PHARMACEUTICAL MANUFACTURERS Association

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AREA CODE 202-296-2440

March 5, 1974

The Honorable Gaylord Nelson
Chairman, Subcommittee on Monopoly
Senate Small Business Committee
United States Senate
221 Russell Senate Office Building
Washington, D. C. 20510

Dear Senator Nelson:

As you are aware, the PMA did not request an opportunity to testify at your current hearings on the procurement policies of the Defense Supply Agency. We felt, and still feel, that it was the province of the government agencies involved to respond to any criticisms which might be expressed at the hearings.

On reading the transcript of the hearing for February 21, however, it struck me that it was important that there should be some correction, in the record, of certain statements by Dr. Edward Feldmann of the American Pharmaceutical Association.

As an example to illustrate his thesis that DPSC specifications are designed to exclude lower cost suppliers, Dr. Feldmann stated, according to page 10257 of the transcript:

> "Now the message begins to come through here a little bit. When one reads their purchase description for clindamycin hydrochloride hydrate capsules, on which they issued a correction that under the assay the word lincomycin is deleted, and substitute clindamycin. This suggests to me that the specifications may, or must have been written from a draft that had that trade name originally, and they forgot to delete it in one case."

On the same page, Dr. Feldmann gives two other examples of allegedly discriminatory specifications, for clomiphene citrate in which the brand name of Merrell's Clomid is specifically mentioned, and that of propylhexedrine inhalant NF (SKF's Benzedrex).