# Teva to drop depression treatment after trial fails

By Vrinda Manocha

(Reuters) - Generic drugmaker Teva Pharmaceutical Industries Ltd said it will stop the development of a depression treatment after a late-stage trial failed to show the drug was more effective than a placebo.

The third late-stage study tested Nuvigil, or armodafinil, as an adjunct therapy in adults with major depression associated with bipolar I disorder.

While the first late-stage trial had positive results, the second trial had failed.

Analysts said the drug did not present much of an opportunity for Teva in a market where antidepressants for bipolar disorder are already available.

"If (the trial) had worked, Teva would have had to commit a lot of additional capital to compete in the market place," Maxim Group analyst Jason Kolbert said.

Eli Lilly's drug Symbyax is approved for the treatment of depression caused by bipolar disorder.

Other drugs used as adjunct therapies include AstraZeneca Plc's Seroquel XR and GlaxoSmithKline's Lamictal.

Given that Nuvigil's patent would expire in 2016, the company would have had a very short time to market the drug even if the trial had gone well, said Morningstar analyst Michael Waterhouse.

The drug is already approved to treat sleep disorders and accounted for $347 million, or 2 percent, of the company's revenue in 2012, according to a regulatory filing.

"The silver lining to Teva's failure is that the associated marketing expenditures now are halted and therefore, Teva can focus its capital on those priorities that represent unmet medical needs" Kolbert said.

Teva said there will be no material impact to the company. The company's US-listed

shares were up slightly at $38.43 in afternoon trading.

(Reporting by Esha Dey in Bangalore; Editing by Don Sebastian, Sreejiraj Eluvangal)