USA
US pharma/biotech manufacturers have welcomed President Barack Obama's plan to permanently extend the R&D tax credit and expand it by around 20%, the largest rise in its history. Every $1 spent on the credit stimulates up to an additional $1 of private R&D spending short-term and $2 in the long run, says the government.

INDIA
India's government is to establish a panel tasked with drawing up a long-term policy for the pharmaceutical industry and examining drug price control issues, Health Minister Ghulam Nabi Azad has announced. Indian drugmakers will also be part of official delegations to international summits and WHO meetings, "to present a strong case for India," he added.

SOUTH AFRICA
South African medical schemes and consumers say they could have to pay 2 billion rand more every year for their prescription medicines if a proposed new four-tier schedule for pharmacy dispensing fees is adopted. The government says the change is needed to "improve medicines affordability and transparency in pricing".

BELGIUM
Belgium's pharmaceutical market grew an average 3.38% per year in local currency terms during 2004-9, but this will fall to 0.56% a year for 2009-14 as generics increase their share of sales, forecasts BMI. After 2014, total market growth will rise to average 1.25% annually, reaching 5.2 billion euros by 2019, it adds.

GERMANY
Germany's ban on pharmacists offering patients discounts on their prescriptions still applies, a recent verdict by the German Federal Court has confirmed. However, the Court has yet to rule on whether such discounts offered by Dutch internet pharmacies are also illegal.

Lynne Taylor

55% ...the percentage of senior pharma executives more confident about business prospects than at the beginning of the year, according to law firm Eversheds

inbox

» HAVE YOUR SAY. EMAIL THE EDITOR AT CLAIRE@PHARMATIMES.COM

Is all rosy in the pharma garden?

From *Hedley Rees, managing director, Biotech PharmaFlow*

Dear Editor,


Pharma accused (again) of misleading drug claims

Are we to infer from the ABPI's reported sharp rebuttal of Professor Light's claims (*PharmaTimes* Magazine, September 2010) that all is rosy in the pharma garden? Should we conclude then that there is not a massive amount of promotional activity in the sector? Or that there is no less objectivity with self-testing than there is with an independent opinion? Or that patients and physicians are content with the amount of data published from clinical trials? Or that there is a steady stream of approvals for innovator products which are markedly superior to their predecessors? If this is the case, then a rebuttal is all that is needed. For those who believe otherwise (of which I am one) these allegations need to be taken seriously otherwise the industry may wither on the vine.

The fact is that the world has changed. Finding and selling blockbuster drugs catapulted the industry to where it is today, but that is no longer enough. In fact, that haste to gain an approval is now the biggest impediment to future progress. Regulators looked to other sectors when they penned guidance on 21st century modernisation; the key element identified in Japan was that they spent much longer at the initial stages. They sought to understand their customers and then engage all the key players concurrently in designing a product. It cost in time and money initially, but it became a case of the hare and the tortoise. By investing effort upfront, their failure rates and false starts nose-dived, quality shot up and costs tumbled down. The rest is history in those other sectors. They have changed forever.

For this sector, we still see 245 out 250 pre-clinical candidates fail to make the clinical stages. Of the five that do, only one makes it to market. The cost of failure is immense and nothing has changed for decades. Surely, it must be incumbent on the UK trade organisation to embrace modernisation as a new model for drug development. Members have a tremendous opportunity to create sustainable competitive advantage – but it will only happen through a fundamental change of mindset at the highest levels in the industry.