

You have said that we have not come forward with evidence to support how products get displaced in the market by other products. We have given you that evidence in the study that was handed to you that is called, "Trends in Market Shares for Ethical Pharmaceutical Products."

We have also assumed that this committee is fully aware of the economic data that was presented in the Kefauver hearings by PMA, by Professor Markham and by Arthur D. Little, in which we gave you detailed product line by line breakdowns showing how each company moved up, down, and sideways within each of the particular pharmaceutical classes. That appears starting at page 2526 of part 4 of the hearing before the Kefauver committee back in 1961. We have not tried to repeat any of that data. We didn't see any point in trying to prove it again.

Mr. GORDON. In "Trends in Market Shares for Ethical Pharmaceutical Products," where you have the table on various products, products 1, 2, 3, 4, could we have the names of those products? Could we get the data, the basic raw material, upon which these are based?

Mr. CUTLER. Well, the data on which they are based comes from the proprietary studies made by the Gosselin line people of Pharmaceutical Sales, by product. We are not at liberty to give you the names of the products. Perhaps you can get them from Gosselin, which owns the data.

Now, in the 1961 hearings, we did provide you, again in coded form, with the name of the company turning out each of those products. If that is any help to you, I suppose we could do that again.

Mr. GORDON. Since you presented this, we would like to get the raw material on which it is based.

Mr. CUTLER. Perhaps you would ask Gosselin. We will join you in that request to see if they can give you those names. We can give you a set of coded names to go with the product codes, if that is any help to you, as we did in 1961. That will show you which company was the leader at any given time and how the company's fortune fared.

Mr. GORDON. We may want to duplicate this work to check it.

Mr. CUTLER. We have told you our source, Mr. Gordon. If you can get them to give you their names, that is fine.

Senator NELSON. Let's take a 5-minute recess. I want to talk to my office.

(Recess.)

Senator NELSON. Come to order, please.

Mr. CUTLER. Mr. Chairman, our next pair of witnesses is Dr. John Firestone, professor of economics at the City College of New York and Mr. Howard Binkley, vice president for administration and planning of the PMA.

Dr. Firestone has a statement describing the pharmaceutical product price index, which he has compiled over the last many years. He will just summarize the statement very briefly. We will then place it in the record if we may, and Dr. Firestone and Mr. Binkley will answer any questions you may have.¹

¹ The complete prepared statement of Dr. Firestone begins at p. 1702, *infra*.