

GlaxoSmithKline, under pressure, cuts price of AIDS treatment for poor countries

Under political pressure and pending lawsuits in the United States, British pharmaceuticals giant GlaxoSmithKline Plc announced on 28 April that it was cutting the price of its leading Combivir treatment for people with HIV/AIDS in poor countries by 47% to 90 US cents a day.

Richard Feacham, executive director of the Global Fund to Fight AIDS, TB and Malaria said it was “another step” towards improving access to life-saving antiretroviral drugs in Africa and other parts of the developing world that are worst affected by AIDS. “This must be matched by increased resources to finance the purchase of medications,” he said.

Glaxo, the world’s largest manufacturer of HIV/AIDS drugs, said it had also cut the price of Combivir’s two component drugs when sold separately: Epivir (3TC) by 45% to 35 cents a day and Retrovir (AZT) by 38% to 75 cents a day. These are available to 63 of the world’s poorest countries, including all of sub-Saharan Africa. This is the second cut in the price of Combivir since it was reduced to US\$ 1.70 a day in September 2002, and the company says it is a result of reducing manufacturing costs.

The cut brings Glaxo’s pricing closer to that of generic drug companies, and will be a blow to those that stood to gain from a trade agreement to make cheap life-saving drugs available to poor countries — an agreement that was due to be finalized in December but has been stalled for months. The deal is now expected to be agreed at the next World Trade Organization ministerial meeting in the Mexican city of Cancun in September. It would allow poor countries facing a public health crisis, such as the HIV/AIDS pandemic, to issue a compulsory licence to generic drugs companies to produce affordable versions of a patented drug.

Companies such as Ranbaxy Laboratories Ltd of India have already dented Glaxo’s market. The Indian

company offers a WHO-approved version of Combivir, known as Zidovudine (AZT) and Lamivudine (3TC) for less, at 73 US cents a day.

Daniel Berman of Médecins Sans Frontières said cheaper Combivir would be particularly helpful for people with HIV/AIDS in countries where generic — or non-patented — products like Ranbaxy’s combination treatment were not available.

Glaxo’s move will doubtless help to improve its image and standing with investors. AIDS Healthcare Foundation welcomed the company’s “humanitarian action” and said it was withdrawing a Californian lawsuit — one of three pending legal actions it has brought against the drug giant over its business practices.

“It’s a specific discount on a specific product and it’s a product that’s needed,” said Jonathan Quick, Director of Essential Drugs and Medicines Policy at WHO, adding: “Glaxo leads the way for other companies”.

Dr Quick said, however, that the onus was on drug-producing countries to reach a deal on waiving patents to make medicines. He urged countries to agree to more voluntary licences, under which major drug companies also agree to transfer technology to generic firms in developing countries by showing them how to manufacture the life-saving drugs.

Combivir is a combination of AZT and 3TC and is vital to many triple-drug therapies. Since it was launched in the US in 1997, it has transformed HIV infection from a fatal condition to one with which it was possible to live if one could afford the treatment. Few people in the world’s poorest countries have been able to afford it, despite past price cuts.

Glaxo to date said it had increased shipments of Combivir, the WHO-recommended HIV/AIDS treatment, to the developing world from 2.2 million tablets in 2001 to nearly six million in 2002, the equivalent of 3 million daily doses. ■

Fiona Fleck, *Geneva*



Saul and Florence, both HIV-positive, both able to live if medication is affordable. Photo taken at Kibera Community Centre, Kenya.

UNAIDS/G. Prozzi