



## Press release

Monday, 20<sup>th</sup> February 2006

### **Fear of US imports fuelling industry slurs, says parallel distribution chief**

Fears that the US market could one day be open to parallel imports are fuelling drug manufacturers attempts to malign the UK parallel distribution industry, according to Richard Freudenberg, Secretary-General – British Association of European Pharmaceutical Distributors.

Speaking at the Management Forum conference *'Parallel Trade and the Pharmaceutical Industry'*, Mr Freudenberg said that there was a very real possibility that in future the US would allow parallel imports. Parallel imports are medicines that are legally imported and exported from other EC member states, repackaged under licence for local markets and made available to patients through healthcare providers.

Several US Senators are actively campaigning for the US market to be subject to greater competition in order to increase patients' access to lower cost medicines.

Mr Freudenberg said the US has amongst the highest drug prices in the world, putting vital medications out of reach for many of the poorest groups in the community.

"Many patients already take advantage of the lower prices on offer in Canada, by crossing the border to buy their medicines," he said.

Currently parallel distribution only takes place between countries in EC member states. The practice is encouraged under the free movement of goods principle enshrined in the Treaty of Rome.

Mr Freudenberg says that drug manufacturers have made numerous attempts to misrepresent the safety and legitimacy of the parallel import industry.

"Frequently parallel imports are quite wrongly and deliberately linked with counterfeit medicines, creating the misleading impression that the two practices are one and the same," he said.

"Counterfeiting is the manufacture and distribution of illicit products by unscrupulous businessmen. Parallel distribution is entirely legitimate and highly regulated. In fact, there has never been a case of counterfeit medicines reaching UK consumers through parallel trade."

Parallel distribution has operated safely and effectively in the UK for more than 30 years. The industry brings an estimated £200million saving to the NHS each year, as well as indirect benefits such as increased price competition amongst branded medicines.

- Ends -

Media contact: Richard Freudenberg, 07971 645 194

### Note to editors

The British Association of European Pharmaceutical Distributors (BAEPD) is the industry body currently representing 14 of the largest licensed parallel distributors in the UK. These companies represent around 70 per cent of the UK market. The BAEPD is responsible for the promotion, protection and development of the interests of its members importing pharmaceuticals into the United Kingdom from elsewhere within the European Union, and fostering the highest professional standard of practice and conduct amongst its members.