

WHEREAS, innovation within the U.S. biopharmaceutical sector leads to new discoveries that save lives and contribute to U.S. economic growth and result in the U.S. being the global leader in biopharma research and development; and

WHEREAS, this competitive edge has positioned the U.S. pharmaceutical sector as one of the few manufacturing industries that still maintains a significant employment footprint domestically, supporting more than 4.4 million American jobs and is responsible for a larger share of business R&D than any other industry in the U.S. economy; and

WHEREAS, PILMA is committed to the dual goals of fostering innovation in life-saving cures and securing high-quality union construction jobs; and

WHEREAS, on average a new medicine that goes to market costs \$2.6 billion and takes 10 years to go through the entire R&D process; and

WHEREAS, price controls in the form of indexing drug prices to those in other countries, instituting a commission to arbitrarily decide what prices are deemed acceptable or tying market wide drug prices to the Veterans Administration, disrupts America's competitive market based economy and would have a devastating impact on medical innovation; and

WHEREAS, America relies on its competitive marketplace to control costs while encouraging development of new treatments and as a result, U.S. patients' have access to new therapies before they are offered in other countries; and

WHEREAS, price controls will result in less investment in R&D and could reduce employment in the construction industry through decreased capital construction projects; and

WHEREAS, PILMA has steadfastly opposed policies that reduce investment incentives and weaken protections of intellectual property rights, because without these Constitutional safeguards in place the innovation-investment process dries up and quickly, jobs are lost; therefore

BE IT RESOLVED, that the trade union and company trustees of the Pharmaceutical Industry Labor-Management Association (PILMA) recognize that price controls will upend America's position at the forefront of medical innovation, cease current and future research and development and eliminate American jobs the industry supports; and

BE IT FURTHER RESOLVED that price controls violate the very fabric of the U.S. Constitution by disregarding the patent and trademark clause put in place to protect innovation and create incentive to take economic risks for the health all Americans and the world; and,

BE IT FURTHER RESOLVED that the trade union and company trustees of PILMA will advocate and urge legislators to oppose legislation that arbitrarily caps drug costs.