May 25, 1950

My dear Senator Lehman:

Re: Conference Report on S. 1008

In the past few days, several Senators have spoken to me about lobbying by some retail druggists and representatives of their trade associations against S. 1008. These Senators have asked me if there was any merit to the druggists' claim that this bill would put them out of business. Having been Chairman of the committee which made a thorough study of this problem, and having always been a good friend of the Colorado druggists, I am able to say in all fairness that there is absolutely no foundation whatever for the claims that this bill could or would harm retail druggists.

I told the Senators who discussed this matter with me that I had recently written a letter to the Colorado Pharmacal Association analyzing in detail the provision of the bill to which the druggists object, and pointing out with clarity the lack of any basis in fact for their fears. The Senators with whom I spoke each asked me if they might have a copy of that letter. Feeling that other Senators might also like to have it, I am taking the liberty of sending a copy to each member of the Senate.

I would also like to point out to you that it is Section 3 of the bill to which the druggists specifically object and which it is claimed would put them out of business. This section has been specifically approved by the Anti-trust Division of the Department of Justice as well as the Attorney General and the President's Council of Economic Advisers. The Bureau of the Budget wrote the House Rules Committee that the bill, with this section in even stronger language, was in accord with the President's program. Even the Federal Trade Commission wrote the House Judiciary Committee on June 9, 1949, that "on balance all of the Commissioners" believed that provisions such as are contained in this section should be the law.

If you desire additional copies of either this memorandum or the enclosed letter, my office will be glad to supply them.

Sincerely yours,

[Signature]

Chairman

Enclosure