

Cancer drug firm investigated by Brussels over vast price increases

Billy Kenber Investigations Reporter
Michael Savage
Chief Political Correspondent

A pharmaceutical company that implemented massive price increases on life-saving cancer medicines is being investigated by the European Commission.

Aspen Pharmacare, which is based in South Africa, bought the rights to several cancer drugs from the British company Glaxosmithkline (GSK) in 2009 and subsequently put up their prices across Europe.

Prices rose by up to 1,500 per cent in Italy and up to about 1,200 per cent in England and Wales, where one blood cancer treatment increased from £5.20 for 25 tablets to more than £69.

The company, which is the only manufacturer of the medicines, sought price rises of up to 4,000 per cent in Spain and stopped direct supplies in 2014 when the health service refused.

Patients were left to buy foreign packs at higher prices. Emails revealed by *The Times* yesterday showed that

Aspen employees discussed destroying the Spanish packs if a deal could not be reached with the authorities.

Staff wrote that the company was no longer willing to sell the packs at the existing price and was prepared to leave them in a distributor's warehouse until they expired if no pricing agreement was reached.

Officials from the commission are believed to have visited Aspen's offices in Dublin for several days in February to gather information about the pricing of oncology drugs bought from GSK. The visit was part of the preliminary stages of its investigation. It has not yet opened a formal inquiry.

Dan Poulter, a doctor and Conservative former health minister, called for an investigation by the competition watchdog into price rises in the UK.

"For too long now, some of the big medical supply companies and drug firms have been able to exploit their market position to rip off the NHS," he said. "This needs to change and, after these latest findings, it is now essential



How The Times reported Aspen's staff discussing destroying cancer drugs

there is a full investigation by the Competition and Markets Authority into excessive price inflation."

Ben Bradshaw, the Labour MP and member of the Commons health select committee, said: "This shocking profiteering must be stopped."

He called for action from the government but said that "challenging this kind of behaviour by pharmaceutical companies will also require more European co-ordination, at a time when that is becoming more difficult because of Brexit, if we're to stop individual countries being picked off".

Aspen is already the subject of an

investigation by the Spanish competition watchdog over claims that it caused a deliberate drug shortage in an effort to charge high prices.

This follows a similar investigation by the Italian competition watchdog which handed down a €5.2 million fine last year after ruling that Aspen had abused a dominant position. Aspen is appealing against the decision.

After that ruling, two Italian MEPs tabled a parliamentary question accusing Aspen of having used an "aggressive negotiating strategy, including a threat to interrupt the supply of these drugs to the Italian market". They called on the commission to investigate whether Aspen had used similar tactics in other member states.

In response, Margrethe Vestager, the competition commissioner, said that the commission was "co-operating closely with national competition authorities regarding various recent national investigations into excessive prices for medicines".

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