



BRITISH GENERIC MANUFACTURERS ASSOCIATION

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New Thinking Required To Sustain Future Market Shifts

The role of generic medicines in driving innovation, enhancing patient access to ever more complex medicines, and providing the mechanism for community pharmacists to receive a margin on the medicines they dispense will continue. But new thinking is needed if patients are to benefit from the more complex medicines that generic manufacturers are increasingly producing.

This was the message delivered by Warwick Smith, Director General of the British Generic Manufacturers Association (BGMA) in a speech to the Sigma conference in India today (Monday, February 16th).

In a keynote address on the opening day of the conference, Mr Smith told the audience that the market was starting to expand from its traditional base of small molecule generic medicines increasingly to include speciality products as well as biosimilars. This will create further patient benefits based on incremental innovation but will additionally require reviews of payment and reimbursement mechanisms in order to deliver maximum value and sustain the market.

Warwick Smith said: "The traditional generic market in the UK has been enormously successful saving the NHS billions of pounds annually which creates room for further investment as well as increases patient access to important medicines. Generic competition at the expiry of patents drives innovation by originators; and the continued high market penetration of generic medicines, and the further benefits that brings to patients and to community pharmacy, will continue.

"But we are also seeing the development of ever more complex medicines which will revolutionise patient outcomes. Biologics are an example of one class of medicines where we can see the future developing already. We are also seeing greater incremental innovation, frequently based on developments such as innovative delivery systems, combination products or additional patient care packages. These products are often marketed as branded generics to enable prescribers to choose them.

"However, in order for them fully to realise their potential from a patient benefit and savings perspective, policy makers need to reflect these developments. The PPRS and its allied statutory pricing scheme treat all branded generics the same, failing to recognise that competition already significantly reduces the price of these products.

"This failure undermines the incremental innovation and patient benefits that these products bring. New, more nuanced, thinking is required."

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Notes for Editors:

The British Generic Manufacturers Association represents the interests of UK-based manufacturers and suppliers of generic medicines and promotes the development and understanding of the generic medicines industry in the United Kingdom.

Generic medicines contain the same active ingredient and are as effective as the equivalent brand and cost much less, making the NHS drugs bill affordable. More than two thirds of all medicines dispensed by the NHS are generics yet they cost only around 29% of the NHS drugs bill, a saving of more than £12.5billion in England & Wales alone. Without generics, the NHS drugs bill would be approximately twice its current level.

We represent the views and interests of our members and industry to the UK government, the devolved administrations, regulators, other relevant third parties, including where appropriate the Institutions of the European Union.