COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

WEDNESDAY, FEBRUARY 26, 1969

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

The subcommittee met, pursuant to notice, at 10:20 a.m., in the Caucus Room, Old Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Also present: Chester H. Smith, staff director and general counsel; Benjamin Gordon, staff economist; Jay Cutler, acting minority counsel; and Elaine C. Dye, clerical assistant.

Senator NELSON. Today we resume our hearings on the drug chloramphenicol—widely advertised under the Parke, Davis brand name of Chloromycetin.

The drug is known to cause serious blood dyscrasias, including aplastic anemia. Though it is a valuable drug when properly used, all expert witnesses agree that it is indicated for use in an extremely limited number of cases—when the disease is serious, when no other drug is effective, and when the organism involved is susceptible to chloramphenicol.

In 1967, over 4 million people were administered this drug, though expert testimony before this committee is that 90 to 99 percent of these patients received it for nonindicated cases. That means that over 3½ million persons were being needlessly exposed to the threat of serious side effects.

As a result, many thousands have tragically and unnecessarily contracted blood diseases including aplastic anemia.

The widespread publicity given to this situation by these hearings resulted in a dramatic drop in the use of this drug in capsule form during the first 9 months of 1968—from 31.9 to 9.5 million grams—a decrease of 70 percent over the comparable period in 1967. Injectables decreased from 7.3 to 2.9 million grams, a decrease of 60 percent.

However, it is alarming to note that use of capsules has again increased during the last 3 months of 1968—from 3.6 to 4.9 million grams, an increase of 36.7 percent, as compared with the last 3 months of 1967. It is interesting to note that the use of the injectable form, usually confined to hospitals, went down during this 3-month period from 1.6 million to 500,000 grams, a decrease of 68 percent.

The purpose of these hearings is to continue to focus attention on this serious problem.

No other example that has come before this committee more dramatically demonstrates the ineffectiveness of the medical leadership of the Nation on drug education when measured directly against the pow-