



The Pharmaceutical
Advertising Advisory Board

REVIEW

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Commissioner

Change Amid the Economic Turmoil

“The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday’s logic.”

— Peter Drucker

Earlier this year, I attended meetings in the US called “The E-Pharma Summit” organized by IIR and “Marketing Pharmaceuticals in a Time of Change” organized by the Drug Information Association. I have attended previous meetings organized by these two groups in the past and I find the information quite enlightening. I learn about new Marketing and regulatory enforcement trends in the US. Some of it relates to Canada albeit somewhere down the road in time. I believe we will see some change in both of these areas.

Social media marketing alias WEB 2.0

The E-Pharma Summit in Philadelphia included eight sessions on Social Media Marketing (SMM) or Web 2.0, 3.0 and even 4.0. The main sponsors and speakers of the meeting were Google, Microsoft, Yahoo, *etc.* Not your usual pharma marketing meeting sponsors. SMM involves the use of web tools such as Facebook, Twitter, MySpace, YouTube, Flickr, *etc.* People spoke of recent examples in this area that had been successful and encouraged the 270 marketers in the room to get out there and do it. An interesting twist was the fact that the sponsor had live Twitterers and they were able to project their laptop on the screen and show comments from Twitterers who were following the meeting from an external location. So, actual participation in the meeting was much larger than 270 people. A compelling argument to do this was given by Dr. Michael Roizen of Oprah fame. He said that in order to get people to change habit, lifestyles or to accept new ideas, you have to engage them emotionally. This medium allows you to reach people on a personal level and engage them emotionally.

One of the barriers to getting out and doing it appears to be the medical/regulatory/legal departments at the pharmaceutical companies. Apparently, an industry that has experienced over \$9 billion in criminal fines and penalties, around 300 indictments of individuals and is the subject of every federal and state legislative body has finally got the message about proceeding cautiously in the Marketing arena. There is no reason that the US pharmaceutical companies should not get involved in SMM. However, they should be prudent in getting it right before we see a new wave of laws intended to limit the prospects of SMM. One speaker made

a bold statement that this medium was Pharma's last chance to gain back public trust (apparently running about 30% in polls). I would not be so dramatic as to say "last" chance. I believe it is a good chance for pharma to show a good side to the public through what they do and how they do it, on the WEB.

A note of caution to Canadian pharmaceutical marketers. Direct-to-Consumer advertising with claims is legal for prescription drugs in the US and not so in Canada. Therefore, Canadian Pharma sponsors are very limited in what they can do legally using their brand in this consumer medium. Also, if you want to see a potential downside, Google "Motrin Mom" a J&J Twitter campaign, launched on a Saturday and pulled early the next week—look at some of the 305,000 results.

An industry under regulatory siege

The other meeting I attended in February was the Drug Information Association meeting "Marketing Pharmaceuticals in a Time of Change" in New York. One of the organizers is Tom Abrams, head of the FDA DDMAC and that is a big reason why I attend. Tom attracts top speakers from the FDA, the department of Justice, the Office of Inspector General and even state Attorneys General. Canadian pharmaceutical marketers should be happy that they have had the PAAB Code and the Rx&D code enforced over the past many years. The US has had no such enforced self-regulation mechanisms and now the pharmaceutical industry is faced with many political and regulatory bodies bashing them with legal tools. One refreshing change is that the pharma marketers seem to "get it" finally and they have made substantial changes in their organizations to improve regulatory compliance and respect the laws governing marketing practices. Unfortunately the past is still alive with real examples of misconduct and the legal bodies are only too happy to score brownie points in the eyes of the public by scoring incredibly large dollar settlements such as the \$2.3 billion Bextra case and the \$1.4 billion Zyprexa case, both involving off-label promotion.

Tom Abrams speaks about misleading advertising cases his department has had to deal with and despite some of the same companies selling the same drugs in Canada, we do not see that kind of behaviour in the Canadian marketplace. I am not saying Canada is perfect. What I am saying is that the PAAB Code and the Rx&D Code have prevented marketers from doing the same thing through our preclearance mechanism and our educational efforts. It is unfortunate that the US pharma marketers don't understand nor appreciate the self-regulation mechanisms that we have in Canada. And unfortunately, some Canadian marketers don't appreciate what they have in Canada.

Other interesting sessions included a panel of three marketing experts speaking about SMM while reminding people to follow the regulations. They talked about some of the activities that had been done and why they were successful. Another panel spoke on the importance of recognizing social diversity in your marketing efforts and tailoring marketing campaigns to distinct groups for better success.

What goes around, comes around

Although Canada is not in the same ballpark as the US with respect to the environment for pharmaceutical marketing, I remind you that Bill C51, a bill to bring in a new framework for health protection in Canada, probably will be resurrected sometime this year. Once the Act is approved, the heavy sloggling of creating regulations will happen and there is a potential for some change in the legal framework of marketing pharmaceuticals in Canada. That will depend on Health Canada's perception of how the industry behaves in their self-regulatory world and public/political pressure.

CPM