

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

THURSDAY, JANUARY 18, 1968

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

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

Present: Senators Nelson, Javits, and Scott.

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 open the hearing of the Subcommittee on Monopoly of the Small Business Committee.

Our witness this morning is Dr. Willard F. Mueller, Chief Economist and Director of the Bureau of Economics of the Federal Trade Commission.

I have read your statement, Dr. Mueller, and I find it commendable and lucid compared to the economic presentation given last month by the economists sponsored by the Pharmaceutical Manufacturers Association, which, quite frankly, I did not understand very well.

Will you introduce your associates for the record, and, if, at anytime, one of them wants to make a comment, will he just identify himself so we can keep the record straight.

I appreciate very much your taking the time to come here this morning and the obvious extensive work you have put into your statement.

You may proceed to present it in any way you see fit.

I assume you have no objection to us interrupting you with questions from time to time.

Dr. MUELLER. Not at all, Mr. Chairman.

Senator NELSON. And do you have a biographical statement?

Dr. MUELLER. Yes; I have a sketch which I can give to the reporter or read into the record.

Senator NELSON. Read it into the record for us, please.

**STATEMENT OF DR. WILLARD F. MUELLER, CHIEF ECONOMIST AND
DIRECTOR, BUREAU OF ECONOMICS, FEDERAL TRADE COMMISSION,
WASHINGTON, D.C.; ACCOMPANIED BY DR. RUSSELL C. PARKER,
ASSISTANT DIRECTOR; AND WILLIAM H. KELLY, MEMBER,
BUREAU OF ECONOMICS**

Dr. MUELLER. First, I would like to introduce my two colleagues. To my immediate left is Dr. Russell C. Parker, assistant to the Direc-