



Collaborative R&D

Canada's intellectual property worthy of protection

Canada's pharmaceutical and life-sciences sectors see a historic opportunity arising within the current trade negotiations between Canada and the European Union to propel Canada to a leadership role in life-science innovation and create jobs and opportunities in the knowledge economy.

"The fundamentals of life-science research are grounded in intellectual-property protection," says Russell Williams, president of Canada's Research-Based Pharmaceutical Companies (Rx&D), noting that in a competitive global environment, research investment goes to those jurisdictions that provide the most attractive environment.

But without timely improvements to our intellectual-property regime, Canada's ability to compete on a global scale for the \$100 billion invested in life-sciences research and development

(R&D) annually will continue to erode, says Mr. Williams.

"If Canada doesn't have a world-class intellectual-property framework, we won't be able to compete. The Canadian Intellectual Property Council recently examined the life-sciences and pharmaceutical sectors around the role intellectual property plays, finding Canada has less robust protection than the other 31 countries studied, including South Korea."

It is no secret that Canada continues to lag in innovation and productivity, says Chris Gray, director of innovation policy for the Canadian Chamber of Commerce. One of the reasons, he says, is that the countries that are doing well in innovation – such as those in Europe – are doing much better at protecting intellectual property. "That's really the key."

"Every time Canada has

moved to improve intellectual property," says Mr. Williams, "the global industry has responded by increasing investment." Currently, the research-based pharmaceutical community invests approximately \$1.2 billion in R&D in Canada each year, and is responsible for generating 60,000 jobs across the country – including about 10,000 research positions.

The cost of inaction is clearly demonstrated by the negotiations currently underway for the Canada-European Union Comprehensive Economic Trade Agreement (CETA), says Mr. Williams. "Europe has put this on the agenda, with potential for \$11 billion in trade benefits over the next seven years, and is asking that we have equivalent intellectual-property protection to support a trade agreement. If we don't seize this opportunity

to become world class in the IP regime, Canadians will regret it for a long time."

Mr. Gray agrees. "In order to keep up with the rest of the world, it is clear Canada also needs changes to its intellectual property protection framework. "In Quebec, for example, we are already starting to see some jobs going offshore because of stronger IP protection in other jurisdictions."

CETA would be especially favourable because Canada would become the only country in the world to have such agreements with both the U.S. and the European Union, a distinct competitive advantage.

Most important, says Mr. Gray, is the development of a comprehensive intellectual-property strategy. A strategy at the highest levels of government will communicate that Canada is open for business, he says. "We

have a competitive corporate tax rate, top notch skills, an educated and stable workforce and a stable economy. Now we just have to match the intellectual-property protection provided by the U.S. and Europe."

"The next few decades hold tremendous promise," says Mr. Williams. "Research not only holds promise to revolutionize health care, but also the way we continue to discover and develop our medicines and vaccines. We want the research done here, in Canada, and to have life-saving medicines and vaccines made available to Canadians so that we can prevent and treat disease and improve our quality of life. The global pharmaceutical industry itself is currently involved in the development of 800 potential cancer drugs alone. Competitive intellectual property will help Canada harness this promise."

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Do you believe
that Canada can be a world leader in generating jobs and investment in life sciences and the knowledge economy?

Innovation is Attitude — Canada has the right ingredients for success: smart, highly motivated and highly trained people in every province as well as some of the best research and learning institutions in the world.

But we also need better tools, including world-class intellectual property protection that can help us turn innovative ideas into the next generation of new life saving or life enhancing medicine. These new cutting edge medicines will also help by reducing surgery, hospital visits and other health costs.

We want Canada to be one of the leading places where more new medicines and vaccines are developed to treat and prevent cancer, diabetes, Alzheimer's, heart disease and other conditions.

We do. By opening the doors to innovation, we improve the quality of life of all Canadians.

Canada is currently negotiating a comprehensive trade agreement with the European Union (EU) that would put us in the unique position of being the only country in the world to have favoured trading status with both the Europeans and the U.S.

An internationally competitive intellectual protection regime for Canada is part of the discussions. A deal with the EU will preserve and create jobs in life sciences and provide a \$12 billion boost to the Canadian economy while increasing our bilateral trade by 20 %.*

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*http://www.international.gc.ca/media_commerce/comm/news-communiqués/2009/386908.aspx?lang=eng