

Does Indian Intellectual Property Policy Affect the U. S. Pharmaceutical Industry? A Comparative Study of Pfizer and Ranbaxy Laboratories in Regards to Trade Related Aspects of Intellectual Property Rights

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Abstract : Intellectual Property (IP) policies of a country have a huge impact on the pharmaceutical industry as this industry is all about patents. Developed countries have used IP protection to boost their economy; developing countries are concerned about access to medicine for poor people. U.S. company, Pfizer had a monopoly for 14 years for Lipitor and it all came to end when Pfizer decided to operate in India. This research will focus at the effects of Indian IP policies on USA by comparing Pfizer & Ranbaxy with regards to Trade Related Aspects of Intellectual Property Rights. For this research inductive approach has been used. Main source of material is Annual reports, theory based on academic books and articles along with rulings of court, policy statements and decisions, websites and newspaper articles. SWOT analysis is done for both Pfizer & Ranbaxy. The main comparison was done by doing ratio analysis and analyses of annual reports for the year 2011-2012 for Pfizer and Ranbaxy to see the impact on their profitability. This research concludes that Indian intellectual laws do affect the profitability of the U.S. pharmaceutical industry which can in turn have an impact on the US economy. These days India is only granting patents on products which it feels are deserving of it. So the U.S. companies operating in India have to defend their invention to get a patent. Thus, to operate in India and maintain monopoly in market, US firms have to come up with different strategies.

Keywords : atorvastatin, India, intellectual property, lipitor, Pfizer, pharmaceutical industry, Ranbaxy, TRIPs, U.S.

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