

On the other, it has been asserted that drug patents, combined with multi-million-dollar drug advertising campaigns, can keep new or small companies out of the high-profit circle, and effectively stifle price competition in the marketplace.

Various proposals to modify the patent system have been considered by the Task Force.

Abolition of Drug Patents. Removal of all patent protection from new drugs, it appears, would be a destructive move. Virtually all the important new drugs of recent years have come from countries providing patent protection. Few, if any, have come from Eastern European nations which offer little or no patent protection. Several important drugs have originated in Italy, which does not provide patent protection, but these have been quickly patented in foreign countries.

Restricted Patent Life. It has been estimated that a company will usually recoup all its research and development costs within about three years after it reaches the market. Accordingly, it has been proposed that the patent on a drug should be reduced from the