

[Common Error No. 65](#) [1]

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65. "Drug patents should be scrapped so third world countries can access them."



Scrapping drug patents would be a sure-fire way of reducing the number of therapeutic drugs being developed and marketed. Pharmaceutical firms research new ones to bring future profit streams for their company. The scientists might work from commitment or for peer group respect, but company money provides the research facilities, the equipment, the grants and the salaries.

There is a compromise between allowing the drug companies to recoup their costs and show a return, and allowing them to exploit monopoly prices. At present they are allowed 20 years of patent protection before other companies can copy their work and produce generic equivalents. The research company has to recoup its investment within that time before it faces competition from low cost variants of its drug.

In practice their 'protected' time is shorter. The process of testing and trials, of attempting to establish product efficacy and safety, and the process of securing regulatory approval takes an estimated 12 years from when the patent is registered. That leaves 8 years of unique market exploitation, and it is why some drugs cost so much.

Poorer countries cannot afford these prices, and there are calls for them to be allowed generic copies. If this happens, the cheaper versions will rapidly leak into rich country markets, undermining the drug's and the manufacturer's profitability and their ability to continue to develop new drugs. Some drug companies have, however, reached voluntary agreements with poor countries, allowing controlled generic production for poorer patients.

The present compromise broadly works, and means that rich country patients pay high prices for drugs so that in a few years poor country patients will have access to them at lower prices. It means rich people have the first access to new drugs, as they do to everything, but it also means that poorer people can benefit from them later on.

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