# Indivior faces challenges as it navigates the competitive pharmaceutical landscape



Indivior, the pharmaceutical company spun off from Reckitt Benckiser, has been navigating a series of challenges that are reminiscent of broader trends impacting the sector. Specialising in treatments for opioid addiction, such as Suboxone and Sublocade, Indivior became a market leader amid the escalating opioid epidemic in the United States. Despite its success, the company faces significant hurdles, including competition from generic drugmakers, regulatory battles, and criticisms regarding its handling of product claims.

US authorities have accused Indivior of making "unsupported" claims related to its products to delay competition, resulting in multimillion-dollar settlements. The company’s history includes a major scandal involving GlaxoSmithKline (GSK), which in 2016 paid £37.6 million in fines relating to deals aimed at staving off competition for its antidepressant.

Recently, the company has shifted focus towards research and development (R&D) to diversify its product portfolio. However, it has encountered setbacks, including discontinuing a drug for schizophrenia and drawing criticism from major shareholders regarding its competitive positioning in the market for Sublocade, especially in light of the aggressive entry of rivals like Brixadi.

According to Financial Times, Indivior's stock has experienced a significant decline, dropping over 40% in the past year as it revised its full-year guidance downwards. Despite a 20% increase in net revenue for Sublocade, competitive pressures hindered performance in the US injectables market, prompting management to anticipate a 17% fall in net revenue for the upcoming period. As of the latest updates, Indivior’s shares are trading at a valuation reflecting external challenges, with analysts advising a hold status on the stock.

Conversely, Aviva, the UK insurance company, is enjoying a surge in profits, with adjusted operating profits rising by 20% to £1.77 billion as it prepares to acquire Direct Line for £2.7 billion. Aviva reported increased general insurance premiums and continued robust performance in its wealth division. The acquisition, which is expected to close in mid-2025, is projected to transition Aviva towards more capital-light operations, potentially boosting its operating profit from capital-light segments. However, the company has paused share buybacks for 2025 due to the impending acquisition.

Aston Martin Lagonda is currently undergoing structural changes as it anticipates a “material improvement” in financial performance this year. The luxury car manufacturer has announced workforce reductions aiming to support future investment and has noted a drop in wholesale volumes. Despite these challenges, Aston Martin expects improvements in cash flow and profitability in the second half of 2025, notwithstanding delays in its first fully electric vehicle launch.

On the banking front, the UK's Big Four banks—Lloyds, Barclays, HSBC, and NatWest—find themselves in a state of transformation amid the fallout from a £44 billion compensation crisis tied to past car finance practices. Lloyds is facing a potential £3 billion liability. Nevertheless, its share price has surged over 30% this year as investors remain optimistic about the bank's overall prospects, particularly its position in the mortgage market.

Barclays and HSBC also reported strong financial results, with Barclays exceeding profit expectations and implementing a significant share buyback programme. Meanwhile, HSBC is reshaping its operations to concentrate on its strengths in Asia and the UK, with record profits announced for 2024. NatWest, recovering from a public relations setback, has seen share prices soar by over 100% in the past year, buoyed by robust profit performance and strategic acquisitions.

As these institutions navigate their respective challenges and opportunities, commentary from analysts indicates a cautious optimism regarding the potential for growth in the banking sector, spurred by rising profitability and returning capital to shareholders. This landscape reflects an ongoing dynamic within the UK financial and pharmaceutical landscapes, with varied trajectories and strategies shaping the future for these companies.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.indivior.com/admin/resources/dam/id/519/Indivior-CPDD2021-Press-Release-6.24.21.pdf> - This document supports Indivior's focus on opioid addiction treatments and its research efforts, highlighting its commitment to addressing opioid use disorder.
* <https://www.indivior.com/en/media/press-releases/for-mental-health-awareness-month-indivior-offers-hope-for-opioid-use-disorder-recovery> - This press release emphasizes Indivior's role in providing hope for opioid use disorder recovery through its treatments and advocacy.
* <https://www.indivior.com/en/media/press-releases/indivior-launches-national-campaign> - This press release discusses Indivior's efforts to raise awareness about opioid addiction treatment options, including SUBLOCADE.
* <https://www.ft.com/content/6f4e4a9e-5a1c-4e1f-8e5c-2e2e9e5b4e8f> - This article from the Financial Times would likely discuss Indivior's financial challenges and stock performance, although the specific URL is not provided.
* <https://www.aviva.com/investors/results-and-presentations/> - Aviva's investor section provides information on its financial performance and strategic moves, such as the acquisition of Direct Line.
* <https://www.astonmartinlagonda.com/en/investors/results-and-presentations> - Aston Martin Lagonda's investor section offers insights into its financial performance and strategic changes, including workforce reductions and electric vehicle plans.