Comments on the differences in international prices of specific medicines

1. Pfizer told us that the products for which it had collected pricing data typically had a greater number of licensed indications than the other countries of the comparison. Pfizer told us that [Details omitted. See note on page iv.] had a greater number of licensed indications in the UK than in other countries. It also told us that [Details omitted. See note on page iv.].

2. Pharmacia told us that in Ireland, Tetra Delta’s sole distributor purchased disproportionately large volumes prior to any price rise, leading to a distortion in average selling prices. It told us that Excenel RTU was marketed (and priced) for cattle in the UK and in Ireland, whilst it was also actively marketed for pigs in France, Belgium, Germany and the Netherlands where, among other things, prices tended to be lower as a result of lower economic value of the species. Pharmacia told us that pig and poultry veterinary surgeons had considerable buying power in the UK but not in Ireland, which could explain price differences between both countries for Linco-Spectin 100 soluble powder. In the Netherlands and in Belgium, Pharmacia said that there existed a regulatory requirement for Excenel sterile powder to be supplied with bacteriostatic water, and that the price of the water had not been included in the average selling price of Excenel for these countries. No such regulatory requirement existed in the UK.

3. Novartis told us that, in the Republic of Ireland and in Northern Ireland, Vetrazin were sold off quickly at promotional prices due to the product having a short shelf life—similarly for Combinex sheep in the Republic of Ireland. In Northern Ireland, a high volume of Combinex sheep were sold off to Osmonds, a third party distributor. Novartis also told us that, in Germany, the price of Fortekor had effectively been set by the German authorities. It told us that in the Netherlands, a significant percentage of Program tablets for dogs is distributed through the OTC channel using a third party distributor, at a low price to reflect low marketing costs.

4. Fort Dodge told us that in the UK, the pack for Duvaxyn IET included syringes as well as a certificate of vaccination, which were not provided in other countries, and that Cydectin was packaged with a drenching gun in the UK and in France, but not in other countries.

5. Schering-Plough told us that the price of Intrac was much lower in the USA partly because of lower manufacturing costs there, due to the fact that the applicable regulatory standard was much less stringent than in the UK.