



Antitrust: Commission opens investigation into possible anticompetitive disparagement by Vifor Pharma of iron medicine

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The European Commission has opened a formal antitrust investigation to assess whether Vifor Pharma has restricted competition by illegally disparaging its closest – and potentially only – competitor in Europe on the market for intravenous iron treatment, Pharmacosmos. Vifor Pharma's conduct appears to be aimed at hindering competition against its blockbuster high-dose intravenous iron treatment medicine, Ferinject.

Executive Vice-President Margrethe **Vestager**, in charge of competition policy, said: "Competition in the pharmaceutical sector is important. It provides access to affordable and innovative medicines to patients. The dissemination of misleading information regarding the safety of Pharmacosmos' iron deficiency treatment, Monofer, may have delayed its uptake. This would ultimately harm patients by stifling competition from an innovative medicine. Today we launched an in-depth investigation to assess whether this is the case".

The Commission has indications that since many years, Vifor Pharma may have been disparaging Monofer by spreading misleading information regarding its safety. The Commission is concerned that Vifor Pharma pursued a misleading communication campaign, primarily targeting healthcare professionals, which may have unduly hindered Monofer's uptake in the European Economic Area ('EEA'). Approximately 1.8 million patients suffering from iron deficiency are currently being treated with high-dose intravenous iron products annually in the EEA.

If the Commission's concerns are proven, Vifor Pharma's behaviour may amount to an abuse of dominant position and infringe Article 102 of the Treaty on the Functioning of the European Union ('TFEU') and Article 54 of the EEA Agreement.

The Commission will now carry out its in-depth investigation as a matter of priority. The opening of formal proceedings does not prejudge the outcome of the investigation.

Background

Iron helps producing healthy red blood cells that move oxygen across the body. Iron deficiency is quite common, especially among women and persons who have too little iron in their diet, but also amongst persons that suffered from a blood loss after, for example, an accident. Vifor Pharma's Ferinject and Pharmacosmos' Monofer high-dose intravenous iron medicines are indicated for the treatment of iron deficiency when, for instance, oral preparations are ineffective or cannot be used.

The investigation follows a complaint filed with the Commission by Pharmacosmos.

Vifor Pharma is a global pharmaceutical company headquartered in Switzerland and operating from several subsidiaries in the EEA.

Pharmacosmos is a smaller Danish family-owned specialist pharmaceutical company focused notably on the treatment of iron deficiency conditions.

<u>Article 102 TFEU</u> prohibits the abuse of dominant market positions. The implementation of this provision is defined in the EU's Antitrust Regulation (<u>Council Regulation No 1/2003</u>), which is also applied by national competition authorities.

Article 11(6) of the Antitrust Regulation provides that the opening of proceedings by the Commission relieves the competition authorities of the Member States of their competence to also apply EU competition rules to the practices concerned. Article 16(1) further provides that national courts must avoid adopting decisions that would conflict with a decision contemplated by the Commission in proceedings it has initiated. The Commission has informed the companies and the competition authorities of the Member States that it has opened proceedings in this case.

There is no legal deadline for bringing an antitrust investigation to an end. The duration of an antitrust investigation depends on a number of factors, including the complexity of the case, the

extent to which the companies concerned cooperate with the Commission and the exercise of the rights of defence.

The opening of formal proceedings does not prejudge the outcome of the investigation. It relieves the competition authorities of EU Member States of their competence to apply EU competition rules to the practices concerned.

This is the Commission's second formal investigation into potential abuses relating to exclusionary disparagement of competing products in the pharmaceutical industry. <u>In March 2021</u>, the Commission opened a formal investigation into possible anticompetitive conduct of Teva in relation to a blockbuster multiple sclerosis medicine.

More information on this investigation will be available on the Commission's <u>competition website</u>, in the public <u>case register</u> under the case number AT.40577.

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