

Dr. William Reid explains, in certain situations he feels that certain trade-name drugs are superior to their generic equivalents and in his judgment trade-name bidding is essential. In certain other instances, there is no generic equivalent for some of the drugs we purchase. This was obviously not true of the list attached to your letter.

(2) *What is the trade name and manufacturer of the drugs purchased?*

See information above.

(3) *Were sealed bids solicited or was purchasing done through negotiation?*

All drugs were purchased on the basis of sealed bids requested after public notice and advertisement.

(4) *What complaints were received regarding any drugs purchased during the past year?*

We have received no complaints regarding drugs purchased.

(5) *What was the volume of drugs purchased during the past twelve months?*

As noted above, during 1966 Fulton County spent \$22,282.43 for drugs for County agencies.

It is unfortunate that the purpose for which the information was requested was not made known to us. If this had been done, we would not have obtained information over the telephone but would have used only bid information from our files. In addition, the time element was totally unreasonable. We were requested to supply information on the very day that the request was received.

I apologize for the length of this reply but unfortunately there has been a great amount of misleading publicity regarding drug prices allegedly paid by Fulton County and because of this I felt that a full explanation was justified. I would appreciate it very much if you would make this information available to the other members of your Committee and to the representatives of the press who attend the sessions of your Committee in order that the record may be made clear regarding Fulton County purchasing practices.

Sincerely,

JAS. H. ALDREDGE,

Chairman, Board of County Commissioners.

Senator NELSON. As I said in the beginning, the New York City survey was attacked vigorously in various parts of the country by the Pharmaceutical Manufacturers Association.

In reviewing the New York City survey, I have concluded that the attacks upon it were not valid with the exception of some minor points and one mistake in Fulton County which was not the fault of New York City and not the fault of the witness before this committee, Mr. Haddad. The rest of the survey stood up very well in our cross checking directly with the cities involved, but in order to avoid any suspicion of the survey at all, we conducted this survey out of my office with 29 cities and municipalities. I think that since the first survey has come under such attack by the Pharmaceutical Manufacturers Association, they are entitled to, and ought to, respond to this survey. And if they are not prepared to respond today, we would be happy to set a date for the Pharmaceutical Manufacturers Association to respond.

STATEMENT OF LLOYD N. CUTLER, SPECIAL COUNSEL, PHARMACEUTICAL MANUFACTURERS ASSOCIATION, WASHINGTON, D.C.

Mr. CUTLER. May I make a brief comment, Mr. Chairman?

We just received this schedule and your statement when the hearing began, and clearly we cannot comment now on whatever factual issues there may be between the committee study and our own evidence.

Perhaps two of our economic witnesses, however, Professor Markham and Professor Firestone, may be able to answer questions you wish to put to them as to the conclusions, some of the economic con-