AIDS treatment
ATAC
activists coalition

Drug Development Committee

December 20, 2003

Mr. Miles White
Chief Executive Officer
Abbott Laboratories
100 Abbott Park Rd.
Abbott Park, Illinois 60064-3500

Dear Mr. White,

A recent action by your company has shaken the HIV/AIDS community to its very core, threatening to transform and erode a productive relationship that has evolved between us in combatting this epidemic. The AIDS Treatment Activists Coalition (ATAC) is a national coalition of AIDS activists, many living with HIV/AIDS, working together to end the AIDS epidemic by advancing research on HIV/AIDS. We recently became aware of a price increase of greater than 400% for Abbott's protease inhibitor ritonavir (Norvir). This price increase may well have been the result of overly eager marketing and sales personnel seeing and seizing an opportunity without considering the absolutely appalling effects this move would have on public perception and community/consumer relations.

As you know, Norvir is an early protease inhibitor with a strong side effect profile that renders it intolerable to many patients. However, the drug has enjoyed continued and growing use, albeit at smaller doses, as a pharmacokinetic (PK) booster for other, more tolerable protease inhibitors by inhibiting the cytochrome P450 system, which metabolizes other drugs. In fact, Norvir-boosted protease inhibitor therapy has created a novel therapeutic approach for achieving more potent antiretroviral efficacy, especially in patients with fewer treatment options, such as "salvage" therapy patients who harbor resistance to several or many HIV drugs. Consider the example of an investigational protease inhibitor "tipranavir" being developed by Boehringer Ingelheim, which has effectiveness against resistant virus but which will also require boosting with Norvir of up to 400 mg.

Surprisingly, the price of another Abbott drug, Kaletra (itself Norvir-boosted protease inhibitor) has stayed the same, providing an unquestionable economic advantage to choosing Kaletra over other boosted protease inhibitor regimens (such as the recently approved drugs "Reyataz" and "Lexiva"), which may now increase in price by as much as double. The price of boosted tipranavir, if approved, would now be around the price of Fuzeon, an entry inhibitor and the most expensive antiretroviral drug ever developed (around $20,000/year). Does this seem like a rational direction for protease inhibitor-based therapy?

Obviously, this Norvir price increase has implications for salvage therapy research because potential therapies that require boosting with Norvir may be abandoned. Instead of being grateful that Norvir has therapeutic application and has not fallen by the wayside as have other first-generation protease inhibitors (such as Crixivan or Invirase), Abbott has apparently made an ultimatum that therapeutic options for salvage patients or even those who just need more potent therapy (arguably any patient with HIV) will cost, and cost dearly. Unless, of course, doctors and patients choose Kaletra, which as aforementioned, has not increased in price and will be cheaper than other boosted options. Unfortunately, one drug regimen does not fit all and many patients can benefit virologically or metabolically from drugs other than Kaletra.

We appreciate the need to remain profitable, especially in uncertain economic times, but this price increase goes far beyond what is reasonable or necessary. No degree of research and development justifies this type of increase for this type of drug. We understand Abbott's preemptive move to ease restrictions on its Patient Assistance Program for Norvir. We know that prices for AIDS Drug Assistance Programs (ADAP) will not be affected until renegotiation in 2005. However, we cannot accept this unprecedented opportunism in the face of dwindling resources and growing HIV infections, both domestically and worldwide. What Abbott has done will affect healthcare resource allocations (public and private), drug research and development, and patient care and well-being for decades to come.

Abbott has just changed the landscape of HIV/AIDS for the worse—is this what it wants to be known for? ATAC urges Abbott to reconsider its recent actions, and to rejoin the battle against HIV/AIDS by advancing research and therapeutics until this scourge against humanity is conquered. Further, we challenge you to roll back the price of Norvir. Abbott has obviously regained its development costs many times over with this drug, which received full approval on the basis of a minimal development package and without an Expanded Access Program.

We believe that it is in the overall best interests of your company to reconsider this shameful and destructive path. We look forward to learning that you have reversed this inhumane decision as soon as possible. Thank you for your immediate attention to this matter.

Very truly yours,

Lynda Dee & Matt Sharp, Co-Chairs
ATAC, Drug Development Committee