

Record French fine for pharma giants over eye drug

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The French competition authority (AFC) on Thursday slapped a record 444 million euro (\$500 million) fine on pharma groups Novartis, Roche and Genentech over market abuses in sales of macular degeneration drugs.

The trio were found to have abused dominant market position to sell their Lucentis drug, developed by US firm Genentech and used in the treatment of age-related macular degeneration (AMD), to the detriment of another much cheaper treatment, Avastin.

Swiss firm Novartis marketed Lucentis outside the US. But doctors realised that Genentech's anti-cancer drug Avastin could have positive effects on the eye disease and began to prescribe it.

Roche, which, since 2009, has a 100 percent capital stake in Genentech, markets Avastin outside of the United States.

An injection of Avastin costs around 30 to 40 euros, compared with a launch price of 1,161 euros for Lucentis—ramping up the cost for French social security, which picks up the full tab for the treatment needed by some 150,000 people in France.

The AFC ruled the three firms had collaborated to maximise AMD earnings and make it harder for <u>health authorities</u> to compare the relative cost of Lucentis with that of Avastin.



Novartis was hit with the bulk of the fine at 385 million euros, while Roche and Genentech must pay more than 59 million between them.

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