



The Threat of Counterfeit Medicine

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Counterfeit medicines: a growing problem

Global counterfeit drugs generate an estimated \$75-200 billion in annual sales.^{1,2}

Counterfeit medicines have been found in all therapeutic areas in every region of the world.

¹ THE CENTER FOR MEDICINES IN THE PUBLIC INTEREST

² WORLD ECONOMIC FORUM. GLOBAL RISKS 2011. SIXTH EDITION.
AN INITIATIVE OF THE RISK RESPONSE NETWORK. JANUARY 2011.

Reported Cases of Seized Medicines
CY 2008-CY 2012



SOURCE: THE PHARMACEUTICAL SECURITY INSTITUTE (PSI)

The Lilly anti-counterfeit strategy

- Secure and enhance the integrity of Lilly products through the legitimate supply channel.
- Deter major counterfeiters of Lilly products through legal actions, investigations and use of technologies.
- Partner with Government and Non-Government Organizations and Trade Associations to elevate the issue of counterfeiting and raise awareness about the threat to patient safety.

Counterfeit Lilly products are found worldwide



Major seizures of Lilly brand counterfeits



1. 2,300,000 counterfeit Cialis® tablets (Jordan)
2. 201,000 counterfeit Evista® tablets (Turkey)
3. 155,000 counterfeit Cialis® tablets (France)
4. 800,000 Cialis® tablets (Paraguay)

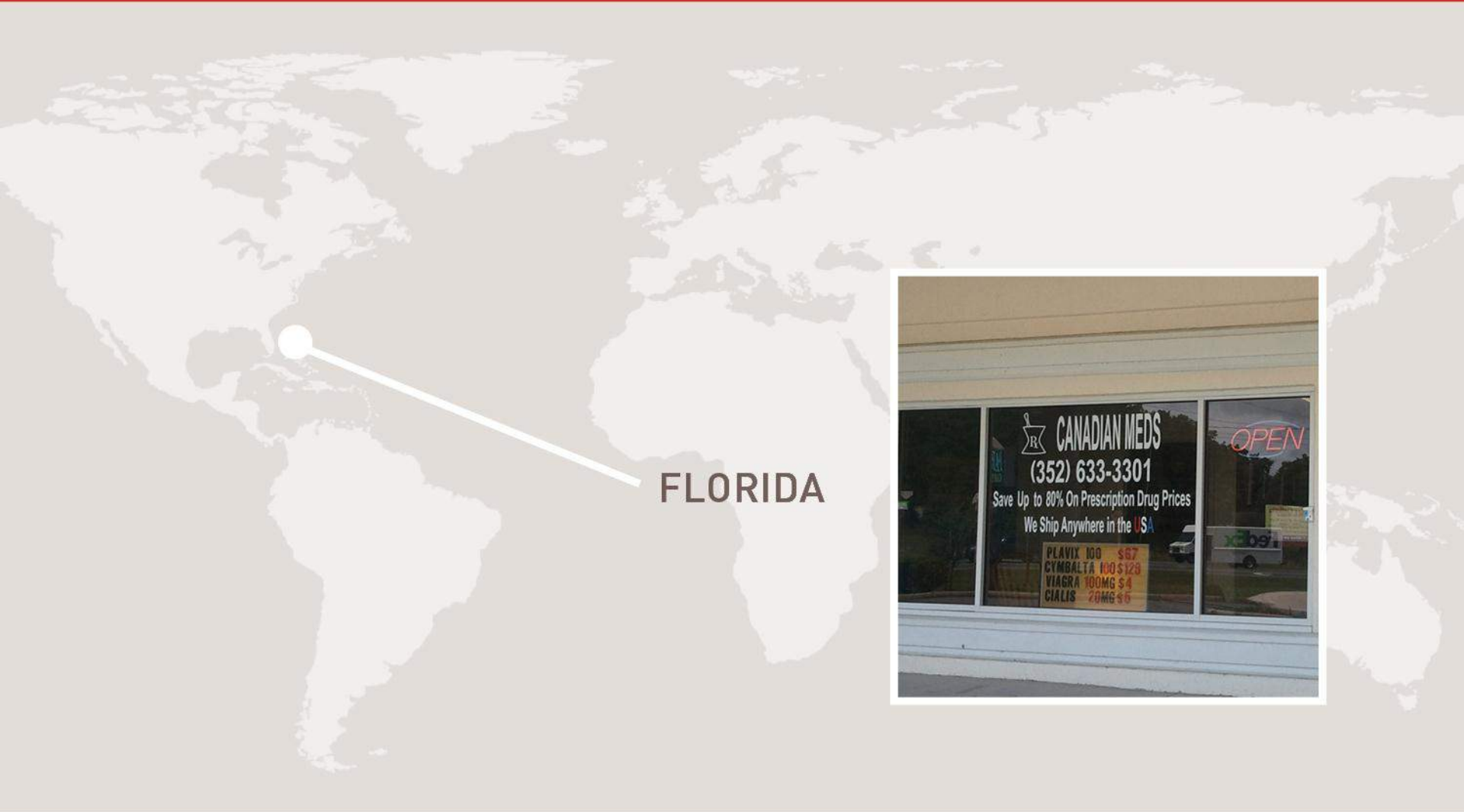
5. Counterfeit Alimta® (China)
6. Counterfeit Cialis® (Japan and UK)
7. Counterfeit Zyprexa® (UK)

Rogue online “pharmacies” worldwide

- There are approximately 35,000 active online drug sellers worldwide at any one time.¹
- The largest illegal online drug sellers can make between \$1 million and \$2.5 million in sales each month.²
- Nearly 200 enforcement agencies across 111 countries have taken part in Operation Pangea VII targeting illicit online pharmacies. 237 arrests were made worldwide and nearly \$36 million in dangerous drugs were seized.³
- 50% of prescription medicines sold online by sites hiding their physical address are counterfeit.⁴

¹ LEGITSCRIPT; ² MIT'S TECHNOLOGY REVIEW; ³ INTERPOL; ⁴ WORLD HEALTH ORGANIZATION

Rogue pharmacies in plain sight



FLORIDA



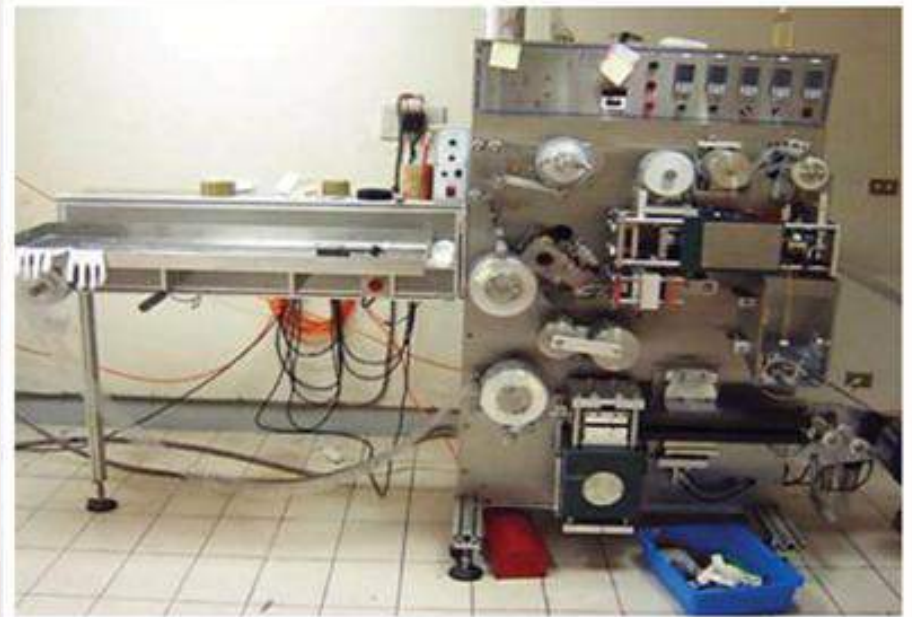


Counterfeits can be
hiding anywhere

Crudely made. Nicely packaged.



COUNTERFEIT LAB



COUNTERFEIT PRINTING

Lilly supports law enforcement efforts

Lilly has assisted law enforcement agencies globally with criminal investigations, training, and awareness about counterfeit medicines in an effort to stop counterfeiters. Examples include:

- INTERPOL, EUROPOL, and the World Customs Organization
- Customs authorities in Mexico and globally
- Regulatory and law enforcement agencies, including COFEPRIS and the U.S. Food and Drug Administration
- U.S. Intellectual Property Enforcement Coordinator (IPEC) and the Instituto Mexicano de la Propiedad Industrial (IMPI)



The way forward

