



NATIONAL ASSOCIATION OF
CHAIN DRUG STORES

July 29, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

Dear Senators Reid and McConnell:

As the Congress prepares to recess for the August work period, the National Association of Chain Stores (NACDS) urges Senators to resist legislation that would allow for reimportation of prescription drugs. We understand the Senate may soon consider food safety legislation, which pertains to the Food, Drug and Cosmetic Act and therefore could attract a drug reimportation amendment. In the past, there have been efforts to amend such measures with language to permit reimportation.

NACDS represents traditional drug stores, supermarkets, and mass merchants with pharmacies. Its more than 154 chain member companies include regional chains with a minimum of four stores, to national companies. Chains operate more than 37,000 pharmacies, and employ a total of more than 2.5 million employees, including 118,000 full-time pharmacists. They fill more than 2.5 billion prescriptions yearly, and have annual sales of over \$815 billion.

NACDS strongly supports policies to help make prescription drugs more affordable. However, we do not believe consumer safety can be ensured in a system that allows for the reimportation of prescription drugs. In addition to legitimate concerns about the safety and effectiveness of these products, individuals who obtain medications through reimportation schemes do not have a licensed pharmacist available to consult with them about using the medications safely and effectively.

Every day, retail pharmacists assist customers with obtaining the most cost effective, therapeutically appropriate drug therapies. One of the most effective ways to improve affordability is through the use of generic medicines, which are therapeutically equivalent, but on average cost about two-thirds less than brand name equivalent drugs. The generic dispensing rate at retail pharmacies is 64.5%, which is higher than any other pharmacy practice setting, so we are justifiably proud of our industry's contribution to helping reduce health care costs.

We applaud the efforts of Congress to expand access to prescription medication, and are committed to working with you to advance policies that expand consumer access to safe, affordable, and effective prescription drugs. However, reimportation is not the right way to go about achieving this worthy goal.

413 North Lee Street
P.O. Box 1417-D49
Alexandria, Virginia
22313-1480

(703) 549-3001

Fax (703) 836-4869

www.nacds.org

Thank you for your consideration of our views. If you have any questions, please feel free to contact Paul T. Kelly, Vice President, Federal Government Affairs, at (703) 549-3001.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven C. Anderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steven C. Anderson, IOM, CAE
President and Chief Executive Officer

cc: Members of the United States Senate