

12180 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

ATTACHMENT

Recommendations for a single system for
the procurement and distribution of
medical items and nonperishable subsistence

1. There should be established a single system for government-wide management of drugs, medical items and non-perishable subsistence for the Federal Government.
2. The system should utilize the operational competence and capability for purchasing drugs, medical items and non-perishable subsistence now existing in the Department of Defense and the Veterans Administration. The corresponding purchasing responsibilities currently being carried out in the General Services Administration and the Department of Health, Education and Welfare should be transferred to DOD and VA.
3. The Administrator of General Services should assume lead responsibility for developing the system through an inter-agency committee, chaired by GSA, with a membership comprised of representatives of DOD, VA and DHEW, with other affected agencies participating when appropriate. The following actions should be first orders of priority:

- a. Duplication and overlapping of purchasing effort should be eliminated by fixing in a single purchasing office all purchasing responsibility for a single family of items.

The using activities, however, should continue to requisition in accordance with current prescribed procedures but they should be provided access to all pertinent civil and military agency stores catalogs.

- b. Essential usage data should be collected on items obtained from other than central depot distribution systems in order to improve the procurement from other than stores depots.

The Federal Cataloging Program should be the basis for this system of reporting. There should be instituted a continuous market research program designed to cause the overall system to be responsive to the needs of the end users.

- c. Make and implement plans for further coordination of efforts for improvement in procurement and supply management including the consolidation of warehouse facilities.