

■ Tekst 6

COMMENT & ANALYSIS

Patents and patients

Why are pharmaceutical companies so often the object of criticism? After all, they are in the business of discovering the medicines that help save and improve the lives of millions. They employ some of the most gifted scientists on earth, who strain at the very limits of existing human knowledge to discover the medical treatments of tomorrow.

15, a campaign launched this week by Oxfam, the UK aid agency, which accuses drug companies of using patent rights to deny millions of people life-saving medicines – particularly to treat Aids – has struck a chord. It has unleashed a fury of media coverage in which pharmaceuticals companies are branded as grasping and ruthless – even evil.

Paul Herrling, the quiet and thoughtful head of research at Novartis, a giant Swiss pharmaceuticals company, concedes that his industry 16. “It’s absolutely true that the pharma industry, like any other human undertaking, has excesses and does things that you or I would not condone,” he says, pushing his bicycle through the research campus he runs in Basle. “But the biggest motivation when you talk to our scientists is that they can use their science to save lives.”

Mr Herrling believes the pharmaceuticals industry has a fundamental contract with society – to deliver new medicines. “We are the only element of society that can efficiently contribute new pharmacological therapies to society. Nobody else can do it.” But the 17 to which he alludes lies at the heart of public disquiet about the industry. For while the public, through its representatives in government, has implicitly signed up, many elements of the agreement make it feel uncomfortable.

At the heart of public disquiet is the industry’s monopoly status – the foundation of its fabulous wealth. The top 10 pharmaceuticals groups have a combined valuation of \$1,200bn and sales of \$150bn a year. The contract with society is as follows. Drug companies are encouraged to spend huge amounts of money on discovering new medicines. 18,

they are awarded a monopoly, known as a patent. While the patent lasts, for an average of about 10 years after a medicine is launched, no other company can produce cheap copies of the same drug.

The disadvantage of the arrangement is that the price of patented medicines bears no relation to the cost of manufacturing them. Drug companies claim that they operate in a competitive environment. But when a medicine finally goes off patent, generic manufacturers can charge a tenth of the price and still turn a handy profit.

Furthermore, the industry’s claim that it needs “super-profits” to undertake risky research investments is 19 by the huge amounts it lavishes on marketing. Glaxo-SmithKline boasts that it spends \$500,000 an hour on research and development. But it invests nearly twice as much in sales and marketing. It employs 10,000 scientists – and 40,000 salesmen.

None of this sits well with the image conjured up in Oxfam’s report of patients in the developing world dying for want of medicines. By defending its 20 in poor countries, it says, the industry puts the price of vital drugs beyond millions of poor people. Through its vast lobbying power, Oxfam accuses it of exploiting World Trade Organisation rules to “conduct an undeclared drugs war against the world’s poorest countries”.

The charity says patented medicines cost far more in countries that 21 international patent norms than in those that allow generic manufacturers to flourish.

“We know that making life-saving drugs more affordable isn’t the whole answer,” says Justin Forsyth, Oxfam’s director of policy. Mr Forsyth concedes the industry’s point that poverty and lack of healthcare infrastructure are even more to blame, as evidenced by a continuing lack of access in those countries to drugs that have long since lost patent protection. “However, the balance has skewed too far towards corporate wealth rather than public health,” he says.

Some in the industry are genuinely bemused at such accusations. One

executive from Merck, a respected US company remarked recently that food companies were not held responsible for world famine, nor water utilities for the absence of drinking water in poor countries. “Why is it the 22 of the pharmaceuticals industry to fund treatment of Aids in Africa? Since when?” echoes Joe Zammit-Lucia of Cambridge Pharma Consultancy.

The problem for the industry is that not even Oxfam is asking it to fund such an endeavour. Pharmaceuticals companies are being challenged to do something far more risky: to renounce their patent rights in certain markets. That is a frightening prospect for an industry for which patents are its very lifeblood. If it budges, even 23, it fears its prices will be undermined in the west.

The industry’s traditional line of thinking has been that abuse of patents, wherever it occurs, is theft. “Companies that make generic copies are like pirates on the high seas,” Sir Richard Sykes, non-executive chairman of GSK, told the BBC last week.

But that hardline view may be giving way to a more pragmatic approach. This week, Glaxo-SmithKline told concerned investors that it was 24 its policies on pricing and patent enforcement. Even before the Oxfam campaign broke, Jean-Pierre Garnier made it clear to colleagues that the access issue was high on his agenda. He was not happy, he said, being head of a company that sold 80 per cent of its medicines to only 20 per cent of the world’s population.

At Novartis, Dr Herrling believes the industry should help repair its image by devoting a specified percentage of profits towards research into non-commercial diseases, such as malaria and dengue fever. If the industry continues to arouse public scorn, he says, it runs the risk of no longer being able to attract the finest scientific talent. “That would have disastrous consequences for society.”

David Pilling in the ‘Financial Times’

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Kies bij iedere open plek in de tekst het juiste antwoord uit de gegeven mogelijkheden.

- 1p **15** ■
A Even so
B In fact
C In short
D Therefore
- 1p **16** ■
A does not bother about ethical issues
B focuses on profitability
C has a credibility problem
- 1p **17** ■
A contract
B element of society
C science
- 1p **18** ■
A In return
B In spite of this
C On top of that
- 1p **19** ■
A reflected
B strengthened
C undermined
- 1p **20** ■
A expansion
B patents
C research
- 1p **21** ■
A disregard
B fall below
C respect
D rise above
- 1p **22** ■
A exclusive right
B first priority
C responsibility
- 1p **23** ■
A at the cost of new research
B in insignificant markets
C with the promise of future profits
D with this threat of global disease
- 1p **24** ■
A going to stick to
B reviewing
C toughening
D willing to make public