

8050 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

A compilation of testing reports received by the Veterans Administration from the Food and Drug Administration for 1970 through December 29th shows a total of 784 tests made--254 brand-name and 530 generic. The total rejections were 29 for a rate of 3.7 percent. All rejections were on generic drug items.

The Department of Defense and the Veterans Administration exchange inspection information only upon specific request. The Department of Defense previously supplied the Veterans Administration with a list of plants inspected by it but this practice was discontinued about 2 years ago. At present there is no routine exchange of inspection information.

We believe that consideration should be given to establishing appropriate guidelines to facilitate the routine exchange of contractor inspection and product testing information among Government agencies involved with the control or procurement of drug products. Also we believe that consideration should be given to the possibility of eventually turning over the entire responsibility to the Food and Drug Administration for drug contractor plant inspections and product testing including testing of contract quality control procedures in order to satisfy each procuring agency's requirements and take the greatest advantage of the food and drug inspection system that has been established.

Mr. Chairman, this concludes my statement. I shall be happy to answer any questions that you or other members of this Subcommittee may have.