



Big Drug Companies Start Off 2024 By Continuing to Put Profits Over People

In Just The First Three Months of 2024, Big Drug Companies Raked in Nearly \$29 Billion in Profits & Spent Over \$28 Billion Rewarding Shareholders



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In the first three months of 2024, 15 of the biggest drug companies reported nearly \$173 billion in revenue and nearly \$29 billion in net profits – eye-popping figures that reflect the [record-high prices](#) these companies charge for drugs.

For too long, drug companies have been allowed to charge whatever they want – they make billions while charging Americans prices [up to four times](#) higher than in other countries, forcing patients to cut pills and skip doses to make ends meet. [Fortunately, President Biden and Democrats passed a law to lower drug costs for people on Medicare, including by finally giving Medicare the power to negotiate lower drug prices.](#)

Research [establishes](#) that pharmaceutical manufacturers could lose \$1 trillion in revenue over a decade and *still* be the most profitable industry. In the year following the passage of the Inflation Reduction Act, drug companies [increased investment](#) in bringing new drugs to market through higher spending on research, development, and acquisitions despite the passage of the Inflation Reduction Act. In fact, following the passage of the Inflation Reduction Act, [investment](#) in research and development spending reached \$161 billion in 2023, a 16.6 percent increase over 2022 and a nearly 50 percent increase since 2018. And despite the big drug companies arguing that the new law disincentivizes investment in small molecule drugs, a recent [investor report](#) confirms that the opposite is true.

While drug companies put more resources toward bringing new drugs to market, they are also rewarding their shareholders handsomely rather than making their products more affordable to patients. Twelve of the fifteen companies spent hundreds of millions or billions on dividends and stock buybacks. AstraZeneca and Novo Nordisk both spent more lining the pockets of shareholders than on their research and development budgets.

Table 1: Q1 2024 Big Drug Company Revenue, Profits, and Spending

Drug Manufacturer	Quarterly Revenue	Quarterly Shareholder Compensation	Quarterly Research & Development Spending	Quarterly Net Profits
Johnson & Johnson	\$21.4 billion	\$2.9 billion*	\$3.5 billion	\$5.4 billion
Roche ^a	\$16 billion	n/a	n/a	n/a****
Merck	\$15.8 billion	\$2.1 billion	n/a	\$4.8 billion
Pfizer	\$14.9 billion	\$2.4 billion*	\$2.5 billion	\$3.1 billion
AstraZeneca	\$12.7 billion	\$3 billion*	\$2.8 billion	\$2.2 billion
AbbVie	\$12.3 billion	n/a	\$1.9 billion	\$1.4 billion
Bristol Myers Squibb	\$11.9 billion	n/a	\$2.7 billion	n/a****
Novartis	\$11.8 billion	\$8.6 billion	n/a	\$2.7 billion
Sanofi ^b	\$11.3 billion	n/a	\$2.1 billion	\$1.2 billion
Novo Nordisk ^c	\$9.5 billion	\$4.5 billion	\$1.2 billion	\$3.7 billion
GSK ^d	\$9.3 billion	\$716 million*	\$1.8 billion	\$1.4 billion
Eli Lilly	\$8.8 billion	\$1.2 billion*	\$2.5 billion	\$2.2 billion
Amgen	\$7.4 billion	\$1.2 billion*	\$1.3 billion	n/a****
Gilead	\$6.7 billion	\$1.4 billion	\$1.5 billion	n/a****
Regeneron	\$3.2 billion	\$300 million**	\$1.3 billion	\$700 million
Astellas	n/a****	n/a****	n/a****	n/a****
Total	\$172.8 billion	\$28.3 billion	\$25.1 billion	\$28.7 billion

* dividends only

** share repurchases only

*** unreported or net loss

**** data not reported on a quarterly basis

^a CHF converted to USD based on the [average quarterly exchange rate](#) of 0.90 CHF to \$1.00

^b EUR converted to USD based on the [average 2023 exchange rate](#) of €0.924 to \$1.00

^c DKK converted to USD based on the [average 2023 exchange rate](#) of 6.89 kr. to \$1.00

^d GBP converted to USD based on the [average 2023 exchange rate](#) of £0.804 to \$1.00

The Drug Companies Suing to Block Medicare from Negotiating Lower Prices Brought In Billions in Revenue and Profits, and Spent Lavishly To Reward Shareholders.

In the first three months of 2024, the ten drugs selected for Medicare’s first round of negotiations brought in \$16.5 billion in revenue, while the companies that manufacture these drugs raked in \$25.4 billion in combined profits and spent nearly \$26 billion rewarding shareholders in the form of stock buybacks and dividends. Big drug companies have also increased their lobbying efforts dramatically, with industry group PhRMA’s advocacy spending [growing](#) 20 percent in Q1 2024 year-over-year.

- **Amgen**, the manufacturer of **Enbrel**, reported [\\$7.4 billion](#) in revenue and spent \$1.2 billion on dividends for investors.
- **AstraZeneca**, the manufacturer of **Farxiga**, reported [\\$12.7 billion](#) in revenue and \$2.2 billion in net profits, while spending \$3 billion on shareholder compensation.
- **Bristol Myers Squibb**, which manufactures **Eliquis**, raked in [\\$11.9 billion](#) this quarter.
- **Johnson and Johnson**, which manufactures three of the ten drugs with lower prices being negotiated – **Xarelto**, **Stelara**, and **Imbruvica** – made [\\$21.4 billion](#) in revenue and \$5.4 billion in

net profits, while spending \$2.9 billion rewarding shareholders through dividend payments.

- **Merck**, which manufactures **Januvia**, raked in [\\$15.8 billion](#) and \$4.8 billion in net profits, and spent \$2.1 billion on shareholder compensation.
- **Novartis**, which manufactures **Entresto**, reported [\\$11.8 billion](#) in revenue and \$2.7 billion in net profits while spending \$8.6 billion on investors. Novartis spent [44 percent](#) more on lobbying last quarter than in 2023, surging into the top 10 health lobbying spenders for the first time in years.
- **Novo Nordisk**, the manufacturer of **Fiasp/NovoLog**, far exceeded even their earnings expectations, bringing in [\\$9.5 billion](#) and \$3.7 billion in net profits while spending \$4.5 billion on shareholder compensation.
- **AbbVie**, which jointly markets **Imbruvica** with Johnson and Johnson, brought in [\\$12.3 billion](#) in revenue and \$1.4 billion in net profits this quarter.
- **Eli Lilly**, which jointly markets **Jardiance** with privately-held Boehringer Ingelheim, brought in [\\$8.8 billion](#) in revenue and \$2.4 billion in net profits, while rewarding shareholders with \$1.2 billion in dividends.
- **Pfizer**, which jointly markets **Eliquis** with Bristol Myers Squibb, brought in [\\$14.9 billion](#) in revenue and \$3.1 billion in net profits, and spent \$2.4 billion rewarding shareholders with dividend payments.

Table 2: Q1 2024 Revenue For Drugs Selected For Medicare Negotiation

Selected Drug	Manufacturer	Condition(s) Treated	Q1 2024 Revenue	Total Revenue Since Launch
Eliquis	Bristol Myers Squibb, Pfizer	Blood clots	\$5.8 billion	\$112 billion
Stelara	Johnson & Johnson	Psoriasis, psoriatic arthritis, Crohn's disease, and ulcerative colitis	\$2.5 billion	\$66.8 billion
Entresto	Novartis	Heart failure	\$1.9 billion	\$22.1 billion
Farxiga	AstraZeneca	Diabetes, Heart failure, and Chronic kidney disease	\$1.9 billion	\$22.8 billion
Imbruvica	AbbVie, Johnson & Johnson	Blood cancers	\$1.6 billion	\$60.1 billion
Jardiance	Eli Lilly	Type 2 diabetes	\$687 million	\$10.5 billion
Fiasp/NovoLog	Novo Nordisk	Diabetes	\$649 million	\$44.5 billion
Enbrel	Amgen	Rheumatoid arthritis, Psoriasis, and Psoriatic arthritis	\$567 million	\$84.9 billion
Xarelto	Johnson & Johnson <i>(and Bayer, which reports earnings on May 14)</i>	Blood clots	\$518 million	\$24.2 billion
Januvia	Merck	Type 2 diabetes	\$419 million	\$53.7 billion
Totals			\$16.5 billion	\$501.6 billion