

Senator NELSON. They did more of manufacturing in this respect than the Canadian company; did they not?

Mr. CUTLER. I do not believe—the Canadian company did not even begin until Smith Kline & French had done all the work and the product was proven a success.

Mr. GORDON. Here is testimony from Dr. Hans Lehman, on page 9024, part 16, of the Kefauver hearings. Now, on the top of page 9025, Dr. Lehman says that Rhone-Poulenc came up with such a drug and that was Thorazine, which he said was used in anesthesia. A year or two later, the same drug was used in the treatment of mentally ill people, and doctors were very excited because it had these drug-producing properties and they wanted to see what it would do in people who needed to be sedated.

Then Senator Kefauver asked him if he and another physician at Verdun Hospital were the first to put the drug to this use on the Continent, to which Dr. Lehman answered, "That is right."

Then Senator Kefauver asked how much later it was when something was done about it in the United States. Dr. Lehman answered that they had been working on it about the same time here, but not as systematically, and not in this way. I have been asked, he said, why we had to jump from the United States to Canada and why the first English-speaking article came from us and not from England, the people there being so much closer to France, and so on.

It seems to be pretty clear from this testimony before the Kefauver committee, that it was in Canada that the drug was used for the first time.

Mr. CUTLER. We are debating a factual issue. Let us submit to you Smith Kline & French's reports on the work it has done on this drug.¹

Senator NELSON. All right.

Now, how much is charged by Rhone-Poulenc in Paris for that drug?

Dr. WHITNEY. I do not know that fact.

Senator NELSON. We have a statistic on that. We think it is about \$10. If it is, would you explain the economics of that situation, where the originating company, which obviously has the patent, charges less by far—well, I guess we do not have the figures.

If you will submit what the other company did, I would like to get to this later, because it is a most puzzling situation to me, in any event. You do not think it has anything to do with the lack of competition in the United States; do you?

Dr. WHITNEY. You mean there is more competition in France?

Senator NELSON. It is \$10.80 a thousand in France, where Rhone-Poulenc got the patent, and it is \$32 a thousand here, and \$2.60 a thousand in Canada.

Dr. WHITNEY. The average Frenchman's income is about a third or less than a third of the average American's income.

Mr. GORDON. You say, then, there should be no relationship to costs?

Senator NELSON. Excuse me. I have stated this incorrectly; I am sorry.

The price to the druggist in Paris for one hundred 25-milligram tablets is \$1.08. That would be \$10.80 a thousand. That is in Paris.

¹ See Appendix III beginning at p. 2129, *infra*.