

10758 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

AMERICAN PHARMACEUTICAL ASSOCIATION

The National Professional Society of Pharmacists

WILLIAM S. APPLE, Ph.D.
Executive Director

August 13, 1974

Mr. Benjamin Gordon
Staff Economist
Select Committee on Small Business
Monopoly Subcommittee
United States Senate
Room 424 - Old Senate Office Building
Washington, D. C. 20510

Dear Mr. Gordon:

During the February 21, 1974 hearings of the Subcommittee, you requested that we attempt to identify drug manufacturing firms which are frequently characterized as "schlock manufacturers."

This is to advise you that we asked our Academy of Pharmaceutical Sciences, which has been most verbal in challenging the Association's opinion that the quality of the nation's drug supply is very high, to have their members identify firms which they individually regard as warranting the characterization "schlock manufacturers."

This is to advise you that the Academy of Pharmaceutical Science leadership has declined to query its membership on the grounds that its members, which might have such information, did not wish to incur the risk of a libel suit by gratuitously disclosing that information in public. It has always been my understanding that any such information provided a Congressional Committee would not be actionable. It was their further opinion that such information should come directly from FDA.

I personally have met with the leadership of the APS on numerous occasions, during which generalized disparaging comments were made about the ability of some manufacturers to produce quality products. When I have asked them to name names, they have refused.

While we regret we are unable to furnish the Subcommittee with the information requested, we feel that your inquiry has served a useful purpose, namely to put everyone on notice that your Subcommittee expects those who question the quality of the nation's drug supply and FDA enforcement of the laws assuring that quality to come up with hard facts if they wish to have their charges seriously considered.

Sincerely,

William S. Apple

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