

UNIVERSITIES ALLIED FOR ESSENTIAL MEDICINES

Brief for the University Council

In the 2005 Penn Compact, the University presented a vision for Penn's growth in the 21st century. The document describes Penn's aspiration to "engage dynamically with communities all over the world to advance the central values of democracy and to exchange knowledge that improves quality of life for all." We wholeheartedly support this vision, and believe that Penn should draw on the strengths of its research enterprise in order to realize it. Specifically, we encourage the University to look for ways that its research activities, particularly those in the biomedical sciences, can be harnessed to promote human welfare around the world.

As one of the world's premier research institutions, Penn is already a center for discoveries with significant global impact. Does Penn's responsibility for those innovations end at licensing them out for further development? In this brief, we argue that the answer is a resounding no. Penn has the opportunity to institute intellectual property policies which ensure that the University's innovations reach those who need them most. If carefully developed, such policies need not interfere with Penn's ability to work with private entities, either as funding sources or as downstream developers. Moreover, a clear and sensible policy on intellectual property would elevate Penn's reputation as a trailblazer in addressing one of the most challenging humanitarian crises of our time.

● *Significance and Impact* ○

Approximately ten million people die needlessly each year because they do not have access to existing medicines and vaccines.¹ This access gap stems from several factors, including unreliable health care delivery systems, insufficient public financing for health care, and high prices for medicines.² High drug prices result in large part from the temporary monopolies granted to pharmaceutical companies through patent and regulatory systems.³ Recent history has shown that promotion of generic competition within low- and middle-income (LMI) countries is the most effective way to lower drug prices.⁴ A global policy facilitating generic competition in poor countries would have little impact on the profitability of large pharmaceutical companies, which derive only five to seven percent of profits from all LMI countries.⁵ While it might be desirable to address these issues through systemic intellectual property reform, existing international trade frameworks make such reform unlikely.

Our proposal centers around the role Penn can play in closing the access gap. Multiple studies have confirmed that university research is vital to the development of new medicines.^{6,7,8} Penn has consistently ranked second nationwide in funding received from the National Institutes of Health; in fiscal year 2004, total research funding was \$756 million.⁹ Meanwhile, the institutional principles of the University are well-aligned with the goal of improving access to medicines globally. Our strategic plan mentions the goal of improving "the quality, impact, visibility, and translatability of Penn's academic research and scholarly activity."¹⁰ Penn's Center for Technology Transfer explicitly states that its chief objective is to "commercialize Penn research discoveries for the public good."¹¹

Indeed, as access concerns have come to the fore, some universities have already taken steps to address health problems in the developing world. In 2001, the humanitarian organization Medecins Sans Frontieres (MSF) requested a license from Yale University to buy generic stavudine – an HIV medication – from an Indian company which had offered to sell it in South Africa for approximately three percent of the price of the branded version.¹² Though Bristol-Myers Squibb (BMS) had an exclusive license to sell the drug, Yale was the key patent-holder.¹³ Within weeks of receiving the request from MSF, Yale and BMS announced that they would permit the sale of generics in South Africa and that the price of

brand-name stavudine would be slashed thirty-fold for the government and for NGOs.¹⁴ The impact of this intervention was unequivocal: rapid expansion of HIV-treatment programs in sub-Saharan Africa would not have been possible without generic stavudine, a WHO-recommended first-line therapy.¹⁵ Despite this important success, high prices remain a barrier to access in situations where universities have leverage. For instance, Emory University finds itself in a similar position with its HIV drug, emtricitabine, which is unavailable in poor countries because of high prices.

● *Progress to Date* ○

Our organization, Universities Allied for Essential Medicines (www.essentialmedicine.org), is a coalition of students at about 25 research universities across North America. The Penn chapter is an interdisciplinary group that began at the medical school and now includes law students, business students, nursing students, and undergraduates. Our approach has revolved around (1) educating ourselves about the complexities of access-to-medicines issues; (2) reaching out to fellow students, faculty, and administrators in a spirit of collaboration; and (3) sparking an open dialogue on how Penn can ensure access to its biomedical innovations for the global poor. Specific accomplishments include:

- Holding a teach-in on access to medicines that was attended by over 30 undergraduates, nursing students, and law students;
- Submitting resolutions about our proposals to the Undergraduate Assembly, Graduate and Professional Student Assembly, and the Medical Student Government, all of which were successfully passed;
- Systematically meeting with over 25 relevant faculty members—particularly research scientists—to discuss their views on how Penn can improve access to medicines;
- Collecting letters of support from over a dozen influential faculty members, including the Chair of Pharmacology, the Chair of Microbiology, the Director of the Center for AIDS Research, and the Director of the Center for Bioethics; and
- Convening, with Dr. Brian Strom, a meeting of key administrators and faculty, including the Vice Provost for Research, the Vice Dean for Research at the School of Medicine, the General Counsel, and the Chair of the Faculty Senate.

● *Proposals* ○

We believe that presenting our ideas to the University Council is the logical next step in generating productive dialogue about the issues we seek to address. We hope the University Council will consider both general and specific alterations to the intellectual property policies of the University of Pennsylvania.

- General alteration: adoption of the official resolution that improving global human welfare is the most important goal of university technology transfer.
- Two specific policy recommendations flow from this principle:
 - Penn should adopt licensing provisions that facilitate access to its health-related innovations in poor countries; and
 - Penn should promote research on neglected diseases that principally impact the global poor (where market forces fail to stimulate research and development) and find ways to work with nontraditional partners that seek to develop medicines for those diseases.

We wish to focus on the rationale for the proposed general alteration during the next University Council meeting. We would also like to request that the Council take up the deeper issues related to this change in principles at a dedicated meeting during the fall of 2006.

● *References* ○

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