



PHARMACEUTICALS EXPORT PROMOTION COUNCIL

(Set up by Ministry of Commerce, Govt. of India)

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News / Story reproduced with thanks:- **FiercePharma**

Fast-growing generics ripe for consolidation

Direct link to the News/Story:-

<http://www.fiercepharma.com/node/12428/print>

More evidence to bolster Big Pharma's increasing interest in selling generic drugs: Over the 12 months that ended September 2009, global sales of generics grew by 7.7 percent, up from 3.6 percent the year before, IMS Health reports. And that's more than two full percentage points higher than the 5.7 percent growth in sales of all drugs--generics and branded versions alike.

"The global industry virtually had 10 years in a row of good growth [in generics]--not only in prescriptions but also in sales," IMS VP Doug Long tells *ICIS.com*. "All the dynamics of the generics industry were strong and it seems to have even prospered more during the economic slowdown."

Here's some more numbers for you to digest: Generics now account for 72 percent of total U.S. drug-market volume. That's an all-time high. But they only account for 17 percent of the market dollar-wise, or some \$31 billion.

And in a set of statistics that must be tantalizing to big drugmakers, the top 10 generics makers together account for only 66 percent of the market--leaving 34 percent distributed among small companies that "would be ripe for acquisitions or mergers," Long says. "Everybody expects that there will be consolidation within the generic drugs industry." So who's the next deal?