

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

TUESDAY, OCTOBER 31, 1967

U.S. SENATE,
MONOPOLY SUBCOMMITTEE OF THE
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:15 a.m., in room 318, Old Senate Office Building, Senator Gaylord P. Nelson (chairman of the subcommittee) presiding.

Present: Senators Nelson and Hatfield.

Also present: Benjamin Gordon, staff economist; James H. Grossman, minority counsel; Susan H. Hewman, research assistant; and William B. Cherkasky, legislative director, staff of Senator Nelson.

Senator NELSON. We will now open the hearings of the Monopoly Subcommittee of the Small Business Committee.

Our witness is Mr. George Callahan, of the American Telephone & Telegraph Co., who will discuss medical communication systems and their potential application in transmitting drug information as well as other medical information. This will include methods of acquainting the practicing physicians with new drugs, their uses, limitations, contraindications, side effects, and their relative efficacy. In addition, such a system could be used to alert physicians, pharmacists, and the public about dangerous, adulterated, or mislabeled drugs.

As I understand it, Mr. Callahan, you propose to manage the presentation of the various kinds of communications equipment and techniques; is that correct?

**STATEMENT OF GEORGE E. CALLAHAN, SALES PROJECTS MANAGER,
AMERICAN TELEPHONE & TELEGRAPH CO., NEW YORK, N.Y.**

Mr. CALLAHAN. Yes, sir.

Senator NELSON. Then at the appropriate time Dr. Meyer, from the University of Wisconsin, will present what he has to present and Dr. Nobel will make his presentation?

Mr. CALLAHAN. Yes, sir.

Senator NELSON. Go ahead.

Mr. CALLAHAN. Thank you, Mr. Chairman.

The need for recognition of the role that communications can play in assisting the medical profession has never been greater. The information explosion that is taking place in medicine is like a deluge to the practitioner trying to keep abreast of his discipline. Still, he must often wait hours, even days, to get information he dearly needs. Meanwhile, the population continues to soar and the hospital population soars faster as programs like medicaid and medicare extend the opportunity for medical service to millions more.