

Mr. CUTLER. May I say one thing on that?

I don't know of a product—you spoke earlier of your vast business experience, which you certainly have, and your legal experience. But I don't know of a single product, no matter how many Government standards there are, as to which the buyer of that product, be he a giant corporation or an individual, does not make a judgment in the market based both on quality and price. There are differences in quality among products that meet some minimum Government standards, be it steel, automobiles, bourbon whisky, anything you mention. The problem we face—and it is a real problem—you have your finger on it—and that is the judgment for a drug as to quality really cannot be made by the patient—it must be made by the doctor.

At the same time the doctor is not spending the money. So the doctor may be more indifferent to price than he should be. But that is our dilemma.

Senator JAVITS. Well, that is not my dilemma. My dilemma, as a Senator, is to get the Government to lay down a standard for prednisone.

You can claim X is better than Y. But I say if a patient knows that anything he takes, that his doctor prescribes, or however he gets it—if it says prednisone, he is getting a basic minimal product that the U.S. Government says satisfies a basic minimal standard for prednisone. That is in my judgment the reason for the competitive base. And I think it is the same reason you have the FDA—because this is a business in which the individual cannot himself judge that the minimal standard is met. And I think—for myself, I think if that happens, then you would be well abreast of dealing with this and still leaving a very large field for private enterprise.

Mr. CUTLER. On that we fully agree.

Senator NELSON. I might say, that there is a Government standard, and it is not a minimum, it is a maximum. The drugs have to meet the USP standards. The drug industry, pharmacologists, physicians, and so forth, consult and establish highest standard possible for every drug and it is a criminal offense to violate the standard.

So if there is a problem, the problem is on surveillance of the marketplace.

Senator JAVITS. And setting it down somewhere where the consumer can see it. That is why we are talking about this compendium. That is what I am talking about.

Senator NELSON. We will recess at this time and resume at 2 o'clock.

(Whereupon, at 1 p.m., the hearing was recessed until 2 p.m., the same day.)

#### AFTERNOON SESSION

Senator NELSON. We will resume the hearings.

#### STATEMENT OF C. JOSEPH STETLER ET AL.—Resumed

Senator NELSON. Mr. Stetler, were you on page 10?

Mr. STETLER. Yes.

Senator NELSON. As I said, if there is any place where you want to summarize or skip, you go ahead and do it. Since you did prepare a summary, you are a better judge of what you might want to skip.