

At that time, 1951, Chloromycetin accounted for about one-third of their gross sales, \$40 to \$50 million, out of a total of \$138 million gross. This figure jumped to \$86 million in 1960—mostly domestic market.

Following our talk with Mr. Loynd, I went to Chicago and stated the facts to Dr. Austin Smith, then editor of the American Medical Association Journal. On June 28, 1952, Dr. Smith on the editorial page of the AMA Journal warned the medical profession of the United States in regard to the dangers of the use of Chloromycetin. In addition, several scientific articles appeared in medical literature in regard to blood dyscrasias resulting from the administration of Chloromycetin.

And they have continued to appear in the past 15 to 18 years.

In June 1953 Dr. Albe Watkins, of LaCanada, Calif., Dr. Patrick Corcoran, of Evansville, Ind., and I appeared before a committee of the American Medical Association in New York City. Through our efforts a resolution was passed by the house of delegates to the effect that greater control in advertising of dangerous drugs should be undertaken.

I might say that the passage of such resolution has very little effect, because it failed to curb hardly any advertising of the type that Parke, Davis particularly resorts to.

Mr. GORDON. May I interrupt here for just a moment?

A little further up on the page you say that on June 28, 1952, Dr. Smith, on the editorial page of the AMA Journal, warned the medical profession of the United States about the dangers associated with the use of Chloromycetin. Am I correct that this same Dr. Smith is now president of Parke, Davis & Co.?

Dr. FARMAN. Yes, he is. I think he took over the first of the year, or last year, which I hope is going to be a change in policy.

Now, maybe this problem will be solved voluntarily. We may not need the legislation.

Mr. GORDON. Thank you.

Dr. FARMAN. Following the AMA convention in New York, Dr. Watkins, Dr. Corcoran, and I called upon the Department of Health, Education, and Welfare in Washington.

We had a conference with Commissioner George P. Larrick, then Deputy Commissioner, and Dr. Henry Welch, head of the Antibiotics Division of the FDA.

Dr. Welch appeared to us to be quite evasive as to his department's responsibility. He seemed to feel they tested only for the purity of the product and not for the inherent danger of the drug itself or the claims of the manufacturer as to its safety and nontoxicity. It is a matter of public record that Dr. Welch was forced to resign his position in 1960, after having been exposed for cause by the Kefauver committee.

In March 1953 we entered suit against Parke, Davis & Co. through our attorney, Mr. Thomas Bewley, of Whittier, Calif., for the wrongful sale—including advertising—and manufacture of Chloromycetin. A great many other suits were brought against this company throughout the United States for similar reasons. All of these suits were settled by Parke, Davis & Co. without court trial, including our own. In many cases the settlement was the highest amount allowable by the courts