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Opportunities for Patents in Pharmaceutical Industry: An empirical study Drug Developers' Opinion

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Abstract

Industries devote huge sums of money and resources in research and development to bring new medications to market in the fiercely competitive pharmaceutical sector. The price of creating new pharmaceuticals is significant, and it can take a while for them to reach the market. Patents give pharmaceutical companies a temporary legal monopoly on their product, which encourages innovation by enabling them to recoup their costs and turn a profit.In the pharmaceutical sector, there is a huge potential for patents, and businesses are constantly looking for innovative strategies to safeguard their inventions. Patents give drug developers an advantage over rivals in the market in addition to safeguarding their intellectual property. A business that has a substantial patent portfolio can stop rivals from entering the market and stealing market share. A strong patent portfolio can also draw investors and business partners because it shows a company's dedication to innovation and capability to safeguard its intellectual property. People from Pharmaceutical industry are considered in this research work, and it is found that Patents give pharmaceutical firm a legal monopoly on temporary basis on their product, Patents give medicine developers a competitive edge in the market, Patents has given Indian pharmaceutical firms the chance to be more creative and develop novel medications.

Keywords: Pharmaceuticals, Research and development, Patents, Intellectual property, Innovation.

Introduction

India is becoming a major player in the pharmaceutical sector. The nation has a sizable pool of highly qualified scientists and researchers, plus its affordable manufacturing capabilities make it a desirable location for pharmaceutical companies. Also, the Indian government has implemented measures to promote innovation, such as providing tax breaks and financing for R&D. For

pharmaceutical businesses seeking to create new medications and safeguard their intellectual property, all of these aspects make India a desirable location (Chadda 2006).

The significance of patents to India's pharmaceutical sector. They contend that patents offer the necessary incentives for innovation and that without them, medication developers wouldn't be as motivated to engage in R&D. However, they also point out that the trade-related intellectual property rights (TRIPS) agreement's implementation has had a major influence on the Indian pharmaceutical sector. The deal has made it more challenging for Indian businesses to create generic versions of copyrighted medications, which has restricted their capacity to offer patients access to affordable medicines (Chaturvedi and Chataway 2006).

It mentions that a key factor in the industry's success has been India's strong foundation in the production of generic medications. He contends, however, that if the sector wishes to compete on the world market, it must change its emphasis towards innovation and the creation of new pharmaceuticals. Notes that companies that concentrate on developing new drugs have a higher chance of long-term success. Innovation is crucial to the pharmaceutical industry. He contends that Indian businesses need to spend more money on research and development if they want to produce new medications that can compete with those already on the market internationally.The Indian pharmaceutical industry is well-positioned to take the lead in the creation of novel medicines because to a number of advantages. The business has a sizable pool of highly qualified scientists and researchers, and medication developers find it appealing because of its capacity for low-cost manufacturing. Likewise, the Indian government has developed laws to foster innovation, including tax incentives and financing for research and development. the Indian pharmaceutical business must overcome obstacles if it is to succeed in the global market. One of the main issues is the requirement for large investments in research and development. Indian enterprises must be willing to make the necessary financial investments to be successful because the process of developing new pharmaceuticals is time-consuming and expensive (Gupta 2007).

Literature Review

Duggal's (2005) study of the patent system in the Indian pharmaceutical sector offers insightful information about the viewpoints of many industry participants, including drug inventors. Indian

pharma developers think there are several prospects for the business to grow and innovate thanks to the patent system. The system offers unique goods and procedures legal protection, which motivates pharmaceutical companies to spend money on R&D. Additionally, patents give medicine developers a competitive edge in the market because they give them an exclusive right to market their product and stop other businesses from making and selling the same thing.It points out that the patent system presents a number of difficulties for drug developers, particularly in light of India's special legal and regulatory environment. For instance, India's patent legislation offers pharmaceutical products only partial patent protection, which makes it challenging for drug producers to recover their R&D expenses. Furthermore, the Indian patent system is frequently amended, which breeds uncertainty and makes it difficult for drug companies to plan their operations and investments.

The Indian pharmaceutical business and the evolving dynamics of intellectual property rights are discussed by Ramanan and Narayanan (2004). According to the authors, India's adoption of product patents has given Indian pharmaceutical firms the chance to be more creative and develop novel medications. To help Indian businesses compete on the global market, they recommend that the Indian government fund R&D and innovation. Talk about the difficulties that Indian pharmaceutical companies confront, such as the high R&D expenses and the fierce rivalry from foreign firms. They advise Indian businesses to concentrate on creating medicines that address unmet medical needs and to utilize intellectual property protection as a tactical instrument to obtain a competitive edge. The authors also stress the necessity for the Indian government to establish regulatory frameworks that support innovation while guaranteeing that medicines are both inexpensive and available to everyone.

In his 2002 article "The Indian Pharmaceutical Industry and Patents: The Future Is Here," Mahajan examines the effects of India's expanding patent system on the pharmaceutical sector. It contends that India's 2005 implementation of product patents has both advantages and disadvantages for the country's pharmaceutical sector. Notes that the industry may face difficulties as a result of India's decision to allow product patents, particularly for smaller businesses that may find it difficult to compete with large, well-funded global corporations. Smaller players may also encounter obstacles

that prevent them from innovating and expanding due to the high expenses of obtaining and maintaining patents.

In order to safeguard its intellectual property and encourage research and development, the pharmaceutical sector significantly relies on patents. Yet, as stated by Kesselheim et al., 2007 erroneous patents and expansions of market exclusivity can have detrimental effects on the healthcare system . They contend that the pursuit of unwarranted patents may result in higher drug costs and a reduction in patients' access to low-cost drugs. This emphasizes the necessity for appropriate patent rules that strike a balance between the incentives for innovation and the requirement for accessible and inexpensive medicines.

From a strategic point of view, Mukherjee (2007) gives his opinions on the patent system in the Indian pharmaceutical business. In his view, India's new patent law has increased the quantity of patent applications, giving Indian pharmaceutical firms the chance to innovate and compete more effectively. The author contends that in order to obtain a competitive advantage, Indian businesses should concentrate on creating medicines that address unmet medical requirements. Indian pharmaceutical companies have the chance to grow more innovative and competitive because to the patent system in place. Yet he emphasises that the Indian government must foster innovation and establish a legal framework that promotes it while also safeguarding businesses.

The Indian pharmaceutical industry's patent regime is discussed by Kshirsagar (2004). He contends that the absence of product patents in India up to 2005 was a major factor in the country's pharmaceutical industry's substantial growth. Yet, since the advent of product patents, the industry has had to contend with issues related to innovation, R&D spending, and competition from large corporations.Additionally, it recommends that the Indian government support public research institutes with money and offer incentives for innovation to boost R&D investment in the pharmaceutical industry.

Pammolli et al. (2011) talk about the productivity issue in pharmaceutical R&D. While they acknowledge that patents can encourage innovation, they also point out that the industry is struggling with rising costs and falling productivity. This demonstrates the necessity of a balanced approach to patent regulations that foster innovation while addressing the problems the sector

faces. The effect of patents on the Indian pharmaceutical business is critically examined by Lalitha (2003).The author claims that while the introduction of product patents in India has given Indian pharmaceutical companies the chance to become more innovative and competitive, it has also presented significant challenges, such as increased competition from multinational companies, which highlights the potential adverse impact of patents on public health in India. According to Singh and Mishra (2006), the Indian pharmaceutical industry has the potential to lead the world in innovation, but for this to happen, the government must fund R&D, foster an atmosphere that encourages innovation, and protect intellectual property rights. Discuss the difficulties that Indian pharmaceutical firms encounter due to the high costs of R&D and the fierce rivalry from international firms.

Objective: To know the Opportunities for Patents in Pharmaceutical Industry.

Methodology: The researcher had considered people from Pharmaceutical Industry to know the Opportunities for Patents in Pharmaceutical Industry. The survey was conducted with the help of a questionnaire. The researcher had collected the primary data through random sampling method and was analysed by statistical tool called mean.

Findings

Opportunities for Patents in Pharmaceutical Industry

S. No.	Statements	Mean Value
1.	Patents give pharmaceutical firm a legal monopoly on temporary basis on their product	4.13
2.	Patent encourages innovation by enabling them to recoup their costs and turn a profit	4.00
3.	Patents give drug developers an advantage over rivals in the market	3.13
4.	Patent help pharmaceutical companies in safeguarding their intellectual property	3.17
5.	Patents give medicine developers a competitive edge in the market	4.07

6.	Patents has given Indian pharmaceutical firms the chance to be more creative and develop novel medications	4.03

Table above is showing Opportunities for Patents in Pharmaceutical Industry. The respondent says that Patents give pharmaceutical firm a legal monopoly on temporary basis on their product with mean value 4.13, Patents give medicine developers a competitive edge in the market with mean value 4.07, Patents has given Indian pharmaceutical firms the chance to be more creative and develop novel medications with mean value 4.03. Patent encourages innovation by enabling them to recoup their costs and turn a profit with mean value 4.00, Patent help pharmaceutical companies in safeguarding their intellectual property with mean value 3.17 and Patents give drug developers an advantage over rivals in the market with mean value 3.13. Figure 1 presents the mean values at a glance.

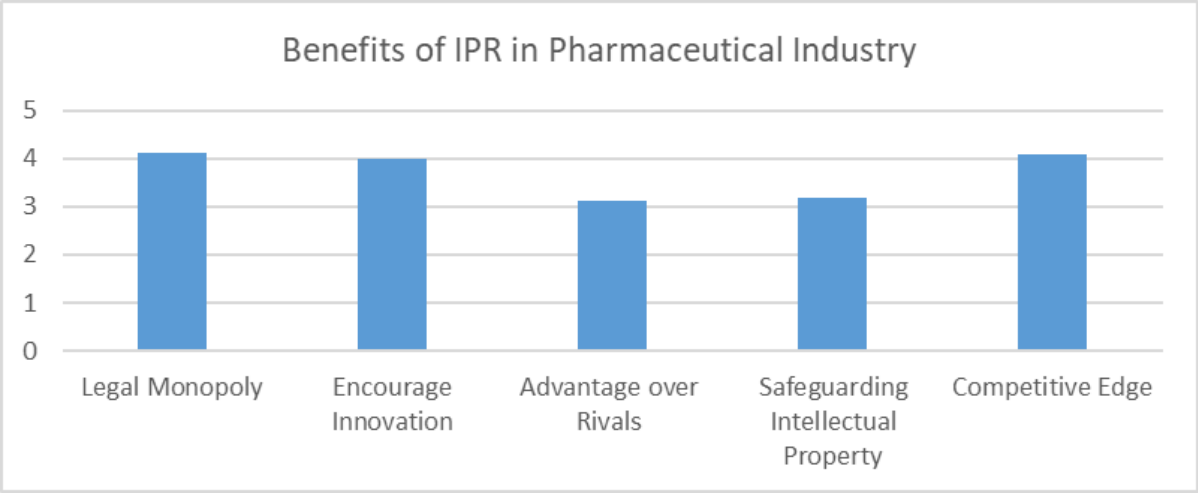

Figure 1 Benefits of IPR in Pharmaceutical Industry

Conclusion

To conclude, business insiders, and drug developers have all had a lot to say on the possibilities for patents in the pharmaceutical sector. The establishment of product patents in India in 2005 resulted in significant modifications to the country's pharmaceutical sector and had a profound effect on the strategy used by medication developers for R & D and innovation. The protection of their R&D efforts and the acquisition of a competitive edge in the market are two goals that many

drug developers view patents as vital to achieving. There are worries that patents may limit access to necessary medications, drive up prescription prices, and impede innovation.In spite of these problems, the pharmaceutical industry keeps spending a lot of money on research and development, and worldwide, the number of pharmaceutical patent applications has been steadily increasing. An increasing interest in alternate kinds of intellectual property protection, such as open innovation and collaborative research methods, has also emerged in recent years. There is no one-size-fits-all answer, and there are still plenty of prospects for patents in the pharmaceutical business. It is necessary to adopt a balanced strategy that takes the requirements of patients, drug developers, and society at large into account. While simultaneously guaranteeing that everyone has access to and can afford basic medications, the pharmaceutical sector must continue to research and create new pharmaceuticals. Instead of being an impediment to innovation and the advancement of society, the patent system should be used to promote innovation and benefit society. This study was conducted to know opportunities of patents in pharmaceutical industries, and it is found that People from Pharmaceutical industry are considered in this research work, and it is found that Patents give pharmaceutical firm a legal monopoly on temporary basis on their product, Patents give medicine developers a competitive edge in the market, Patents has given Indian pharmaceutical firms the chance to be more creative and develop novel medications.

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