Mr. CAHAL. Well, we have lost about $100,000 a year on it in recent years.

Senator NELSON. That is what percent of the total cost of getting it out?

Mr. CAHAL. I am afraid, Senator, I would only hazard a guess, but I would be glad to look that up and communicate with the committee secretary if you wish. I would say roughly its total revenues are probably $300,000, and it costs approximately $400,000 to publish. But this is a hazardous guess on my part.

Senator NELSON. Could you submit that for the record?

Mr. CAHAL. I shall be glad to, sir.[1]

Senator NELSON. Thank you. You may continue, Dr. Shapiro.

Dr. SHAPIRO. One magazine goes to American Academy of General Practice members, the other goes to nonmember family physicians. Advertising is screened by a group of physicians, all of whom we considered qualified to perform their task. We do not list the names of these physicians in our magazines because we believe they prefer a degree of anonymity. All are medical school faculty members and all, in our opinion, are well qualified to screen pharmaceutical advertising.

In your letter, you asked about Academy income from pharmaceutical advertising. Exact figures would take substantial digging because our advertisers include equipment companies, book publishers, and so forth. However, it would not be far off to say that our drug industry advertising income has run between $1 million and $1.5 million a year since 1962.

Our total advertising revenues—from both publications and including nondrug advertising—are as follows:

1962, $1,155,000; 1963, $1,236,000; 1964, $1,493,000; 1965, $1,587,000; 1966, $1,725,000; 1967, $1,538,000; for 11 months, because the fiscal year ended on November 30, 1968.

Senator NELSON. But your books do not show a breakdown by source?

Mr. CAHAL. Yes, Mr. Chairman, our annual financial statements show the revenues from subscription versus advertising. This is only advertising revenue, though, that Dr. Shapiro has given.

Senator NELSON. That is what I was inquiring about. What amount is pharmaceutical industry, what amount is books, and what amount is surgical instruments, and so forth?

Mr. CAHAL. As a matter of fact, our financial records do not segregate those classifications.

Senator NELSON. We have a breakdown done by the Library of Congress, but it is only for the American Family Physician. I will submit it for the record. We did not get it from them on the GP. This one shows that in terms of space, we do not know what the dollars are, but in terms of space—drug advertising—as a percent of all advertising in 1967, was 91.5 percent.[2]

Mr. CAHAL. That would be my guess also.

Senator NELSON. Do you have a figure on what percent of total income all advertising is, percent of total income for the Academy?

Dr. SHAPIRO. Approximately 50 percent.

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[1] See pp. 4781–4786, infra.

[2] See app. XIII, "A Study of Pharmaceutical Advertising in Selected Medical Journals," pp. 4863–4998, infra.