

United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

January 24, 2008

Via Electronic Transmission

The Honorable Christopher Cox
Chairman
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Dear Chairman Cox:

I am writing this letter to apprise you about a potentially troubling issue for investors in the pharmaceutical industry and for the federal government, which pays millions of dollars every year for drugs through the Medicaid and Medicare programs. Specifically, I am disturbed by reports regarding delays in releasing the results of what is known as the ENHANCE trial by Schering-Plough and Merck (the Companies). The ENHANCE trial examined whether Vytorin, a prescription medication, provided better cholesterol control than a generic statin.

According to a report in TIME magazine, the Companies finished the ENHANCE study in April 2006, but failed to release the results of that study until January 14, 2008.¹ According to the Companies' press release, there is no apparent gain in health benefits from using Vytorin over a much cheaper statin.

What disturbs me is that, according to news reports, while the Companies failed to release the ENHANCE trial results, several executives at Schering-Plough sold stock. This sequence of events raises serious questions about whether executives at the Companies sold stock because they knew that the results of ENHANCE were negative which in turn would negatively affect stock value.

Please take whatever action you deem appropriate in this matter.

Should you have any questions regarding this letter, please contact Paul Thacker or Emilia DiSanto of my Committee staff at (202) 224-4515. All correspondence should be sent to Brian Downey at Brian_Downey@finance-rep.senate.gov.

Sincerely,



Charles E. Grassley
Ranking Member

¹ Alice Park "Is Vytorin a Failure?" TIME, January 15, 2008.