



BRITISH GENERIC MANUFACTURERS ASSOCIATION

13 May 2009

For immediate release

BGMA welcomes £400m savings through prescribing generics

Responding to the University of Keele's findings that in 2008 almost £400 million had been saved by the NHS and PCTs in England through more prescribing of generic medicines, Director of the BGMA Warwick Smith, said:

"We are pleased that PCTs in the UK have taken on board the recommendations made by the National Audit Office (NAO) in 2007 and that the savings made have surpassed the original £200million which the NAO had predicted."

"These figures compare extremely well with the savings of £550 million per year required from the much more expensive branded drugs by the new PPRS agreement. They demonstrate that the UK generics industry continues to play a vital role for the NHS and patients."

Chair of the BGMA, Kim Innes said:

"We make the NHS drugs bill affordable, these figures are an excellent indication of that. Without generics, the drugs bill would be approximately twice its current level. The BGMA is very pleased to see that PCTs are recognising the benefits of using generic medicines whilst at the same time making more money available to improve the quality of patient care."

Note for Editors:

The NAO report, "*Prescribing Costs in Primary Care*" can be found at the following link http://www.nao.org.uk/publications/0607/prescribing_costs_in_primary_c.aspx

The British Generic Manufacturers Association represents the interests of UK-based manufacturers and suppliers of generic medicines and promotes the development and understanding of the generic medicines industry in the United Kingdom

Generic medicines contain the same active ingredient and are as effective as the equivalent brand and cost much less, making the NHS drugs bill affordable. 64% of all medicines dispensed by the NHS are generics yet they cost only 29% of the NHS drugs bill, a saving of around £7.5bn in England & Wales alone. Without generics, the NHS drugs bill would be approximately twice its current level. The average cost to the NHS of a generic medicine is £4.62, whilst the average cost of a branded medicine is £20. Competition from generics also stimulates the research based pharmaceutical industry to develop new medicines.

Our 19 members account for around 85% of the UK generics market by volume. Their work keeps medicines affordable for the Department of Health which allows further investment in other healthcare priorities, and promotes innovation in the development of new medicines. We represent the views and interests of our members and industry to the UK government, the devolved administrations, regulators, other relevant third parties, including where appropriate the Institutions of the European Union.

The website address is: www.britishgenerics.co.uk

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Press Release