

# The Worldwide War On Counterfeit Medicines

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*This is the third article in a five-part Life Science Leader series examining the current state of the counterfeit medicines problem.*

**I**t's a sobering trend for the pharmaceutical industry. The counterfeit medicines market is growing at twice the rate of the market for legitimate prescription drugs. That's according to the Center for Medicine in the Public Interest, a New York-based research group partially funded by the pharmaceutical industry. The organization estimates that the sale of fake pharmaceuticals generated \$75 billion in 2010. The group estimates that the figure for 2016 will rise to \$95 billion.

"It has been a real growth industry," says Travis Johnson, the primary lobbyist in Washington, D.C. for the International AntiCounterfeiting Coalition (IACC). Johnson oversees all aspects of the IACC's government relations and policy development in North America.

The potential for harm due to fake drugs has made fighting this problem a top priority for the IACC, an organization founded in 1979 that originally focused on stopping the sale of counterfeit apparel and luxury goods. Today, it aims to stop all product counterfeiting, including fake pharmaceuticals. "A knock-off designer purse is not going to kill anyone. A fake drug that is manufactured in unsanitary conditions or contains contaminants just might," Johnson says.

Counterfeit drugmakers are not just unscrupulous; they are creative. They are always looking for new ways to get their products out on the market. Over the years, everything from antifreeze to yellow highway paint has been found in counterfeit drugs. "The whole point is to make as much money as they possibly can. So, if they can use cheap ingredients, they will," Johnson says.

Winning the fight against counterfeit drugs requires global cooperation, Johnson says. The IACC is made up of 250 members from a cross section of business and industry. It also includes law firms, investigative

and product security firms, government agencies, and intellectual property associations. Coming together, these players have allowed the IACC to put a dent in pharmaceutical crime, especially when it comes to fake drugs being sold via the internet.

The web did not even exist when the IACC was created. Today, fighting the sale of counterfeit products online is one of the organization's most effective strategies. It has developed two programs — the RogueBlock Program and the IACC MarketSafe Program. RogueBlock is used to track down the sources of illicit products and take away criminals' ability to receive payment for their illicit goods, while MarketSafe is used to take down fake product listings on Chinese online marketplaces Taobao and Tmall.

#### TAKING DOWN PHONY ONLINE PHARMACIES

RogueBlock was the IACC's first program for tracking down counterfeiters online. The program has led to the termination of 5,100 merchant accounts representing an estimated 200,000 websites selling a wide variety of goods, from the traditionally counterfeited items, such as electronics and automotive parts, to the more recent emergence of entertainment software and movies. The IACC does not keep track of how many of those merchants were trafficking in fake pharmaceuticals, but Johnson says the number is substantial.

Thousands of rogue online pharmacies exist, Johnson says. "These are entirely unlicensed and unregulated sites," he says. Many advertise that they sell drugs approved by foreign regulatory agencies. It is still, however, illegal to import those goods. "The vast majority of online pharmacies are trafficking in nothing but fake medicines," Johnson says.

The statistics back up this claim. A 2013 survey of