



**GENERIC DRUGS
SAME QUALITY
BETTER PRICE**



CANADIAN GENERIC PHARMACEUTICAL ASSOCIATION

EXPORT RESTRICTIONS IN CANADA'S PATENT ACT

THE ISSUE

The export restrictions of the *Patent Act* are costing millions of dollars in lost export revenues for Canada, and millions of dollars in lost sales for Canadian generic drug manufacturers.

BACKGROUND

The vast majority of generic drugs sold in Canada are made in Canada. Canada's generic pharmaceutical industry also generates 40% of its sales volume from exporting made-in-Canada pharmaceuticals, primarily to the United States.

The trade deficit in pharmaceutical and medicine manufacturing in Canada, fueled by the increased importation of brand-name drugs, continues to grow and reached \$5.7-billion in 2006. While Canadian generic pharmaceutical companies are actively seeking ways to expand their export markets, domestic patent laws are preventing these companies from accessing international markets for many products.

The *Patent Act* currently restricts Canada's generic pharmaceutical industry from actively competing in export markets for many products by prohibiting the production and export of products under Canadian patent protection – even if the product is not protected in the country where it is to be sold.

The laws of a country where a product is being used should govern whether or not Canadian companies are allowed to sell it there – not Canada's *Patent Act*. Generic drug makers should be able to manufacture and export pharmaceutical products to the United States and any other country if there is no patent in effect in that country – regardless of whether the Canadian patent has expired.

CGPA POSITION

The CGPA calls on the Government of Canada to amend the export provisions of the Patent Act.