



## NEWS RELEASE

### **TRUMP EXECUTIVE ORDER WILL HURT PHARMACEUTICAL INNOVATION AND HARM NORTH CAROLINA ECONOMY**

*President Trump's executive order to adopt foreign price controls for prescription medications will jeopardize pharmaceutical, clinical research and related jobs in North Carolina and undermine the sector's ability to bring new therapies to market.*

**Durham, NC (September 14, 2020)** – NCBIO, the North Carolina Biosciences Organization, today said that President Donald Trump's Executive Order to adopt international reference pricing for certain prescription pharmaceuticals will threaten pharmaceutical, clinical research and related jobs in North Carolina. The Organization said the executive order also would impair pharmaceutical innovation at the very time that bioscience companies are investing in treatments and vaccines for COVID-19 and other life-threatening diseases.

"As the number two pharmaceutical manufacturing state in the nation, our economy will be impacted disproportionately by the President's order," said NCBIO President Sam Taylor. "The order will also hurt North Carolina's innovative young pharmaceutical companies by discouraging venture investment in drug discovery and development. The pharmaceutical innovation ecosystem that North Carolina has for so long nurtured would lose the financial backing it needs to create new companies and commercialize new pharmaceutical innovations."

As of 2018, the latest year for which data is available, North Carolina was home to more than 70,000 biopharmaceutical and related clinical research and pharmaceutical distribution jobs. Since March of 2019, pharmaceutical companies have announced plans for more than \$2.2 billion of capital investment in North Carolina and more than 2,000 new jobs. "The President's executive order could cause these companies to rethink their manufacturing priorities," said Taylor.

The Executive Order also comes at a time when pharmaceutical innovation has more immediate potential than at any time in recent memory. Breakthroughs in the technologies of gene synthesis, gene therapy and gene editing have opened the doors to a vast array of treatments that will mitigate and, in some cases, even cure previously intractable diseases. The order could impair development many of these new products, leaving patients to endure often debilitating health conditions.

"America's ability to respond to the COVID-19 pandemic has been driven in large measure by the technological and capital assets of the pharmaceutical industry," added Taylor. "Stripping these companies of innovation-enabling revenues will severely limit our country's ability to respond to future pandemics."

The United States accounts for nearly two-thirds of all new medicines and leads the world in research and development because our healthcare system incentivizes innovation. This means that American

patients can access [90% of new medicines](#), compared to patients in Canada who can only access 46% of new medicines.

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**ABOUT NC BIO:** The North Carolina Biosciences Organization, NC BIO, is the trade association for North Carolina's bioscience industry. The Organization has more than 200 members and advocates for state and federal public policies that encourage the growth of life science companies. For more information about NC BIO, visit [www.ncbioscience.net](http://www.ncbioscience.net).