



Answering Tough Questions

Agenda

- An approach for improving everyday conversations about the industry
- The tough questions...and some starting points for answers



Changing the Conversation



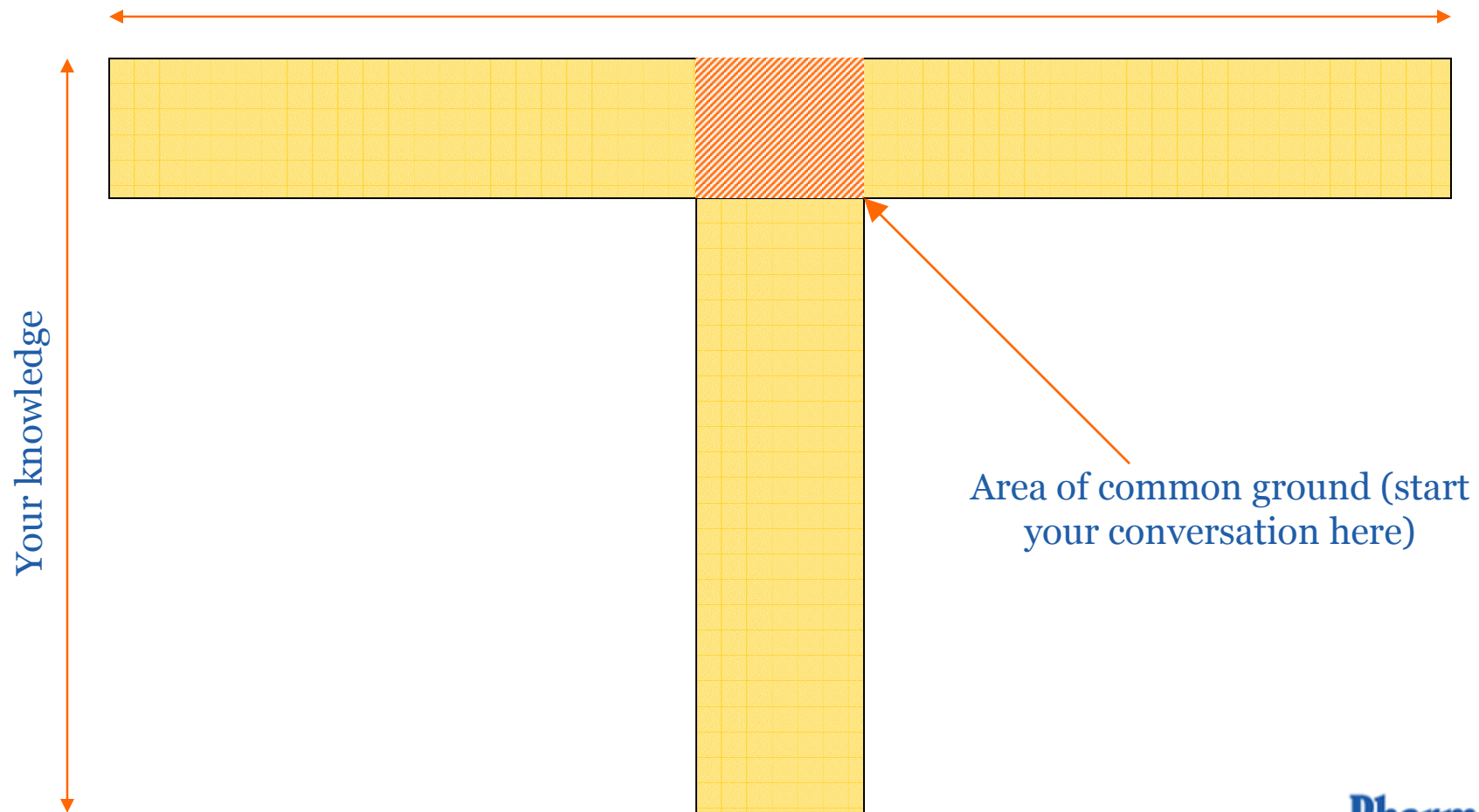
Everyone is a Critic

Negative perceptions are everywhere

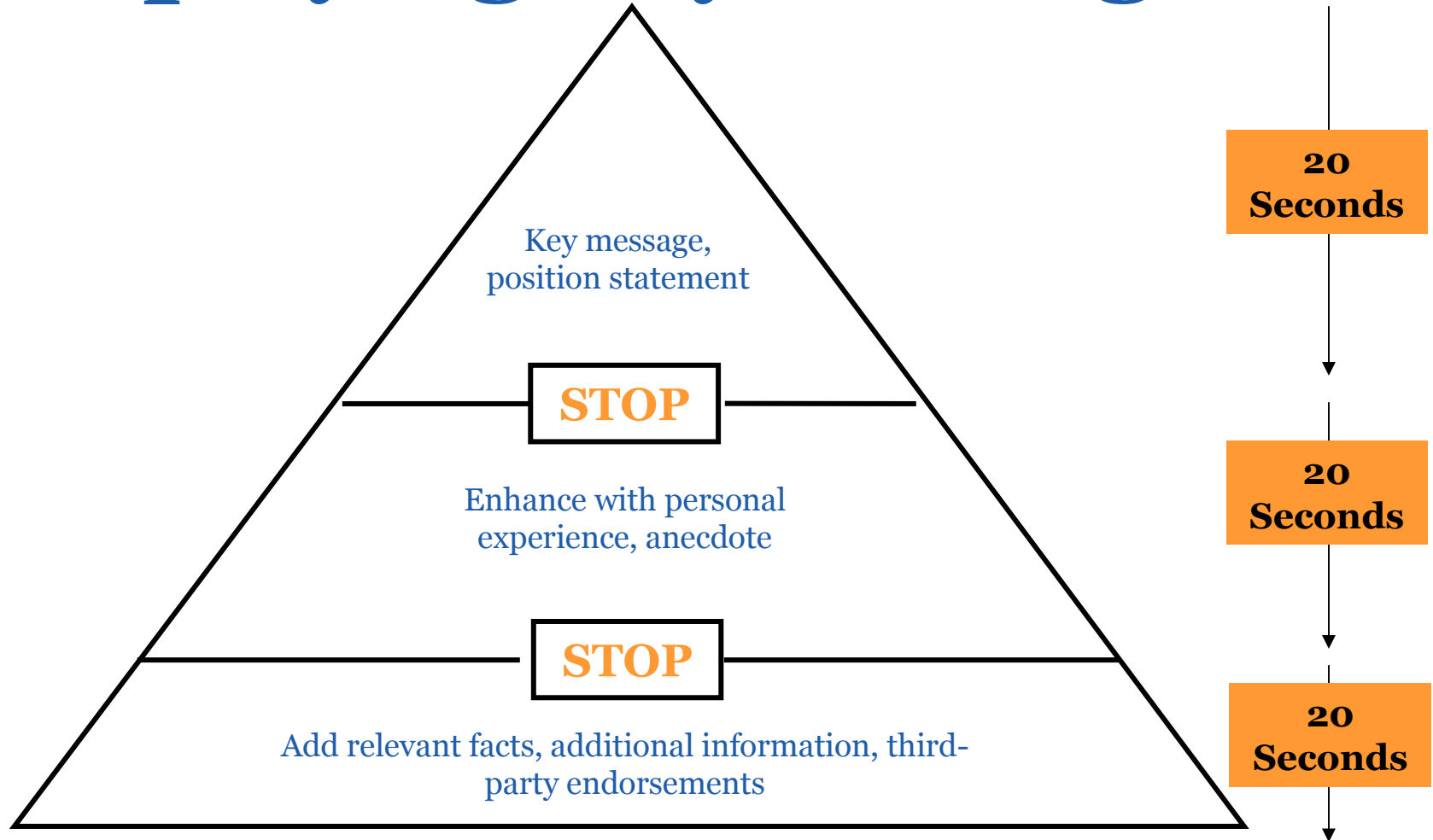
- Personal experience: “My aunt....”
- Media coverage: “Well, I read in the paper...”
- Conventional wisdom: “I just know....”

The Public's Knowledge

A mile wide – but an inch deep



Deploying Key Messages



Step 1: Be Prepared

- Identify and commit to memory three or four simple messages
 - *It's okay to repeat them more than once*
- Be able to tailor the messages based on your audience
 - *One message, different levels of detail*
- Know your facts...and always be truthful
- Know your vulnerabilities
 - *The tough questions will be asked*

Step 2: Stay on Message

- Real conversations don't follow scripts
 - *Inject your message at every opportunity*
- State your conclusion first
 - *Deliver your message, then offer supporting points*
- Make your point in your own words
 - *Sounding scripted invites suspicion*

Step 3: Bridge to Your Message

- Use the formula $A + B = M$

A

Acknowledge
the question

B

Bridge to your
answer

M

Deliver your
message

+

=

How to Bridge

I understand your point, but the larger issue is...

That's not my area of expertise, but I can tell you...

That's an interesting question, it reminds me of...

Your concern is valid, but don't forget that..."

As I mentioned...



Step 4: Enhance Your Message

- Be concise
 - *Make one point succinctly, rather than ten rambling points*
- Reference credible authorities
 - *Citing others can credential your point*
- Make it personal

How to Emphasize a Point

The important point here is...

The best part about...

But the real story here is...

Let me put it in perspective...

That brings me to a bigger point...



Avoid Conversation Pitfalls

- Don't repeat negative/inaccurate statements
- Don't guess if you don't know the answer
- Avoid jargon, overly-technical concepts, acronyms
- Don't answer hypothetical questions



Some Basic Facts About the Pharmaceutical Industry



Our Industry's Contributions

- 450,000 jobs
- \$235.4 billion industry
- More than 22,000 products on market



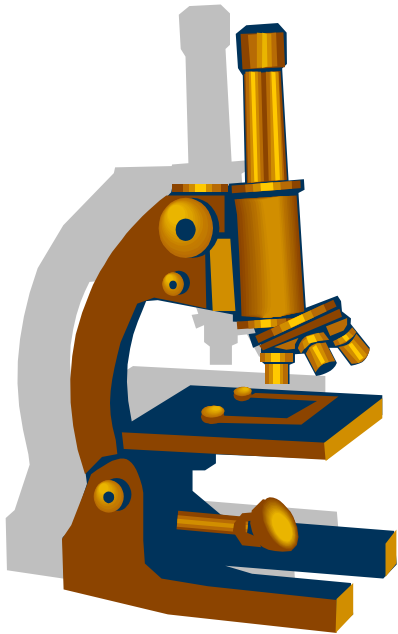
Sources: PhRMA; Pharmaceutical Executive; FDA/CDER

The Pharma Marketplace



- Prescription medicines are 10% of national health expenditures
- R&D expenditures exceeded \$50 billion in 2005
- Generics' market share is currently more than 55% and increasing

We Make Major Investments



- For every drug approved by FDA:
 - 5,000-10,000 compounds are screened
 - 250 enter preclinical testing
 - 5 enter human clinical trials
- Drug development: \$802 million, 10 to 15 years from laboratory to pharmacy

Source: Tufts Center for the Study of Drug Development

We Create New Hope for Patients

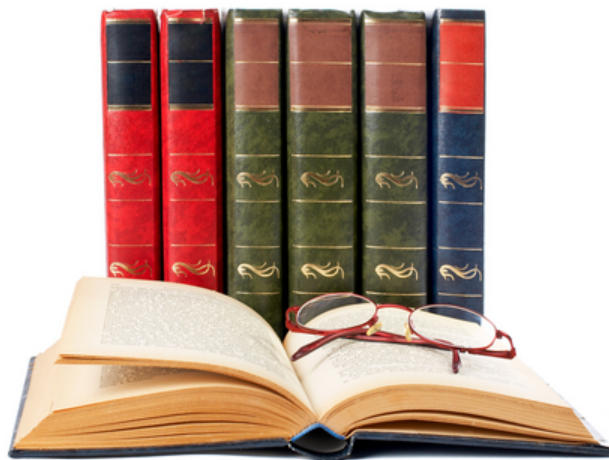
- New medicines...
 - Increase survival rates for conditions like cancer, heart disease, strokes
 - Account for 40% of our increased life expectancy
 - Improve quality of life



So why the tough questions?



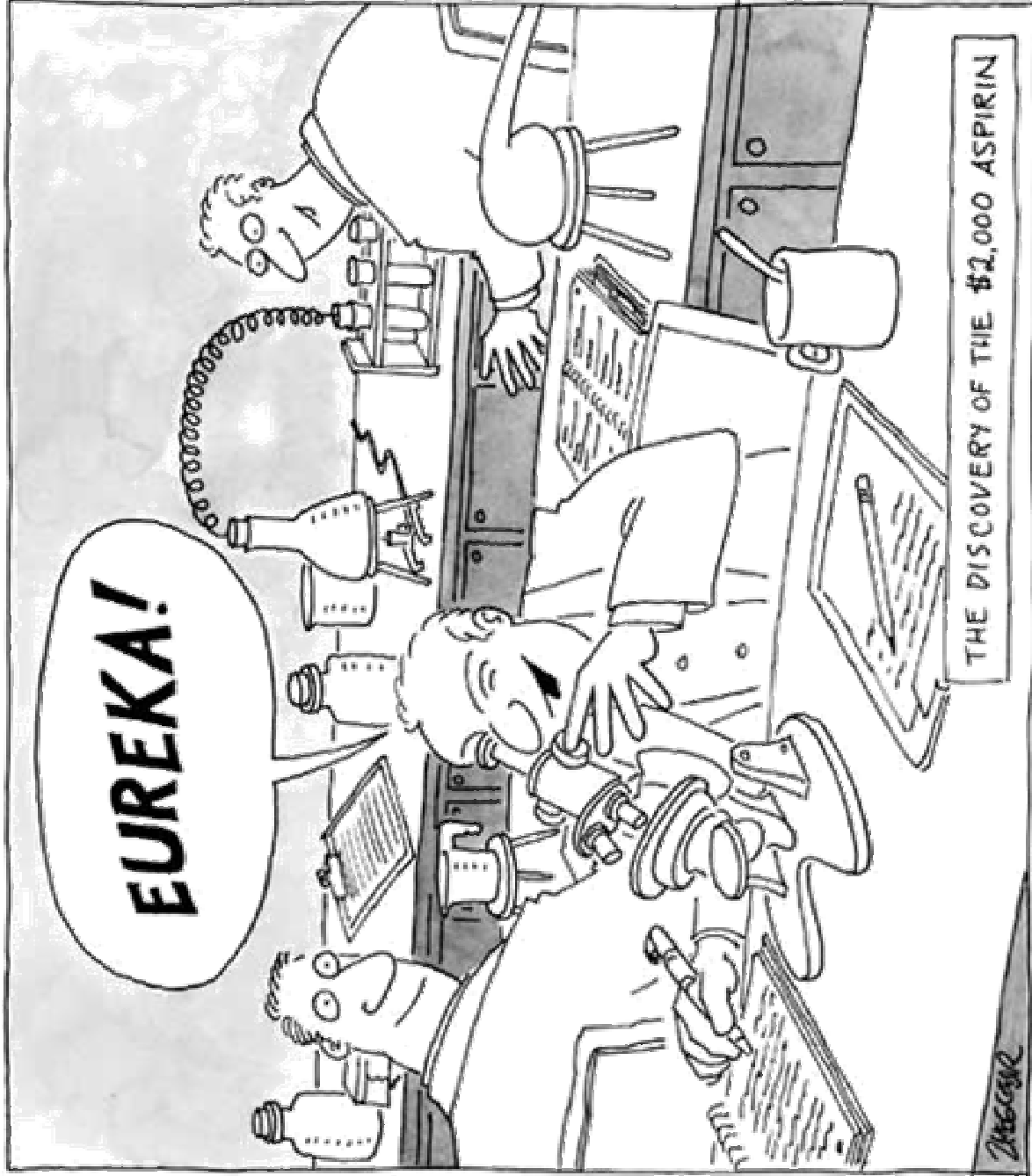
**Your friends, family and
the general public often
don't know the whole
story.**



Some Common Criticisms

- 1) Prescription medicines are too expensive
- 2) Americans should be allowed to import lower-cost prescription medicines from Canada
- 3) Patients take too many medicines
- 4) Pharmaceutical companies spend too much money on television advertising
- 5) Pharmaceutical companies do not make patient safety a top priority
- 6) Government should negotiate drug prices for Medicare beneficiaries

@Cartoonbank.com





“Drugs cost too much.”

- It costs over \$800 million dollars to develop just one drug.
- In 2005, the industry spent more than \$50 billion discovering new drugs, improving existing drugs and studying their safety and efficacy.
- Prescription medicines only account for 10 percent of total health care expenditures in the United States and that share is decreasing.
- Every dollar spent on newer medicines, total health care spending is reduced by more than \$6.00.

Patients Can Get Help Through PPA



Bobby Campbell of Zillah, WA

“After my heart attack, I was unable to work full-time and therefore did not have prescription medicine coverage. But, I needed my heart and blood pressure medications so that I would not have another heart attack. The Partnership for Prescription Assistance helped me to get signed up for various drug company programs and now I receive four of my life-saving medicines for free, which saves my family about \$275.00 a month. Therefore, the Partnership for Prescription Assistance has been a real life-saver for my family and for me.”



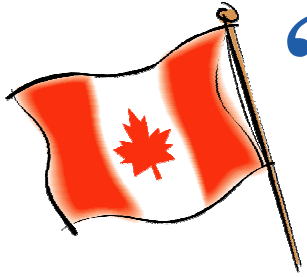
Susan Curren of Pawtucket, RI

“During a physical exam, I mentioned to my doctor that I sometimes skipped my medications so that they would last longer. The doctor advised me on the importance of taking my prescriptions daily for maximum effectiveness.

“Soon an answer would come to ease my worries. I received in the mail a Partnership for Prescription Assistance brochure offering help with paying for prescription medicines. I called the toll-free number and answered some easy questions and within a couple of weeks, I received my medications. Now, because of the PPA, I can stay healthy to enjoy my family.”



Mike Keefe Medenverpost 2003



“I want cheaper drugs from Canada.”



- Canada’s government dictates which drugs are available and how much they cost.
- Canadian doctors and patients have fewer choices.
- Canadian officials can’t guarantee the safety of medicines that cross the border.
- Fraud is a serious problem with online pharmacies.

INTRODUCING ...

THE PILL-OF-THE-MONTH CLUB!



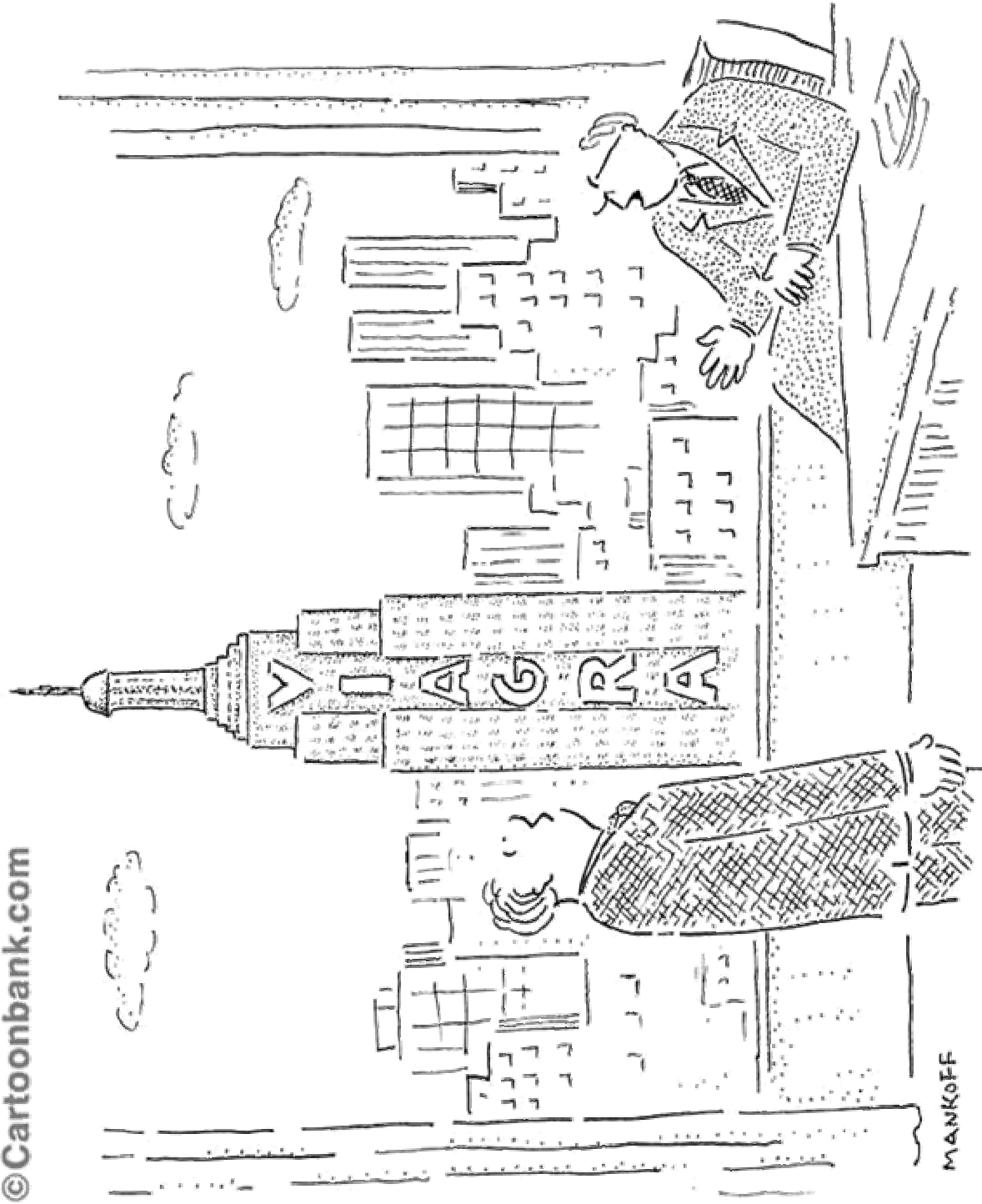
R. Ch

“Patients take too many medicines.”

- Unfortunately, sometimes patients under use, overuse and misuse prescriptions; the pharmaceutical industry recognizes this and is partnering with providers to address this issue.
- Each person is different and requires a different mix of medications. You should consult your health care provider to learn what’s best for you.
- Make sure you health care provider has a complete list of your medications, including OTC drugs, herbal supplements, vitamins, etc. so that potential drug interactions can be avoided.



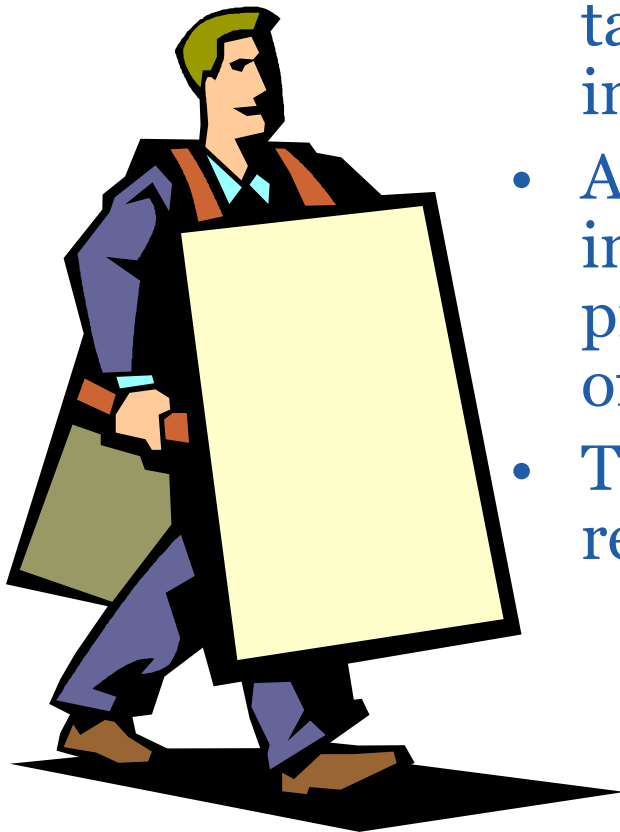
©Cartoonbank.com



MANKOFF

“Now, that’s product placement!”

“Companies spend too much on advertising.”



- Studies show that ads remind patients to take their medicine, which leads to improved patient compliance
- Ads are an important vehicle for patient information; in fact, patients who visit providers after hearing of new medicines often learn of new paths to wellness
- The industry spends ten times more on research than on advertising

Benefits of DTC Advertising

- Did you know that many men who heard about Viagra on television ads and who visited their doctor found that they have heart disease and diabetes?



© Cartoonbank.com



“Patient safety is not a priority.”

- FDA approval is a rigorous 10-15 year process; just 2% of potential drug therapies actually make it to market
- FDA-approved drugs continue to be evaluated once on the market
- New research on tailored drug therapy seeks to anticipate and avoid side-effects



©Cartoonbank.com



"Unfortunately, you have what we call 'no insurance.'"

PharmaCorps

“Who can afford prescription medicines?”

The simple answer is everyone can.

- To date, the Partnership for Prescription Assistance has matched more than 3.4 million patients with prescription assistance programs to help them afford their medicines
- Pharmaceutical companies gave away \$5 billion worth of medicines to those in need in 2005
- The industry is dedicated to improving access to medicines through patient assistance programs and other means



Discussion