

Every UK launch tells a different story

The prices of generic lansoprazole have continued to fall since launch last December, but the discount on the brand price for Zoton has not been as marked as official trade prices would have suggested, according to Charles Joynson, managing director of WaveData. This trend seems to be reversing more recently, however, widening the actual generic discount.

"We looked at parallel-import and UK-brand prices for Zoton offered to independent pharmacists and dispensing doctors, as well as the generic price for lansoprazole," explained Joynson. "The generic launch had a temporary effect on the brand price, reducing it by as much as 20%. And although brand and parallel-import prices have since recovered, they have not returned to their former levels."

As Figure 1 shows, the average monthly market price for 28-capsule packs of domestic and imported Zoton 30mg, which has an official list price of £23.63, hovered under the £20 (US\$35) mark, falling as low as £16.27 last November, just before patent expiry. The UK-branded price has since recovered to £19.04 last month, and has risen above the parallel-import price of £18.05 for the first time since patent expiry.

Meanwhile, the average monthly generic price for 28-capsule packs of lansoprazole 30mg fell below £5 in March, offering an 80% discount on Zoton's official list price in the third month after patent expiry. There are now at least 14 competing generics firms offering lansoprazole, covering all the major players from Actavis to Winthrop.

The anti-ulcer drug is not as popular as the anti-depressant sertraline, however, which entered the UK market last October, just over a month earlier than lansoprazole. There are currently 16 generics firms slugging it out in the generic sertraline market, with many of the same names covered by a list which this time extends from Actavis to Wockhardt.

Theory would suggest the sertraline discount on the official Lustral brand price should be greater than for lansoprazole, due to more rivalry and a longer period of price erosion. The evidence from WaveData confirms the theory, with both strengths obtainable at an average discount to the brand of more than 83% in March (see Figure 2).

Lamotrigine has seen some of the fiercest price competition in the market since it was launched as a generic last May. Nearly 20 generics companies are active in the marketplace for the anti-epilepsy drug, but some do not offer all the four conventional tablet strengths, or the range of dispersible forms.

Looking at 56-tablet packs of the four strengths, the average discount on the Lamictal brand enjoyed by independent pharmacists and dispensing doctors in March was about 75%, with at least 16 different generics firms involved (see Figure 3). Given the time since launch and the more recent flattening of the four curves, this would indicate that lamotrigine has been a relatively more successful generics launch than lansoprazole and sertraline for the participants. **G**

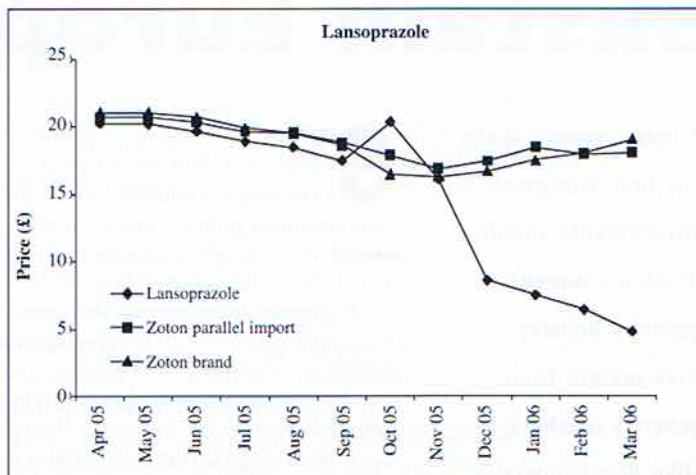


Figure 1: Average prices offered to independent pharmacists and dispensing doctors in the UK for 28-capsule packs of 30mg-strength generic lansoprazole, parallel-import Zoton, and UK-branded Zoton in the months leading up to patent expiry last December and in the months since expiry (Source - WaveData).

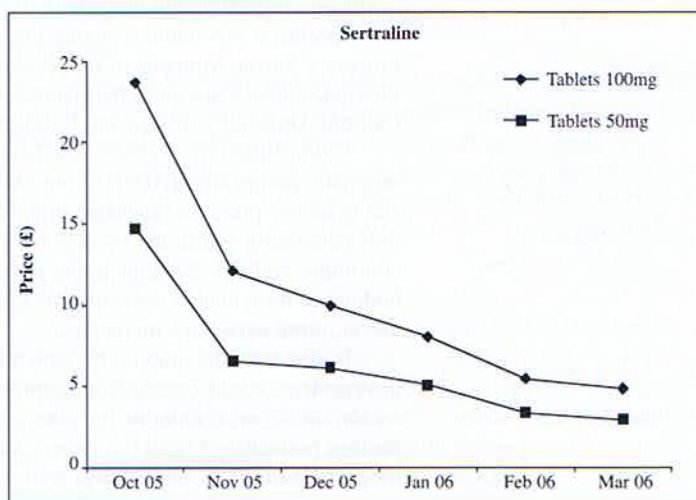


Figure 2: Average prices offered to independent pharmacists and dispensing doctors in the UK for 28-tablet packs of sertraline 50mg and 100mg in the months since patent expiry last October (Source - WaveData)

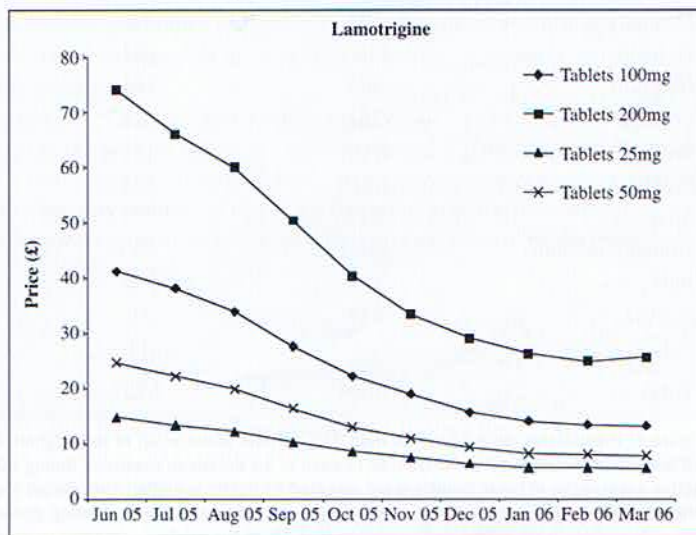


Figure 3: Average prices offered to independent pharmacists and dispensing doctors in the UK for 56-tablet packs of lamotrigine 25mg, 50mg, 100mg and 200mg in the months since patent expiry last May (Source - WaveData)

PRICE WATCH UK highlights generics price changes in the UK market and appears exclusively in every issue of **Generics bulletin**, courtesy of the Pharma TouchStone service of WaveData.

WaveData collects and collates pricing information from a number of European countries. In the UK, pricing information about generics, brands and parallel imports is gathered from offers made to independent retail pharmacists and dispensing doctors by wholesalers and generic manufacturers. WaveData collates this data and publishes the results as its Pharma TouchStone service. This is designed to give customers of the service fast, accurate, real-time access to current generic prices.

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