

EU steps up generic pharma anti-trust probe

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Europe stepped up action against drug companies snarling up the entry of cheaper generic medicines onto markets, announcing Friday spot inspections confirmed by British No.2 AstraZeneca.

A spokeswoman for Britain's second biggest drugmaker by sales after market leader <u>GlaxoSmithKline</u> told AFP that it had been inspected in checks relating to heartburn and ulcer drug Nexium.

AstraZeneca's top seller until last year, Nexium contributed 3.7 billion dollars to turnover just in the first nine months of this year. The company was previously fined in 2005 in a similar case, the sum being reduced to 52.5 million euros after a European court appeal.

France's Sanofi-Aventis, Switzerland's Novartis and Roche and Belgium's UCB each said they had not been targeted.

"A limited number of companies active in the pharmaceutical sector in several member states" were targeted, Brussels said.

The European Commission "has reason to believe that the companies concerned may have acted individually or jointly, notably to delay generic entry for a particular medicine," it added.

The <u>AstraZeneca</u> spokeswoman said visits "relate to alleged practices regarding esomeprazole (Nexium) in Europe and we're cooperating with the authorities."



European citizens spend hundreds of euros on medicine each year, with the market worth hundreds of billions of euros at retail prices, according to commission data.

The relationship between companies that patent their products as brandnamed medicine, as well as their ties with generic drug producers, has been a focus for commission inspectors over recent years.

<u>Generic drugs</u> are cheaper and save patients and insurance firms money without compromising on effectiveness.

But some companies have in the past been accused of using patent filings to stop generic medicines hitting the market, or tying up potential competitors for years in legal disputes.

In the worst example uncovered, 1,300 separate patent filings were made for a single medicine across the 27-nation EU.

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