Drug Wars: Episode 2 The Big Pharma Empire Strikes Back

May 25, 2016 By Greg Jefferys

I recently posted on Facebook that Gilead's sales for Hep C DAAs ad dropped by about US$1 billion in the first quarter of 2016.

Here is an extract from the company report that has seen Gilead shares drop significantly:

Antiviral product sales, which include products in our HIV and liver disease areas, were $7.2 billion for the first quarter of 2016 compared to $7.0 billion for the same period in 2015. In the U.S., antiviral product sales were $4.0 billion for the first quarter of 2016 compared to $4.9 billion in 2015, ***primarily due to a decline in sales of Harvoni®*** *(ledipasvir 90 mg/sofosbuvir 400 mg), partially offset by increases in sales of Sovaldi® (in the USA) (sofosbuvir 400 mg),.... In Europe, antiviral product sales were $1.6 billion for the first quarter of 2016 compared to $1.7 billion in 2015,* ***primarily due to a decline in sales of Sovaldi****....*

Obviously the cause for the drop in sales in both these markets was because people are now turning to generics, at about 100th the price of the branded products like Harvoni and Sovaldi, of course they are.

In this context is important to remember that Gilead was not directly responsible for the research and development of these important drugs. Gilead simply purchased the intellectual property and then added a huge profit margin by multiplying by about 1,000 times the cost of production.

Gilead did what the "most hated man in America" Martin Shkreli did, it purchased the rights to a medicine and then put the price up to an outrougous level that made the medicine completely inaccessible to most people.

THe only difference between the two is that Gilead has much more experience in public relations and media management than Martin Shkreli; and much, much more money.

But back to the drop in DAA sales.

Even with a $1billion drop in sales Gilead would still have made somewhere in the order of $5 billion dollars gross profit from its Hep C DAAs in the first quarter of 2016 and I would guess that in 2016 Gilead will make around $20 billion in profit from DAAs (including royalties from licensed Indian generics). Not a bad profit for the year, and that is excluding profits from other drugs that it

has the monopolies on.

Gilead is a company that profits from people's sickness, squeezing money from anyone who can barely afford the cost of medicine and excluding everyone who cannot.

But even when making those monstrous profits of tens of billions of dollars this year it will still annoy the dark lords of Gilead that some of their profit, some of their market share, is being eroded.

Like the feudal lords and robber barons of yesteryear these people are as much concerned with territory, power and control as with wealth and money.

So Gilead spends a few hundred thousand dollars fighting in the Indian courts to regain control of Sofosbuvir in India even though they are making hundreds of millions of dallars from teh existing licensing agreements.

So we see FixHepC's advertising on Facebook removed.

So we see Western Union block my accounts.

So we see DHL refusing to ship generics out of New Delhi

All little things but these are the small victories that greedy and petty people thrive on.

Now in Australia the TGA (the **Therapeutic D**rugs **A**dministration is an Australian government authority which has similar roles as the FDA in the USA) has stopped Dr Freeman's Buyers' Club from operating in Australia.

I am not saying that Gilead was responsible for the TGA's decision but Big Pharma wields big influence and the TGA is made up of people and people can be influenced by power and by wealth. Gilead has money and power in large amounts.

Of course such an action by the TGA because we know the kind of people who move in the shadows of such organisations. It was expected and, being a man of foresight, Dr Freeman and his friends planned for this and the entire operation switched seamlessly to a more friendly environment in the nation of Myanmar (Burma). So this stupid action by the Australian TGA and its incompetant, bungling bureaucrats does not affect in any way FixcHepC's operations as it is an internet based business and so its day to day operations will not be altered and FixHepC will continue to provide affordable generic treatment options to people around the world afflicted with Hepatitis C.

Below is a copy of the post by FixHepC from their website:

The TGA has advised that, in their view, the fixhepc.com website appears to promote the use and supply of prescription-only medicine.

The promotion of prescription-only medicines to the public is an offence under Australian law.

Accordingly there is no access to:

fixhepc.com.au or fixhepatitis.com.au.

fixhepc.com is now available via Fixhepc.com itself has been transferred to Myanmar where it can continue its work of assisting with equitable affordable access to hepatitis C medications to patients around the world.

See more at: /fixhepc.com/tga#sthash.vJc5oVig.dpuf

So Big Pharma has used it influence to try to shut down FixHepC but has failed.

But they will try again, and fail again and then they will try again.

However the genie is out of the bottle and will not be put back in.

With more than 150 million people with Hep C around the world needing access to affordable generic treatment the work of Dr Freeman and others like him will continue and access to generics will become easier and the attempts by Big Pharma to block access will fail.

But there will be a struggle and there will be many more attempts by Big Pharma to block access to affordable generic Hep C treatment but we, the people, will not falter in our struggle find ways of giving peopl

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