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May 9, 2008

The Honorable Gilbert Cedillo
California State Senate
State Capitol, Room
Sacramento, CA 95814

RE: Senate Bill 1270
CHI Position: Support

Dear Senator Cedillo:

On behalf of the California Healthcare Institute (CHI), whose more than 250 members include our state's premier life sciences companies and academic research institutions, I am writing to support SB 1270, legislation that would require the California Board of Pharmacy (board) to establish the Electronic Pedigree Task Force and that would require the staff of the board to support its needs.

CHI's mission is to advocate policies that promote medical innovation, access to the best medicines and therapies, and promote the health and well-being of patients. CHI strongly supports the goal of the current electronic pedigree law and of the board: to protect the citizens of California from the threat of counterfeit drugs. Our members are committed to providing patients access to safe and effective therapies and have implemented and continue to update policies and procedures to achieve that goal. The biomedical industry has been in the forefront of electronic pedigree technology, testing and implementation and there is expertise within our membership that should be utilized in order to effectively implement the law. Sharing these experiences, in conjunction with other industry stakeholders, will ensure that important information is transmitted to the board on the readiness of the supply chain to put forth an effective system that functions smoothly and without interruption.

The changes that manufacturers must put into practice to comply with the requirements of the law are extensive. Creating and implementing a system to track all individual units of products moving through the supply chain is an enormous undertaking for companies of all sizes. Changes to current business practices will affect manufacturing facilities, packaging lines, and distribution centers, as well as operations of third-party partners and logistic providers. Distributors and pharmacies will be faced with similar challenges. With so many business components directly affected by the laws requirements, great care and deliberation must be taken or the health of California's patients will be at risk.

We look forward to continuing our work with you and the Board to protect the citizens of California. Please do not hesitate to contact us if we may be of any assistance to you.

Sincerely,

David L. Gollaher, Ph.D.
President & CEO

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