

Speaking Notes
Lothar Dueck, President, Coalition for Manitoba Pharmacy
FDA Public Meeting on Rx Drug Importation

- ?? Good day, and thank you for the opportunity to speak to you today.
- ?? My name is Lothar Dueck, and I am a community pharmacist in Vita, Manitoba, a small, rural town a few miles from the border with North Dakota and Minnesota.
- ?? I am also the President of the Coalition for Manitoba Pharmacy, a community pharmacist organization that strongly opposes cross-border internet pharmacy and drug re-importation from Canada to the U.S.
- ?? I am here today to explain that importation of prescription drugs into the U.S. is:
 - a) Harming Canada's health care system
 - b) Extremely risky for Americans
 - c) Not a viable policy for the United States
- ?? Let me begin by saying that I am astonished at the insensitivity of American politicians who promote schemes involving diverting Canadian drugs south of the border, to meet the needs of Americans.
- ?? Canadian pharmacists and doctors are extremely sympathetic regarding the need to find a way to make Rx drugs more accessible to American patients, particularly those without comprehensive drug plans and health insurance.
- ?? But health professionals in Canada are shocked that many U.S. politicians, at all levels of government, are telling Americans to ignore your own laws and to purchase their medicines in Canada.
- ?? The United States has the richest, most productive and innovative economy in the world. Resolving this issue on your own should not be beyond you.
- ?? Thoughtlessly appropriating Canada's drug supply and pharmacy care is not an answer to your problems. Those leaders who cheerfully promote re-importation of Canada's medicines should be ashamed of themselves.
- ?? In 2003, Americans bought approximately \$1 billion worth of Canadian drugs, through internet pharmacies. That's a drop in the bucket in the huge U.S. market, but it is a huge proportion of the Canadian drug supply.

- ?? In fact, last year, more than 40% of the entire drug supply of the province of Manitoba was diverted to the U.S.
- ?? That is causing dangerous shortages. According to a survey undertaken by our Coalition, more than 80% of Manitoba community pharmacies reported having a harder time finding sufficient prescription drugs to treat our Canadian patients.
- ?? In December, 2003, the largest drug wholesaler in Manitoba literally ran out of a number of medicines. Suddenly, it was not possible for pharmacies to order supplies of medicines used to treat conditions such as depression, influenza and asthma.
- ?? Shortages of Rx drugs used to be rare occurrences, such as when a drug company had a manufacturing problem. We have never seen such a severe and broad-based shortage before.
- ?? In addition, Manitoba is facing a critical shortage of pharmacists to care for patients in our province.
- ?? Because it is so much more profitable to ship drugs to Americans, rather than to dispense them to Canadians, now more than 20% of the community pharmacists in Manitoba have become involved in internet pharmacy, rather than devoting themselves to Manitoba patients. This is desperately straining the ability of the remaining community pharmacists to offer proper care to their Canadian patients.
- ?? Cross-border drug sellers buy Rx medicines at Canadian prices, which are controlled by the federal Patented Medicine Prices Review Board. Internet pharmacies buy up huge quantities of Canadian drugs, at controlled Canadian prices, then re-sell them at a large markup to Americans.
- ?? In short, the U.S. demand, with the help of opportunistic politicians, has made it more profitable for Canadian pharmacists to sell Canadian drugs to Americans, than to care for their own patients in the community.
- ?? Today, thanks to diversion to the U.S., Canada is experiencing sudden drug price inflation. Because of the growing cross-border diversion, many drug makers have raised their Canadian prices by as much as our price-control system will allow. Some of them have increased those costs for the first time in a decade of stable drug prices.
- ?? Have any of the American re-importation enthusiasts bothered to ask what impact drug diversion is having on Canada? The results have been

shortages of medicines and pharmacists, and higher drug costs for all Canadians. This is not fair and it's not right.

- ?? American re-importation proponents have also dismissed the concerns of the FDA, with respect to the safety of cross-border drugs. They do so at the peril of American patients. The safety concerns are real, and I will tell you why.
- ?? Recently, internet pharmacies in British Columbia and Manitoba were caught promoting the sale of drugs from foreign countries, to Americans. These medicines have been approved by neither the FDA nor Health Canada. Neither country has any way of verifying the quality of these drugs, or even if they contain any active ingredient at all.
- ?? Reports from Prudential Financial and the FDA have shown a major increase in trans-shipments of drugs from countries such as Pakistan, India, Bulgaria and Argentina. These drugs may enter Canada before being re-shipped to the U.S., but they never enter the Canadian drug verification system. Health Canada does not guarantee their safety.
- ?? When I hear U.S. governors saying, "If Canadian drugs are unsafe, where are the dead Canadians?", I respond by saying that Canadians are safe because they don't take those foreign, unregulated drugs. Our government won't permit it. If those drugs are not good enough for Canadians, why should you assume that they are good enough for Americans?
- ?? The final point I want to make is that politicians who tell the American public that they can solve their problem by simply buying up Canada's drug supply are misleading you. It may make for a popular political sound bite, but it's nothing close to a workable policy.
- ?? Canada's drug supply system is starting to break down now – when we're supplying less than one-half of one percent of U.S. Rx drug demand.
- ?? Any increase in Canada-U.S. drug diversion, or even continuation at the present rate, will result in American patients with chronic diseases not receiving their prescriptions from Canada. Then you can expect an increase in adverse events for U.S. patients. That's what happens when people don't get the medicine they need.
- ?? Canada's population is one-tenth that of the U.S. Canada is less populous than California alone. We simply can't take the strain of your buying our medicines.

- ?? Drug makers ship enough medicines to Canada to meet the needs of our population and utilization of different drugs. They do not ship us enough to meet U.S. needs, nor will they.
- ?? Some governors want to sue the drug makers, to force them to keep shipping increasing volumes of drugs to Canada, so that the wealthy internet drug sellers can continue to re-ship them back to the U.S. at much higher prices.
- ?? This will not happen. Canada's Bureau of Competition Policy, the equivalent of the Federal Trade Commission, has ruled that drug manufacturers, like any company in any industry, cannot be forced to sell their products under conditions they do not agree to.
- ?? So the drug re-importation supporters are leading Americans down the garden path. There is no panacea – no answer at all – to be found in poaching Canada's drug supply. This is not a workable policy.
- ?? Let me repeat: Canadians and their health professionals are sympathetic to America's challenges regarding Rx drugs. But we can't solve your problem for you. Surely America can work this out properly itself.
- ?? Surely America can solve its own problem, without hurting Canada's health care system, without putting American patients at risk from unregulated foreign drugs, and without making empty promises designed to win votes.
- ?? Thank you very much, again, for the opportunity to speak to you today.