BEUC welcomes Commission decision on pharma group Aspen cutting cancer drug prices

BEUC welcomes today’s European Commission decision that renders legally binding commitments by pharma company Aspen to reduce significantly the prices of certain anticancer drugs (by on average 73% in Europe for the next 10 years). The decision follows a Commission antitrust investigation opened in May 2017 into whether Aspen breached EU antitrust rules’ ban on dominant companies imposing unfair prices.

The European Consumer Organisation (BEUC) intervened to support the European Commission’s investigation after Italian consumer group Altroconsumo – a member of BEUC – initially alerted the Italian competition authority about Aspen’s excessively high cancer drug prices.

The case is a good example of how enforcement of antitrust rules can tackle unfair pricing policies by pharma companies and why enforcement must remain a priority of the European Commission, as acknowledged also in its recent EU Pharmaceutical Strategy. Its consistent implementation would foster competition and contribute to ensuring patients’ access to affordable treatment.

BEUC Director General Monique Goyens said:

“The outcome of the Aspen case shows that sky high drug prices are unacceptable and have no place in the EU. Extortionate prices put patients’ lives at risk and cause serious financial harm to healthcare systems. The Commission’s decision to make Aspen’s price commitments legally binding will benefit patients and healthcare systems immediately, without years of legal wrangling in the courts. All pharma companies must now take note of this decision when negotiating drug prices with national healthcare systems. They should be fair for healthcare systems and consumers”.

Background

Aspen manufactures and markets life-saving drugs containing the active pharmaceutical ingredients chlorambucil, melphalan, mercaptopurine, tioguanine and busulfan. They are used in the treatment of some forms of cancer (e.g. hematologic tumours), especially among children and elderly people, and are sold under multiple brand names. These drugs do not have a direct therapeutic substitute and, although their patents expired long ago,
there are hardly any generic versions available either. Aspen acquired the facilities to manufacture these medicines after their patent protection had expired.

On 29 September 2016, the Italian Antitrust Authority already fined Aspen 5 million euros for abusing its dominant position and fixing unfair prices for life-saving cancer drugs following a complaint from BEUC Italian member Altroconsumo. As a result of Aspen’s unjustified practices, the anti-cancer drugs reappeared in the market with a price increase of up to 1,500%. The Italian Antitrust Authority decided that Aspen Pharma had abused its position as the only supplier of this type of drug.

ENDS

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