

Congressman Tom Allen
U.S. House of Representatives

Cipro prices: U.S. highest in the world

Thomas TPA bill could hurt access to cheaper Cipro

October 24, 2001

Dear Colleague:

Constituents who are concerned about treatment for anthrax be interested in the difference in the price they pay compared to those in other countries for a 500 mg tablet of Cipro:

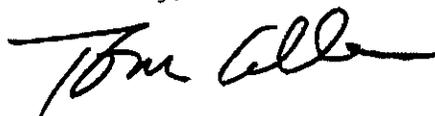
U.S. retail	\$4.67
U.S. fed. gov't best price	\$1.83
Italy	\$2.93
France	\$2.49
South Africa	\$2.10
Belgium	\$2.10
United Kingdom	\$2.03
Canada	\$1.58
Canada (generic)	\$0.95
Poland	\$1.51
Poland (generic)	\$0.29
New Zealand	\$1.29
India	\$0.15
India (generic)	\$0.10

Source: Health Action International (HAI) surveys, 2000 and 2001. All prices are for the Bayer-produced drug (under patent in U.S. until December 2003) unless otherwise noted.

The good news is that the U.S. federal government appears to be using its leverage to gain a lower price on Cipro for U.S. consumers. Following a similar move by the Canadian government, HHS Secretary Tommy Thompson threatened on October 23 to override Bayer's patent on Cipro (through a "compulsory license") if Bayer did not lower its price. "I can assure you we are not going to pay the price they are asking," said Secretary Thompson. "The price is the question, not the supply."

The bad news is that the Thomas Trade Promotion Authority bill (H.R. 3005), supported by Secretary Thompson's own Administration, could undermine our ability to exert such leverage. The Thomas TPA bill empowers trade negotiators to "strengthen" patent protections by restricting compulsory licensing. The official U.S. negotiating position on the FTAA seeks to "limit the circumstances in which FTAA countries can use a patented product or process, or allow third parties to do so, without the patent holder's consent (so-called 'compulsory licensing')."

Sincerely,



Tom Allen
Member of Congress