

account for approximately 95 percent of the prescription products sold in the United States, and an estimated 50 percent of total free-world output.

The prescription pharmaceutical industry is not dominated by any one firm. In 1971, the largest firm's share of the U. S. ethical market was only seven percent. The 10 leading firms accounted for 51 percent of the total. Each of 37 companies had an ethical product volume totaling \$30 million or more. Nineteen firms had sales of more than \$100 million; 15 had sales which exceeded \$200 million. During the year, an additional firm joined the ranks of the \$300 million-and-over group, bringing the number of firms in that category to seven.

The asset size of firms in the "drugs and medicines" industry is reported periodically by the Internal Revenue Service. This informa-

Table 4. Drug Manufacturing Corporations by Asset Size, 1968

Assets	Number of Companies	(Dollars--add 000)
\$100 million or more.....	21	6,161,697
From 50 million to 99 million.....	3	244,868
From 5 million to 49 million.....	39	629,505
From 50,000 to 4.9 million.....	901	268,239
From zero to 50,000.....	440	
Zero assets.....	18	
All corporations.....	1,422	\$7,508,292

tion is summarized above. These figures are not comparable to those in Table 3, since the IRS definitions are based upon a broader definition of "drug" company than PMA employs. However, as shown in Table 4, the majority of the firms had assets in 1968 (the most recent year for which statistics have been compiled) of less than \$5 million.

Taxes

Total taxes paid by the prescription pharmaceutical industry in 1970 declined for the first time in the history of the PMA survey of member firms' operations. The \$828 million in such outlays was 5 percent less than that in 1969. U. S. federal taxes, which had risen by 25 and 15 percent respectively in 1968 and 1969, dropped from