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June 7, 2002

The Honorable Philip M. Crane
Chairman
Subcommittee on Trade of the Ways and Means Committee
1102 Longworth House Office Building
Washington, D.C. 20515

Re: Comments in Support of Duty Suspension Bills: H.R. 4238, 4240, 4242,
4243, 4244, 4245.

Dear Chairman Crane:

On behalf of our clients, Agouron Pharmaceuticals of California, and in accordance with the March 3, 2002 press release of the Subcommittee on Trade of the House Ways and Means Committee, we hereby submit the following comments in support of proposed duty suspension bills H.R. 4238, 4240, 4242, 4243, 4244, 4245. All were introduced by Representative Xavier Becerra.

The bills seek the temporary suspension of duties for certain drug products used for the treatment of HIV/AIDS (H.R. 4244 and 4245); cancer (H.R. 4242); and cardiovascular disease (H.R. 4243). Two bills seek an extension of the duty suspensions on three drug products, which are scheduled to expire at the end of 2003. These three drug products are used in the treatment of HIV/AIDS (H.R. 4238) and for the treatment of Rhinovirus disease (H.R. 4240).

These diseases pose serious public health threats. The suspension of duties on the intermediates used to produce the drugs or on the active ingredient (H.R. 4243) for the treatment of these diseases is an important element in the development of these products.

All of these drug products are likely to be included on the lists of active ingredients and pharmaceutical intermediates which will be accorded multilateral duty free treatment in the next update of the zero-for-zero pharmaceutical tariff agreement under the auspices of the World Trade Organization. However, due to a delay in the commencement of that update negotiation, the date by which these products will become duty free is uncertain. We therefore support a temporary duty suspension for some of these products, and the extension of the duty suspension for the other products

These bills are non-controversial. All of these compounds are unique and patented and there is no other domestic producer of these compounds. As these compounds are all in the developmental or clinical trial stage, production levels are modest and the revenue impact for each of these bills is less than \$500,000. Duty free treatment will help support both the research and formulation activity which is undertaken in the United States.

For the above stated reasons, Agouron supports the above referenced bills. Please contact the undersigned should you have any questions.

Sincerely,

Matthew T. McGrath
Steven W. Brophy

Barnes, Richardson & Colburn
Counsel to: Agouron Pharmaceuticals, Inc.