

10730 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

IT IS OUR POSITION THAT SUCH CHARGES SHOULD NOT BE MADE, SUCH INFERENCES SHOULD NOT BE DRAWN, UNLESS FACTUAL EXPERIENCE WILL, IN FACT, SUPPORT THEM; AND, IF INDEED THERE IS FACTUAL EVIDENCE TO SUPPORT SUCH STATEMENTS, THEN IT IS ALSO OUR BELIEF THAT PROTECTION OF THE PUBLIC HEALTH DEMANDS THAT SUCH INFORMATION BE MADE PUBLICLY AVAILABLE TO THE HEALTH PROFESSIONS, IN ORDER THAT APPROPRIATE STEPS CAN BE TAKEN TO AVOID THE DISTRIBUTION, THE PRESCRIBING, AND THE DISPENSING OF HAZARDOUS OR INEFFECTIVE DRUG PRODUCTS.

IN OUR EFFORT TO ANALYZE THIS SUBJECT, WE HAVE CONSIDERED TWO POSSIBILITIES: EITHER (A) EXISTING STANDARDS AND SPECIFICATIONS MAY NOT BE GENERALLY ADEQUATE; OR (B) EXISTING STANDARDS AND SPECIFICATIONS ARE NOT BEING ADEQUATELY ENFORCED.

WITH RESPECT TO THE FORMER POSSIBILITY, WE NOTE THAT BRIG. GEN. GEORGE J. HAYES, MEDICAL CORPS, U. S. ARMY, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE, TESTIFIED BEFORE YOUR SUBCOMMITTEE, MR. CHAIRMAN, ON FEBRUARY 3, 1971, AND IN HIS PREPARED STATEMENT HE SAID:

"I SHALL NOW TURN FROM A DISCUSSION OF WHAT WE HAVE TO WHY WE HAVE IT, AND HOW WE GET IT. IT IS DOD POLICY THAT OUR STOCK LIST SHALL CONSIST OF QUALITY DRUG PRODUCTS PROCURED COMPETITIVELY ON GENERIC SPECIFICATIONS, AND AT THE MOST ECONOMICAL PRICES WE CAN OBTAIN.