



Board Communiqué

The Board approves a VCU in the Airomir matter

OTTAWA, May 24, 2007: The Patented Medicine Prices Review Board ("Board") has approved a Voluntary Compliance Undertaking ("VCU") agreed to by 3M Canada Company ("3M Company") and Board Staff, for the payment in full of revenues alleged by Board Staff to have been excessive totalling \$485,498.58, derived from January 1, 2004 to December 29, 2006.

On February 20, 2006, the Board issued a Notice of Hearing pertaining to the allegations of Board Staff that Airomir had been, and was being, sold by 3M Canada at prices exceeding the Excessive Price Guidelines. The Board held a pre-hearing conference on May 19, 2006, and scheduled the hearing to commence on October 19. At the request of 3M Canada, the hearing was postponed. The Board was subsequently informed that 3M Canada sold its marketing rights for Airomir to Graceway Canada Company ("Graceway") on December 29, 2006. On May 9, 2007, the Board received a submission for the approval of a VCU to resolve all issues raised by the Notice of Hearing.

3M Canada is to make its payment to the government of Canada no later than June 22, 2007. Under section 103 of the *Patent Act*, the Minister of Health may enter into an agreement with the provinces respecting the distribution of the amount collected under the VCU.

For purposes of the application of the Board's Excessive Price Guidelines, Graceway is the Canadian patentee of Airomir as of December 29, 2006. Under the *Patented Medicines Regulations, 1994*, Graceway is required to file pricing and sales information with the PMPRB twice a year, at regular intervals, as well as file its R&D expenditures annually.

Airomir is used for the treatment of asthma, chronic bronchitis, and other breathing disorders.

The Board's Order is a public document and is available on the PMPRB Web site under Regulatory; Hearings; **Airomir**, or by contacting the Secretary of the Board.

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