

## Antitrust Compliance Statement

MIT's Center for Biomedical Information (CBI) spearheads initiatives focused on re-engineering drug development and delivery processes to optimize access to new medicines for patients while ensuring the sustainability of pharmaceutical innovation. Many of these initiatives involve cooperation among various constituencies, including pharmaceutical companies and other industry stakeholders, patient advocates, healthcare payers, and academic and research institutions.

Because competitors or potential competitors in the marketplace are often participating in the same initiatives, participants in CBI activities must take care to stay within antitrust boundaries.

The antitrust laws prohibit firms from entering into agreements and engaging in arrangements with competitors that are “anticompetitive” -- meaning that they reduce competition more than they advance it. The antitrust laws, however, support and encourage “procompetitive” agreements and arrangements that increase efficiency, enable and improve innovation, and increase the availability of higher quality, lower cost goods and services. CBI's initiatives are designed to facilitate “procompetitive” processes.

This Statement provides antitrust guidance to MIT personnel and to the representatives of companies and other institutions who participate in CBI activities with the goal of encouraging and ensuring antitrust compliance. Even for specially trained experts, it can sometimes be difficult to distinguish “anticompetitive” from “procompetitive” outcomes. This Statement articulates General Antitrust Principles that guide differentiation of various interactions and lists Specific Antitrust Guidelines to enhance the procompetitive nature of CBI activities and reduce the risk of any inadvertent violation of the antitrust laws. CBI asks all participants in CBI activities to follow the General Antitrust Principles and to adhere to the Specific Antitrust Guidelines. The Principles and the Guidelines are intended to be conservative – meaning that they will prohibit some conduct that the antitrust laws may allow – in order to provide a reasonable safety margin for everyone.

### General Antitrust Principles

1. Be “antitrust aware”, including in your emails, documents, and conversations. This means remembering that no CBI activity is intended to reduce competition or create undesirable “anticompetitive” effects. These undesirable effects include increased market power, higher prices, lower quality goods or services, and the creation or strengthening of obstacles to innovation.
2. Part of being “antitrust aware” involves recognizing and memorializing, when appropriate, the desirable “procompetitive” effects that flow from cooperative exploration and innovation. These effects include faster rates of innovation, greater efficiency, increased output, lower prices, and higher quality goods and services. Documents and meeting agendas that identify those positive effects create a helpful contemporaneous record of the participants’ procompetitive vision, which can be consulted later.
3. Note that preserving a particular company’s or group of companies’ prices, profit margins, or position in an industry is **not** a legitimate goal, particularly in the dynamic industries involved in CBI’s activities. All companies are expected to succeed on their own merits and not because

they have created obstacles to competition. The law establishes one important exception – patent holders possess a temporary, completely legal monopoly as their reward for innovation. A patent holder, acting alone, is entitled to use the legal system to exclude rivals from practicing the subject of the patent.

4. “Market power,” meaning the ability of a single company or group of companies to control the price or availability of goods and services, is rarely permissible under antitrust laws. The acquisition or use of market power is tolerated where it results from superior products, services, or business skill, but otherwise it is highly suspect. No CBI activity that makes economic sense only if it creates or intensifies market power for the participants (other than through the eventual assertion of patent rights) should be undertaken without first consulting CBI’s compliance contact.

5. Other countries have their own competition regimes, and some of those regimes operate quite differently from the United States’ antitrust laws. Recognizing that much of CBI’s work may affect the global marketplace, CBI intends to comply with competition laws in all countries where its work has local effect. This Compliance Statement addresses the fundamental principles that are common to the competition regimes in the United States and the European Union. If you believe a CBI activity is likely to have a significant, negative economic effect on a company outside of the United States or European Union, please raise that issue with CBI’s compliance contact.

### Specific Antitrust Guidelines

1. **Do not** reach any of the following types of agreements with a competitor: agreements affecting the price at which goods or services are sold in competition; agreements allocating customers or markets among competitors; or agreements not to deal with any company or organization.

2. **Do not** discuss with a competitor information concerning any of the following: your company’s or your competitors’ prices, costs, discounts, terms of sale, or profit margins or anything else that might affect those prices; the resale prices your customers should charge for any products you sell them; markets, customers, territories, or products sold in competition; whether or not to deal with any other company or organization; or any other competitively sensitive information concerning your company or a competitor. In addition, **do not** share non-public data concerning these topics with a competitor.

3. **Do** prepare and follow an accurate agenda, even if only in summary form, for meetings attended by representatives of two or more direct competitors.

4. **Do** consult with CBI’s antitrust compliance contact before proceeding in any area of uncertainty. The compliance contact does not provide legal advice. When needed, the compliance contact will obtain legal advice for MIT participants from MIT’s Office of the General Counsel. All non-MIT participants must consult their own counsel for legal advice.

5. **Do** recognize that the antitrust laws encourage cooperation among competitors for the legitimate, procompetitive purposes envisioned by CBI. A more detailed look at this complex area may be found in the United States’ Antitrust Guidelines for Collaborations among Competitors, found here:



[http://www.ftc.gov/sites/default/files/documents/public\\_events/joint-venture-hearings-antitrust-guidelines-collaboration-among-competitors/ftcdojguidelines-2.pdf](http://www.ftc.gov/sites/default/files/documents/public_events/joint-venture-hearings-antitrust-guidelines-collaboration-among-competitors/ftcdojguidelines-2.pdf)