

12264 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Following lunch, the Committee reconvened, and although this portion of the meeting was chaired by L. Sorett, Admiral Smith participated.

3. DOD/VA Progress Report on NPS. There had been preliminary discussions between DOD and VA. No formal report was made. Instead, at our next meeting, we shall receive a work plan developed jointly by Mr. Daniel J. Shaunnessy of VA, and Mr. Spellman of DPSC.

4. Progress Report by Colonel Trimble in the Categorization of Medical Items. The report by Col. Trimble representing the work of the Task Group #1 will undoubtedly prove to be a breakthrough conceptually in the development of a single system whereby the strengths of DOD and VA can be utilized within a single management system. A report will be mailed by the Task Group to the Committee by January 10, which will outline in detail this concept. The essential points are:

- (a) Procurement data acquisition system for items which are purchased from other than central sources in significant volume;
- (b) A Government-wide item entry system;
- (c) A Government-wide determination of unequitable supply;
- (d) Items to be managed on stock basis or on a non-stock basis; and