

Mr. EYTAN. We agree, and the officials of all countries agree—for public purposes, procurement should be by generic name and, when feasible, under competitive bidding procedures; that is the way the item should be procured.

Senator NELSON. Could you submit for the committee the lowest domestic price for each of the drugs listed on the summary of four sheets that we gave you, recognizing, of course, when you are dealing with a brand name that there is no competitor with that same brand name? But I would like to know what is the lowest domestic price of tetracycline, as well as the rest of them, for the record.

Mr. BARONDES. Are you referring to the price of items sold domestically or the domestic price for exports?

Senator NELSON. I would like to have them both. I do not understand why it ought to cost more for export.

Mr. BARONDES. I think it does not, but this is just an off-the-cuff reaction. We do not have too much information. It is hard for us to get information on domestic prices for unfinished forms—and also, we do not really need those prices for finished products. We are primarily concerned with the export price of unfinished products. But we could attempt to get the domestic prices.¹

Senator NELSON. Are you saying again there is a difference between the domestic price, wholesale price, and the overseas price?

Mr. BARONDES. We do not know. In the few instances I know about, I find the export price very often has been lower. I know it has been lower in some cases for the finished dosage form we have financed in the previous years. I do not really know.

Senator NELSON. It is dramatically lower in the finished product. We have loads of testimony showing that domestic price charges for finished products in this country may be four or five times as high as in foreign countries, even though it is manufactured, finished, packaged, shipped to countries in Europe, where they have to compete on a more competitive basis.

We have had considerable testimony to that effect. Prednisone is an example which at the time it was being sold by trade name here at \$17.90 a 100, in Bern, Switzerland, it was \$4.25, even though it was manufactured here and shipped over there. So that does not tell us anything. It just tells us the prices here are exorbitant.

Mr. BARONDES. The problem in talking about bulk pharmaceuticals—this, again, I am not too expert on—is that in many cases there is no domestic price. This is because the integrated concerns who produce the bulk material also produce the finished dosage. We may only be able to obtain a smattering of domestic prices; I do not know.

Senator NELSON. If an American company has a patent or an exclusive license for a drug developed in Europe, the domestic price is a monopoly price but we can compare it with the foreign prices of the same drug if the drug is being made in the foreign country.

Mr. GORDON. Governor, in section 8 of the Small Business Act of 1958, there is the following passage:

It shall be the duty of the Secretary of Commerce, and he is hereby empowered, to obtain notice of all proposed . . . actions of \$10,000 or above, and

¹ See p. 7399.