

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 8063

COMPARISON OF DRUG PROCUREMENTS VA SOLE-SOURCE PROCUREMENT VS COMPETITIVE PROCUREMENTS APPENDIX B

Date of Contract	Procurement Method	Quantity Purchased VA	DPSC	Unit Price VA	DPSC	Amount of Contract VA	DPSC
<u>DIBUCAINE OINTMENT</u>							
<u>6505-299-9535</u>							
10-16-67	Negotiated	12,480		\$.22		\$2,746	
12-11-67	Negotiated	12,000		.22		2,640	
5-22-68	Negotiated	7,956		.22		1,750	
9- 6-68	Negotiated	6,708		.22		1,476	
10-24-68	Negotiated	8,400		.22		1,848	
12- 5-68	Negotiated	6,480		.22		1,426	
3-26-69	Negotiated	21,612		.22		4,755	
2-27-68	Formal Advertised		157,896		.14		\$21,316
3-14-68	Formal Advertised ^c		157,896		.14		21,316
Total		75,636	315,792			\$16,641	\$42,632
Average Unit Price				\$.22	\$.14		
Potential VA Amount Using DPSC Average Unit Price at VA Quantity						\$10,589	
Difference in VA Amount and VA Potential						\$ 6,052	
Percentage Difference						57%	

<u>ISOPROTERENOL HYDROCHLORIDE</u>							
<u>INHALATION, USP</u>							
<u>6505-299-9661</u>							
9- 1-67	Negotiated	11,232		\$.67		\$7,525	
10-13-67	Negotiated	1,440		.67		965	
12-11-67	Negotiated	12,096		.67		8,104	
5- 8-68	Negotiated	10,656		.67		7,140	
9-24-68	Negotiated	11,376		.67		7,622	
12- 9-68	Negotiated	8,496		.67		5,692	
2-27-69	Negotiated	12,384		.67		8,297	
1- 3-68	Formal Advertised		54,864		\$.45		\$24,415
1- 3-68	Option ^b		27,432		.45		12,207
4-16-68	Negotiated ^a		46,224		.41		18,859
12-18-69	Negotiated ^a		28,944		.41		11,867
Total		67,680	157,464			\$45,345	\$67,348
Average Unit Price				\$.67	\$.43		
Potential VA Amount Using DPSC Average Unit Price at VA Quantity						\$29,102	
Difference in VA Amount and VA Potential						\$16,243	
Percentage Difference						56%	

^a Competition solicited - one or more bids received

^b Option exercised under preceding contract

^c Set aside for small business