1. THE BIOPHARMACEUTICAL INDUSTRY SPENDS SIGNIFICANTLY MORE ON R&D THAN ON MARKETING AND PROMOTION.

Comparisons of spending on R&D versus marketing and promotion often grossly overstate marketing and promotion spending by including expenses unrelated to marketing and promotion, such as shipping and distribution, rent and other overhead.\(^1\)

Recent data published in the Journal of the American Medical Association (JAMA) shows total industry marketing and promotion spending to be much lower than its spending on research and development (R&D).\(^2\)

<table>
<thead>
<tr>
<th>Research and Development</th>
<th>Marketing and Promotion</th>
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<tbody>
<tr>
<td>$90.5B</td>
<td>$6B goes to DTC advertising</td>
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<td>$28.1B</td>
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2. INVESTMENT IN R&D IS STRENGTHENED – NOT DIMINISHED – BY MARKETING AND PROMOTION.

R&D and marketing are NOT a zero-sum game. On the contrary, R&D investment showed no decline with the introduction of direct to consumer (DTC) ads.\(^3\)


3. MARKETING AND PROMOTION BENEFIT PATIENTS, PROVIDERS AND THE HEALTH CARE SYSTEM.

DTC advertising has proven benefits, such as raising disease awareness, removing stigma, and promoting adherence to medicine.\(^4,5,6\) And biopharmaceutical companies also share important and timely information about medicines directly with health care professionals, including findings from new clinical studies, new dosing information, and emerging safety and risk information consistent with FDA regulations.\(^7\)

4. MARKETING AND PROMOTION ACTIVITIES ARE HIGHLY REGULATED BY THE FDA, AND COMPANIES Devote significant resources to ensure responsible and truthful promotion.

The FDA closely regulates marketing and promotion to help ensure materials are accurate and non-misleading, and include a “fair balance” of the product’s benefits and risks. In addition to FDA’s oversight of drug advertising, PhRMA has issued a Code and Guiding Principles that provide guidelines for companies’ promotional communications.\(^8,9\)
Endnotes