

Gilead to allow 5 Indian firms to sell hepatitis generics in 90 countries

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Multinational American drug maker Gilead Sciences was set to join hands with at least five Indian generic pharmaceutical companies and allow them to manufacture and sell cheaper versions of its new hepatitis C medicines — sofosbuvir and ledipasvir — in 90 countries, four people in the know told *Business Standard*.

Among the companies likely to sign deals with Gilead are Cadila, Hetero, Strides Arcolab and Mylan, while Cipla is expected to earn active pharmaceutical ingredient (API) rights.

According to sources, Gilead has applied for a patent on these drugs in many countries, including India. The deal is seen as its strategic move to leverage the drugs' potential, as well as save its patent protection, which is under attack in many countries. For the domestic drug makers, these deals are expected to bring significant revenues.

As part of the deal, Gilead might allow technology transfer and data sharing for the two drugs by generic companies but sale of the cheaper versions by partners might be restricted to the countries part of the deal, even in the absence of patent rights there. Sources said the agreement was likely to exclude middle-income economies like China, Brazil, Ukraine and Malaysia.

Turn to Page 6 ▶



WIN-WIN DEALS?

Firms likely to join hands with Gilead: Cadila, Hetero, Strides Arcolab, Mylan and Cipla

Agreement: To allow these firms to sell generic versions of hepatitis C medicines sofosbuvir and ledipasvir in 90 countries — Gilead has applied for patent on these drugs in many markets

Generic firms' benefit: Gilead might allow technology transfer and data sharing for the two drugs by generic companies

Gilead's benefit: The deal might save Gilead's patent rights in many countries — the drugs are facing pre-grant opposition in several markets, including India

Restriction: Gilead might restrict generic partners from selling the drugs in the markets that are not part of the deal

Exclusions: Among key markets, middle-income economies like China, Brazil, Ukraine and Malaysia might not be part of the deal

The ailment: Around 180 million people live with hepatitis C; 350,000 die of it annually

The cure: Sofosbuvir; currently priced at around \$84,000 for 12 weeks' treatment

Patent