

Reporter's Notebook:

German Drug Firm Provides Cipro

By Terry Martin

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Ever since Tom Brokaw ended a newscast with the words, "In Cipro we trust," this brand of antibiotic has been on every American's lips. And so has "Bayer," the German company that makes the drug. Bayer (pronounced in German like the English word "buyer") has been a household name since the early 1900s when the firm introduced its blockbuster analgesic "Aspirin." Now, with Cipro being used as the first line of defense against anthrax infections, Americans associate Bayer with a lot more than just headache relief.

As Bayer proudly noted in a press release last year, Cipro is "the first antibiotic approved specifically for an indication associated with the intentional use of a lethal biological weapon." What makes Cipro the drug of choice for fighting anthrax infections is its active ingredient ciprofloxacin. Other antibiotics, such as penicillin and doxycycline, may be just as effective in treating exposure to naturally occurring anthrax. But weapons developers have engineered strains that are resistant to treatment with those drugs. Apparently, there is no perceived risk of attack with anthrax strains that might be resistant to ciprofloxacin. So, in cases such as those in the US where anthrax is being used as a biological weapon, standard medical procedure dictates that Cipro be prescribed.

As anthrax cases began to multiply in October, the demand for ciprofloxacin exploded. And people quickly learned two hard facts about Cipro. First, they discovered that it is expensive--nearly \$2 per pill, and second, Bayer is the only legal source of the drug in the United States. The company owns exclusive US patent rights on the drug through December 2003. Recognizing the need to stock up on the drug as a precautionary measure, Washington appealed to Bayer to lower the price tag on Cipro. Eventually, a deal was struck allowing the government to buy 100 million doses of Cipro at a discounted price of 95 cents per pill.

The pressure on Bayer to lower its price came not just from the United States. Canada, too, quickly decided to stockpile Cipro in light of the growing terrorist threat. But when Ottawa was told what its sizable order would cost, the government balked. Canada threatened to buy a much cheaper generic form of ciprofloxacin from one of Bayer's competitors. Several generic drugmakers signaled their willingness to supply not only Canada but the US as well. Eventually, Canada agreed to honor Bayer's patent along with the United States and ordered the drug at the discounted price.

For Bayer, the media frenzy surrounding Cipro has been a mixed blessing. On the one hand, the company was happy to see one of its drugs saving lives and calming fears during a health emergency. Commonly prescribed as a treatment for respiratory illnesses, Cipro is already Bayer's best-selling drug, accounting for \$1.62 billion in sales last year. Obviously, the boost in demand hasn't hurt the company's sales figures or share price. But at the same time, the crisis cast Bayer in the role of a seemingly heartless defender of patent rights. To counteract

any negative publicity, the company took out full-page ads in American newspapers assuring the public it was doing all it could to help. The company insists it will have no difficulty meeting increased demand for Cipro in the United States.

Meanwhile in Germany, Bayer spokeswoman Christina Sehnert says demand for Cipro in Europe has risen only marginally. "It's nothing compared to the increase in demand in the US," says Sehnert. That undoubtedly has much to do with the fact that there have been no confirmed cases of anthrax attacks in Europe so far. There have been threats and hoaxes, but authorities have not felt it necessary to begin stockpiling Cipro. If the situation changes, Europe will be in a much better position to acquire the antibiotic cheaply. In August Bayer's German patent on Cipro expired.

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