



STOPPING TOBACCO
ORGANIZATIONS & PRODUCTS

Philip Morris International's Vectura Acquisition



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TobaccoTactics.org

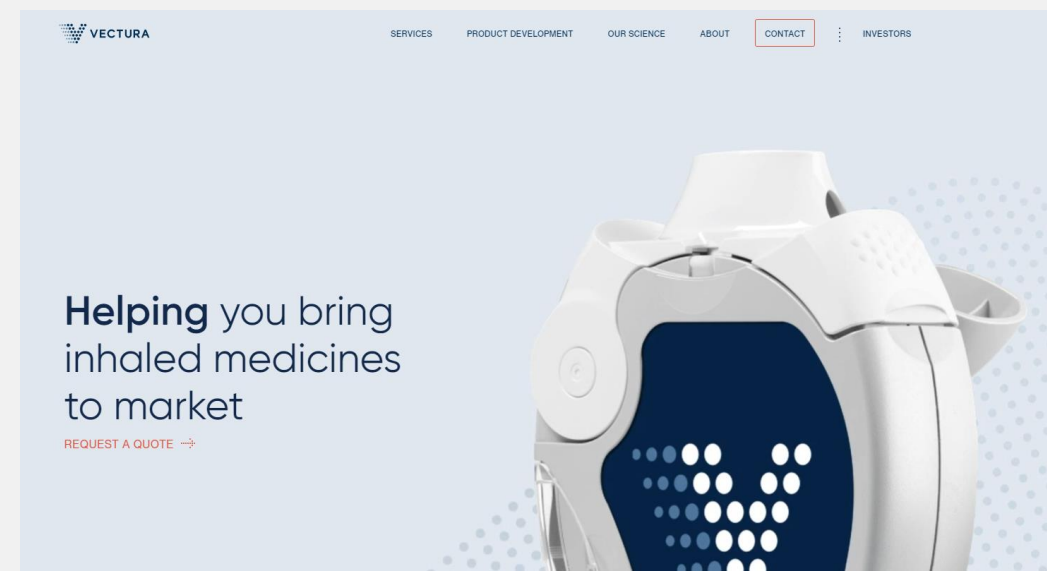
“We investigate the strategies and tactics the tobacco industry uses to undermine public health.”

tobaccotactics.org/wiki/Vectura/

Vectura Background



- Vectura is an inhaled therapeutics company. Began as a spinout from University of Bath in 1990s.
- Develop drug delivery for treatment of lung disease e.g. COPD, asthma, COVID-19. Diseases related to or exacerbated by smoking
- Vectura have licensed products to GSK, Novartis and other Pharmas.



Vectura Deal



- July 2021 Philip Morris International, responsible for 12% of global cigarette sales in 2020, made offer to acquire Vectura.
- Private equity group Carlyle also bid £958 million, but were outbid by PMI's £1.02 billion offer.
- Vectura directors accepted PMI's offer on 12 August, despite criticism from WHO and UK shadow health secretary and calls for UK government to intervene.
- Asthma UK, Cancer Research UK, STOP and others urged shareholders to block the deal.
- As of 20th September, shareholders had accepted the deal and PMI had acquired 77.57% of Vectura shares, giving PMI enough control to delist Vectura from the stock exchange.

Repercussions

- “There’s now a very real risk that Vectura’s deal with big tobacco will lead to the cigarette industry wielding undue influence on UK health policy.” Sara Woolnough from Asthma UK and British Lung Foundation
- PMI are selling the problem and the solution, profiting twice from smoking.
- Drug Delivery to the Lungs conference removed Vectura as a sponsor.
- Formulation and Delivery conference removed Vectura following letter from academics organised by National Heart and Lung Institute.
- Letter of concern sent to Parliamentary Under Secretary of State for Prevention, Public Health and Primary Care, Jo Churchill MP. Signed by many influential academics and colleagues.



PRESS RELEASES

September 16, 2021

Vectura Acquisition Means Tobacco Giant PMI Will Profit Twice From Smoking

Vectura is now part of the tobacco industry and must be treated accordingly.

(New York, September 16, 2021) — Philip Morris International (PMI)’s purchase of Vectura, a maker of inhaled medicines and devices, may serve the public relations needs of the world’s largest cigarette company, but it’s bad news for health.

1. Sarah Woolnough, Chief Executive, Asthma UK & the British Lung Foundation
2. Anna Gilmore, Professor of Public Health and Director, Tobacco Control Research Group, University of Bath
3. Carol Stonham, Executive Chair, Primary Care Respiratory Society
4. Deborah Arnott, Chief Executive, Action on Smoking and Health
5. Professor Jonathan Bennett, Chair, British Thoracic Society
6. Michelle Mitchell OBE, CEO of Cancer Research UK
7. Dr Nicholas Hopkinson, Professor of Respiratory Medicine, Imperial College London
8. Dr. Bronwyn King AO, MBBS, FRANZCR, CEO Tobacco Free Portfolios
9. Christina Marriott, CEO, Royal Society for Public Health
10. Dr Nigel Carter, Chief Executive, Oral Health Foundation
11. Professor John Hurst, Senior Clinical Lead, UK National Asthma and COPD Audit Programme
12. Dr Andrew Goddard, President Royal College of Physicians
13. Professor John Moxham, Emeritus Professor of Respiratory Medicine, King’s College London.
14. Ailsa Rutter OBE, Director of Fresh and Balance
15. John Maingay, our Director of Policy and Influencing, British Heart Foundation
16. Amanda Healy, FFPH, Director of Public Health, Durham County Council
17. Dr Chris Tasker, GP Cancer Lead, Newcastle Gateshead CCG / Cancer Research UK Strategic GP, Northern Cancer Alliance
18. Wendy Burke, Director of Public Health, North Tyneside Council

Wider Context



- PMI CEO told Vectura employees “PMI is evolving into a broader healthcare and wellness company.” as part of its “Beyond Nicotine” plan.
- PMI has been engaged in ‘Pharmaceuticalisation’ for some years. Hiring from Pharma/research industry
 - e.g. Jorge Insuasty, CHIEF LIFE SCIENCES OFFICER (from Novartis) & Moira Gilchrist, Vice President Scientific & Public Communications (former Cancer Research UK).
- Foundation for a Smoke-Free World (2018) attempts to align the company with public health.
- PMI is now acquiring biotechnology companies to sell its image as being “part of the solution”

Other PMI Acquisitions



- Syqe Medical 2016 - Israeli company developing medical cannabis inhaler
- Medicago 2020 - 40% stake in company developing COVID-19 vaccine, currently being distributed in Canada.
- Fertin Pharma 2021 - acquired for \$820 million - “a leading developer and manufacturer of innovative pharmaceutical and well-being products based on oral and intra-oral delivery systems” - PMI statement
- Oti-Topic 2021 - intent to acquire this respiratory inhaler company.

PMI not alone in the Pharma sector



- JTI established Japan Tobacco Pharmaceuticals in 1985. Sells heart disease and lung cancer treatments
 - BAT own Kentucky Bioprocessing - Ebola treatment and COVID-19 vaccine (neither gone to market)
- Tobacco company investment in healthcare products threatens quality of healthcare provision. Providers may choose not to prescribe tobacco owned drugs.
 - Governments may fail to satisfy Article 5.3 of the WHO Framework Convention on Tobacco Control if licensing and funding tobacco company drugs (e.g. COVID vaccine distribution, prescribed inhalers) or public funded research contributing to tobacco company profit.