Materiel Board and stocked in the DSA depot system were, for the most part, developed by industry or independent research organizations for use by the civilian medical profession and for sale in the marketplace. These items were presented to the Board for study and the determination was made that they would be stocked for use in our system. Therefore, the specifications that are developed of necessity describe a certain manufacturer's item. Most of the information used in writing these specifications was furnished by the developer. Therefore, even if we have a, pardon the expression, generic specification, in many cases it merely describes the generic equivalent of a brand name.

Now, have you dealt with that question, this specific problem in evaluating procurements?

Mr. CROWTHER. I think that——

Senator NELSON. I think that is a very damning statement by one of the Government's own representatives. It disturbs me that we have developed a pattern here of pretending that we are trying to get competitive bids, pretending that we are doing the best we can, then you have the procurement agency saying, "But the specs are drawn by the manufacturer." So they draw them in such a way that even though there are half a dozen other drugs on the marketplace by qualified manufacturers, they cannot compete because the specifications were drawn by somebody else.

Have you looked at that question?

Mr. CROWTHER. Yes, sir, we have, in the sense that we wanted to know what goes into the specifications at the time they are drawn, because the DPSC does draw up specifications for 99 percent of the items that they procure centrally. Of that group, they attempt to draw specifications on the generic equivalent of a drug. It is true that they have to draw heavily upon a manufacturer for information on protocols and similar things. Part of this information can come from USP and NF when it is available.

But we understand from even the USP and the NF people that much of the information they have obtained also comes directly from manufacturers, the problem being that it is the only source of information in many cases.

So I think it is right when you say that a significant amount of the information does come from manufacturers. The military does make a strong effort to attempt to write specifications where they can gain competition, and in instances, in order to take care of particular temperatures, long shelf lives or particular storage locations, they have to add to the requirements of the basic specifications for those items.

Senator NELSON. I am not talking about special cases in which the drug may have to be handled in unusual circumstances in different parts of the world. I am talking about specifications. Are there special specifications that end up here in the procurement process by the Defense Supply Agency which conform to Colonel Breyfogle's assertion. If there are, something ought to be done about that.

He has made this assertion and it has been published here for a year. We have heard no refutation. He is or was chief of the Division of Medical Material, Defense Personnel Support Center, Defense Supply Agency. It is a statement that has to be taken very seriously. To my knowledge, it has not been refuted.

This method of getting around competitive bidding disturbs me. Now, we are going to get to that question later. We raised the ques-