

## Press release

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### 30 Years Contributing to the Health and Wealth of EU Citizens

*“EFPIA is rightly proud of the 30 years of contribution of the European pharmaceutical industry to the health and wealth of EU citizens” says Arthur J. Higgins. EFPIA President also outlines his vision for the future and calls for a new culture of partnership to address healthcare challenges of the 21<sup>st</sup> century.*

**Paris, 19 June 2008** – Speaking to the press on the occasion of EFPIA's 30<sup>th</sup> anniversary Annual General Meetings, EFPIA President and CEO of Bayer HealthCare Arthur J. Higgins called for a new spirit of cooperation and partnership between the pharmaceutical industry and the stakeholder community. The Innovative Medicines Initiative is a good example of partnership to accelerate the R&D of new medicines and can serve as a model for collaborative projects in other areas, such as on a wide prevention agenda. Getting the right framework conditions in Europe for the industry to keep enhancing the health and wealth of our continent remains a key priority.

“EFPIA was created in 1978, the very same year artificial insulin was discovered. Over the past 30 years, the federation's member companies and associations have significantly contributed to advances in science, innovation and patient wellbeing in Europe”, said the EFPIA President.

But “the industry's ability to innovate is hampered by soaring R&D costs, short-sighted cost-containment policies, greater complexity of regulatory systems, and a negative shift in risk / benefit assessment. In addition, price-earning ratios in our industry have never been so low, which signals little trust of financial markets in our business”, said Arthur Higgins.

Indeed, the pharmaceutical innovation process is increasingly complex and lengthy by nature. Product development spans 10-12 years and R&D costs rise incrementally with the ever greater challenges presented by the biotechnology revolution. Over the years, the costs of clinical research and development have steadily risen to reach over 1 billion Euro per new chemical or biological entity on average in 2007. A fair reward for these investments is vital.

Mr. Higgins referred to the “three Ps” (Patience, Priorities and Promise) approach followed by the industry to further therapeutic and medical progress: “Patience because the challenges facing healthcare systems are complex and change takes time; Priorities since to create change we need to focus on a clear roadmap with concrete objectives and deliverables as defined in our AIMS program; and Promise as we must never forget the promise of our sector to continue to contribute to the health and wealth of EU citizens”.

As well as enhancing the longevity and wellbeing of every European citizen, the research-based pharmaceutical sector is indeed a key asset of the European economy. It represents no less than 15% of total EU private R&D expenditure and 5.8% of EU manufactured exports. The industry employs more than 643,100 people of which 107,000 work in R&D.

EFPIA is working towards improving framework conditions in Europe on the basis of its 'AIMS' roadmap of well-defined priorities and action plans, where "A" stands for Access, aimed at ensuring that patients get the products they need when they need them; "I" for Innovation, referring to the need for the right framework to enable developing new medicines for the benefit of the patient; "M" for Mobilisation, with a focus on improving the health information framework as informed patients are healthier patients; and "S" for Security, including measures to protect patients from counterfeit medicines.

"Our industry is ready to embrace its responsibilities and join forces with policy makers and other stakeholders, as only together can we get the necessary drive to promote sustainable healthcare systems", said Mr. Higgins.

The recently launched Innovative Medicines Initiative (IMI) sets an example in this field. "This ambitious project is a great illustration of how the European industry can join forces with key stakeholders to unlock the full innovation potential of Europe, and help ensure that we keep our promise to society". IMI will dedicate € 2 billion over the next five years to boosting biomedical innovation, and is one of the major achievements of EFPIA to date.

Arthur Higgins also announced that the industry intends to make its work on prevention more visible and to call on all stakeholders – including the European Commission – to see what joint initiatives are possible in this area: "By working together with interested stakeholders on prevention we want to make health everyone's priority before it comes our only priority. We also intend to work more closely with each new EU Presidency in their priority disease areas" added Higgins.

As partnership implies trust, Mr. Higgins underlined the efforts recently undertaken by the pharmaceutical industry to increase transparency of marketing practices and relations with patient organisations, in the form of a reviewed, more stringent Code of Conduct on the promotion of medicines and a brand new Code on the relationship with patient groups, both of which will enter into force as of 1 July this year.

"Our message today is clear: the European pharmaceutical industry is determined to bring Europe back as a centre of pharmaceutical excellence and to continue making a significant contribution to the overall health and wealth of European citizens, which goes well beyond the mere selling of our products. For that, we call upon all stakeholders to work together with a renewed sense of urgency to reorganise healthcare systems and make them fit for the 21<sup>st</sup> century", he concluded.

#### Useful links

- [The Pharmaceutical Industry in Figures – 2008 Edition](#)
- [AIMS backgrounder](#)
- [European Commission - Pharmaceuticals](#)
- More on [www.efpia.eu](http://www.efpia.eu)

**Milestones since the creation of EFPIA in 1978**

- The **Regulation on Advanced Therapy Medicinal Products (2007)**, creating a single regulatory framework for gene-therapy, cell-therapy and tissue-engineered medicines and thus giving new hope to patients suffering from severe conditions.
- The **Regulation on Medicinal Products for Paediatric Medicines (2006)**, establishing requirements and incentives to ensure that medicines are adapted to the therapeutic needs of children.
- The **Pharma Review (2004)** extending data protection to “10+1” years
- Setting up of **EFPIA Japan (2002)** gathering 24 European research-based pharmaceutical companies operating in Japan.
- The **Orphan Regulation (1999)** establishing a community procedure for the designation of orphan medicinal product status and providing incentives to encourage the research, development and marketing of orphan drugs.
- The **Directive on biotechnological inventions (1998)**, harmonizing national laws on patentability of biotech inventions.
- The setting up of the **European Medicines Agency in 1995**, which has largely contributed to accelerate patient access to innovative medicines through the centralised authorisation procedure.
- The **Supplementary Protection Certificate (1992)**, introduced in the early 90s to compensate for the long time required for marketing authorisation and providing up to five additional years of patent protection.

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**About EFPIA**

*EFPIA represents the pharmaceutical industry operating in Europe. Through its direct membership of 32 national associations and 43 leading pharmaceutical companies, EFPIA is the voice on the EU scene of 2,200 companies committed to researching, developing and bringing to patients new medicines that improve health and the quality of life around the world.*