



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

Division of Advertising Practices  
Attorney

Mary Koelbel Engle  
Associate Director

**January 13, 2003**

David A. Balto, Esq.  
White & Case LLP  
601 Thirteenth Street, N.W., Suite 600 South  
Washington, D.C. 20005

Re: *Longs Drug Stores Corp.*, FTC File No. 022-3280

Dear Mr. Balto:

As you know, the staff of the Federal Trade Commission has conducted an investigation to determine whether Longs Drug Stores Corp. engaged in unfair or deceptive acts or practices in violation of Sections 5 and 12 of the FTC Act, 15 U.S.C. §§ 45 and 52, through its involvement in so-called "switch programs." In switch programs, pharmaceutical manufacturers typically contract with pharmacies like Longs Drugs to send letters to patients encouraging them to switch to a drug other than their current drug.

Our inquiry focused on whether the letters Longs Drugs sent to patients failed to adequately disclose that the manufacturer of the drug referenced in the letter paid for the mailing or whether the letters contained any false or unsubstantiated claims, especially efficacy and comparative efficacy claims. Our investigation also examined whether Longs Drugs' actions in connection with sending the letters contravened its stated privacy policies for handling the medical information of patients.

Upon further review of this matter, it appears that no further action is warranted. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Very truly yours,

Mary K. Engle  
Associate Director