

*The Truth*  *About Health*

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## DRUG COMPANIES OVER-SPENDING EXPOSED

Vol. 5 Issue 121

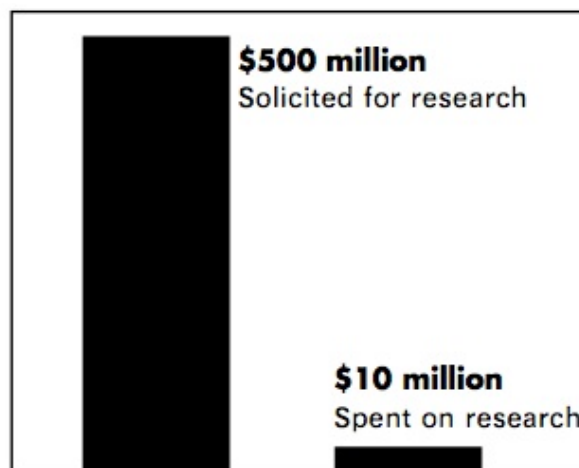
Recent reports by the consumer watchdog group, Public Citizen, exposed the pharmaceutical industry for only spending one-fifth of what it says it spends on the research and development of newdrugs.

The report details how U.S. drug companies and their lobby groups, Pharm Research and Manufacturers of America (PhRMA), have carried out a misleading campaign to scare policy makers and the public.

PhRMA has long claimed the pharmaceutical industry needs huge profits to fund the research and development of new drugs — But, Public Citizen revealed that the money actually spent is “grossly lower” than they claim, and taxpayers’ dollars paid a large portion of the bill.

The Public Citizen report is based on an extensive review of government and industry data, and a report obtained through the Freedom of Information Act from the National Institutes of Health.

Among the key findings, drug companies actually spend \$10 million per year for the research and development of new drugs, rather than the \$500 million they solicit. And, at most, only 22% of the new drugs introduced over the last 20 years were innovative — most were “copycat” drugs that had little to no therapeutic gain over existing drugs. Such findings undercut the pharmaceutical’s claim that research and development expenses are used to discover new treatments for serious and life-threatening illnesses.



SOURCE: Dynamic Chiropractic, September 12, 2001, pp. 1, 20-21.