

BUSINESS

Abbott's AIDS fight-back

Most drug companies have tried to avoid making enemies of AIDS activist groups. But Abbott Laboratories' patience has snapped, as **Erika Check** reports.

Early on in the war against AIDS, the drug industry learned that it was expedient to make nice with both developing-world governments and activist groups. But in an increasingly bitter dispute over access to one of its drugs in Thailand, Abbott Laboratories has taken a more aggressive approach.

In March, the Illinois drug firm withdrew its application to register the AIDS drug Aluvia in Thailand. And in May, it sued the French activist group Act Up-Paris in a Paris court after it had launched an attack on the company's website.

Abbott's hardball tactics — which have already attracted heavy flak — reflect the high stakes of the latest round of disputes to break out

between the industry and governments over drug pricing and access. In the past, the access debate has focused mainly on access rights in very poor nations. "The drug-industry's strategy has been to ghettoize compulsory licences for poor countries and drugs for diseases that disproportionately affect the poor," says Robert Weissman, director of Essential Action, a non-profit group based in Washington DC that advocates wider access to patented medicines. "Now Thailand, which is not a lower-income country, is taking action on drugs for diseases such as heart disease and cancer, so the industry perceives that there is so much at stake."

Passing judgement

Since last November, the Thai government has issued a series of compulsory licences to enable it to manufacture or purchase generic copies of patented medicines from third parties without the consent of the patent holder. World Trade Organization agreements allow countries to issue such licences in "national emergencies" or "circumstances of extreme urgency". Needless to say, governments and industry disagree over exactly what these words mean.

In November, Thailand issued a compulsory licence for efavirenz, an AIDS drug sold by Merck. Two more licences were issued in January — one for Kaletra, the other for a heart drug marketed by Bristol-Myers Squibb and Sanofi-Aventis. Thailand is also said to be considering issuing compulsory licences for cancer drugs.

Both efavirenz and Aluvia are used in combi-



Up in arms: activists in Chicago join global protests over drug licensing.

nation with other AIDS medicines, and Aluvia — a heat-stable form of the drug Kaletra — could be a crucial weapon against AIDS in Thailand, where many citizens don't own refrigerators. But unlike Merck, which has been negotiating with the Thai government, Abbott reacted by indicating in March that it would not henceforth apply to sell new drugs in Thailand at all.

On 26 April — the eve of Abbott's annual shareholders' meeting — Act Up-Paris organized a 'netstrike' to protest against Abbott's announcement. Activists temporarily disabled Abbott's website by flooding it with requests. On 23 May, Abbott responded by suing Act Up-Paris under the French criminal code.

Abbott has justified its action by saying that it is ready to tolerate protests and demonstrations against its policies, but that the net-strike was illegal, and needs to be challenged. Drugmakers might also see the tactic as a good deal more menacing than, say, picketing of their shareholders' meetings, as it is has the potential to seriously disrupt their businesses.

Neither Abbott nor the drug-industry trade group the Pharmaceutical Research and Manufacturers of America (PhRMA) in Washington DC were willing to publicly discuss their strategies for dealing with the access issue, or with AIDS activist groups, in detail. But in a teleconference with reporters in May, PhRMA president Billy Tauzin told reporters that "it's

not just what Thailand is doing", pointing out that the industry is concerned about what it sees as a spreading epidemic of loss of respect for intellectual-property rights around the world.

And Abbott's actions in Thailand and France signal the depth of the company's concern over the licensing situation worldwide, says Ellen t'Hoen, from the Paris branch of Doctors without Borders (MSF). "These are acts of intimidation," she says, "and they are intended to make other countries think twice before they issue compulsory licences."

Indeed, the conflict has already spilled far beyond Thailand. In April, for instance, the office of

the United States Trade Representative added Thailand to a Priority Watch List of companies viewed as lacking proper enforcement of international intellectual-property rules. But European countries and the Joint United Nations Programme on HIV/AIDS have supported the Thai stance. And on 20 June, Representative Henry Waxman (California, Democrat) and 34 of his colleagues sent the trade representative a letter protesting Thailand's placement on the watch list.

Setting a precedent

Even though everyone in the industry has strong interest in the outcome, other compa-

nies have been content to lay low while Abbott draws all the public attention. "While Abbott are taking these positions, the rest of them are having a quiet time," says Paul Cawthorne, head

of mission for MSF Belgium's programmes in Thailand. "I think they're happy to let Abbott behave like a bull in a china shop."

But other companies are likely to be drawn into the fray as drug makers seek to defend their positions in places where immense poverty sits uneasily next to an increasingly prosperous middle class, which they view as a potentially lucrative new market. Novartis, for example, is now challenging India's new patent law in court, alleging that it doesn't go far enough to protect branded medicines. ■

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