

8 April 2016

Jeremy Hunt MP  
Department of Health  
Richmond House, 79 Whitehall  
LONDON  
SW1A 2NS

Dear Jeremy Hunt MP,

### **Commercial Exploitation of Cancer**

In October 2015 I lost my wife to cancer and had to watch her suffer and die from this dreadful disease. She was forced to accept a punishing treatment schedule over a three year period with systemically damaging side-effects and virtually no prospect of a cure, just so that we could have what little extra time together we could.

Like many affected by the illness I became immersed in the world of cancer and was shocked to learn that cancer patients and their families are being let down by failures in the system, which are being exploited to maximise profits at patients' expense.

Lives are being needlessly lost due to:

- **profiteering** - a lack of regulations to curb excessive profit margins on drug prices, leading to drugs being priced out of reach of patients;
- **missed opportunities** - a failure to attract investment in promising discoveries with limited commercial potential, or to provide alternative public funding;
- **ineffective drugs** - a failure to reward development of drugs with greater therapeutic benefit, in order to speed up progress.

These are the symptoms of a failing system that desperately needs to be overhauled to better protect the interests of patients.

Pharmaceutical companies are being allowed to make obscene levels of profit from life-saving drugs, resulting in escalating costs for the NHS and pricing many drugs out of reach of patients. And, to add insult to injury, the British public has contributed to the cost of developing many of these drugs through donations to cancer research charities.

When the British public pay towards the cost of research that results in a safe and effective drug, an unreasonably high price should not limit their access to it – a drug that nobody can access is 100% ineffective and drug patent owners should not be allowed to retain exclusivity on drug discoveries if they limit access to the drugs through aggressive pricing.

The latest industry estimate for the average cost of developing a new drug is £2bn. This includes an uplift for the cost of failed experiments with other drugs and also for the cost of capital, at a generous rate of 10.5%. Setting aside the fact that many consider this figure to be exaggerated, the cost to research and develop five cancer drugs would be no more than **£10bn**. However, the top five patent-protected cancer drugs (Avastin, Herceptin, Glivec, Revlimid and Rituxan), have together generated cumulative sales revenue since launch of **£179bn**. Given that the cost of production is very low, as evidenced by the fact that drug prices fall by up to 90% when patents expire, the scale of profits being made from these drugs beggars belief.

As an example of the profiteering being allowed, the cancer drug Glivec, which costs only £99 to produce for a year's supply for one patient, is being sold for the equivalent of £83,000 in some countries, pricing it out of reach of many patients that could benefit from it. This exorbitant price is completely unjustified, as the estimated R&D costs at the time of £0.56bn were paid off 12 years ago from the total revenues since launch of nearly £35bn. Fortunately the NHS has negotiated a discount on this particular drug bringing the drug firm's profit margin from UK sales down to mere 21,000%! It is one thing to cover the cost of development and make a reasonable profit, but it's quite another to abuse a monopoly of supply in this way when the cost is so little and the repercussion is loss of life.

This is an industry that is out of control and intent on achieving its ambitious objectives at any cost.

Furthermore, many opportunities for potential new treatments are being missed because the system is overly dependent on the private sector and failing to attract investment in opportunities that have limited commercial potential, even if they have demonstrated therapeutic potential in laboratory studies. Pharmaceutical companies have a primary duty to their shareholders, so it is hardly surprising that we have ended up with very *profitable* drugs rather than very *effective* ones.

And sadly, although it was set up with compassionate intentions, the Cancer Drug Fund is bound to be fuelling price escalation by raising the amount we are prepared to pay.

It is sickening that these organisations are being allowed to commercially exploit the desperation of cancer patients and the hopes, generosity and compassion of millions of people who give money to cancer research to help develop these drugs, effectively condemning patients to premature deaths and holding back cures for this devastating disease.

In response to this, I started a campaign on 1 March 2016 called *Dying for a Cure* (<http://dyingforacure.org>) calling for these issues to be addressed. The campaign already has the backing of a number of cancer charities and over 1200 signatures on its online petition. I have attached a sample of comments from supporters of the campaign, so that you can see how angry people are about the commercial exploitation of cancer. Many are utterly disgusted by what is happening and cannot understand why the Government is doing nothing about this.

I would be grateful for the opportunity to meet with you to explore how these issues might be addressed.

Yours sincerely,



John Piars

Founder, Dying for a Cure Campaign

cc.

David Cameron, Prime Minister

Heidi Alexander MP, Shadow Health Secretary

Jeremy Corbyn MP, Leader of the Labour Party

Nicola Sturgeon MP, Leader of the Scottish National Party

Tim Faron MP, Leader of the Liberal Democrats Party

Leanne Wood, Leader of Plaid Cymru

Natalie Bennett, Leader of the Green Party

John Baron MP, Chair of the All Party Parliamentary Group on Cancer

Baroness Morgan of Drefelin, Vice-Chair of the All Party Parliamentary Group on Cancer

Nic Dakin MP, Officer of the All Party Parliamentary Group on Cancer

Baroness Finlay of Llandaff, Officer of the All Party Parliamentary Group on Cancer

Baroness Masham of Ilton, Officer of the All Party Parliamentary Group on Cancer

Grahame Morris MP, Officer of the All Party Parliamentary Group on Cancer

Guto Bebb MP, Officer of the All Party Parliamentary Group on Cancer

David Tredinnick MP, Officer of the All Party Parliamentary Group on Cancer

Albert Owen MP, Officer of the All Party Parliamentary Group on Cancer

Jo Churchill MP, Officer of the All Party Parliamentary Group on Cancer

Mark Durkan MP, Officer of the All Party Parliamentary Group on Cancer

Sir Paul Beresford MP, Member of Parliament for Mole Valley