

the approval of the organization that inspects his facilities and ascertains his quality control is what it should be?¹

Senator NELSON. Let me say, Doctor, that is a proposal that other distinguished witnesses made as a suggestion to the committee. We have introduced legislation to that effect, and I think every distinguished person from the medical or pharmacy field who has appeared before the committee endorses this concept as suggested by you. I suspect that the drug companies will oppose it, but because brand name domination of the marketplace is their method of extending the patent long beyond the time a patent expired, but I think good prescribing practices according to professional witnesses before the committee would support the concept you suggest here.

Dr. HAGOOD. Thereafter, other firms manufacturing this drug would use this approved name followed by the secondary manufacturer's name. This would serve as an incentive to research. I realize this may well give the primary manufacturer a sales advantage which could be offset by changing the 17-year patent rights period.

Regardless of what is done this section of our incomparable free enterprise system, the drug industry, must be protected, preserved and promoted; else a disservice will have been done not only to Americans but the entire population of this globe.

Finally, let me say a word about promotional efforts of drug firms, which are, I am told, very costly, and which, no doubt, involve a degree of waste. I have every confidence in the earnestness of those who would reduce the cost of drugs by reducing this effort, but here again, as with the PDR, we have an established tool, the detail man, who in my opinion is not as effective as he could be.

In 1964 I had the privilege of addressing the public relations section of the Pharmaceutical Manufacturers Association. At that time I said the caliber of a physician's practice of medicine will be no larger than his continuing education effort. Time is limited. Therefore, every learning tool and every avenue through which learning can be projected must be large caliber to be effective. Please, don't send out any small bore detail men.

I still believe the detail man has a minor but important place in the well balanced continuing education program of the practicing physician. Those detail men I spend time with bring information about drugs—sometimes new drugs of major import, sometimes ones I will elect to forget, and he brings it in person. So I can challenge him and his company. So I can ask for and receive additional information, quickly. I don't know whether elimination of detail men would bring a significant reduction in drug cost, but I do know it

¹ Dr. Hagood subsequently submitted the following:

"On transcript page 5567, Senator Nelson interrupted, then stated my point had been made in several previous testimonies. He was referring to my statement: *I'd prefer to reduce confusion of drug names so a specific drug is known by the same name with the drug manufacturer's name following it.* And that's true. However, I don't believe I made my innovation, to this often repeated point, clear to the Senator. The innovation is this: *allow the initial manufacturer to name the drug with the approval of the organization that inspects his facilities and ascertains his quality control is what it should be.* An example of this innovation follows.

"Ciba discovers a drug that will cure hemophilia. Ciba consults with the organization that inspects Ciba's manufacturing process of the drug and they agree to name the drug Hemophilium. Thereafter, the drug is officially called Hemophilium with Ciba's name following—thus—Hemophilium Ciba. Under the current patent laws Ciba would be the sole producer of this drug for 17 years. At the expiration of the 17 years other companies could produce the drug. However, the drug would be called Hemophilium and the secondary manufacturer's name would follow the drug name. Now the drug could be prescribed Hemophilium Ciba, Hemophilium Lilly, Hemophilium Abbott, etc."