

Clopidogrel prices trace a familiar path

Two of the more important generic products to have been launched in the UK during the past year are clopidogrel and valaciclovir. Price data for clopidogrel generics, the older of the two, now spans nearly 12 months, and shows a familiar pattern of price decay. Clopidogrel prices started at £29.55 (US\$43.70) on average last July and have now fallen by more than 90% to £2.62 this month (see Figure 1). How product-licence holders responded to competition in the marketplace is shown in Figure 2.

Suppliers of Sanofi-Aventis' Plavix brand reacted to the generic launch by reducing the brand's prices to those of the generics. Plavix' price to independent pharmacists and dispensing doctors for 30-count packs of 75mg tablets dropped from a trade list price of £36.35 to £28.25, undercutting the average generic launch price. However, this response was short-lived as the brand price soon returned to its list price.

But at the start of this year, the trade price of 30-tablet packs of Plavix 75mg suddenly dropped again to below the average generics price at the time. Pharmacists could buy the brand for just £2.30 in May 2010, undercutting the average generic price of £2.74, although the brand's price has since returned to nearer its current list price of £35.64.

WaveData's managing director, Charles Joynson, comments that the more recent price reduction was probably the result of wholesalers trying to clear old stock of the brand at attractive prices. Pharmacists in the UK can usually dispense either the brand or the generic as most prescriptions are written generically.

Meanwhile, the Drug Tariff price paid in reimbursement to pharmacists has drifted down to £10.90 which, as the 75mg strength is now in category M, reflects actual, volume-weighted quarterly prices in the marketplace. Pharmacists were making a 75% profit margin on dispensing 30-tablet packs of clopidogrel 75mg last month.

Valaciclovir is a younger generic product in the UK, reaching the market at the beginning of this year. Its average price is decaying at about the same rate as clopidogrel's, however. The 10-tablet pack of valaciclovir 500mg this month registered a 64% discount to the trade list price of GlaxoSmithKline's Valtrex, which was £21.86 when generics were launched in January (see Figure 3). Similarly, the average price of the 42-tablet pack offered a 53% discount, although this generics price has been more than matched recently by suppliers' price offers for the Valtrex brand (see Figure 4).

Valaciclovir is still in category C of the Drug Tariff, which is reserved for medicines which are "not readily available as a generic". Pharmacists are reimbursed at Valtrex 500mg trade list prices, which are now slightly lower than they were at generic launch. Thanks to the current Valtrex offers, pharmacists' margin this month for dispensing the 42-pack of Valtrex is 54%, but it is only 50% for the generic.

While WaveData has noticed fewer product-licence holders for valaciclovir 500mg than for clopidogrel 75mg, market activity seems just as competitive for the herpes drug as for the blood thinner.

According to Joynson, there were 49 price offers made to pharmacists for 10-tablet packs of valaciclovir 500mg during May, and 54 for the 42-tablet pack. This compared with 46 price offers for 30-tablet packs of clopidogrel 75mg last month.

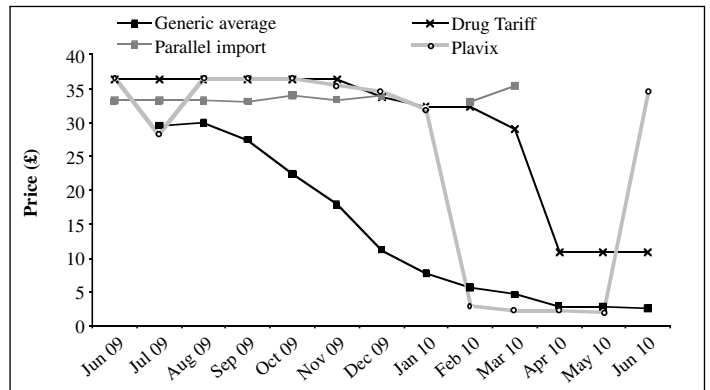


Figure 1: Comparison of trade prices from generic launch for 30-tablet packs of clopidogrel 75mg (Source - Wavedata)

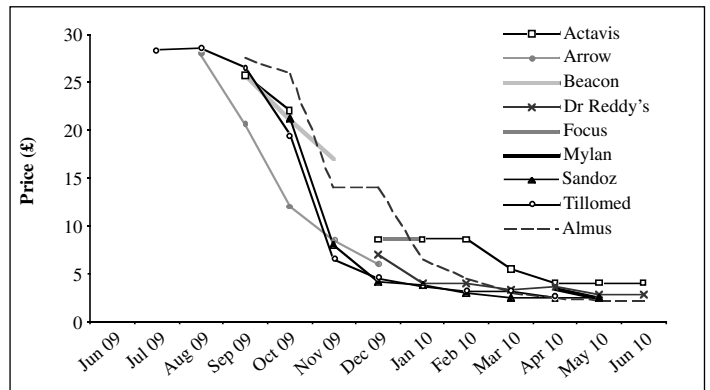


Figure 2: Comparison of manufacturers' trade prices from generic launch for 30-tablet packs of clopidogrel 75mg (Source - WaveData)

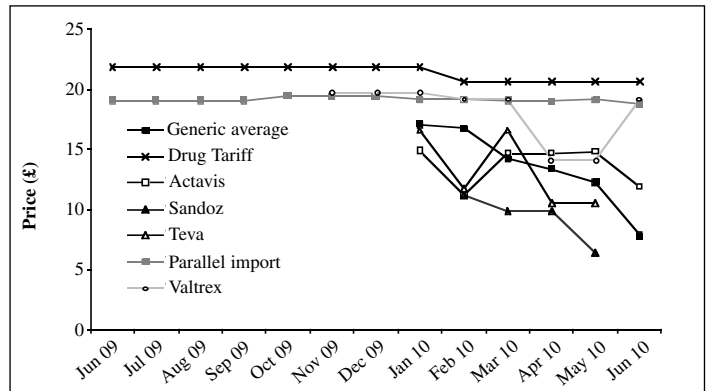


Figure 3: Comparison of trade prices from generic launch of 10-tablet packs of valaciclovir 500mg (Source - Wavedata)

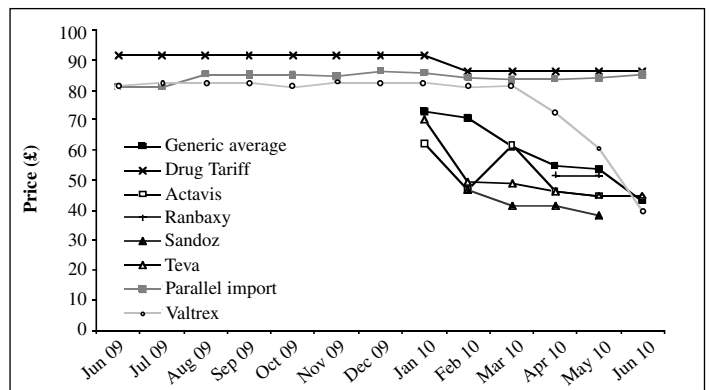


Figure 4: Comparison of trade prices from generic launch of 42-tablet packs of valaciclovir 500mg (Source - Wavedata)

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