

President's Office / Bureau du Président

June 6, 2008

Tracy Gilchrist
Assignment Editor
Trail Daily Times
1163 Cedar Avenue
Trail, BC V1R 4B8

(sent by e-mail: editor@trailtimes.ca and regular mail)

Dear Ms. Gilchrist:

Re: N.B. wants provinces to fight delay of generic drugs (*Trail Daily Times*, June 6, 2008)

Generic drug manufacturers are spreading misinformation about amendments to patent regulations in order to draw attention away from the real story. The fact is that according to the Competition Bureau of Canada and other independent studies, provincial governments and Canadians at large are paying among the highest prices in the world for generic drugs.

These studies have clearly shown that generic prices are on average about 30% above generic prices in other developed countries. In contrast, prices for patented medicines have been nearly flat over the last 10-year period and have actually dropped in recent years when inflation is taken into account.

The generic drug makers' fear mongering about proposed changes to patent regulations is quite simply a diversion tactic. It is designed to protect a loophole in the regulations that would allow them to get premature access to the fruits of the research of innovative pharmaceutical companies.

The truth is that these amendments serve only to clarify the intent of changes made by the federal government in 2006 and do not extend patent protection by even one day.

However, they do help to provide Canada with stable intellectual property rules that are consistent with international standards. These rules can play a major role in fueling research in our hospitals and universities and in creating jobs for Canadians in the increasingly important health-care sector. The innovative pharmaceutical sector invests more than \$1 billion in Canada each year on research to develop the medicines that improve and save lives.

If provincial governments and other jurisdictions are looking to save on drug expenditures, they should take a close look at generic drug prices just as the Competition Bureau did.

Sincerely,



Russell Williams
President