



**GENERIC DRUGS
SAME QUALITY
BETTER PRICE**



CANADIAN GENERIC PHARMACEUTICAL ASSOCIATION

THE VALUE OF GENERIC PRESCRIPTION MEDICINES *ARE YOU TAKING FULL ADVANTAGE?*

Generic Drugs: **Safe and Effective**

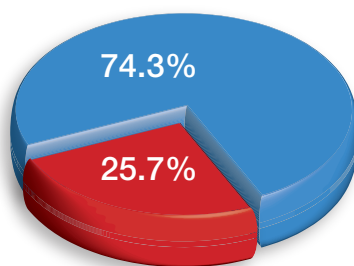
There is no difference in terms of quality, purity, effectiveness and safety between generic drugs and higher-priced brand-name drugs. All prescription drugs sold in Canada - **brand-name and generic** - are reviewed and approved by the Therapeutic Products Directorate at Health Canada. Every drug must meet the strict regulations that are established by the Food and Drugs Act. Both generic drugs and brand-name drugs are subjected to exactly the same rigorous standards.

Savings for Canada's **Drug Benefit Plans**

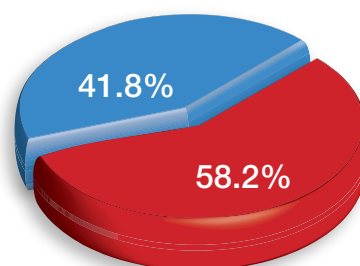
In Canada the use of lower-cost generic medicines saved governments, employers and consumers **more than \$7-billion in 2010**.

Generic drugs are dispensed to fill 58% of all prescriptions in Canada yet account for only 26% of the \$22-billion Canadians spend annually on prescription medicines.

CANADIAN PRESCRIPTION DRUG MARKET 12-MONTHS ENDING MARCH 2011



\$22.3 Billion in Sales

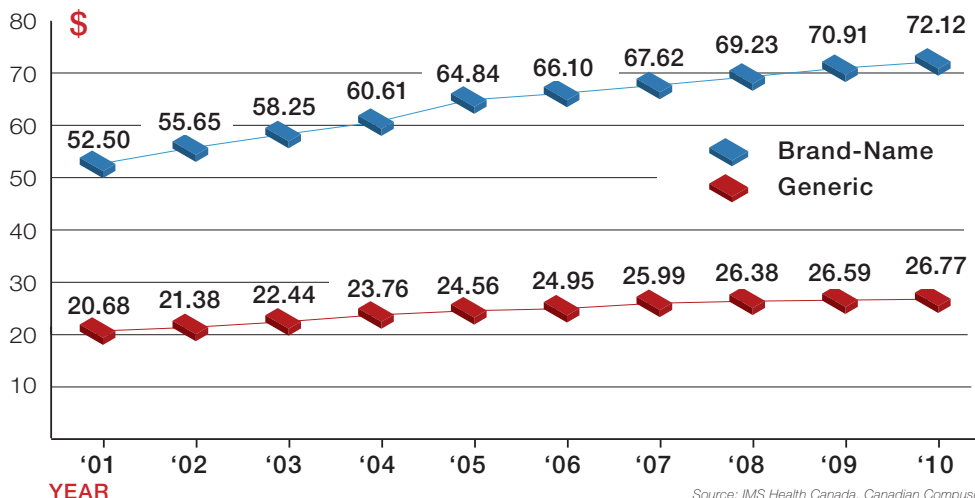


510 Million Prescriptions

◆ Brand-Name ◆ Generic

Source: IMS Brogan

AVERAGE RETAIL PRICE* PER PRESCRIPTION IN CANADA
BRAND VERSUS GENERIC: 2001-2010



Source: IMS Health Canada, Canadian CompuScript

In Canada, the average price of a **brand-name** prescription is **\$72.12**
While the average price of a **generic** prescription is **\$26.77**.

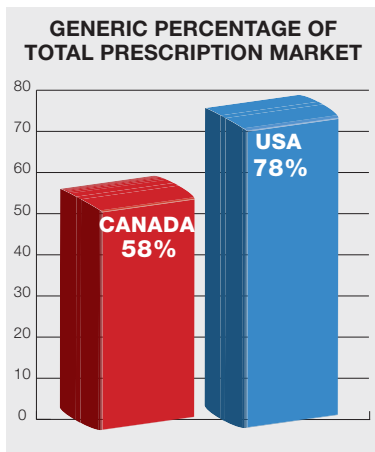
* Average retail price is based on total price of prescriptions (price of drug plus any mark-ups and professional dispensing fees) divided by estimated prescriptions dispensed in Canadian retail pharmacies (excludes hospitals; includes retail new and refills).

Source: IMS Brogan, CompuScript.



For every one percent increase in generic drug utilization in Canada, **Canadians save an additional \$236-million.** Private sector payers in Canada save an additional \$126-million for every one percent increase in their use of generic drugs.

In the United States, generic drugs are dispensed to fill 78% of all prescriptions. **If the use of generic drugs in Canada was equal to US levels, Canadians would have saved an additional \$3.5-billion in 2010.** Of this total, more than half, \$1.9-billion, would have been saved by private sector payers.



Source IMS Brogan

SAVINGS FOR EACH ONE % INCREASE IN THE USE OF GENERIC DRUGS

PROVINCE	TOTAL SAVINGS	PUBLIC SAVINGS	PRIVATE SAVINGS
British Columbia	\$21,500,000	\$8,600,000	\$12,900,000
Alberta	\$18,500,000	\$8,700,000	\$9,800,000
Saskatchewan	\$5,500,000	\$3,100,000	\$2,400,000
Manitoba	\$7,400,000	\$3,500,000	\$3,900,000
Ontario	\$96,300,000	\$43,400,000	\$52,900,000
Quebec	\$70,000,000	\$36,200,000	\$33,800,000
New Brunswick	\$6,000,000	\$2,000,000	\$4,000,000
Nova Scotia	\$6,500,000	\$2,800,000	\$3,700,000
P.E.I.	\$800,000	\$300,000	\$500,000
Newfoundland	\$3,500,000	\$1,300,000	\$2,200,000
Canada	\$ 236,000,000	\$109,900,000	\$126,100,000

Source: CGPA calculations based on IMS Brogan data and CIHI public private market share.

Generic Drug Companies: **Fighting For Your Health-Care Savings**

Fully 7 of the 10 top-selling generic drugs in Canada came to market through generic drug companies challenging patents which the Canadian courts have determined are invalid or non-infringed. This litigation by generic drug companies saved Canadians an additional \$22 billion.

