



# The GENERIC Drug Journal

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**T**here was a time when brand name companies thought it was in their best interest to fight generic drugs with the belief that they might just go away. A line between brand name drugs and generics was drawn in the sand and no one would dare cross it. Things have certainly changed over the years. It's now at the point where after over 30 years in the generic business, when someone asks me what the difference between a brand name company and a generic company is I can't come up with a good answer, aside from price.

Just last month Teva announced that they expect to double their revenues by 2015 taking their sales to \$31 billion with profits of over \$6 billion for the year. This will make them one of the largest drug companies in the world, brand or generic. What's their biggest selling drug right now? Copaxone, with 2010 sales projected to be almost \$3 billion. They expect their overall brand sales to more than double in the future as well.

Teva isn't the only generic company that also makes brand name drugs. Watson has 27 brand name drugs that account for almost \$500 million in sales or just under 20% of their business. Mylan also has a brand division. And while not a lot of generic companies have developed brand name drugs, there are many that make products for the brand name companies.

**S**o if generic companies are making brand name drugs what are the brand companies doing? Many are making generics. It's no secret that one of the largest generic companies in the world, Sandoz is owned by Novartis, Falcon is owned by Alcon, and B&L has their own generic division. Generics have even found an important partner with Pfizer after they acquired Greenstone when they purchased Upjohn. In an effort to expand this end of the business they have signed multi-billion dollar international deals with two Indian



companies to market over 70 products to the US and other parts of the world. Teva and Pfizer are believed to be the only two companies left bidding for German generic maker Ratiopharm which is expected to fetch almost \$5 billion.

**W**hich brings me back to my original question, if brand companies make generics and generic companies make brands, what really is the difference, other than price?

**The specials listed inside are offered through FEBRUARY 28, 2010. All items on this special are net and are not subject to any additional discounts. Mention of brand name is for reference only.**

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