

10446 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

We also agree with the recommendations regarding a revised policy on adopting items for central procurement and the need for a standard reporting system for drugs procured locally utilizing the National Drug Code (NDC) for identification purposes. Action has been initiated on these recommendations and implementing instructions are expected in the near future.

3. Your views concerning the consolidation within the Food and Drug Administration of quality assurance activities relating to federal procurement of drugs.

The Department of Defense believes the Food and Drug Administration can perform the quality assurance activities relating to the Department's procurement of drugs, and we are committed to the accomplishment of this transfer of function. The Department of Defense is willing and ready to work with the Food and Drug Administration in developing a system within the Food and Drug Administration which will meet the requirements of the Department of Defense.

Representatives of the Food and Drug Administration recently visited the Defense Personnel Support Center in Philadelphia, and representatives of the Department of Defense have twice visited headquarters of the Food and Drug Administration. Following these meetings the Food and Drug Administration believes it can perform the quality assurance activities