

Branded and Unbranded Generic Strategies



Peter Wittner
Interpharm Consultancy



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Mature markets - characteristics

- Well established industry
- Open market
- Good IP protection
- Few restrictions on import/export trade
- Well-developed healthcare system
- Increasingly unbranded generics
- High levels of state or private insurance

Emerging markets – characteristics

- Local industry is relatively new
- Protection for local industry
- Poor IP protection
- Restrictive trade practices
- Poorly developed public healthcare
- Mostly branded generics
- High levels of “out-of-pocket” spend

Therapeutic areas

Top 10 Generic Therapy Areas by volume, Global



Source: IMS Health MIDAS Q4 2014; Market Segmentation countries only; Rx only. PPG: Moving Annual total growth



Source: IMS Health: Why We Need Generic Medicines (2016)

EU Generic penetration – why the differences?

- If any government wants to increase generic use, there are three main barriers:
 - **The doctor** – *why should I* prescribe a generic and not use my favourite brands?
 - **The pharmacist** – *why should I* dispense a cheap generic with lower profit margin for me?
 - **The patient** – *why should I* have blue tablets this week when the red ones work better ?
- And the answer – incentives and education – has only partly succeeded in some places

Trends

- **Branded markets** – increased moves to INN prescription
- **Generally** – increased use of mandatory INN prescribing and generic substitution
- **Emerging markets** (e.g. Russia, LatAm) – Increase in protectionism
- Chinese and Indian companies buying into Western industry