

2022 TECH TRANSFER - PFIZER

RESOLVED that shareholders of Pfizer ask the Board of Directors to commission a third-party report to shareholders, at reasonable expense and omitting confidential and proprietary information, analyzing the feasibility of promptly transferring intellectual property and technical knowledge (“know-how”) to facilitate the production of COVID-19 vaccine doses by additional qualified manufacturers located in low- and middle-income countries, as defined by the World Bank.

There is broad agreement that widespread vaccination is critical to achieving herd immunity and preventing the development of more transmissible and even vaccine-resistant variants. Despite that consensus, vaccine administration has been strikingly unequal. As of October 21, 2021, high-income countries have administered 134 doses per 100 residents, while low-income countries have administered only 4 doses per 100 residents.^[1] An August 2021 report estimated that vaccine inequity could cost the global economy over \$2 trillion and spur “[b]outs of social unrest.”^[2]

Pfizer touts its philanthropy, including pledging to provide 40 million doses to global vaccine access initiative COVAX at a “not-for-profit” price.^[3] Many experts believe, however, that philanthropy alone cannot ensure equitable access; instead, patent-holders must transfer the intellectual property associated with their vaccines, as well as the knowledge necessary to make them, to allow manufacture in low- and middle-income countries. Pressure is intensifying on COVID-19 vaccine makers, including Pfizer, to make such transfers promptly, to address supply shortfalls.^[4] More than 140 Nobel laureates and former heads of state,^[5] 110 U.S. Representatives,^[6] the European Parliament,^[7] and hundreds of civil society groups^[8] urged President Biden to support waiving the World Trade Organization’s intellectual property rules, countering Pfizer’s assertion that intellectual property rights are not a barrier to vaccine access.^[9]

Pfizer CEO Albert Bourla argues it would take years to transfer the mRNA vaccine technology to another company.^[10] But Lonza began producing Moderna’s mRNA vaccine within six months after the planned technology transfer was announced.^[11] Suhaib Siddiqi, former Moderna director of chemistry, estimates that many modern factories should be able to start manufacturing mRNA vaccines within a few months if sufficient know-how is transferred.^[12] The World Health Organization’s mRNA Vaccine Technology Transfer Hub was recently established to facilitate technology transfer, prequalify potential manufacturers, and train personnel.^[13]

The agreement Pfizer and BioNTech entered into with Biovac in July 2021 for sterile “fill and finish” of the mRNA vaccine falls short of what’s needed to promote vaccine equity. Although doses produced under the agreement will be allocated to African countries, the arrangement does not allow Biovac to develop the expertise required to manufacture the vaccine’s active ingredient or to make other mRNA vaccines to ensure adequate supply in future pandemics.^[14] Similarly, because construction will not begin on BioNTech’s planned Rwandan manufacturing facility until mid-2022, and production capacity will ramp up gradually, it will not ameliorate near-term supply challenges.

[1] <https://ourworldindata.org/covid-vaccinations> (last visited Oct. 22, 2021)

[2] <https://www.cnbc.com/2021/08/27/vaccine-inequality-could-cost-the-global-economy-trillions-report.html>

[3] https://www.pfizer.com/news/hot-topics/albert_bourla_on_ensuring_equitable_access_to_covid_19_vaccines

[4] <https://endpts.com/as-pressure-to-share-technology-mounts-biontech-selects-rwanda-for-latest-vaccine-site/>;
<https://www.nytimes.com/2021/09/22/us/politics/covid-vaccine-moderna-global.html>

[5] https://www.unaids.org/en/resources/presscentre/featurestories/2021/september/20210914_waive-intellectual-property-rules-for-covid-vaccines

[6] https://schakowsky.house.gov/sites/schakowsky.house.gov/files/TRIPS%20Waiver%20Letter_FINAL_May.pdf

[7] <https://fortune.com/2021/06/10/covid-vaccine-patent-waiver-european-parliament-commission-wto/>

[8] <https://msfaccess.org/letter-civil-society-organisations-us-president-biden-trips-waiver-covid-19-medical-tools>

[9] E.g., <https://endpts.com/pfizer-calls-proposed-ip-waiver-for-covid-vaccines-a-distraction-from-finding-real-solutions-on-access/>

[10] <https://www.ft.com/content/e9e0d3e9-b684-4846-a385-01c9fcfd1457>

[11] <https://jamanetwork.com/journals/jama/fullarticle/2781756>

[12] <https://www.project-syndicate.org/onpoint/big-pharma-blocking-wto-waiver-to-produce-more-covid-vaccines-by-joseph-e-stiglitz-and-lori-wallach-2021-05>;

<https://www.devex.com/news/where-are-we-on-covid-19-after-a-year-of-trips-waiver-negotiations-101795>

[13] <https://www.who.int/news-room/articles-detail/establishment-of-a-covid-19-mrna-vaccine-technology-transfer-hub-to-scale-up-global-manufacturing>

[14] <https://msfaccess.org/covid-19-vaccines-pfizer-biontech-and-biovac-fill-and-finish-deal-step-right-direction-much-more>