

Big Drug Companies: Billions in Profits for THEM, Price Hikes for YOU Meanwhile, the Administration Talks Big and Does Nothing to Reduce Prices

As CEOs and top executives from seven of the largest drug companies are set to [testify](#) before the Senate Finance Committee, the American people deserve answers. The big drug companies have seen billions in profits while Americans have seen the costs of their medications soar. They reaped billions of dollars from the Trump tax scam bill and used it for stock buybacks, enriching their already wealthy investors and CEOs. [Headline after headline](#) demonstrates that drug companies are jacking up the prices of vital medications, proving that their commitment to freeze drug prices last year was all political posturing. It's time for Congress to hold these CEOs accountable.

Big Drug Companies Raked in Billions of Profits Last Year and Paid Their CEOs Millions...

Pharmaceutical Company	2018 Profit (\$ Billion)	Stock Buybacks Since the 2017 GOP Tax Cut ¹	CEO	CEO Pay ²	Ratio of CEO Compensation to Median Employee Salary ³
Pfizer	\$11.1 ⁴	\$10 billion	Albert Bourla	\$27.9 million	313:1
Merck	\$6.22 ⁵	\$10 billion	Ken Frazier	\$17.6 million	215:1
Johnson & Johnson	\$15.3 ⁶	\$5 billion	Alex Gorsky	\$29.8 million	452:1
Sanofi	\$4.9 ⁷	---	Oliver Brandicourt	\$11.1 million ⁸	---
Bristol-Myers	\$4.9 ⁹	\$5 billion ¹⁰	Giovanni Caforio	\$18.7 million	169:1
AbbVie	\$5.7 ¹¹	\$15 billion	Rick Gonzalez	\$22.6 million	144:1
AstraZeneca	\$2.2 ¹²	---	Pascal Soriot	\$12.3 million ¹³	---

AstraZeneca CEO Pascal Soriot Complained That Despite His \$12 Million Salary He Was “The Lowest Paid CEO In The Whole Industry” Which Was “Annoying To Some Extent.” “Soriot, who heads AstraZeneca, has a penchant for going off message — and making headlines when he does...he grouched to a reporter at London’s The Times earlier this year that despite his \$12 million salary he was ‘the lowest-paid CEO in the whole industry,’ which he added was ‘annoying to some extent.’” [Stat, [2/21/19](#)]

...All While Raising Prices on 1,000 Drugs for YOU

Nearly 30 Pharmaceutical Companies Are Raising Prices on Consumers This Year Alone. Pharmaceutical companies continue to increase prices. In January 2019 alone, drugmakers raised prices on nearly [490 prescription drugs](#). Johnson & Johnson raised prices on around two dozen drugs, and [Pfizer and Novartis](#) announced price increases on dozens of drugs, including increasing the cost of a breast cancer medication to \$12,000 for 21 pills. All in all, [nearly 30 drugmakers](#) are expected to raise prices in 2019.

CBS News: “Big Pharma ushers in new year by raising prices of more than 1,000 drugs” [CBS News, [1/2/19](#)]

¹ Americans For Tax Fairness, [1/8/19](#)

² Data for FY2017, Bloomberg, [2/22/19](#)

³ Data for FY2017, Bloomberg, [2/22/19](#)

⁴ Pfizer Fourth Quarter And Full Year 2018 Results, Pfizer, [1/29/19](#)

⁵ SFGate, [2/5/19](#)

⁶ 2018 Fourth Quarter Results, Johnson & Johnson, [1/22/19](#)

⁷ Converted from 4.3 billion euro; The Pharma Letter, [2/7/19](#)

⁸ Converted from 9.8 million euro for FY2017; Bloomberg, Accessed [2/22/19](#)

⁹ Fourth Quarter And Full Year Financial Results, Bristol-Myers Squibb, [1/24/19](#)

¹⁰ “Bristol-Myers Squibb expects to execute an accelerated share repurchase program of up to approximately \$5 billion, subject to the closing of the transaction, market conditions and Board approval,”

Bristol-Myers Squibb, [1/3/19](#)

¹¹ Fourth Quarter And Full Year 2018 Results, Abbvie, [1/25/19](#)

¹² Market Screener, Accessed [2/22/19](#)

¹³ Converted from 9.4 million GBP for FY2017; Bloomberg, Accessed [2/22/19](#)

Reuters: “Big Pharma returning to U.S. price hikes in January after pause” [Reuters, [12/20/18](#)]

Nostrum CEO Mulye: “I Think It Is A Moral Requirement to Make Money When You Can .. To Sell The Product For The Highest Price.” “Last month, Nostrum Laboratories, a small Missouri-based drugmaker, more than quadrupled the price of a bottle of nitrofurantoin from \$474.75 to \$2,392, according to Elsevier’s Gold Standard drug database. Nitrofurantoin is an antibiotic used to treat bladder infections...In an interview, Nirmal Mulye, Nostrum chief executive, said he had priced the product according to market dynamics, adding: “I think it is a moral requirement to make money when you can . . . to sell the product for the highest price.” [Financial Times, [9/11/18](#)]

Mylan Chairman Coury Responds to Critics After Mylan Charged More Than \$600 per Box of the EpiPen When It Only Contained \$1 Worth of Ephinephrine: They Ought to Go Copulate with Themselves. “In meetings, the executives began warning Mylan’s top leaders that the price increases seemed like unethical profiteering at the expense of sick children and adults, according to people who participated in the conversations...At one gathering, executives shared their concerns with Mylan’s chairman, Robert Coury. Mr. Coury replied that he was untroubled. He raised both his middle fingers and explained, using colorful language, that anyone criticizing Mylan, including its employees, ought to go copulate with themselves.” [New York Times, [6/4/17](#)]

In 2017, the FDA approved Marathon Pharmaceuticals’ request to charge \$89,000 for a drug, a 6,000% price increase. “A drug company has brought a drug that has been available as a generic elsewhere in the world for decades at a shockingly inflated price...Yet a pharmaceutical company in Deerfield, Ill., has gotten approval from the U.S. Food and Drug Administration to sell deflazacort (snazzy brand name: Emflaza). The company, Marathon Pharmaceuticals, is charging a list price of \$89,000 – a 6,000% price increase.” [Forbes, [2/10/17](#)]

In 2015, Martin Shkreli hiked the price of a life saving drug by 5,000% overnight, from \$13.50 a pill to \$750, when it reportedly only cost \$1 to make. “Shkreli, a former hedge fund manager and entrepreneur, earned his unflattering nickname by raising the cost of the drug from \$13.50 per pill to \$750 per pill. After a Bloomberg reporter suggested it cost around \$1 to make, Shkreli acknowledged the drug cost ‘very little money’ to make.” [HuffPost, [3/9/18](#)]

Meanwhile, Drug Companies Reaped Billions from The GOP Tax Cut

Pharmaceutical Companies Have Reaped Billions Of Dollars From The Trump Tax Bill. The Trump tax scam means billions of dollars in tax breaks for pharmaceutical companies. An Axios study found that 21 health care companies collectively expect to gain \$10 billion in tax savings during 2018 alone. [Axios, [3/5/18](#)]

Since 2017, Pharmaceutical Companies Have Announced \$73 Billion in Share Buybacks. “Collectively, drug companies have announced nearly \$73 billion in share buybacks since the tax law passed in December 2017, according to Americans for Tax Fairness. Stock buybacks mostly enrich the already wealthy, including CEOs: the wealthiest 10% of American households [own 84% of all corporate shares](#), the top 1% own 40%. About [one-half of households](#) own no stock.” [Americans for Tax Fairness, [1/8/19](#)]

Don’t Be Fooled: Big Drug Companies Promises to Lower Costs are “Nothing-Burger Steps”

Pharmaceutical Company Lobbyist On So-Called Concessions to the Trump Administration: They Are a “Calculated Risk” And “Nothing-Burger Steps.” “The gestures turned out to be largely symbolic — efforts to beat Trump at his own game by giving him headlines he wants without making substantive changes in how they do business. The token concessions are ‘a calculated risk,’ said one drug lobbyist. ‘Take these nothing-burger steps and give the administration things they can take credit for.’” [Politico, [8/3/18](#)]

Trump’s Proposals Always Fall Far Short Of His Promises. President Trump promised that he would allow Medicare to use its buying power to [negotiate drug prices](#) directly with suppliers, but after [meeting with pharmaceutical executives](#) early in 2017, Trump abandoned that pledge, calling it “price fixing” that would hurt “smaller, younger companies.” The planned announcement to move some drugs from Medicare Part B, in which pharmaceuticals are purchased and administered by medical providers, to Part D, will do little to [restrain the cost of prescription drugs](#) for America’s seniors and falls far short of Trump’s promises.