COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 11845 NATIONAL ACADEMY OF SCIENCES

OFFICE OF THE PRESIDENT 2101 CONSTITUTION AVENUE WASHINGTON, D. C. 20418

February 12, 1975

The Honorable Gaylord Nelson Chairman Subcommittee on Monopoly of the Select Committee on Small Business United States Senate Washington, D. C. 20510

Dear Senator Nelson:

Last month the National Research Council's Drug Research Board adopted a resolution concerning drug substitution laws. Briefly, the resolution urges that a physician should be required to give to, or explicitly withhold from, the pharmacist the option of substituting one brand of a drug he prescribes for another brand of the same drug - an option which could in many cases provide the same treatment at lower cost.

Knowing of your interest in this subject, I am enclosing a copy of the Academy's press release on this subject which contains the adopted resolution and a background commentary on the issue. The members of the Drug Research Board also are listed in this release.

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Philip Handler President

Enclosure