

# COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

## (Present Status of Competition in the Pharmaceutical Industry)

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MONDAY, AUGUST 17, 1970

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

The subcommittee met, pursuant to recess, at 10 a.m., in room 1318, New Senate Office Building, the Honorable Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senator Nelson.

Also present: Benjamin Gordon, staff economist; Elaine C. Dye, clerical assistant; and Keith A. Jones, minority counsel.

Senator NELSON. The hearing of the Monopoly Subcommittee will come to order.

The committee is pleased to welcome you here this morning, Admiral Etter, and your associates. For purposes of the record, it might be helpful if you would introduce those who are with you from left to right or right to left, and then I would suggest that any time anyone wishes to make a comment, please identify yourself so that the reporter will have the correct identification in the record.

Admiral, we are pleased to have you here this morning.

STATEMENT OF REAR ADM. HARRY S. ETTER, MC, USN, CHAIRMAN, DEFENSE MEDICAL MATERIEL BOARD, AND ASSISTANT CHIEF FOR PLANNING AND LOGISTICS, BUREAU OF MEDICINE AND SURGERY; ACCOMPANIED BY COL. M. E. McCABE, MC, USA, OFFICE OF THE SURGEON GENERAL, DEPARTMENT OF THE ARMY; CAPT. L. M. FOX, MC, USN, CHIEF OF MEDICINE, NAVAL HOSPITAL, NATIONAL NAVAL MEDICAL CENTER; COL. E. J. CLARK, MC, USAF, OFFICE OF THE SURGEON GENERAL, DEPARTMENT OF THE AIR FORCE; COL. J. P. FAIRCHILD, MC, USA, DEPUTY COMMANDER, WALTER REED GENERAL HOSPITAL, AND CHAIRMAN, THERAPEUTIC AGENTS BOARD; CAPT. S. C. PFLAG, MSC, USN, CHIEF, FIELD BRANCH, BUREAU OF MEDICINE AND SURGERY, NAVY DEPARTMENT; AND COL. A. J. SNYDER, MSC, USA, CHIEF, MEDICAL PROCUREMENT DIVISION, DIRECTORATE OF PROCUREMENT AND PRODUCTION, DEFENSE PERSONNEL SUPPORT CENTER

Admiral ETTER. Well, Senator, it is a pleasure to be here. I am Rear Adm. Harry S. Etter, MC, U.S. Navy, Chairman of the De-