



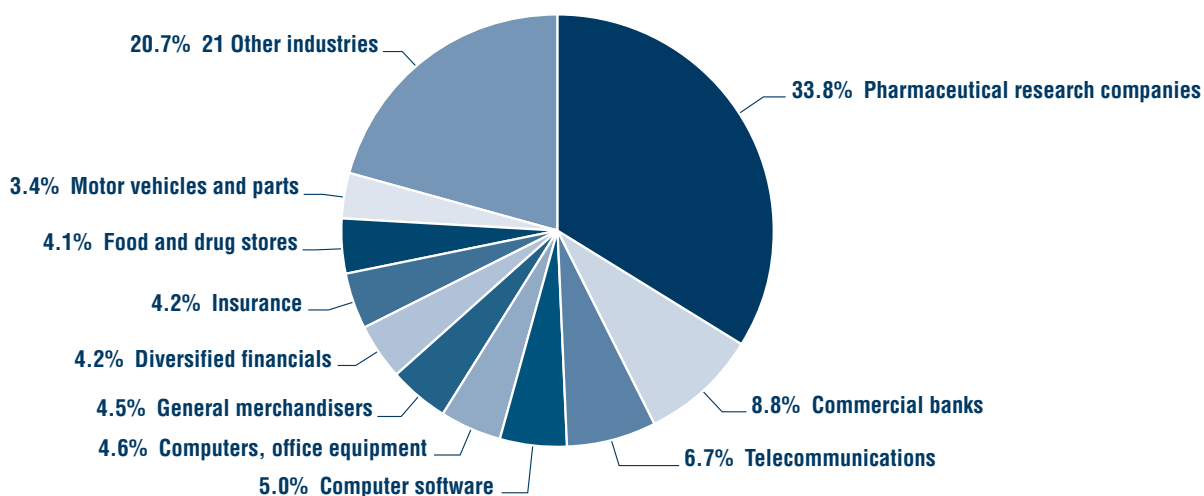
## Pharmaceutical Companies Lead the Way in Corporate Philanthropy

The pharmaceutical research industry leads the nation in corporate philanthropy. Pharmaceutical research companies assumed a leadership position in charitable contributions a quarter-century ago, contributing to charitable causes at a rate at least five times greater than the national average at the time.<sup>1</sup> Today, pharmaceutical research company philanthropy ranges from donating medicines to millions of Americans to promoting education and the arts within the communities in which its business units are active, to protecting the global environment, to raising the standard of living in some of the poorest regions of the world. In the developing world, companies donate medicines and work closely with national governments to

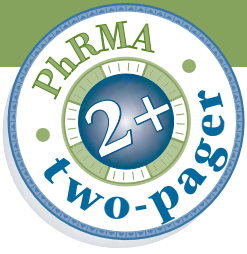
improve health care systems and general health and well-being. These efforts included building infrastructure, improving water supplies and providing health and nutritional education.

Today, 34 cents of every dollar donated to philanthropic causes by major U.S. corporations surveyed by the *Chronicle of Philanthropy* is donated by pharmaceutical research companies, though these companies total only 7 out of the 99 companies surveyed. This is more than double the amount of the next largest contributing industry.<sup>2</sup> According to the same survey, the top four U.S. corporate charitable contributors were pharmaceutical research companies, and three more companies also ranked among the top 50 contributors.

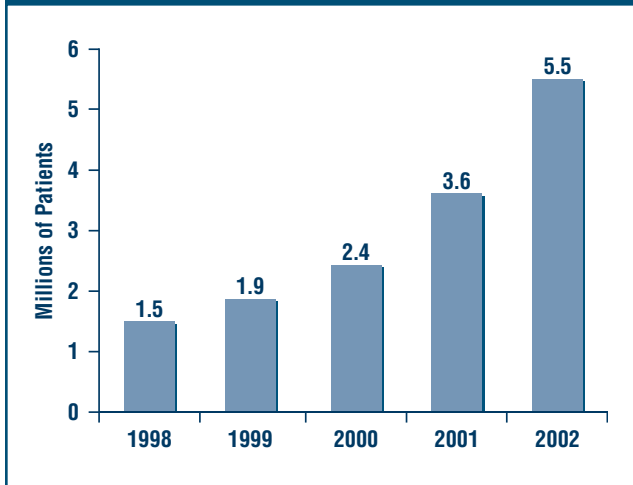
2001 Percent of Total Charitable Contributions by U.S. Industry



Source: The Chronicle of Philanthropy, "Charitable Giving at 99 Major Corporations," searchable index at <<http://philanthropy.com/premium/corpgiving/2002/index.htm>> (10 December 2002).



### The Number of Patients Receiving Medicines Through Industry Patient Assistance Programs Has Quadrupled in Five Years



Sources: Pharmaceutical Research and Manufacturers of America, *PhRMA Annual Patient Assistance Program Survey, 2002*.

### Patient Assistance Programs

In the United States, pharmaceutical research companies' long-standing patient assistance programs contribute to the industry's mission of better health for all. Through these programs, companies provide prescription drugs free of charge to patients who might not otherwise have access to necessary medicines. Companies also allow physicians, hospitals, community pharmacies, home-health companies and others to obtain drugs for patients in need.

Patient assistance programs are administered individually by each of PhRMA's member companies. In 2002, an estimated 5.5 million patients received prescription medicines through these programs—over twice the number who received assistance in 2000 (2.4 million). By the end of 2002, over 14 million prescriptions were expected to be filled through the programs.

### Global Philanthropy

The pharmaceutical research industry's philanthropic activities are not confined to assisting patients and communities in the United States. The industry has launched many programs abroad as well. Often, pro-

grams have been developed in collaboration with local nongovernmental organizations (NGOs) and international health and relief groups to provide access to treatments for disease on a global scale. These programs are deployed in those places and against those diseases that most desperately require attention—particularly sub-Saharan Africa. The diseases include—but are not limited to—HIV/AIDS, tuberculosis (TB) and malaria. *What follows is a small **sampling** of company-specific philanthropy programs.*

### HIV/AIDS

Pharmaceutical research companies play an important role in managing the spread and treatment of HIV/AIDS in Africa and other parts of the developing world. However, the magnitude of the epidemic requires that governments, international relief organizations and others play major roles in curbing this disease. Many companies donate medicines and HIV testing kits free of charge or at cost to countries plagued by the AIDS epidemic. Other PhRMA members provide millions of dollars in donations to support HIV/AIDS research in Africa, build laboratories and train health care workers.

Through the Accelerating Access Initiative, for example, the United Nations Program on HIV/AIDS (UNAIDS) works with PhRMA members Abbott Laboratories, Boehringer-Ingelheim, Bristol Myers Squibb, GlaxoSmithKline, Merck and Roche to redouble efforts to assist countries in implementing comprehensive packages of care for their citizens living with HIV/AIDS.<sup>3</sup>

In addition to donating medicines, Pfizer, for example, established a number of programs to train health care workers in fighting life-threatening infections associated with HIV/AIDS in 12 African nations and Haiti.

A number of pharmaceutical research companies devote significant resources to improving the lives of children orphaned by AIDS. For example, Abbott Laboratories established its "Step Forward...for the World's Children" program in 2000. Step Forward partners with national, regional and local governments and NGOs in order to improve local health care and infrastructure, meet basic community needs (such as



improving sanitation and providing clean water), and strengthening local schools.<sup>4</sup>

### Tuberculosis

Pharmaceutical research companies are also involved directly in several global initiatives to combat the spread of tuberculosis. The Global Alliance for TB Drug Development—an alliance to accelerate the discovery and development of cost-effective new drugs to shorten and simplify treatment of TB—involves the participation of Novartis and GlaxoSmithKline and of scientific advisors and directors from Pfizer and Eli Lilly, respectively. The Stop TB Partnership—a partnership to expand, adapt and improve strategies to control and eliminate TB—receives contributions from Eli Lilly and Wyeth.

Several pharmaceutical companies have joined with international relief organizations to work to eradicate TB. AstraZeneca has partnered with the International Federation of Red Cross and Red Crescent societies to help eliminate TB in Kyrgyzstan and Turkmenistan where over 9,400 new cases are diagnosed each year. Aventis, together with the Nelson Mandela Foundation, established a program in 2002 geared to increase the TB cure rate in South Africa by as much as 80 percent.

### Malaria

Through its association with the Medicines for Malaria Venture (MMV)—a first-of-its-kind public/private venture to jointly develop new medicines—Bayer is working to halve the number of malaria cases by 2010 and ultimately eradicate the disease. To achieve this goal, the company is contributing resources toward the development of a new malaria drug approximately every five years.<sup>5</sup>

In addition to other PhRMA members, Novartis has joined the fight against malaria, entering the Distribution Partnership for Malaria with the WHO. The company developed a new combination drug for malaria called Coartem®. Under the terms of the agreement—which was unprecedented for the WHO—Novartis supplies Coartem® at cost to the WHO for use in developing countries. The WHO works with national governments to ensure access to and proper use of the medication.<sup>6</sup>

### Conclusion

Pharmaceutical companies are a leading force in improving access to cures for disease worldwide through philanthropy. However, industry efforts alone cannot solve fundamental problems of access and infrastructure. Public policies that improve and protect access to medicines for underserved patients are an essential element of the solution.

In the United States, many individuals lack insurance coverage for prescription medicines. PhRMA and its member companies continue their strong support for prompt action by Congress to provide a prescription drug benefit for Medicare beneficiaries. While the industry's patient assistance programs are essential and effective, they cannot substitute for expanded coverage of life-saving, cost-effective medicines, particularly for seniors. In fact, adoption of a Medicare prescription drug benefit is the single biggest step the United States could take to improve its citizens' access to medicines.

Worldwide, governments need to work in partnership with the industry to maximize the benefits of philanthropic efforts, including continuing to expand the infrastructure available to deliver health care.

**For more information please visit [www.helpingpatients.org](http://www.helpingpatients.org) and [www.phrma.org](http://www.phrma.org). ■**

<sup>1</sup>PhRMA members donated \$43.5 million to charities in 1963, representing 5.4 percent of the industry's pre-tax income of \$807.2 million. Nationwide corporate giving in 1968 was at about 1 percent. Source: Pharmaceutical Manufacturers Association, *1968 Prescription Drug Industry Fact Book* (Washington, DC: PMA, 1968): 24; Dan O'Brien, "Constructive Engagement of the Corporate Sector: A New Approach to Corporate Philanthropy and Social Activism," 2003 <[http://www.independentsector.org/mission\\_market/O'Brien\\_briefing.htm](http://www.independentsector.org/mission_market/O'Brien_briefing.htm)> (2 May 2003).

<sup>2</sup>The Chronicle of Philanthropy, "Charitable Giving at 99 Major Corporations," searchable index at <<http://philanthropy.com/premium/corp-giving/2002/index.htm>> (10 December 2002).

<sup>3</sup>4th Meeting of Contact Group on Accelerating Access to HIV/AIDS-related Care, "Summary Status for 4th Meeting of Contact Group," 28 May 2002 <[http://www.unaids.org/acc\\_access/contact\\_group/May2002/update\\_en.doc](http://www.unaids.org/acc_access/contact_group/May2002/update_en.doc)> (5 May 2003).

<sup>4</sup>Step Forward...for the world's children, "Home Page," 2003 <<http://www.stepforwardforchildren.org/home.htm>> (5 May 2003).

<sup>5</sup>Bayer Corporation, "Medicines for Malaria Venture," 2002 <[http://www.bayer.com/en/bayer/gc\\_malaria.php](http://www.bayer.com/en/bayer/gc_malaria.php)> (10 December 2002).

<sup>6</sup>Novartis Corporation, "Briefing on Novartis Corporate Citizenship," November 2001 <<http://www.novartis.co.uk/pdfcorpctibrief.pdf>> (13 January 2003).