

## 12102 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

7. What items, on a line item basis, are being purchased by field activities from other than a central system; in other words, locally?
8. What is the extent of interagency support?
9. How much does it cost to operate the various central and field systems?
10. Is it feasible to develop an optimum system or systems which would be truly cost-effective for the government and at the same time be responsive to the needs of the end user?

Attachment 1 is a presentation of the specific agency stores distribution systems, their central inventory control points, and the field activities which are supplied with medical and NPS items.

Attachment 2 discloses the specific field activities which were the subjects of intensive study in order to ascertain on a total and detailed basis the medical and NPS items purchased from every source during Calendar Year 1971 by these activities. Copies of each purchase document were to be obtained, studied and processed. The data to be derived from this effort was to be used to determine in part the effectiveness of each central system to the needs of these 55 users.

### IV. Findings

A. In order to assess the separate systems which purchase medical and NPS items and to understand the magnitude of these systems, the following chart is presented: