



SWITCH Forecast

Sources for Rx-to-OTC Switch Enhanced As Major Rx Product Development Innovation Slows

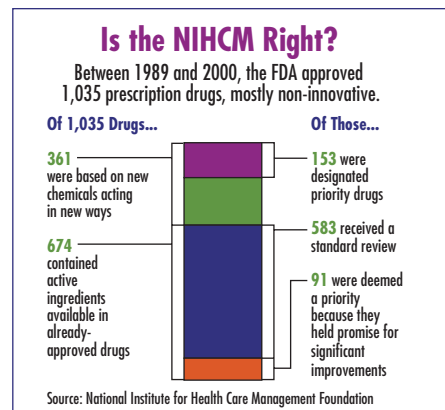
Incremental Improvements, Including Improved Safety,
Twice As Frequent as "Blockbusters"

OTC is derivative business. SWITCH has said this many times. What we mean is that there would be no Rx-to-OTC switch of a product if it had not been a prescription product first. In that sense our industry is unique. On the plus side, this sources the OTC industry with important new and innovative health-care products that were originally developed by our Rx colleagues. *On the negative side, the industry is totally dependent on, and has virtually no*

control over, the product development efforts of the prescription pharmaceutical division.

A recently published US study asserts that, of the 1,035 prescription drugs approved by the US Food and Drug Administration (FDA) from 1989 to 2000, only 361 were based on new chemicals acting in new ways.

In contrast, during that time period 674 were minor improvements and



“contained active ingredients available in already approved drugs.”

The study, performed by the National Institute for Health Care Management (NIHCM) Foundation, examined actual FDA documents in order to properly

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Summer Switch Info From the UK and the US



UNITED KINGDOM FOLLOW-UP

Switch Policy: In our last issue of SWITCH we focused on Europe with specific emphasis on the quickly evolving UK switch scene. We were most interested in the promises of impending switches of indications and molecules by the UK Medicines Control Agency (MCA), many of which

were promised for this year. Also, Health Minister Lord Hunt reaffirmed this commitment on May 1 when he stated that he wanted the number of switches to “double.”

Emblematic of this new Rx-to-OTC switch thrust, the Royal Pharmaceutical Society of Great Britain (RPSGB) released a large list of what they thought possible for non-Rx sales.

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