mended the repeal of certain State laws, have the States repealed the laws?

Dr. APPLE. In many instances they have. I would not want to say that FTC is the driving force for a change of State laws.

Mr. GORDON. In any case, though, it would take a long time to repeal all of the State antisubstitution laws. It would be much easier and much quicker to get at least this relief from the antisubstitution laws; is that not correct?

Dr. APPLE. Mr. Gordon, we do not think it is going to take long at all. As you know, Michigan has already done this. The legislature in Minnesota, house and senate committees and the house, has already acted favorably on it. In California, legislative committees have recommended "do pass." In Arkansas, it is "do pass." We think it would not take much of a push on the part of the Federal Government to encourage the States to amend these antisubstitution laws. I want to make it clear here and now that the American Pharmaceutical Association is not calling for a complete wiping out of the antisubstitution laws, because there is a feature in those laws which protects the public against counterfeit drugs and switching drug entities which we continue to favor. It was on this basis that we originally supported these State laws—not on the basis as a marketing device to eliminate competition which subsequently these laws have been used as a vehicle for.

Mr. GORDON. What are counterfeit drugs?

Dr. APPLE. Counterfeit drugs are like counterfeit money. Back in the early fifties, we had a rash of counterfeit drugs in this country. Drug products were actually produced in unlicensed and substandard facilities and made to look like the original product. The American Pharmaceutical Association, long before the Federal Government acted on this, in concert with certain State agencies, helped expose this whole situation. It took a great deal of time and effort on our part. We were glad to do it because one of our basic objectives, since APhA was founded in 1852, is to protect the American public against adulterated and substandard drug products.

Senator ABOUREZK. Mr. Chairman?

Senator HATHAWAY. Yes?

Senator ABOUREZK. Do you need an antisubstitution law in order to protect from counterfeit drugs? Can they not be separated?

Dr. APPLE. Senator, they certainly can. But I am saying if you take the present antisubstitution law and just delete about five words of it, the five words which have to do with the marketing concept of brands, you leave intact an existing law which protects the public not only against counterfeit drugs but the substitution of a different drug entity than the one originally prescribed.

Senator ABOUREZK. But can that not be handled and still get rid of the marketing device that is designed to avoid competition?

Dr. APPLE. It certainly can, sir. All we are saying is that it is very simple. All we have to do is amend it; drop a few words out of it.

Mr. ROBERTS. Senator, if I may just add to that. The counterfeit drug problem and the antisubstitution law enactments occurred at a time prior to amendments to the Federal Food. Drug, and Cosmetic Act which addressed themselves directly to the counterfeit drug problems and whch provide a Federal remedy in case any drug