

3534 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

A punch card run produced the data for FY 1966 and 1967. Projects included here are ones for which prednisone or prednisolone played a sufficiently prominent role to be included in the summary research protocol. We felt that we had no basis for attempting to prorate the amount of the grant award among its various elements. Therefore, we chose to explain the limitations of the data in the above-quoted footnote.

Your inquiries raise several other matters which are of some concern to us. The first is the matter of the misquoting of Senator Nelson in the *Washington Post* on July 25. We regret that our response to the Senate Committee has become embroiled in this controversy, but we are certain that you were not intending to involve or blame the NIH in any way for the error of the *Washington Post* or the fact that this error was picked up by other newspapers.

A second matter of concern to us was the statement in your letter of August 14:

"I particularly would question the purpose of the large sums expended in recent years after the activity of the drugs in question had been quite thoroughly explored by many laboratories throughout the world."

A review of our Research Grant Indexes indicates a shift of emphasis in recent years in projects involving these agents from subjects primarily within the purview of the National Institute of Arthritis and Metabolic Diseases or the National Institute of Allergy and Infectious Diseases to those more within the purview of the National Cancer Institute. This corresponds to our experience in our own intramural program as well, with the National Cancer Institute being the only Institute with increasing in-house research in recent years directly related to prednisone and prednisolone. We believe that this shift of emphasis may account for the level of expenditure which you questioned.

We welcome this opportunity to clarify our position with respect to this matter, and hope the attached information will meet your needs.

Sincerely yours,

JAMES A. SHANNON, M.D.
Director.

ESTIMATED NIH RESEARCH EXPENDITURES FOR DIRECT OPERATIONS ^{1 2} RELATED TO PREDNISONE AND PREDNISOLONE, FISCAL YEARS 1953-56

Fiscal year	NCI	NIAMD	NINDB
1953.....	0	\$15,000	0
1954.....	0	50,000	\$18,000
1955.....	0	40,000	18,000
1956.....	\$10,000	30,000	10,000
1957.....	57,000	20,000	10,000
1958.....	13,000	10,000	0
1959.....	74,000	10,000	0
1960.....	19,000	0	0
1961.....	29,000	0	0
1962.....	11,000	0	0
1963.....	84,000	0	0
1964.....	231,000	0	0
1965.....	394,000	0	0
1966.....	409,000	0	0
1967.....	552,000	0	0
Total.....	1,883,000	175,000	56,000
Total NIH ³		2,114,000	

¹ Include contracts.

² Funds spent for purchase of drugs for the treatment of NIH Clinical Center patients not included.

³ NIAMD, none.