

3776 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Since important new chemical entities represent only a fraction--perhaps 10 to 20 percent--of all new products introduced each year, and the remainder consists merely of minor modifications or combination products, then much of the industry's research and development activities would appear to provide only minor contributions to medical progress.

The Task Force finds that to the extent the industry directs a share of its research program to duplicative, noncontributory products, there is a waste of skilled research manpower and research facilities, a waste of clinical facilities needed to test the products, a further confusing proliferation of drug products which are promoted to physicians, and a further burden on the patient or taxpayer who, in the long run, must pay the costs.

A solution to this problem requires joint efforts on the parts of industry and the Federal Government (see page 47).

Quality Control

Any company, large or small, brand name or generic name producer, can institute and maintain an effective