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**Canadian sites look overseas for drug supply**

**\* To combat shortages, online pharmacies used by U.S. consumers are seeking new sources. Safety could be an issue.**

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Millions of Americans now buy drugs from Canadian-based Internet pharmacies in an effort to save money. So far, the quantity and quality of the drugs has seemed relatively assured.

But during the last year, U.S. customers using Canadian websites have faced increasing difficulty getting top-selling medications such as Celebrex to treat arthritis and the antidepressant Effexor. That's because several of the world's biggest pharmaceutical makers are restricting supply to online Canadian pharmacies that ship to the U.S., leading to delays of several weeks for many customers. In severe cases, some sites have stopped accepting new clients looking for the hardest-to-get medications.

Faced with the growing shortages, Canadian Internet pharmacies are looking abroad themselves and increasingly selling U.S. consumers drugs that originate through pharmacies in England, Fiji, Israel and Chile. Depending on the country, that is raising concerns that U.S. consumers -- many of them senior citizens -- are getting medications from countries with less-stringent safety regulations than those in North America.

"It's a potentially scary situation" that a significant number of Canada-to-U.S. prescriptions could soon originate from other countries, says Marv Shepherd, a pharmacy professor at the University of Texas, Austin, and an expert in the field of cross-border prescription sales. It's particularly worrisome if Canadian companies "start to partner up with some of the more shaky countries," he says.

Shepherd says that most U.S. consumers believe Canadian drugs are safe, but that could change if they start running into problems with drugs from other countries.

The Canadian Internet drug market, which supplies more than 2 million U.S. buyers, took off like a brush fire four years ago after a pharmacist in western Canada put Nicorette on EBay and sold his entire supply in one day. Sales have continued to boom (except for a few weeks following Canada's announcement that it wouldn't support the U.S. in Iraq) and are expected to top \$1 billion this year.

Most prescriptions are for what are known as "maintenance medications," drugs for chronic conditions that patients take month after month. All patients must get a prescription in the U.S. before buying from Canadian sites.

Canadian Web retailers say Americans shouldn't notice any difference if their drugs come from outside Canada. All customers are informed which country is selling the drugs before they purchase them. And many insist they are partnering only with countries they believe have drug safety standards similar to those in the U.S.

Canada-based Internet pharmacies are helping persuade American consumers "that safe drugs can be bought all over the world, and not just in the U.S.," says Dave MacKay, director of the Canadian International Pharmacy Assn.

Still, expanding Internet prescription drug supplies beyond Canada raises a number of important questions for U.S. buyers: How exactly are Canadian companies deciding which countries to include? How can a U.S. consumer decipher one country's safety environment and compare it to another's? Whom do people contact if they have a problem with a medication? Also, what if the labels aren't in English?

The main worry, critics say, is that U.S. buyers could end up with counterfeit medications or drugs that have been diluted in some way. Although many pharmaceuticals are made in the same plants and then shipped to several countries around the world, countries with less-stringent regulatory systems often have much larger problems with counterfeits and other issues.

According to the World Health Organization, one-third of the countries producing drugs have regulatory controls similar to those in the United States; the other two-thirds do not. The WHO estimates that up to 10% of all drugs worldwide are counterfeit and says that number is as high as 50% in some countries. Even if the drugs are real, medicine that isn't in pill form can be split in half and diluted to increase the seller's profit.

Places such as Britain and Australia have enforcement standards very similar to those in the U.S. and thus have similar safety statistics. But that can't be said for countries such as Chile or other Second and Third World countries, experts say. That's why as Canadian companies expand the list of new countries that supply U.S. buyers' drugs -- some Internet pharmacies say they are thinking of adding several Eastern European nations -- worries grow.

The choices aren't always based on safety: One Canadian retailer says he is considering adding Chile and Israel to his list of suppliers so he can appeal to Spanish-speaking and Jewish consumers in the U.S.

Bill Hubbard, associate commissioner of the U.S. Food and Drug Administration, which has officially opposed online cross-border prescription sales but is often described as having a soft touch when it comes to enforcement, says the agency is increasingly worried about the "slippery slope" of U.S. consumers buying drugs from more and more countries. "As the drug supply chain extends to more countries, risks go up," he says.

The incentives for shopping abroad online are enormous. Unlike the U.S., nearly every other developed country has price controls on pharmaceuticals, keeping costs as much as 75% below prices here. But prices continue to vary around the rest of the world for several other reasons, including safety standards in each country.

A look at one Canadian website now offering drugs from several international sources, Americandrugclub.com, shows a one-month supply of 80-milligram Lipitor tablets costs \$83.47 in Canada, \$109.17 in Australia, \$96.96 in Israel and \$74.93 in Chile. (It costs around \$112 in the United States.)

MacKay of the Canadian International Pharmacy Assn. says that the vast majority of Canadian Internet pharmacies are linking up with pharmacies in countries such as Britain and Australia and that suppliers such as Fiji and Chile "are very small players."

MacKay says that although critics have long complained about the safety of buying drugs from Canadian sites, "we have consistently shown we are as safe as any pharmacy in the U.S."

Boston and other cities are now partnering with Canadian online pharmacies to supply drugs to its employees, and states such as Minnesota and Wisconsin have websites listing which Canadian sites it recommends. Earlier this month, Illinois became the first state to expand the choice beyond pharmacies in Canada, saying it will soon endorse online pharmacies in Britain and Ireland.

There is a small chance California may soon come up with its own list of recommended international pharmacies. Several bills in the state Legislature propose that California mimic what Wisconsin and Minnesota have done, but Gary Passmore, a spokesman for the Congress of California Seniors, an advocacy group, says it's still unclear whether they will pass.

"We need California to step up to the plate and help us do the research so people can understand this better," he says.

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