

Improving access to HIV/AIDS treatment in Brazil : when are compulsory licenses effective in price negotiations?

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Chapter 10 Valorisation

The main results, practical findings, and policy recommendations of this dissertation can be relevant for a wide target audience: scientific, technical, business, institutional and governmental audiences as well as the general public at large.

Effective communication, dissemination and exploitation of the results of this research are an essential part of its success to reach the maximum social value creation. In addition, it is necessary to exploit a wide range of tools to reach such a diverse target audience. This tools includes publications in peer-reviewed journals (open access wherever feasible), specialist website and presentations in scientific conferences and seminars (scientific community); commercial, financial and industrial publications (business organizations), popular newspapers, magazines, blogs, social media, and the Internet (the general public); reports and policy briefs (international organisations and policy makers).

In short, the social value created in this dissertation can be presented in three different, though connected, dimensions.

10.1 Guidance for policy makers

The topic of this dissertation is highly relevant in terms of public policy. Chapter 8 is entirely devoted to discuss the policy implications of the results presented along this book. The main call for action at the national level refers to the need of building 'bargain strengths' in low and middle-income countries. To be able to negotiate better prices for patented medicines, local governments must have access to technological capabilities that are necessary either to manufacture the concerned drug or to develop its productive process.

We acknowledge the existence of a wide variance in the actual development stage of the pharmaceutical industry in the developing world. Thus, different industrial policy approaches are suggested so that they can be more suitable for these different initial conditions. Although, this research does not provide a ready recipe for policy formulation and implementation, it does address an important topic and provide general guidelines to solve (or alleviate) the problem at hand.

10.2 Orientation for business strategy

Research-based pharmaceutical companies can also benefit from the results of this research. First, these companies can use the integrative framework developed in this dissertation to fine tune their strategy when negotiating prices with governments. Compulsory licensing is never an optimal solution for the patent holder. Therefore, companies should address the sources of informational constraints and find the best response in terms of price reduction that they can offer without losing the market.

In addition, corporations themselves are also observed to hold the view that they should go beyond their traditionally defined responsibilities to take up some of the social responsibilities. Moreover, affordable access to medicines in developing countries, through the cooperation of the pharmaceutical industry is a focal area of the MDGs and is included as part of the MDG 8.

Engaging in price negotiation strategies with developing countries can be seen as robust initiatives in terms of CSR initiatives and brand trust and reputation, which in turn may create economic value for shareholders and social value for consumers.

10.3 Raising Awareness

The pharmaceutical industry invests heavily in R&D of products that may have a significant positive impact on individual and collective health. In many instances, pharmaceutical innovation makes the difference between life and death. For some diseases, such as HIV/AIDS, even though they do not provide a cure, pharmaceutical products provide significant improvement not only in the life expectancy in the quality of living of those extra years gained. However, many people – most of them in low and middle-income countries – cannot enjoy the benefits from breakthrough drugs simply because they cannot afford these products.

This research raises awareness not only of this important problem, but also of one of its causes and possible alternatives to solve or alleviate it. As pointed by Kingdon (2013), the chances for a problem to raise on the governmental agenda increase if a solution is attached to it. In addition, the same author says that the chances for a problem to raise on decision-making agenda are dramatically increased if a solution is attached to it. Therefore, this research can make a real contribution to this topic outside the academic world. To realize this potential, it is necessary – though far from being sufficient

– to disseminate the results of this dissertation and to establish of a continuous dialogue with the scientific community, business sector, policy-makers and the general public.

In addition, we join the voices that call for changes in the institutional framework concerning compulsory licensing. The limitations imposed by the Paragraph 6 system constrain not only the existing possibilities for the use of compulsory licensing in price negotiations but also the design of policies to address this problem in the developing world. Therefore, our attempt to raise awareness to this topic may have relevant implications in terms of social value creation.