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Cc:

Dr. Y. K. Hamied, Chairman
Dr. Denis Broun, Global Access and Public Affairs Director
Murali Neelakantan, Global General Counsel
Christos Kartalis, Head- international Business
Dr. Jaideep A. Gogtay, Medical Services

Subject: License with Gilead

25 August 2014

Dear Mr. Saxena,

As global HIV and hepatitis C treatment activists, we recognize Cipla's vision and leadership in the developing world. Cipla's pioneering work -- manufacturing and distributing quality generic HIV drugs-- has saved millions of lives.

We need Cipla's vision and leadership again, to fight hepatitis C virus (HCV). Globally, at least 185 million people have been infected with HCV, most in low- and middle-income countries (LMICs). Without treatment, they are at risk for progression to cirrhosis, liver cancer and liver failure. Each year, nearly 500,000 people die from these HCV complications.

But hepatitis C can be cured---and a new generation of effective and safe oral hepatitis C drugs—called direct-acting antivirals (DAAs)—are entering the market. One of them, Gilead's sofosbuvir, is the backbone of HCV treatment. In the United States, where the drug is marketed as Sovaldi, it is priced at US\$ 1000 per day, even though it is inexpensive to produce. Gilead is using this price as a benchmark for LMIC pricing.

Gilead is being lambasted for unethical pricing by patient groups in India, activists around the world--- and even the United States Congress. Without Cipla's leadership, sofosbuvir and other DAAs will be exorbitantly priced---and out of reach for millions of people who will die without them. We need Cipla to stand up to originator pharmaceutical companies who keep drugs out of reach.

We believe that Cipla can keep saving lives in low- and middle-income countries. Without access to HCV treatment, 500,000 people die annually. Cipla has

the potential to save millions of lives. But entering a licensing agreement with Gilead will compromise access to lifesaving HCV treatment.

We ask Cipla NOT to enter into a licensing agreement with Gilead. The sofosbuvir license is likely to prevent Cipla from exporting HCV treatment into the countries where millions of people need it---especially in countries where it has not been patented.

Historically, Gilead licenses have been restrictive and have limited access to medications for millions of people who need them. Gilead plans to include just 60-80 countries in their licenses---this will exclude approximately half of the people who need sofosbuvir.

A license with Gilead will restrict Cipla's ability to manufacture and export fixed-dose combinations with HCV medications from other originator companies. Although sofosbuvir is the backbone of HCV treatment, it must be used with other HCV DAAs. Gilead has refused to participate in cross-company HCV trials—even when one of them cured 100%. Their insistence on development of in-house combinations---even when they are inferior --has delayed access to pan-genotypic, safe and highly effective HCV treatment.

Gilead's restrictive license is bad for public health and for business. Gilead's license is likely to lock Cipla out of key markets. Cipla could be opening up middle-income country markets by challenging Gilead's patents or refusing to enter agreements that exclude markets (including China, where an estimated 18 million people have hepatitis C).

Cipla can revolutionize access to HCV treatment in low- and middle-income countries. Economies of scale will support sustainable production without Gilead. A license will subject Cipla to overly restrictive provisions, such as exclusion of key middle-income countries (including those where patents have not been granted). Signing a licensing agreement with Gilead will undermine global HCV treatment advocacy efforts, prevent universal access and limit Cipla's profits.

Millions of people are relying on Cipla's leadership in this critical moment. Entering into an agreement with Gilead stands in stark contrast to Cipla's founding principles and visionary approach to generic HIV treatment production and distribution.

Public interest groups and other generic companies have lodged patent oppositions against sofosbuvir in India. If Cipla also challenges the patent, civil society will work with you to create enough pressure to block the patent---or force Gilead to offer better terms.

In May 2014, the World Health Assembly (WHA) unanimously passed a resolution mandating the World Health Organization (WHO) to work with governments on

scaling up the response to viral hepatitis. As activists, people living with hepatitis C and their allies, we work closely with WHO and our governments. We push for bold HCV treatment targets and measurable, time-bound goals to achieve universal access to HCV treatment. We need Cipla to help us lead this charge and make hepatitis C treatment scale-up in LMICs a reality.

Our organizations represent hundreds of thousands of people with HCV and HIV, healthcare providers, and treatment activists. We stand behind Cipla, and will work with you to expand the market for quality affordable generic HCV drugs where there are people in need.

We appreciate Cipla's consideration of our objections to Gilead's licensing agreement. We believe that what Gilead is offering is a bad deal for public health—and for Cipla. We hope that you demonstrate your leadership again, and will join us in the fight for universal access to HCV treatment.

We would be grateful for a response to the concerns raised above and welcome an opportunity to discuss the issue further before you decide on any agreement with Gilead.

Signed:

ABIA - Associação Brasileira Interdisciplinar de AIDS (Brazilian Interdisciplinary AIDS Association)

ACT UP-Basel

AIDS Access Foundation, Thailand

amfAR – The Foundation for AIDS Research

AIDS Rights Alliance of Southern Africa (ARASA)

Asia Pacific Network of People Living with HIV (APN+)

Asian Network of People Who Use Drugs (ANPUD)

Association de Lutte Contre Sida (ALCS), Morocco

Association Manara, Tunisia

Association Rahma of people living with HIV, Tunisia

Association Tunisienne de Lutte contre les IST/Sida (ATL), Tunisia

Canadian HIV/AIDS Legal Network (CHALN)

Community Network for Empowerment, India

Delhi Network of Positive People (DNP+)

European AIDS Treatment Group (EATG)

Foundation for AIDS Rights, Thailand

Friends of Life, Egypt

Fundación GEP – Argentina

Georgian Harm Reduction Network (GHRN)

Global Forum on MSM & HIV (MSMGF)

Housing Works, USA

Initiative for Medicines, Access & Knowledge (I-MAK), USA

International Network of People Who Use Drugs (INPUD)

International Treatment Preparedness Coalition (ITPC)
ITPC-Central Africa
ITPC-China
ITPC-Latin America/Caribbean (LATCA)
ITPC-Middle East/North Africa (MENA)
ITPC-Russia (ITPC-ru)
ITPC-West Africa
ITPC-South Asia
M-Coalition, Middle East and North Africa
MARSA, Lebanon
Médecins du Monde (Mdm)
MENA-CAB, Morocco
Middle East and North Africa Harm Reduction Association (MENAHR), Lebanon
Patients of Ukraine (UCAB)
Peoples' Health Movement
Red Argentina de Personas Positivas (Redar Positiva)-Argentina Red
Latinoamericana por el Acceso a Medicamentos (RedLAM)
Regional Arab Network of AIDS Associations (RANAA)
Sudanese People Living With HIV/AIDS Care Association Federal (SPCA), Sudan
Sustainable Resource Foundation, Pakistan
Thai AIDS Treatment Action Group (TTAG)
Thai NGO Coalition on AIDS (TNCA)
Treatment Action Group (TAG), USA
Thai Network of People Living with HIV/AIDS (TNP+)
VOCAL-NY, USA