



NEWS

For Immediate Release

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AIDS COMMUNITY ORGANIZATION LIFTS TWO-YEAR BOYCOTT OF ABBOTT LABORATORIES

HOUSTON, TEXAS – Dec. 6, 2005 – The Center for AIDS Information & Advocacy, a local HIV/AIDS organization is lifting its two-year boycott of Abbott Laboratories and is resuming normal relations. The boycott was part of a broad effort across the nation by community organizations, physicians, and other groups and included refusal to attend Abbott-sponsored programs, participate in company invitational meetings, accept financial donations, and more. The efforts against Abbott also included several lawsuits, on-site protests, and even a hearing at the US Food and Drug Administration in 2004 to consider releasing ritonavir's patent.

The boycott began in December 2003 in the wake of Abbott's price increase, more than 400 percent, for its HIV/AIDS drug ritonavir (Norvir). The price increase was announced by Abbott on December 3—two days after World AIDS Day. With ritonavir being an essential AIDS drug working as a “booster” agent for all but one of the currently marketed HIV protease inhibitors, which are among the most effective HIV antiretroviral therapies.

Thomas Gegeny, the executive director of The Center for AIDS Information & Advocacy, said it was unconscionable for Abbott to charge U.S. consumers such an exorbitant price. This was especially true because the price increase was done in one swift act that immediately priced many HIV treatment regimens much higher, while leaving Abbott's own product, Kaletra (lopinavir/ritonavir), as the lowest-priced boosted protease inhibitor on the market. In addition, what made the situation wholly unethical, he states, was that ritonavir (Norvir) was originally a U.S. Government-funded product that received expedited FDA review, which considerably lowered Abbott's development costs. In fact, according to Gegeny, Abbott had already generated more than a billion dollars in Norvir profits at the time of the price hike. This situation set a horrible historical precedent for pharmaceutical HIV/AIDS drug pricing. The actions might even be considered anticompetitive, says Gegeny.

In a letter addressed to Abbott, Gegeny states that his organization is lifting its two-year boycott of the pharmaceutical company in light of recent good-faith efforts by the company toward the HIV/AIDS community including:

- The prompt donation of needed monies and pharmaceutical products to victims of hurricanes Katrina and Rita, as well as relief organizations in the affected areas.
- A 2005 price increase for Abbott's Kaletra (lopinavir/ritonavir) of just over 10%, which now corresponds to a new formulation of Kaletra tablets. Gegeny explains that this is reasonable given the company's investment to develop the improved formulation that no longer requires refrigeration.
- A price-freeze for Kaletra negotiated with state AIDS Drug Assistance Programs (ADAPs) through 2007.
- A partnership with Baylor College of Medicine in Houston to create an international network of centers treating children with HIV.

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Through these actions, Gegeny states that Abbott has made good-faith efforts to reach out to the community, and as such his organization will again be willing to work with Abbott to continue to educate the HIV/AIDS community and advocate for better treatment and access to care for people living with HIV/AIDS. "The time has come to put the past behind us; what's done is done. As community, we must now engage Abbott and other pharmaceutical companies in a broader dialogue about how to reasonably control HIV medication pricing and to improve treatment access in the United States. I encourage other community members to follow our example," said Gegeny.

The Center for AIDS Information & Advocacy provides the latest HIV research and treatment information and advocates for accessible, affordable, and effective treatment options for the people living with HIV/AIDS.

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