

Case-Studies

Case Study 2

BACKGROUND

The second case dealt with WHO collaboration with industry through prior agreements in order to ensure that final products are made available to developing countries at low cost. It involved the effort to make Ivermectin widely available to people with limited purchasing power in countries where onchocerciasis was endemic. According to the agreement, Merck was to provide to WHO at the lowest possible price consistent with the interest of the company in ensuring that the overall benefits received by it from the development of Ivermectin as an anti-filariasis drug provides a reasonable return on its investment in the said development.

DISCUSSION

The groups that discussed the second case observed that the success with Ivermectin proved that negotiations ought to be tried with other companies in connection with important products. However, it was noted that the experience with Ivermectin was quite unique because it was already in the market for some time and had already made profits for the company as a veterinary drug. Some of the discussants also made the following remarks:

1. The involvement of NGOs in such a process could help facilitate agreement,
2. Efforts can be exerted to locate intellectual property rights in developing countries, although others also noted that it would be very difficult to anticipate exactly what the outcome of the research would be and therefore what patent terms would be workable,
3. The focus of negotiations could be in making sure that the capacity to produce would be strengthened in developing countries,
4. Other arrangements that can be included among the options are tiered pricing and parallel importation,
5. The Ivermectin model was very specific and flexibility of arrangements is necessary depending on such factors as the nature of the disease that is meant to be addressed by the products being developed and the possibility of developing other products,
6. There is a major tension between intellectual property rights, market-driven economy and profits on the one hand and health and accessibility to health care on the other hand,
7. There is sense of frustration arising from the feeling that "everything is getting patented"
8. Negotiations for other products under development for acute diseases need to be addressed by global mechanisms, and
9. Agencies may not be in a position to insist on benefits from product development that is just beginning because it may discourage the very process that we hope to encourage but the WHO should play a brokers' role to facilitate negotiation between countries and pharmaceutical companies.