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Biogen, AbbVie withdraw multiple sclerosis drug Zinbryta

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(Reuters) - Biogen Inc and AbbVie Inc have withdrawn their multiple sclerosis drug, the companies said on Friday, following reports of eight cases of inflammation of the brain, prompting the European Medicines Agency (EMA) to start an urgent review.

FILE PHOTO: A sign marks a Biogen facility in Cambridge, Massachusetts, U.S. January 26, 2017. REUTERS/Brian

Snyder/File Photo

Zinbryta was approved by the U.S. regulators in 2016 with a boxed warning due to risks of liver damage, with Biogen selling the self-administered drug in Switzerland, Canada and the EU and AbbVie in the U.S.

In November, the European regulator flagged safety concerns about the drug restricting its usage to reduce the risk of serious liver damage.

The EMA said on Friday it initiated an urgent review of Zinbryta following seven cases of serious brain disorders in Germany and one in Spain. (bit.ly/2CUHj8k)

The drug, which currently treats about 3,000 patients globally, brought in worldwide sales of $107 million last year, with Biogen's share being $53 million.

"Although the new safety signals are unfortunate, the opportunity for Zinbryta was never significant given the profile and competitive treatment landscape in multiple sclerosis," William Blair analyst Matt Phipps said in a note.

Phipps had previously estimated the drug to bring in $56 million for Biogen this year.

Biogen's 2017 earnings were slightly impacted by the impairment of Zinbryta-related assets as a result of a previous EMA regulatory procedure to minimize risks of liver damage linked to the drug.

Zinbryta became part of the national political debate over high U.S. drug costs in September, when Democratic Congressman Elijah Cummings asked the government to take action on the drug's $87,000 price tag.

AbbVie’s shares were down 1.7 percent at $111.89 in morning trading on Friday.

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