

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

TUESDAY, MAY 6, 1969

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

The subcommittee met, pursuant to recess, at 10:10 a.m., in room 4221, New Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee), presiding.

Present: Senators Nelson and Dole.

Also present: Benjamin Gordon, staff economist; Elaine C. Dye, clerical assistant; and James P. Duffy III, minority counsel.

Senator NELSON. The Subcommittee on Monopoly of the Senate Small Business Committee is resuming its hearings on the pharmaceutical industry and turns its attention today to the advertising, marketing and use of fixed combination drugs.

As a result of the enactment of the Kefauver-Harris Act of 1962, the National Academy of Sciences under contract with the FDA, undertook to engage in a study of the efficacy of drugs put on the market between 1938 and 1962. One of the principal subjects of consideration was combination drugs, which, it is estimated, constitute about 40 percent of the most frequently prescribed drugs in this country.

The Commissioner of the Food and Drug Administration and the National Academy of Sciences agree that—

... the use of two active ingredients in the treatment of the patient who can be cured by one ... is irrational, illogical, unscientific, and is a disservice to the patient.

The two official compendia, the U.S. Pharmacopeia and the National Formulary do not even list these drugs because it is their judgment that there is no therapeutic basis for giving drugs in a fixed combination. The American Medical Association's Council on Drugs has for years opposed the use of combination drugs. This raises the serious question: On what basis does the Journal of the AMA or any other medical journal accept advertisements that promote bad medical practice?

An example of the kinds of problems presented by fixed combinations is Panalba, a fixed drug combination produced and marketed by the Upjohn Co. The National Academy of Sciences found—

1. That Panalba is ineffective as a fixed combination.
2. It does not seem rational to expose the patient to the potential hazards of two drugs when the beneficial effects are no greater than those resulting from the use of one.