



Research

Primer on the Pharmaceutical Industry

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The pharmaceutical industry produces prescription and over-the-counter drugs as well as biologic products primarily intended to treat human illnesses. Biologic products are created through the use of living systems and include vaccines, blood and blood components, gene therapy and tissues. A brand name drug is an innovator drug which has undergone an extensive research and development (R&D) process and is initially protected by patents. A generic drug is chemically equivalent to a brand name drug that has lost patent protection and is sold at significantly discounted prices. The Center of Drug Evaluation and Research (CDER) of the Food and Drug Administration (FDA) is the government agency in charge of regulation and oversight of this industry.