

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

(Present Status of Competition in the Pharmaceutical Industry)

THURSDAY, JANUARY 15, 1969

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

The subcommittee met, pursuant to recess, at 9:45 a.m., in room 318, Old Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senators Nelson and McIntyre.

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

Senator NELSON. We will resume the hearings of the subcommittee.

As a preliminary, I would like to mention that yesterday after the hearings a reporter for one of the daily newspapers came to me to say that one of the drug companies had protested to his paper that the hearings were weighted and loaded against the pill and unfair. It happened to have been a company that had already sent a representative to see me. I advised him that it was our standing policy to have any company whose product was discussed before this committee—was invited to present any witness it desired, and that the firm could select a witness from the company or it could suggest a witness.

So I will repeat here that we are attempting to hold balanced hearings. We are calling upon some of the most distinguished authorities on the pill concerning its use in the country. I will repeat what I have repeated at least a dozen times, I suppose, in the past 3 years, for all of the representatives of the companies who are here, that every company that desires to make an appearance should simply notify the counsel for the committee, and we will give them a preferential scheduling. If there is any criticism of any pill manufactured by any company and the firm wishes to respond to it, we will be pleased to have it do so. If the company does not wish to appear itself and wishes to suggest some witnesses who are authoritative, as some of them already have, we will be pleased to have them appear before the committee.

These hearings will permit a presentation of all viewpoints respecting the pill, in the best balanced fashion that I know how, and if any one of the companies feels somehow that some aspect of the use of the pill has been overlooked, it may want to advise me and suggest a wit-