

12140 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

(f) What surcharges do you impose on acquisition cost? What are the elements of each surcharge, how are they determined, and what percentage of item cost does each constitute? What was the dollar value of each element recovered during CY 1971? If these surcharges are not identical for all customers, identify each and the customers affected. What percentage of operating costs did these surcharges recover?

(g) Excluding surcharges, what is your criteria for basic item pricing?

(h) What criteria is employed for reducing item prices below cost in order to create activity or to move excess stocks?