

EU fines Teva over delaying cheap sleep disorder drug

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European Union regulators fined Israeli drug-maker Teva on Thursday for colluding to delay a cheaper generic version of modafinil, a blockbuster sleep disorder drug.

The European Commission said Teva was in breach of EU antitrust rules after it effectively agreed with [drug](#)-maker Cephalon, a company it now owns, to keep the cheaper drug off of the market.

Teva and Cephalon were fined a combined 60.5 million euros (\$72 million), but the company can appeal this through the European courts.

The EU launched the case in 2011 and pressed charges in July 2017.

Under the alleged agreement, Teva committed not to market a cheaper generic version of modafinil, Cephalon's drug for sleep disorders, the EU said.

EU Competition Commissioner Margrethe Vestager said Teva's "pay-for-delay" agreement "harmed patients and national health systems, depriving them of more affordable medicines."

In a similar case, in 2014 the commission hit French drugs giant Servier with a 331-million-euro fine for colluding to delay a cheaper generic [version](#) of perindopril, a popular blood pressure treatment.

Teva was also fined in that case.

Generic products are far cheaper than brand medicines and lead to huge savings to patients and [health care providers](#) while remaining just as

effective.

But in so-called pay-for-delay deals, drug makers secretly compensate generic rivals to thwart the introduction of cheaper versions of blockbuster drugs for an agreed time.

Drug makers argue that the arrangement allows them sufficient time to recoup expensive research and marketing costs incurred to bring their products to the market.

Teva settled similar litigation with US anti-trust authorities in 2015.

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