

Kline & French, Inc. who was the sole recipient of the contract award.

Senator NELSON. Well, was it the only company that had capsules with that precise number of pellets?

Mr. BARROWS. Senator, when we tested this material, because at that particular time the Barrows Chemical Co. was a subcontractee of the S. F. Durst and Co. with regard to that specific contract award; and when we counted the pellets of Smith, Kline & French, we did not find it to conform specifically to that specification.

Senator NELSON. Well, then how do you conclude that there is no doubt that it was written—the specs were written by Smith, Kline & French?

Mr. BARROWS. Yes. Only because of the fact that the—at that particular time the people who were at the head of the S. F. Durst Co., particularly Admiral Knickerbocker was quite familiar with the practices of the DSA at that time and also with Smith, Kline & French, Inc., because he was affiliated with the DPSC. He at that particular time informed us that the specifications were then taken from Smith, Kline & French, and I have the——

Senator NELSON. You are suggesting that there is nobody at Smith, Kline & French who could count the number of pellets in their own capsules? You would think they could at least come out right on that one.

Mr. BARROWS. Senator, just of recent date I have examined some of the pellets with regard to the sustained release capsules of Smith, Kline & French, and I find there is quite a variance even with regard to content uniformity from one capsule to another.

And I would suggest that in the future, if they really want to have the capsules manufactured and manufactured with a better form of content uniformity, that perhaps they ought to have that farmed out.

Senator NELSON. Please proceed.

Mr. BARROWS. At that time I questioned Mr. Feinberg regarding the necessity of the Armed Services requiring a product whose main pharmacological use was as an anorexient, especially the one with Amobarbital—and if so required, why in a sustained release form. He did not reply.

It is my understanding that the product has since been deleted from the DPSC list of requirements.

We respectfully submit that discriminatory practices by Government agencies which lock out the smaller drug manufacturer should be immediately eliminated. The smaller manufacturer whose facilities, manufacturing and production practices comply with the law and FDA regulations should be able to bid and compete on an equal footing with the larger drug companies.

The economic powers of the larger companies permit them to absorb the costs of the unnecessary and duplicating tests, specifications and procedures, often authored by themselves, to exclude competition by the smaller company. The higher prices that Federal agencies are