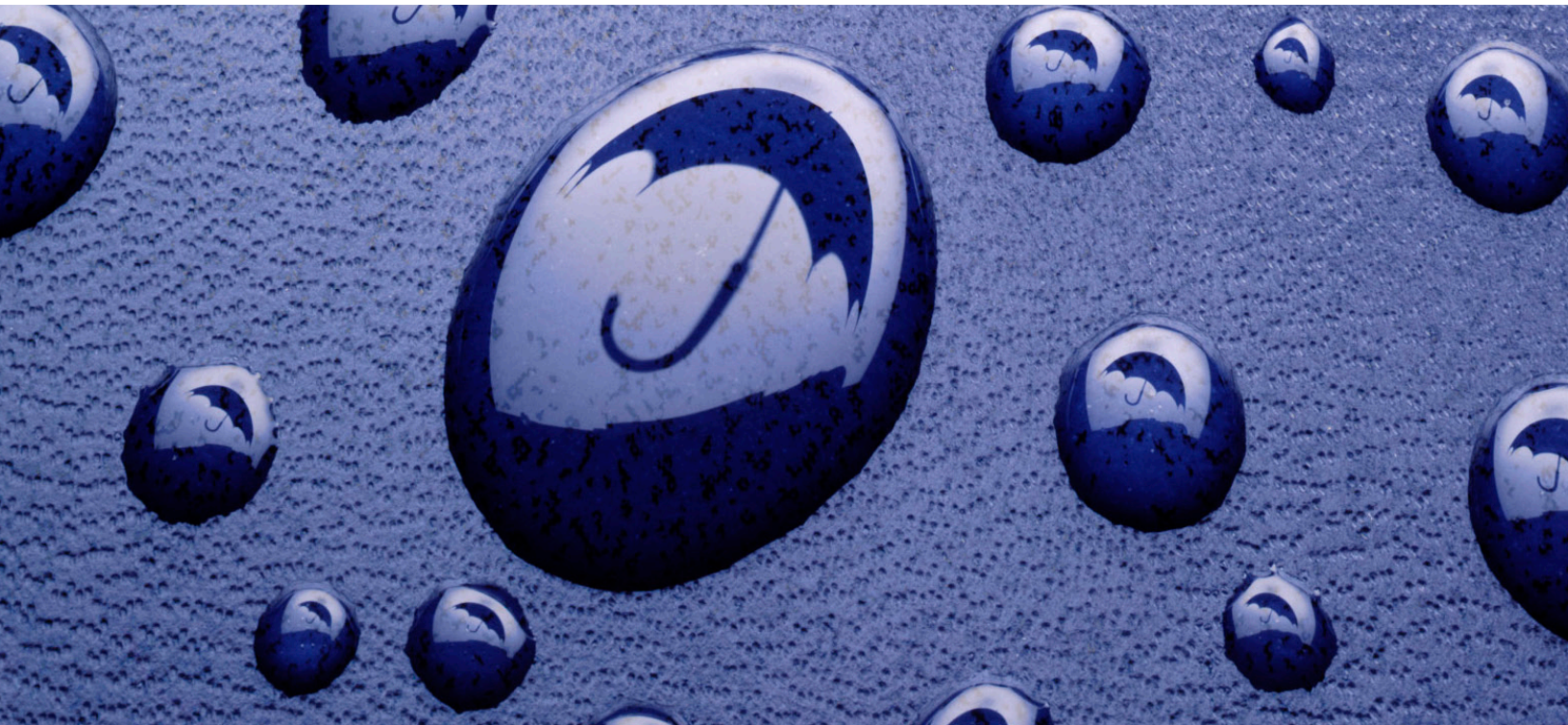


GLOBALHealthPR A BETTER WAY



GLOBAL WEATHER REPORT

ON HEALTHCARE PR





The global economic climate affects virtually every industry in every corner of the world—and healthcare is no exception. As the largest organisation of independent health-focused public relations firms, GLOBALHealthPR occupies a unique position to assess the situation as it relates to healthcare PR across the globe. Our “Global Weather Report on Healthcare PR” provides an overview of the current state and future of healthcare PR in the home countries of our partner agencies. The report includes insights from agency leadership that know their country’s market better than anyone.

Local reports and forecasts from:

US—Pharma Marketing is Under Siege

Japan—The Promise of an Aging Population

UK—A Need for Creativity and Innovation

Spain—Assuming More Risk

Germany—Pharma Represents Economic Stability

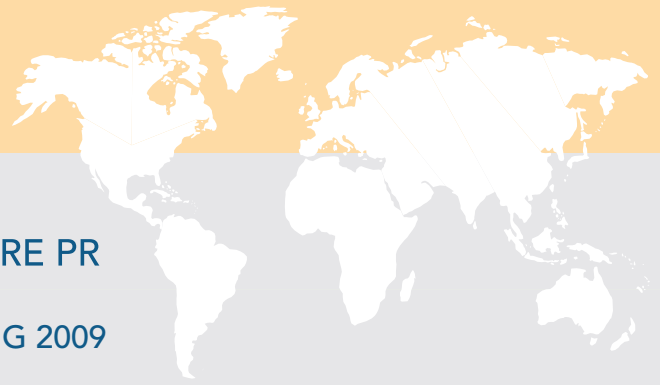
France—Public Relations Must Rise to the Challenge

Italy—Shifting Marketing Trends

Argentina—Slow, but Still Moving

Mexico—Advertising Regulations Keep PR a Priority

Brazil—Mounting Opportunities and Obstacles



GLOBAL WEATHER REPORT ON HEALTHCARE PR

SPRING 2009

In today's shifting economic climate, independent public relations agencies are heavily vested in their local markets and therefore a better gauge of local economic status than their multinational competitors. Pulling from the GLOBALHealthPR partnership, we have collected from our partner agencies from across the globe insights on the current climate of the pharmaceutical industry and their forecasts for healthcare communications.

GLOBALHealthPR US:



John J. Seng,
President & CEO
Chair,
GLOBALHealthPR

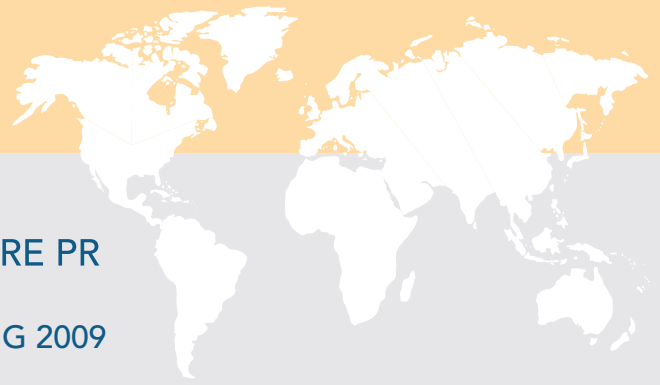
US—Pharma Marketing is Under Siege *Spectrum*

Report

Pharmaceutical marketing in the U.S. is in trouble and the economy is not solely to blame. "Too many Americans see harm, not good, in encouraging patients to use pharmaceutical products prescribed by their doctors," notes John Seng of U.S.-based Spectrum. "As a result, the marketing of prescription medications is all too often considered inappropriate or excessive. For example, academic institution-based medical schools and community-physician practices are increasingly banning pharmaceutical sales detailing." Direct-to-consumer advertising also has fallen under increasing scrutiny, as companies tighten or eliminate medical education budgets.

Forecast

The downturn of the economy will continue to take a toll on pharmaceutical marketing employees. The economic trench will exacerbate the problem for healthcare in the U.S., especially given the lack of consensus on reform. "The economic stimulus package will jumpstart some progress, but it remains to be seen how Americans value healthcare," notes Seng. "Nevertheless, the demand for healthcare will continue to grow. Humans and healthcare are inextricably linked."



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GLOBALHealthPR Asia:

Japan—The Promise of an Aging Population

LBS Co.

Report

Despite the unconditional reduction in spending seen in the government and private sectors of Japan, Japanese independent public relations agencies remain cautiously optimistic about their pharmaceutical industry. "The hope is that aging populations in Japan, with a keen interest in maintaining youth and vigor, may carry the pharmaceutical industry through these difficult economic times," says Homare Takenaka of the LBS Co., Ltd. firm in Japan.

Forecast

This aging population is not limited to Japan, of course. Many countries are now seeing the baby-boomer generation require more medicine and diagnostic tests. "That is why there is tremendous need and demand for global information and cooperation," says Takenaka. If countries are able to embrace each other's knowledge and innovations, the quality of care for this generation will be much higher and the pharmaceutical industry is much more likely to thrive.

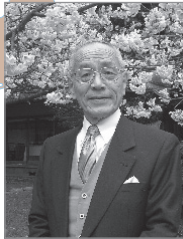
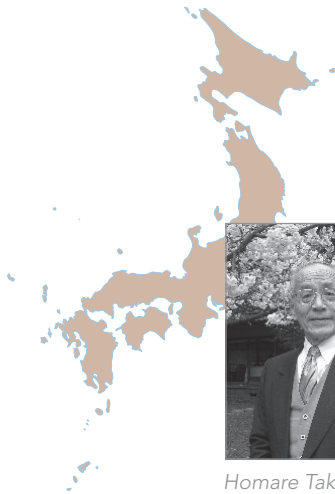
GLOBALHealthPR Europe:

U.K.—A Need for Creativity and Innovation

Aurora

Report

In the United Kingdom, the market seems fairly buoyant considering the current economic climate, though even in the U.K. PR firms are feeling a pinch in the pocketbook. "The challenge and opportunity is to do more with less budget," says Neil Crump of the Aurora public relations agency in the U.K. "This means we need to be more innovative and creative than ever before." While this is a good thing, public relations firms of the U.K. are also seeing notable problems due the economic crisis. "We are seeing headcounts cut on the client side," explains Crump. "Obviously it's a real shame for the individuals and a frustration for us when we lose a contact or an advocate."



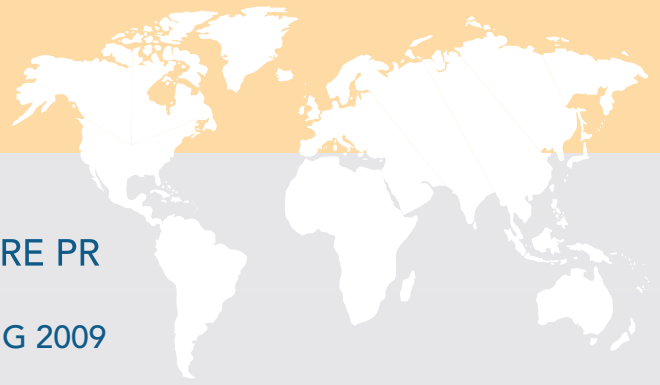
*Homare Takenaka,
Chairman and CEO*



*Neil Crump,
Co-founder and
Managing Director*



*Claire Eldridge,
Co-founder and
Managing Director*



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Forecast

For agencies that can offer innovative services in key pharmaceutical markets in the U.K., there will be good opportunities to help local and global marketers execute well-thought out communications programs for their brands. However, this work is unlikely to come in the long-standing retainers to which public relations agencies have been accustomed. "Project work is becoming more common," says Claire Eldridge of Aurora. "I think there is also a growing market for reputation management -- helping companies to communicate restructuring plans internally and to successfully manage corporate issues and crises externally."



Juan Luis Recio,
Executive Director

Spain—Assuming More Risk

Berbés Asociados

Report

The pharmaceutical industry in Spain is decreasing not only public relations outreach, but also general communication efforts and other activities, such as conferences. With less money to work with, the cutting-edge public relations agencies in Spain are looking to design new strategies to reach their target audiences. "Although difficult, this is an opportunity for innovative and specialized public relations agencies. If we can develop new tools, we can offer new services to our clients," says Juan Luís Recio of the Berbés Asociados firm in Spain. "The challenge is that we have to use communications tools that have not been previously tested, so we have to assume some risk."

Forecast

Many of the public relations agencies working in Spain's pharmaceutical sphere are promoting large multinational companies. So their projections depend heavily on the global economic state. However, like many parts of the world, independent public relations agencies in Spain are taking steps to consolidate their clients and enhanced value. Recio notes that his firm is having to take innovative steps for clients and to some degree, "we are offering our clients more for less."



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Sabine Seifert,
Unit Leader
Healthcare

Germany—Pharma Represents Economic Stability

fischerAppelt Kommunikation

Report

The pharmaceutical industry in Germany has not been hit by the economic crisis as strongly as other sectors. German companies like Bayer AG or Merck KGaA, which over the last few years have enjoyed profits from their chemical divisions, are now feeling the stability from their pharmaceutical divisions. But the current economic and political climate will not go unnoticed in Germany. "Pharma has already had a harder time in Germany for the last couple of years, finding it more difficult to justify high prices companies in some cases are being forced to lower prices for patented drugs," says Sabine Seifert, of the fischerAppelt Kommunikation firm in Germany. "Accordingly, pharmaceutical companies are more cautious today than they used to be."

Forecast

The German pharmaceutical industry is now seen as an important stabilizer in the currently declining economy and these companies will be looking to agencies to help them develop marketing activities that have measurable and quick benefits. The challenge for public relations firms, according to Seifert, will be to get more involved in the strategic process, to be a part of the market access strategy and to build strong contacts with stakeholders.



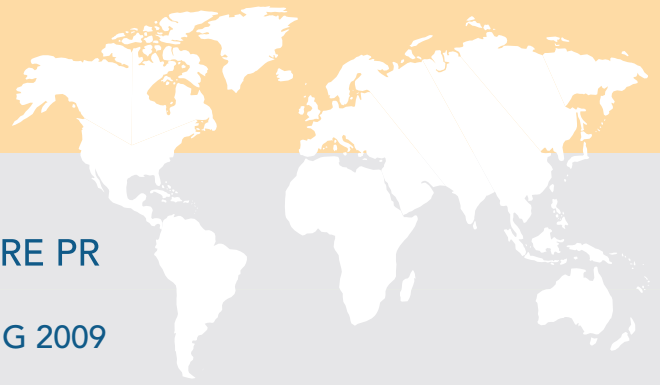
Marie-Hélène
Coste, Director

France—Public Relations Must Rise to the Challenge

MHC Communication

Report

The cost of everything is weighing heavily on everyone's mind in France and the pharmaceutical industry is no exception. Advertising costs have been considerably reduced, the medical press is in bad shape and for the first time, huge groups such as Pfizer and Sanofi-Aventis have had to cut staff. "But in spite of these challenges, the public relations space is doing relatively well," says Marie-Hélène Coste of MHC Communication in France.



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Forecast

Because PR is more cost effective than advertising, public relations agencies in France will be given the chance to shine. In the coming year, these firms will need to be more focused on local, targeted methods that yield tangible benefits. In addition, budget conscious outreach, such as online activities will be paramount to success. "Web communication campaigns, such as prevention programs and disease management outreach, will become popular among clients," predicts Coste.



Martin Slater,
President and CEO

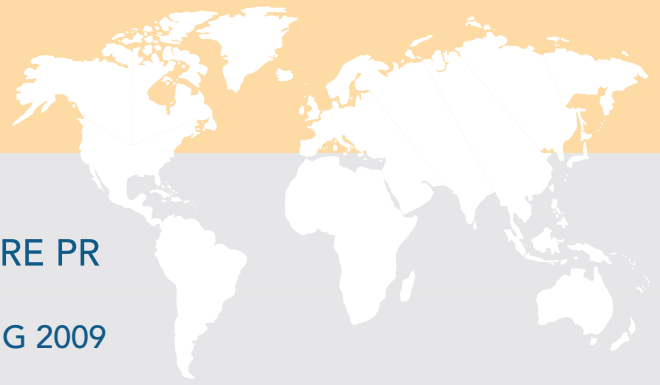
Italy—Shifting Marketing Trends *Noesis Comunicazione*

Report

Pharmaceutical companies in Italy have tended to rely heavily on marketing investments in their sales force over the last few years, even more so than in many other countries. "That trend is changing slowly as companies are slowly becoming aware that having sales people sit in doctors' offices and hospital waiting rooms for hours is not very productive," says Martin Slater of the Noesis PR agency in Italy. "This new marketing paradigm is opening opportunities for small public relations agencies that are often more innovative and more flexible."

Forecast

In Italy, the prospects for public relations agencies in the pharmaceutical sector look promising, partly because Italy has traditionally seen underdeveloped public relations budgets, with the majority of marketing money going towards the sales force. So there should be plenty of opportunities for increased public relations efforts. In addition, the pharma industry is anti-cyclical meaning that budgets should hold up," notes Slater.



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GLOBALHealthPR Latin America:

Argentina—Slow, but Still Moving

Ana Gambaccini Comunicación y Negocios



Ana Gambaccini,
Director

Report

Like so many countries, Argentina has seen the impact of the global economic climate. "Where possible, many pharmaceutical companies have postponed their high investment marketing activities," says Ana Gambaccini of her self-named public relations firm in Argentina. "And where that was not possible, they have shrunk budgets and turned to lower cost alternatives. While some companies have overreacted and brought their projects to a halt," notes Gambaccini, "others are using this economic downturn as an opportunity to find new placements for their products."

Forecast

"Considering the pharmaceutical market's evolution over the past five years as well as the economic crisis, I expect the market to develop more slowly or even stagnate for some time," says Gambaccini. "But companies need to continue their business and projects so the work-flow will reappear, although perhaps not as strongly as past levels of activity."

Mexico—Advertising Regulations Keep PR a Priority

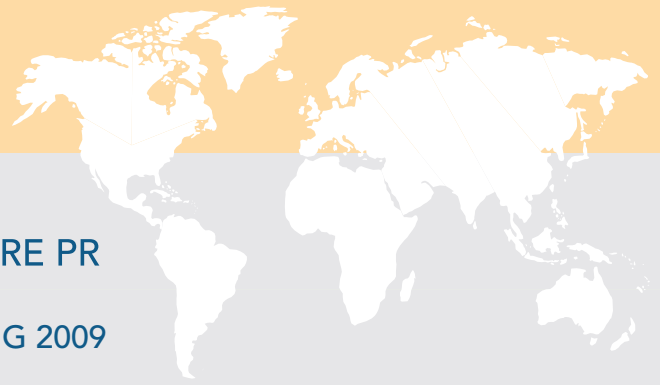
PR Partners



Paola de la
Barreda, General
Director and
Co-founder

Report

Because the pharmaceutical industry in Mexico is tightly bound by constraints on advertising, these multinational companies rely heavily on public relations campaigns to communicate with different target audiences. Certainly the economic downturn is generally slowing business and some pharmaceutical companies in Mexico have reduced their communication activities. "However, most of them are at full speed with PR efforts to continue fighting for position among competitors," says Paola de la Barreda of Mexico-based PR Partners. "The marketing communications of products in Mexico is as strong as ever."



GLOBAL WEATHER REPORT ON HEALTHCARE PR

SPRING 2009

Forecast

Despite the pharmaceutical industry's recent losses and subsequent downsizing, they continue to invest in biotech and other research and development companies. As these acquisitions, collaborations and mergers occur, the industry will need the skills of talented public relations agencies to communicate these and other accomplishments. "In addition, issues like the possible loss of product patents are of major concern to the industry, as important as the global economic climate," notes de la Barreda. "All these issues can be addressed effectively using PR campaigns."

Brazil—Mounting Opportunities and Obstacles

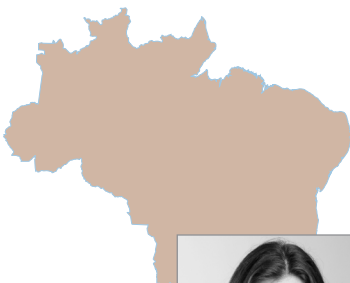
Tino—Projetos em Comunicação

Report

Brazil is home to the ninth largest pharmaceutical market in the world. As a result, it also houses a multitude of opportunities for healthcare marketing. Over the past 10 years, generic drugs have grown to represent half of Brazil's pharmaceutical industry. "This has caused intense competition in the marketplace and stressed the need for flexible public relations approaches which can promote the innovative products of the pharmaceutical industry and as well as the constantly growing spectrum of generic medicines," says Priscila Sérvulo of Brazil-based Tino Comunicação.

Forecast

Public relations professionals in Brazil will be facing several challenges in the coming years, such as being tasked with increasing communication between pharmaceutical companies, consumers and physicians in a difficult political climate. Already, direct advertising to patients is forbidden for prescription medicines and new laws aim to dissuade pharmaceutical companies from developing close ties with physicians. In addition, the global consolidation within the pharmaceutical industry will almost certainly impact companies in Brazil. However, even as these obstacles mount, pharmaceuticals will continue on their paths to have their drugs approved by the government and to improve their relationships with health insurance companies. "We are optimistic about facing these challenges," says Sérvulo, "and we are looking forward to finding new opportunities within the healthcare sector."



Priscila Sérvulo,
Director

Global Patterns—Do More With Less

While each country bears its own set of challenges, including political climate, economic clout, and regulatory hurdles, we live in a global economy. In this ever-shrinking world, the issues that are facing healthcare organisations and public relations agencies have significant overlap—from the United States to Japan. The overarching trend is the need to do more for the client with shrinking budgets—though many agencies view this as an opportunity to explore new and potentially more cost effective strategies. The call for creativity and innovation in PR activities seems to be worldwide as is the faith in humankind's ever-growing need for healthcare.



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