

# Assessing Value, Prices, Reward and the Incentive to Innovate

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## Tamoxifen – ‘Nolvadex’ A short case history

1962 - Patent Walpole & Richardson

1971 - 1<sup>st</sup> Trial in advanced breast cancer (aBC)

1973 - EU approvals & sales aBC

1974-5 - Trials show estrogen receptor positive distinction

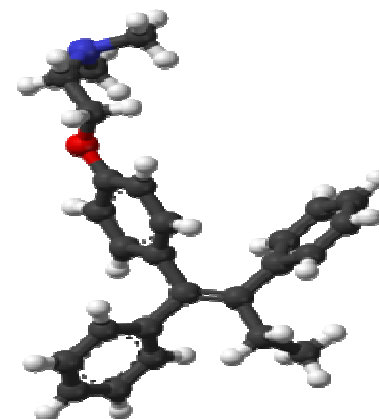
1977 - USA approval & sales for aBC

1980 - Trial evidence in early breast Cancer (eBC)

1985-1992 patents expiry cheap generics available

1998 Meta analysis shows life saving benefits in eBC

2004 Worlds largest selling hormonal cancer drug (\$bn's) at  
prices of a few euros a month per patient



## Assessing Value , Prices, Reward and the Incentive to Innovate

$$\triangle \text{ Value} \approx \triangle \text{ Price}$$

Implies, reasonably ,that there should be some degree of proportionality,

but,

practical experience suggests that over time there is an inverse relationship between value & price?

**Timing is Everything?**