

keep contract carriers from realizing their full potential.

One petitioner, Chemical Leaman Tank Lines, Inc., requests that the exemptions sought apply to both existing and future contracts, and states that it will provide interested parties, upon a written request, with copies of its rates. It also holds contract authority under Sub-No. 1323, for which it already has obtained an exemption from tariff filing in No. 38987.

We see no reason to deny these carriers the savings to be realized from a tariff filing exemption.² It appears that exemptions of these carriers from the requirements that they file tariffs covering their contract operations is consistent with the public interest and the transportation policy of 49 U.S.C. 10101.

We further conclude that an exemption is justified for future contracts and services. Previously we consistently denied exemptions for future contracts and services. We found that because the terms and scope of those contracts are unknown, any exemption of future contracts could only be based on general findings about the continuing need for contract filing requirements for any contract carrier. However, after weighing the advantages and disadvantages to the parties involved and to the public, we conclude that the exemption of these carriers from the requirement that they file tariffs governing their future contract operations, is warranted.³ The requirement that a contract carrier file a separate exemption request for each new contract is unduly burdensome and time-consuming for both the carrier and the Commission. We also recognize that, for these carriers and their contract shippers, the savings to be realized from a tariff filing exemption for future contracts will be just as real and just as important as those realized from an exemption for existing contracts. Moreover, allowing these contract carriers to participate more freely in the marketplace is in the public interest and is consistent with the national transportation policy.

We provisionally grant petitioners exemption from the contract carrier tariff filing requirements for future as well as existing contracts. If we receive timely filed adverse comments, we will issue a further decision addressing them

and deciding whether this provisional approval ought to be withdrawn or permitted to become final.

This action does not significantly affect either the quality of the human environment or conservation of energy resources. However, comments may be submitted on these issues.

(49 U.S.C. 10702(b), 10761(b), and 10762(f))

Decided: April 4, 1983.

By the Commission, Division 1, Commissioners Andre, Taylor, and Sterrett. Commissioner Taylor concurred in part and dissented in part. He would have granted the exemptions only for present contracts.

Agatha L. Mergenovich,
Secretary.

[FR Doc. 83-9656 Filed 4-13-83; 8:45 am]

BILLING CODE 7035-01-M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances, Registration, Abbott Laboratories

By Notice dated December 22, 1982, and published in the Federal Register on January 6, 1983, (48 FR 757), Abbott Laboratories, 14th and Sheridan Road, Attention: Customer Service D-345, North Chicago, Illinois 60064, made application to the Drug Enforcement Administration to be registered as a bulk manufacturer of Pentobarbital (2270), a basic class of controlled substance listed in Schedule II.

No comments or objections have been received. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, Code of Federal Regulations, § 1301.54(e), the Deputy Assistant Administrator hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic class of controlled substance listed above is granted.

Dated April 5, 1983.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 83-9885 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Manufacturer of Controlled Substances, Registration; Aerojet Strategic Propulsion Co.

By Notice dated November 30, 1982, and published in the Federal Register on December 8, 1982, (47 FR 55349), Aerojet Strategic Propulsion Company, Highway 50 At Hazel Avenue, P.O. Box 15699C, Sacramento, California 95813,

made application to the Drug Enforcement Administration to be registered as a bulk manufacturer of Tetrahydrocannabinols (7370), a basic class of controlled substance listed in Schedule I.

No comments or objections have been received. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, Code of Federal Regulations, § 1301.54(e), the Deputy Assistant Administrator hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic class of controlled substance listed above is granted.

Dated: April 6, 1983.

Gene R. Haislip

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 83-9884 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Manufacturer of Controlled Substances, Registration; Arenol Chemical Corp.

By Notice dated October 21, 1982, and published in the Federal Register on October 28, 1982, (47 FR 47948), Arenol Chemical Corporation, 40-33 23rd Street, Long Island City, New York 11101, made application to the Drug Enforcement Administration to be registered as a bulk manufacturer of the basic classes of controlled substances listed below:

Drug	Schedule
Amphetamine (1100)	II
Methamphetamine (1105)	II

No comments or objections have been received. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, Code of Federal Regulations, § 1301.54(e), the Deputy Assistant Administrator hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic classes of controlled substances listed above is granted.

Dated: April 6, 1983.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 83-9886 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

² A proceeding to investigate the exemption of motor contract carriers on an industry-wide basis has been instituted in Ex Parte No. 165, *Exemption of Motor Contract Carriers from Tariff Filing Requirements*, 47 FR 57303 (December 23, 1982).

³ See No. 38983, *Red & Tan Tours—Petition for Exemption from the Tariff Filing Requirements* (not printed), decided February 24, 1983.

[Docket No. 83-4]

Cobblestone Pharmacy; Clinton, Mississippi; Hearing

Notice is hereby given that on December 15, 1982, the Drug Enforcement Administration, Department of Justice, issued to Cobblestone Pharmacy an Order To Show Cause as to why the Drug Enforcement Administration should not deny its application, executed on March 22, 1982 for registration as a retail pharmacy under 21 U.S.C. 823(f).

Thirty days having elapsed since the said Order To Show Cause was received by Respondent and written request for a hearing having been filed with the Drug Enforcement Administration, notice is hereby given that a hearing in this matter will be held commencing at 9:30 a.m. on Tuesday, April 26, 1983 in Courtroom No. 2, Hinds County Courthouse, Pascagoula Street, Jackson, Mississippi.

Dated: April 6, 1983.

Francis M. Mullen, Jr.,

Acting Administrator, Drug Enforcement Administration.

[FR Doc. 83-9883 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Manufacturer of Controlled Substances, Registration; Johnson Matthey, Inc.

By Notice dated November 4, 1982, and published in the *Federal Register* on November 12, 1982, (47 FR 51242), Johnson Matthey, Inc., 1401 King Road, West Chester, Pennsylvania 19380, made application to the Drug Enforcement Administration to be registered as a bulk manufacturer of Fentanyl Citrate (9811), a basic class of controlled substance listed in Schedule II.

No comments or objections have been received. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, Code of Federal Regulations, § 1301.54(e), the Deputy Assistant Administrator hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic class of controlled substance listed above is granted.

Dated: April 6, 1983.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 83-9887 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Revocations of Registrations; Lawson & Sons Pharmacy and Fenwick Pharmacy

On January 7, 1983, the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, (DEA) directed Orders to Show Cause to revoke DEA Certificate of Registration AL1440798, issued to Lawson & Sons Pharmacy, 3415 Hamilton Street, Hyattsville, Maryland 20782; and Certificates of Registration AF5542712 and AF1440774 issued to Fenwick Pharmacy, 14310 Coastal Highway, Ocean City, Maryland 21842. The statutory predicate under 21 U.S.C. 824(a) for the proposed revocation was the conviction on March 26, 1982, in the United States District Court for the District of Maryland, of Alfred M. Lawson, the former owner of the Respondent pharmacies of felony convictions relating to controlled substances. Respondents, through counsel, waived their opportunity for a hearing in this matter and submitted written statements regarding their position on the matters of fact and law involved pursuant to 21 CFR 1304.54(c). The Acting Administrator has considered this well written statement in determining the course of action to follow in this matter.

The Acting Administrator finds that Alfred M. Lawson was convicted of one count of conspiracy in violation of 21 U.S.C. 846, and 18 counts of distribution of controlled substances and in aiding and abetting their distribution, in violation of 21 U.S.C. 841(a)(1) and 18 U.S.C. 2. The Acting Administrator further finds that the United States Court of Appeals for the Fourth Circuit affirmed Lawson's conviction in *United States v. Lawson*, 682 F.2d 480 (4th Cir. 1982) and the Supreme Court denied certiorari on November 8, 1982.

Based upon an examination of portions of the trial transcript and facts set out in the opinion of the Circuit Court, the Acting Administrator finds that as early as 1973 one Ronald Vance Smith brought large numbers of Preludin prescriptions written by a Washington, D.C. physician for persons other than Smith to the Hyattsville store. These prescriptions were filled primarily by Thomas Lane, the managing pharmacist at the Hyattsville store. Smith stopped bringing the Preludin prescriptions there after drug wholesalers agreed to a moratorium of distribution of Preludin in the Washington, D.C. area. In 1976, Smith began to bring Preludin and Tuinal prescriptions to Fenwick Pharmacy in Ocean City, a resort community on Maryland's eastern shore. All of these prescriptions were written

by Dr. Lynn Possinger, a Philadelphia osteopath. Possinger testified that Smith, using the name "Richard Vance", first visited him in late 1974 or early 1975. Possinger wrote prescriptions in fictitious names for Smith, selecting names at random from the Philadelphia telephone directory. Possinger sold Smith prescriptions for \$10 to \$15 each and wrote Smith 10 to 15 prescriptions a day. In late 1976, Smith began to submit his bogus prescriptions at Fenwick Pharmacy. In a five month period Smith bought 495 fictitious Preludin and 250 fictitious Tuinal prescriptions written by Dr. Possinger to Fenwick Pharmacy. Lawson telephoned Possinger a few times to verify the prescriptions. He also telephoned the Federal Task Force in Philadelphia to see if Possinger was a legitimate physician. Lawson was informed that Dr. Possinger had a poor reputation and that Lawson should be guided by his conscience in deciding whether or not to fill the prescriptions.

The Acting Administrator finds that Smith would drop off the prescriptions of Lawson to fill. Since Fenwick Pharmacy did not stock sufficient quantities of these controlled substances to fill the prescriptions immediately, Lawson would order Tuinal and Preludin from wholesalers and fill the prescriptions when the drugs arrived. During this time the Drug Enforcement Administration began an investigation of Fenwick Pharmacy due to the large quantities of controlled substances the pharmacy was purchasing. Lawson indicated to DEA Diversion Investigators that all of Possinger's patients were coming Ocean City, several hours from Philadelphia, to get their Preludin. He did not mention that Possinger was running a "diet clinic" in Philadelphia. Nor did he mention Ronald Smith. He also told DEA Investigators that he verified each new patient with Possinger, when in fact Lawson only telephoned Philadelphia four times during this time period, and one of those telephone calls following his conversation with DEA investigators. After receiving two grand jury subpoenas for Dr. Possinger's prescriptions, Lawson stopped filling them at Fenwick Pharmacy.

The Acting Administrator finds that in late 1977, Smith began to bring prescriptions for Dilaudid, a Schedule II narcotic, to the Lawson & Sons Pharmacy in Hyattsville, Maryland, a suburb of Washington, D.C. These prescriptions were written by Marshall D. Nickerson, Jr., M.D., a Washington, D.C. physician. The Acting Administrator recently denied Dr. Nickerson's application for a DEA

Certificate of Registration; see 48 FR 3893 (January 27, 1983). The Administrator of DEA also revoked a DEA Certificate of Registration issued earlier to Dr. Nickerson, based on his controlled substance related felony convictions in the District of Columbia. See 45 FR 72310 (October 31, 1980). The Acting Administrator finds that while Thomas Lane filled the vast majority of the prescriptions written by Dr. Nickerson at Lawson's Pharmacy, Alfred Lawson also filled some of them. The same procedure applied as with the Tuinal and Preludin prescriptions in Ocean City. Smith would drop off the prescriptions, the Dilaudid would be ordered from the wholesaler, and Smith would return to pick up the controlled substances when they arrived.

The Acting Administrator finds, as did the jury and the Court of Appeals, that on one occasion Lawson was in the Hyattsville store when Smith came in and they greeted one another. Smith left without presenting any prescriptions or picking up any controlled substances and Lawson did not caution Lane about him. On another occasion, Lawson came into the Hyattsville store and handed Lane a bulging envelope like the ones he normally delivered prescriptions in, saying he had had a visit from "Ron". Lawson also filled a number of Nickerson's Dilaudid prescriptions in the Ocean City store. In the fall of 1978, Lane contacted the Metropolitan Police Department and learned that Dr. Nickerson was under investigation, yet he still filled the Nickerson Dilaudid prescriptions.

The Maryland State Police conducted an investigation of the Hyattsville store. On one occasion the police observed Ronald Smith enter the store and leave with a brown paper bag which the troopers later observed to contain pharmaceutical stock bottles of Dilaudid. On another occasion troopers observed Smith enter the store and obtain a brown paper bag from Lane. The troopers arrested Smith and found 1,000 Dilaudid tablets in four stock bottles in the bag. Lane was arrested later that evening. Eventually, the state charges were dropped in deference to the Federal prosecution.

At trial, a professor of pharmacy testified as an expert for the Government. He concluded that each of the Dilaudid prescriptions written by Dr. Nickerson and each of the Tuinal and Preludin prescriptions written by Dr. Possinger were bogus. Following trial, Lawson was convicted of one count of conspiracy, seven counts of distributing Preludin and Tuinal out of Fenwick

Pharmacy and eleven counts of distributing Dilaudid out of Lawson & Sons Pharmacy. Shortly after the jury's verdict, Thomas Lane, who was also convicted, committed suicide.

The Acting Administrator has considered Respondent's submission in this matter. Respondents admit that Thomas Lane was obviously engaged in knowing criminal activity; they contend here, as they have throughout, that Lawson exercised proper pharmacy practice but that his judgment eventually proved wrong. The submission includes an affidavit from Helen Lawson, the wife of Alfred Lawson, who is now the full owner of Fenwick Pharmacy and fifty percent owner of Lawson & Sons Pharmacy. She states that she is an active and knowledgeable officer of each of the corporations and has come to understand the operation of the pharmacies. She states that she has great trust in the two pharmacists she has hired to run these pharmacies and that her husband has withdrawn from involvement in the pharmacies and that only in the Hyattsville store is he "aware of the amount of narcotics orders and nature of prescriptions being filled." She states that he has also worked part time in the Ocean City store. An affidavit from Bennett A. Friedman, the managing pharmacist at the Hyattsville store, also states that before he was incarcerated Mr. Lawson "check[ed] through our class II files." The affidavit of Robert J. Roissier, managing pharmacist at Fenwick Pharmacy, states that he understands that Mrs. Lawson will discourage Mr. Lawson from entering the store when he returns to Ocean City.

Despite the affidavits of Mr. Friedman and Mr. Roissier, the Acting Administrator cannot conclude that the public interest would be served by the continued registration of these pharmacies. The Acting Administrator is disturbed that Mr. Lawson was permitted access to the Schedule II files at the Hyattsville store. Similarly, the Acting Administrator is disturbed to find that Alfred Lawson executed seven DEA official order forms for Schedule II substances at the Ocean City location from May 22, 1982 to July 25, 1982, including one order form with no date. According to his affidavit, Mr. Roissier is the only person at Fenwick Pharmacy authorized to order narcotic drugs and he and Mrs. Lawson have decided to stock only a very minimal supply of Schedule II drugs. The Acting Administrator questions how long that policy would continue when Mr. Lawson

returns from incarceration. While Mrs. Lawson has always had some administrative duties in the store, she is not a trained pharmacist and relies on the advice of the managing pharmacists at both stores. In light of Mr. Lawson's past activities, the Acting Administrator cannot conclude that he will not attempt to exert some form of control over one or both of the pharmacies.

DEA has consistently maintained that the registration of a corporate registrant may be revoked upon a finding that a natural person who was an owner, officer or key employee, who had some responsibility for the operation of the registrant's business, has been convicted of a felony offense relating to controlled substances. See *Arenstein v. California State Board of Pharmacy*, 265 Cal. App. 179, 71 Cal. Rptr. 357 (1968). DEA has consistently followed this principle, see: *Leonard S. Cohen t/a Senate Drug Store*, Dk. 72-5, 38 FR 9522 (1973); *River Forest Pharmacy*, Dk. 73-6, 38 FR 27417 (1973); *Afro-American Pharmacy, Inc.*, Dk. 73-10, 38 FR 27534 (1973); *Norman Bridge Drug Company, Inc.*, Dk. 74-22, 41 FR 3108 (1976); *Lynnfield Drug, Inc.*, Dk. 76-6, 42 FR 8435 (1977); *A. G. Pharmacy, Inc., d/b/a Berson Pharmacy*, Dk. 79-12, 45 FR 6868 (1980); *S&S Pharmacy, Inc.*, [no docket number], 46 FR 13052 (1981); *Big-T Pharmacy, Inc.*, Dk. 80-34, 47 FR 51830 (1980). Respondents admit in their submission that there was obvious intentional abuse of the DEA registration at Lawson & Sons Pharmacy. The Acting Administrator concludes that there was similar intentional abuse of the DEA registration at Fenwick Pharmacy.

Upon consideration of the record in this matter, including Respondent's submission, it is the decision of the Acting Administrator to revoke the Certificates of Registration issued to Lawson & Sons Pharmacy and Fenwick Pharmacy and deny any pending applications for renewal of those registrations. Accordingly, under the authority vested in the Attorney General by Section 304 of the Controlled Substances Act, as redelegated to the Acting Administrator of the Drug Enforcement Administration, the Acting Administrator hereby orders that DEA Certificate of Registration AL1440798, previously issued to Lawson & Sons Pharmacy, and Certificates of Registration AF5542712 and AF1440774 issued to Fenwick Pharmacy, are hereby revoked effective May 16, 1983.

Dated April 6, 1983.

John C. Law,

Acting Administrator.

[FR Doc. 83-9688 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Manufacturer of Controlled Substances; Registration; Mallinckrodt, Inc.

By Notice dated October 5, 1982, and published in the Federal Register on October 14, 1982, (47 FR 45999), Mallinckrodt, Inc., Department CB, Mallinckrodt and Second Streets, St. Louis, Missouri 63147, made application to the Drug Enforcement Administration to be registered as a bulk manufacturer of the basic classes of controlled substances listed below:

Drug	Schedule
Codine (9050)	II.
Dipnorphine (9058)	II.
Etorphine Hydrochloride (9059)	II.
Dihydrocodeine (9120)	II.
Oxycodone (9143)	II.
Diphenoxylate (9170)	II.
Hydrocodone (9193)	II.
Methadone (9250)	II.
Methadone-Intermediate (9254)	II.
Morphine (9300)	II.
Thebaine (9333)	II.
Opium Extracts (9610)	II.
Opium Fluid Extracts (9620)	II.
Tincture of Opium (9630)	II.
Powdered Opium (9639)	II.
Granulated Opium (9640)	II.
Naloxone (9652)	II.
Noroxymorphone (9668)	II.

No comments or objections have been received. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, Code of Federal Regulations, § 1301.54(e), the Deputy Assistant Administrator hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic classes of controlled substances listed above is granted.

Dated: April 1, 1983.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 83-9688 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M

Revocation of Registrations; Maticumbe Pharmacy; Bell Wholesale Drugs, Inc.

On February 7, 1983, the Acting Administrator of the Drug Enforcement Administration (DEA) directed to Bell Wholesale Drugs, Inc., 683 West 27th Street, Hialeah, Florida 33010, and Maticumbe Pharmacy, 2960 N.W. 17th

Avenue, Miami, Florida 33125 [Respondents], Orders to Show Cause proposing to revoke the Respondents' DEA registrations. Maticumbe Pharmacy is registered under the Controlled Substances Act as a retail pharmacy and is the holder of DEA Certificate of Registration AM1478266. Bell Wholesale Drugs, Inc., is registered as a distributor of controlled substances and is the holder of DEA Certificate of Registration PB0197889.

Simultaneously, citing his preliminary finding of imminent danger to the public health and safety, the Acting Administrator ordered the immediate suspension of the Respondents' registrations pending a final determination in these proceedings. The Orders to Show Cause were served upon the Respondents on February 9, 1983. On that date, the immediate suspensions were also executed. Pursuant to Title 21, United States Code, 824(f), all controlled substances possessed by the Respondents pursuant to their suspended registrations were placed under seal and were removed for safekeeping.

The Respondents were given thirty days to request a hearing or to otherwise respond to the issues raised by the Orders to Show Cause. More than thirty days have passed since those orders were served and the Drug Enforcement Administration has received no communication whatever from either of the two Respondents. Accordingly, pursuant to the provisions of Title 21, Code of Federal Regulations §§ 1301.54(d) and 1301.54(e), the Respondents have waived their opportunity for a hearing in this matter and the Acting Administrator hereby issues his Final Order, based upon the following findings of fact and conclusions of law.

The Acting Administrator finds that on January 7, 1983, in the United States District Court for the Central District of Illinois, Carlos Gonzales, President and owner of the two Respondents, was convicted of conspiracy to import marijuana in violation of Title 21, United States Code, 846. This is a felony offense relating to a controlled substance within the meaning and intent of Title 21, United States Code, 824(a)(2). Accordingly, the Acting Administrator concludes that there is a statutory basis for the revocation of the Respondents' DEA registrations.

Additionally, the Acting Administrator finds that during the period from January 1, 1981 through January 27, 1983, Maticumbe Pharmacy purchased at least 902,000 dosage units of Empirim Compound No. 4 and at least

899,000 dosage units of Doriden tablets, both Schedule III controlled substances, and could not account for the distribution of such as required by law and DEA regulations. During the period from January 1, 1982 through January 27, 1983, Bell Wholesale Drugs, Inc., purchased approximately 423,000 dosage units of Empirim Compound No. 4 and approximately 424,000 dosage units of Doriden, and could not account for the distribution of such as required by law and DEA regulations. These drugs are heavily abused in combination and are in great demand in the illicit traffic. The Doriden tablets contain glutethimide, a hypnotic, and the Empirim Compound tablets contain codeine, a narcotic analgesic. The combination is known variously by abusers as "loads," "hits" or "Fours and Dors." Fatalities among abusers of this combination are not uncommon. Since the Respondents have apparently chosen to waive their opportunity for a hearing in which they might have been able to provide some explanation for these incredibly large shortages, the Acting Administrator must conclude that the Respondents' registrations were used to acquire large quantities of controlled substances which were subsequently diverted into the illicit traffic.

Having concluded that there is a statutory basis for the revocation of the Respondents' DEA registrations and having further found that the Respondents' registrations were used to facilitate diversion on a large scale, the Acting Administrator concludes that these registrations must be revoked. Accordingly, pursuant to the authority vested in the Attorney General by Title 21, United States Code, 824, and redelegated to the Acting Administrator of the Drug Enforcement Administration, the Acting Administrator hereby orders that DEA Certificates of Registration AM1478266 and PB0197889 be, and they hereby are, revoked.

In light of the immense quantities and the extremely dangerous nature of the drugs diverted through the subject registrants and taking into consideration all of the facts and circumstances herein, the revocation of these registrations shall be effective immediately.

Dated: April 14, 1983.

Francis M. Mullen, Jr.,
Acting Administrator.

[FR Doc. 83-9689 Filed 4-13-83; 8:45 am]

BILLING CODE 4410-09-M