

Big Pharma CEO: 'We're in Business of Shareholder Profit, Not Helping The Sick'

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Last July, Turing Pharmaceuticals' CEO Martin Shkreli became a lightning rod for growing outrage over soaring prescription drug prices after he raised the price of a newly-acquired drug from \$13.50 to \$750. But Shkreli, who earned the title 'the most hated man in America,' is not the only one acquiring drugs currently on the market to raise their price and, in turn, rapidly drive up their stock price.

J. Michael Pearson, the CEO of Valeant Pharmaceuticals has enraged the internet after saying in a recent [interview](#) with MSNBC that "his company's responsibility is to its shareholders, not the customers who rely on his drugs to live."

"My primary responsibility is to Valeant shareholders. We can do anything we want to do. We will continue to make acquisitions, we will continue to move forward," Pearson said.

He added: "If products are sort of mispriced and there's an opportunity, we will act appropriately in terms of doing what I assume our shareholders would like us to do."



J. Michael Pearson | Imgur

Already this year, according to [several media outlets](#), Valeant has increased the price of 56 of the drugs in its portfolio an average of 66 percent, highlighted by their recent acquisition, Zegerid, which they promptly raised 550 percent. Not only does this have the unfortunate side effect of placing the price of life-saving drugs out of reach for even moderately-insured people, but it has now begun to call into question the sustainability of this rapidly-spreading business model.

Valeant has acquired more than 100 drugs and seen their stock price rise more than 1,000 percent since Pearson was named CEO in 2008. Pearson started working with Valeant Pharmaceuticals as an outside consultant in 2007, [took over as CEO](#) the next year.

Both Hillary Clinton and Bernie Sanders' stance against the practice has placed big pharma under tremendous scrutiny.

The House Committee on Oversight and Government Reform is planning to issue a subpoena for information on recent price increases from both Pearson and Shkreli.