

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 8059

APPENDIX B

COMPARISON OF DRUG PROCUREMENTS VA SOLE SOURCE PROCUREMENT VS DPSC COMPETITIVE PROCUREMENTS

Date of Contract	Procurement Method	Quantity Purchased		Unit Price		Amount of Contract	
		VA	DPSC	VA	DPSC	VA	DPSC
<u>GLYCERYL GUAIACOLATE SYRUP</u>							
<u>650-064-8765</u>							
1-17-68	Negotiated	40,824		\$.35		\$14,288	
5-29-68	Negotiated	16,224		.35		5,678	
7-29-68	Negotiated	14,256		.35		4,940	
10-25-68	Negotiated	6,312		.35		2,209	
12- 9-68	Negotiated	24,456		.35		8,560	
1-30-69	Negotiated	25,200		.35		8,820	
4- 2-69	Negotiated	45,912		.35		16,069	
6- 3-69	Negotiated	77,712		.35		27,199	
4-10-68	Negotiated ^a		120,304		\$.32		\$54,497
7- 3-68	Negotiated ^a		123,840		.28		34,675
8-15-68	Formal Advertised		174,528		.25		42,759
8-15-68	Option ^b		87,264		.25		21,380
2- 5-69	Formal Advertised		197,568		.22		43,084
4-25-69	Formal Advertised		345,600		.18		60,760
5-21-69	Formal Advertised		175,680		.21		36,014
6- 2-69	Negotiated ^a		376,320		.16		59,241
Total		250,896	1,601,104			\$87,763	\$352,410
Average Unit Price				\$.35	\$.22		
Potential VA Amount Using DPSC Average Unit Price at VA Quantity						\$55,197	
Difference in VA Amount and VA Potential						\$32,566	
Percentage Difference						59%	

GLYCERYL GUAIACOLATE SYRUP 6505-079-6269

11-13-67	Negotiated	1,032		\$11.99		\$12,374	
12-11-67	Negotiated	864		11.99		10,359	
2-16-68	Negotiated	1,456		11.99		17,457	
5- 1-68	Negotiated	1,680		11.99		20,143	
7-29-68	Negotiated	760		11.99		9,112	
1-30-69	Negotiated	156		11.99		1,870	
4- 2-69	Negotiated	1,272		11.99		15,251	
2- 6-68	Negotiated ^a		3,000		\$11.14		\$33,420
3-29-68	Negotiated ^a		5,200		10.86		56,446
7- 3-68	Negotiated ^a		7,424		7.33		54,414
7- 3-68	Option ^b		3,712		7.33		26,355
7-16-68	Negotiated ^a		5,132		7.75		39,773
Total		7,220	24,468			\$86,568	\$210,408
Average Unit Price				\$11.99	\$ 8.60		
Potential VA Amount Using DPSC Average Unit Price at VA Quantity						\$62,092	
Difference in VA Amount and VA Potential						24,476	
Percentage Difference						39%	

^a Competition solicited - one or more bids received
^b Option exercised under preceding contract