisone tableted and packaged forms available today in Switzerland.

Senator NELSON. And is foreign-produced, competing prednisone available on the market in Italy?

Mr. CONZEN. Not in terms of the finished packing. As far as I remember, you cannot sell an imported finished packing today in Italy. It has to be registered and made in Italy.

Senator NELSON. But I mean to say, does any foreign corporation in Europe produce prednisone, in competition with Schering's Metcorten?

Mr. CONZEN. Yes, sir.

Senator NELSON. And is it on the market in competition in Rio?

Mr. CONZEN. Certainly; yes, sir; everywhere.

Senator NELSON. Foreign-produced competing prednisone is what I am talking about.

Mr. CONZEN. I would like to avoid any misunderstanding as to the term "foreign-produced."

Senator NELSON. Foreign to us.

Mr. CONZEN. It is made in Brazil. Brazil does not permit the importation of finished packaged prednisone products, so what happens is that the active bulk substance is imported into Brazil from various sources from different countries, and then manufactured into finished products and packages under Brazilian labels.

Senator NELSON. And is that true of Mexico?

Mr. CONZEN. Yes, sir.

Senator NELSON. Is that true in Australia?

Mr. CONZEN. Yes, sir.

Senator NELSON. Is it true in Canada?

Mr. CONZEN. Yes, sir.

Senator NELSON. Not one of these companies from Europe or elsewhere may market prednisone under any label in the United States, may they, unless they are licensed by you?

Mr. CONZEN. That is right.

Senator NELSON. Well, then, doesn't it really appear that the reason the price is lower in Rome, Mexico City, Rio, Bern, Australia, is due to the fact that you have competition there?

Mr. CONZEN. No, sir.

Senator NELSON. Why don't you sell it for more money then?

Mr. CONZEN. It is impossible for the reasons which I tried to explain. We have a 12-year market history now in each country, and each country has different circumstances and factors which has influenced the price structure in that particular country over the years to the point that we have today a price in Brazil of 2,840 cruzeiros, when it was only 320 cruzeiros when we introduced it.

Senator NELSON. But that is only \$1.59. Their cruzeiros are—

Mr. CONZEN. At the exchange rate.

Senator NELSON. They are inflated?

Mr. CONZEN. Yes.

Senator NELSON. So for \$1.59 you are selling packages of 30 in Brazil versus \$5.65 in the United States?

Mr. CONZEN. That is right.

Senator NELSON. You have to send it down there, distribute it, package it, finish it down there, and yet it is selling for a third of the price