

# Criminals make killing from fake drugs

**WHO: Over \$30 billion in bogus pills sold each year, mostly over the Web**

First it was fake CDs, jeans and Rolex watches. Now organized criminals are turning to counterfeit medicines as the latest money-spinner, with potentially lethal results.

Around the world, health authorities are battling a growing trade in fake medicines, which the World Health Organization estimates is worth more than \$30 billion a year.

The problem is acute in parts of Asia and Africa, where fake drugs are rife, but rich countries are not immune.

Just last week, British authorities admitted a third breach of the country's legitimate supply chain in a year, when fake packs of Pfizer Inc's cholesterol fighter Lipitor, the world's top-selling prescription medicine, were seized.

Such cases of fake drugs turning up on pharmacy shelves are only the tip of the iceberg, however.

Most bogus pills are distributed illicitly, often over the Internet, exposing patients on every continent to medicines which may contain the incorrect dose, the wrong ingredients or no active ingredients at all.

Given the low production costs it is a hugely lucrative trade and some criminals now prefer it to narcotics, according to government and pharmaceutical industry officials.

For Nimo Ahmed, head of medicines intelligence at Britain's Medicines and Healthcare Regulatory Agency, raids on illicit distributors have become routine.

Earlier last month, officers from his agency seized thousands of Kamagra pills, a fake version of Viagra made in India, from

premises in the English seaside towns of Brighton and Chichester.

In November, 2004, they closed down a factory in north London that was churning out half a million fake Valium, Viagra and steroid pills every day.

### **Lifestyle medicines**

“Unfortunately, the increase in lifestyle medicines has created a demand on the illicit supply chain and people are increasingly buying these products, often in association with hard drugs,” Ahmed told Reuters.

“It’s very much market-driven ... and the Internet is a major contributing factor.”

His experience is echoed across Europe and the United States. The U.S. Food and Drug Administration last year initiated 58 counterfeit medicine investigations in 2004, up from 30 in 2003 and just six in 2000.

As in Britain, lifestyle drugs make up the bulk of the illegal trade, but U.S. probes have also uncovered bogus versions of more sophisticated medicines, such as anemia drug EPO, which is given to cancer and transplant patients, and human growth hormone, which is prescribed for some people with AIDS.

The problem is most serious, however, in the Asia -- where many fake drugs are manufactured -- and in Africa, where poverty and slack oversight have created a breeding ground for bogus pharmaceuticals.

Worldwide, the WHO believes counterfeits make up between 5 and 8 percent of the \$550 billion of medicines sold each year. But WHO spokeswoman Daniela Bagozzi said this was based on incomplete information and the actual amount could be higher.

"It represents a huge number of people who are suffering and in some case dying," she said. "A lot of deaths could be avoided if the drugs being taken were not substandard counterfeits."

### **Interpol operation**

The U.N. body estimates that 60 percent of counterfeit medicine cases occur in developing countries, with anti-malarials, antibiotics and AIDS drugs all targeted.

In a bid to crack down on the problem, Interpol and the WHO in May launched Operation Jupiter to deal with counterfeit medicines in southeast Asia. The plan is then to take the campaign to Africa.

The pharmaceutical industry, which has been wary in the past of talking about counterfeits for fear of knocking confidence in their brands, has also been going on the offensive.

"Counterfeiting is very lucrative, production is growing and the growth of the Internet only expands upon that," said Eric Noehrenberg, director of international trade issues at the International Pharmaceutical Manufacturers and Associations.

Companies like Pfizer, which makes Viagra as well as Lipitor, and Lilly ICOS, which produces the rival impotence treatment Cialis, have been hardest hit.

John Balmforth, global marketing director for Cialis, said some estimates suggested counterfeits could represent as much as 30 percent of legitimate sales, although it was hard to assess.

Pfizer and Lilly have taken action against Web sites distributing counterfeits this year but the main hope of the industry lies in a new high-tech tracking system, called radio frequency identification, or RFID.

Viagra and certain AIDS drugs are expected to be among the first medicines to carry radio chip tracking devices, which companies and regulators hope will expose fakes.