

Fear of the Unknown

The pharmaceutical industry is going through rapid changes today, but certainly you don't need anyone to point this out. In just the past year, two of the so-called Big Pharma firms (Wyeth and Schering-Plough) have been acquired by larger companies (Pfizer and Merck, respectively). Another leading pharma company, Sanofi-Aventis, has made a big move into the OTC sector with its purchase of Chattem, and it seems all of the major pharmas are delving deeper into the generics business in some form or another. One of the clouds hanging over the industry is the pressure on prices, and whether the big companies will have to find a way to make Rx drugs more affordable.

Indeed, the industry is under all kind of pressures, from Wall Street to Capitol Hill. Some legislators last year seriously considered imposing strict regulations on pharmaceutical marketing – all forms of promotion and not just DTC or medical education, apparently – as a means to raising funding for the proposed healthcare reform effort. There's no telling where these efforts might end up, and what kind of new regulations could be in store.

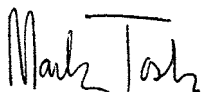
Healthcare reform, in at least some form, seemed a foregone conclusion in mid-2009, but as we write this in mid-February the reform issue remains completely clouded. The unexpected resignation of Billy Tauzin as chief executive of the industry group PhRMA has added to the uncertainty around healthcare reform, and also raises several questions about how pharmaceutical companies are likely to fare now that the deal PhRMA made with President Obama has gone by the boards. Will the Republicans, who watched as PhRMA threw its support to the Democratic reform plans, be ready to welcome the industry back with open arms? Time will tell, but it's not likely to be a smooth reconciliation.

On the media side, marketers are faced with a myriad of options for communicating with patients and care-givers. There seems to be a trickle of funds moving away from traditional channels to the new forms of digital media, such as online video and search marketing. But the ROI on new forms of communication have yet to be definitively demonstrated, and many marketers and companies are standing by the track record of television and print. Down the road, there's the question of social media and how it will be monitored and regulated by the FDA. Will pharma companies be permitted to tap into this new form of communication?

These are but a few of the unanswered questions that pharma companies face as we head into a new decade. And, yes, consumer promotion of Rx drugs will continue to evolve as the answers to these bigger questions become known.

Top 25 DTC Marketers

DTC Perspectives is pleased to announce its ninth group of Top 25 DTC Marketers. As in past years, the 2010 group of top marketers is made up of a diverse group of executives with a wide range of marketing experience, from expertise in traditional print and television advertising to specialists in search-engine marketing. There also are 16 different companies represented in this year's Top 25. For more information, see the list of award winners on page 37 of this issue. *DTC Perspectives* will honor this year's Top 25 at an April 9 luncheon at the DTC National Conference in Washington, D.C. We hope to see you there.



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