

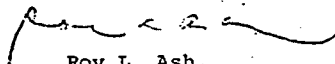
COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 12179

available through a cross servicing system of management that builds upon established competence and experience. The Administrator of General Services is requested to establish an interagency committee under GSA leadership which will develop the single system of managing medical items and nonperishable subsistence to provide for effective and economical support of these commodities. It is appropriate and consistent with the President's statement of May 22, 1973 regarding a broader management role for GSA that leadership responsibility for the interagency group will be carried forward through GSA's Office of Federal Management Policy. Your fullest cooperation toward attaining the long range goals of this recommendation will be essential to bring the management of medical and nonperishable subsistence items within the concept of a National Supply System.

The Secretary of HEW has publicly expressed his support for a consolidated quality assurance program for drugs and medical items as contained in Recommendation No. 4. I am requesting the Secretary to assume full responsibility for developing an Executive Branch plan for the implementation of this recommendation. Other addressee agencies are requested to provide appropriate assistance for this undertaking.

With respect to Recommendation No. 2 the Administrator of General Services will assume responsibility for effecting the reassignment of purchasing responsibilities from GSA and HEW to DOD and VA.

Continuing OMB oversight of the implementation of the attached recommendations will be exercised by the Procurement Policy Division, telephone 395-3725.



Roy L. Ash
Director

Attachment - sent to FSS