

# Bayer challenges India cancer drug ruling

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German pharmaceutical giant Bayer AG has challenged a ground-breaking Indian ruling that allowed a local firm to produce a vastly cheaper copy of its patented drug for kidney and liver cancer.

India's patents chief ruled in March the price Bayer charged for the drug, [Nexavar](#), was "exorbitant" and ordered the firm to give a so-called "compulsory licence" to make the medicine to Indian company Natco Pharma.

"We will rigorously continue to defend our intellectual property rights which are a prerequisite for bringing innovative medicines to patients," Bayer spokesman Alope Pradhan told AFP in an emailed statement on Saturday.

The patent controller's order "damages the international patent system and endangers pharmaceutical research", Pradhan said.

It was not immediately known when the appeal, filed with the country's Intellectual Property Appellate Board on Friday, would be heard.

Drug firms insist they need patent protection for medicines to recoup costs of long years of research and development.

Under the World Trade Organization's TRIPS Agreement, which governs trade and intellectual property rules, compulsory licences are a legally recognised means to overcome barriers in accessing affordable medicines.

The Indian ruling in March marked the first time a so-called "compulsory licence" for production of a patented drug had been granted in the country of 1.2 billion, known as a global generics drug powerhouse.

India has long been a key provider of cheap generic medicines to the developing world as it did not issue drug patents until 2005, when it was obliged to adhere to WTO intellectual property regulations.

But after a new patent law was introduced in 2005, newer medicines are increasingly being patented in India, keeping prices high.

Under the ruling, Natco will pay Bayer a six percent royalty on sales of the drug and sell the medicine for 8,800 rupees (\$165) a month -- compared to the 280,000 rupees (\$5,320) the company charges, which is more than 30 times as much.

Patent controller P.H. Kurian granted the right to Natco to produce the [drug](#) after concluding Bayer's pricing made it "out of reach" of most Indian patients.

Experts have said the Indian ruling could pave the way for a rush of other "compulsory licence" applications in India and in other poor nations, allowing access to patented life-saving drugs at a fraction of the cost.

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