

tion Communication Center to link several departments and provide a regional source of medical and biomedical information.

An aide to Hatfield said that the senator has asked his staff not to discuss the proposal because it still has many hurdles to face in the budget process, and he "does not want to raise a lot of hopes." The aide said that Hatfield has "been talking to the university for quite some time about this," but no formal proposal has been submitted to the Department of Health and Human Services.

Hatfield and Rudman are both well placed to champion the proposals. Hatfield is chairman of the Senate Appropriations Committee, and Rudman is a member of the appropriations subcommittee that handles health and education funds. Both senators saw a chance to move when a supplemental appropriations bill, providing additional funds for several departments for the current fiscal year, came up for a vote in the Senate. What spurred them into action was yet another piece of pork barrel politics involving Boston College.

Boston College received a loan a few years ago from the Department of Education to build a new library, but needs an additional \$13 million to finish the project. It is represented in Washington by none other than Schlossberg-Cassidy, and has some powerful patrons, including House Speaker Thomas P. O'Neill (D-Mass.) and Senator Edward M. Kennedy (D-Mass.).

Kennedy approached Senator Thomas Eagleton (D-Mo.), who agreed to sponsor an amendment to the supplemental appropriations bill to provide a \$7.5 million grant to the college. Hatfield, Rudman, and Eagleton then struck a deal. A combined amendment providing funds to all three institutions was drawn up. Rudman and Hatfield delivered identical speeches on the Senate floor, and nobody spoke in opposition.

The money is not yet in the bank. House members of a House-Senate Conference Committee must agree to the funds, and President Reagan may veto the entire bill. But the message seems clear: why go through the uncertain process of peer review when members of Congress are eager to cut some pork for the universities back home?—**COLIN NORMAN**

## Survey Shows R & D Up Even if Sales Were Down

A new *Business Week* survey shows that top U.S. companies last year increased spending on R & D despite declining sales. The 776 companies listed in the survey in the magazine's 20 June issue spent a total of \$36 billion on R & D last year, up 11.5 percent from 1981. The gain in real terms over inflation was put at 5 percent. Despite sagging rates in some industrial sectors, the R & D figures continued a string of annual increases begun in 1975. The trend indicates that U.S. companies are overcoming a tendency to slash R & D spending in an economic downturn.

Total U.S. spending on R & D as a percentage of gross national product (GNP) rose to 2.7 percent last year from 2.4 percent in 1981 according to preliminary estimates from the National Science Foundation. The figure has been recovering slowly since the late 1970's when it dipped to about 2.2 percent of the GNP. The United States seems to have regained a lead over West Germany, which spends about 2.5 percent of its GNP on R & D, and Japan, now spending a little over 2 percent. But the U.S. figures include military and space R & D expenditures and, exclusive of these, U.S. civil R & D appears still to lag behind that of its chief industrial competitors.

Among the U.S. companies listed in the survey, the producers of peripheral equipment for computers as a group scored the biggest percentage increase in R & D spending—33.4 percent—after managing a 19.9 percent boost in 1981. Companies in the semiconductor manufacturing category, currently being challenged by the Japanese, increased spending by 12.8 percent, substantially less than the 17.8 percent rise in 1981.

In total dollar spending on R & D, General Motors led at \$2.2 billion. This actually represented a 4.3 percent decline in the company's R & D investment from 1981. The other top spenders on R & D were AT&T at \$2.1 billion, IBM at \$2 billion, Ford at \$1.8 billion, and Du Pont at \$879 million.

Companies that led the list in R & D spending as a percent of sales and of

dollars spent per employee were concentrated in electronics and information processing, none of them industrial giants. Head of the list in respect to dollars per employee was Cray Research, the supercomputer maker, with an expenditure of \$20,958 each, more than \$6,000 over the number two company.—**JOHN WALSH**

## Merrell Dow Stops Marketing Bendectin

Merrell Dow Pharmaceuticals, tired of defending itself against what it considers baseless lawsuits, has pulled Bendectin off the market, thus leaving no approved drug for the treatment of morning sickness in early pregnancy.

Company president David Sharrock said in a statement that "Merrell Dow, with great reluctance, has decided to cease the production of Bendectin, a drug which for 27 years has provided relief from nausea and vomiting during pregnancy" even though the drug is "safe." Although the preponderance of medical opinion backs Merrell Dow's position regarding Bendectin's safety, allegations that it causes birth defects have led to adverse publicity and a number of lawsuits. The company won in the first Bendectin case to go to trial but lost a second one when a jury in Washington, D.C., ruled on 27 May that the drug had caused birth defects in a girl named Mary Virginia Oxendine. Merrell Dow is contesting the verdict as being inconsistent with scientific evidence but has decided it cannot afford to continue selling Bendectin.

Bendectin is a "victim of these litigious times," said Sharrock, noting that the cost of hiring a large team of trial lawyers and paying insurance premiums that are "rapidly approaching U.S. dollar sales levels" has made the drug a "burden" on the company.

Although drug stores generally have adequate supplies for women currently taking Bendectin, there will be no new sales by the company. Physicians will have to return to old fashioned ways of treating patients, according to a spokesman for the American College of Obstetricians and Gynecologists. Among the suggestions are vitamin B<sub>6</sub>, Coke, and saltines.—**BARBARA J. CULLITON**