

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 12363

13. Information on each individual manufacturer's ability to handle drug recalls.
14. Information on each individual manufacturer's ability to provide adequate scientific and technological data about the drug product to the medical profession.
15. Information on the nature of tests conducted on each manufacturer's drug product at the FDA's St. Louis National Center for Drug Analysis and Testing and the results of such tests.

D. Adverse Impact on Future Improvements in Products and Services

Because the proposed regulations concentrate too heavily on price, without proper allowance for variations in product quality and effectiveness, they may discourage the kinds of non-price competition among reputable manufacturers that have produced improvements in product convenience, diversity and quality. It is important to stress the relationship between quality pharmaceuticals and source identification and to encourage meaningful incentives toward further excellence in all aspects of the industry's operations. The reputation of American medicines for excellence is unsurpassed throughout the world, and this is quite independent of the diverse regulatory environments in which manufacturers produce and market their products.

Decades of effort to regulate quality into pharmaceutical manufacturing have not mitigated the significance of the maker's reputation. And governments, by and large, have not proposed to supplant professional judgments with regulatory programs. We are aware of no important nation where the prescription of a product made by a firm,