

Pfizer rolls back increase in drug price

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Pharmaceutical giant Pfizer has announced it will roll back the price increase of some 40 drugs after US President Donald Trump issued public warnings to the company.

Pfizer said in a statement on Tuesday that it would postpone the price hike to at least the beginning of 2019.

"Pfizer is rolling back price hikes, so American patients do not pay more. We applaud Pfizer for this decision and hope other companies do the same. Great news for the American people!" Trump said on his Twitter account later.

Pfizer's decision comes a day after Trump threatened the company with unspecified measures following its price increase announcement a few days earlier.

"Pfizer and others should be ashamed that they have raised drug prices for no reason," Trump tweeted. "They are merely taking advantage of the poor and others unable to defend themselves, while at the same time giving bargain basement prices to other countries in Europe and elsewhere. We will respond!" he added.

Among the products affected by the price increase include Viagra, an erectile dysfunction medication; Xalkori, a lung cancer medicine and Lyrica, a medication used in treating neuropathic or nerve pain.

This is the second time the New York-based pharmaceutical company has raised prices of its products in 2018, while other companies, such as the French Sanofi group, have also increased their prices, according to the Wall Street Journal.

Trump, who is currently in Brussels for a North Atlantic Treaty Organization (NATO) summit, also said he had spoken with Pfizer CEO Ian Read and Secretary of Health and Human Services Alex Azar about his drug pricing proposal.

In May, Trump announced a plan to reduce drug costs, a strategy that aims to force other countries to raise their drug prices and reduce them in the US.

However, his plan did not impose any concrete price ceiling for drug manufacturers, which can charge customers in the US according to market demand as the American government does not regulate their prices like other countries.

According to data from the Organization for Economic Cooperation and Development, each US citizen spent an average of \$1,162 on pharmaceutical products in 2015, compared to \$756 in Canada and \$497 in the UK, where the governments impose measures to regulate the prices.