

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 12105

The efforts by these agencies were performed in CY 71 by 2,600 personnel with annual salaries of \$29 million and other operating costs of \$4.6 million.

An analysis of the study sample of the 55 activities (attachment 2) indicated that approximately 37% of the agencies' requirements were supplied through depot systems; 26% by use of Federal Supply Schedules or other decentralized contracts negotiated by the agencies' central inventory control points and the balance of approximately 37% by local purchasing efforts.

b. NPS Commodity Group

A similar situation exists in the NPS area with additional efforts being made by the Bureau of Indian Affairs Regional Office in Gallup, New Mexico.

Operating statistics for central management in CY 71 were 1,333 personnel with annual salaries of \$15.7 million and \$2.3 million other operating costs.

2. There is No Single Agency providing government-wide leadership in the Management of Existing Supply Systems.

The entire effort of the Study Team revealed the fact that there exists currently a vacuum of overall government leadership in the procurement and supply management areas which pertain to drugs, medical items and non-perishable subsistence. The study has disclosed that each agency operates its