

CONFLICTS OF INTEREST STATEMENT

Some people despise big pharma, period. Those people might say that I am unduly influenced, because I was on the pay list of one of the ten largest pharmaceutical companies as a full-time employee for 3 ½ years. In my experience, these “despisers” often lack sufficient knowledge of how pharmaceutical companies think and therefore do not understand their actions and the motives behind these. In this brief I will discuss how drug companies think and act on the topic of global health, and suggest opportunities and pitfalls when setting up a collaboration with these companies on global health issues.

How can we collaborate with BIG PHARMA IN GLOBAL HEALTH?

By Nicolai Lohse

ACCESS TO MEDICINE

The combination of pharmaceutical companies and global health invariably makes one think of the huge lack of access to medicine in low- and middle-income countries (LMIC). Drugs are either not affordable, not available at all, only available intermittently due to frequent pharmacy stock-outs [1], of poor quality, ineffective, or they are counterfeit and may even be unsafe.

Making quality medicine available, affordable, and accessible to all who need them is extremely complicated and requires a coordinated effort by many global health actors - including the pharmaceutical industry. In this need for collaborative solutions lies also the key to involving drug companies as a partner in global health.

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BIG PHARMA

Big Pharma is a nickname given to the pharmaceutical industry, in particular used by critics when describing tactics and strategies used by the industry to develop and market drugs in ways that focus solely on profit maximization.

DRIVERS OF GLOBAL HEALTH SPENDING

Global health used to be for good-hearted individuals, philanthropic organizations, countries' development programs, and intergovernmental organizations. Nowadays, private corporations want their share of the action and are putting tons of money and effort into the game – some of it with a real intention to make health improvements, and some of it – unfortunately – attached to the buzzword *global health* but without any true global health thinking behind it.

This diversity makes it difficult for non-corporate parties to know when to allow the business guys to be in the driver's seat of a global health initiative, when to set up a collaboration “under strict surveillance”, and when to pull out completely.

Global health funding comes mainly from either big companies, governments, or foundations. Global health foundations are often founded and funded entirely by corporate money, e.g., the Bill and Melinda Gates Foundation, the World Diabetes Foundation, and the Medtronic Foundation. Government money channeled through the national development programs usually have political motives attached [2,3], thereby limiting it from being used most effectively for those with the greatest need.

Even intergovernmental organizations must show accountability towards their donors and cannot always prioritize freely according to where the money is most needed. And while only a few of the strongest non-governmental organizations manage to collect enough funding to stick to a set of pre-defined, robust goals, the survival of most non-governmental organizations (NGOs) depends upon their ability to adjust their goals and actions according to directions set up by the big donors. However frustrating to “the true global health philanthropist”, truth is that success in global health depends upon the ability to understand and be able to navigate in this spider web of donors and receivers and their overt and hidden agendas. With money comes power – also in global health.

DO NOT BE AFRAID OF HIDDEN AGENDAS

The beauty of dealing with pharmaceutical companies is that there are hardly any hidden agendas. Most government aid programs have to support a blurred political agenda; NGOs might be built on idealistic, but sometimes unrealistic beliefs of a single founder, now executive director, and with an agenda progressively twisted in order to secure survival of the NGO and its growing number of employees.

Academic institutions seem to keep a strong focus on data collection, research and scientific publications, but the academic world is full of envy and internal wars that are difficult to understand for an outside collaborator.

Large pharmaceutical manufacturers are all represented on the stock exchange, thereby required by law to report on how they make their money, which drugs are profitable and which are not, and which drugs are in the pipeline, thereby revealing how they expect to make a profit in the future. Spending a few hours researching the company's structure and financial reports should make it easy to see how a potential collaboration might fit into the company's current or future business. If still in doubt, go ask them directly and they'll normally be able to give you an answer.

HOW DO BIG PHARMA THINK?

To collaborate with a pharmaceutical company, one needs to understand at least part of their thinking. I'll try to make it simple: These companies need to make money in order to stay in business. To make money, they need to sell drugs. To be able to sell drugs, they need to develop and manufacture drugs that are effective and make people healthy. Alongside a strong portfolio, they must build and preserve a good reputation. Hence, almost any successful corporate collaboration in global health involves either reputation building, expansion of the market, or drug development.

From the logic above it should be clear that single-drug donations rarely get to fly, simply because they create no profit. However, it should also be obvious that potential shared agendas might center on the goal of making the right drugs available to the persons who need them. These include supply chain and health system strengthening, awareness creation, screening, prevention, and medical education.

One thing that surprised me when I entered the corporate world was that these companies truly and honestly believe that they contribute to improving global health.

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On most drug companies’ websites you can find statements such as *“Our corporate social investment strategy focuses on leveraging the full range of the company’s resources — people, skills, expertise and funding — to broaden access to medicines and strengthen health care delivery for underserved people around the world”* [4]; *“...we support governmental and intergovernmental health policies, strengthen healthcare systems, improve health outcomes, and increase access to quality care”* [5]; *“As a global healthcare company, ... (we have) an important role and responsibility in improving access to medicines, vaccines and quality healthcare worldwide, thereby helping to reduce the burden of disease in the parts of the world that need it most”* [6]; and *“...we are actively seeking new ways of delivering healthcare and making our products more available and affordable to people who need them, wherever they live”* [7]. So, one must learn to understand that pharmaceutical companies see themselves as equal contributors to global health.

Along this logic, companies now demand their share of global health decision power because they truly believe that they are better at bringing innovative solutions. They also believe that the price of medicines becomes less important when faced with the enormous logistic and legal challenges of bringing the drugs to the people who need them, i.e., making them *accessible* also in remote areas.

Most other people who work in global health don't see quite the same picture: some believe that drugs ought to be developed by the public sector and kept out of private hands. Others acknowledge the role of pharma in drug development but at the same time think that the profit-seeking sector's role in developing and supporting health care systems and infrastructure should be kept to a bare minimum. Common thinking is that law best regulates the actions of pharma. It should be no surprise that the perceptions above can create tension, misunderstanding, mistrust, and challenging dialogues.

HOW DO DRUG COMPANIES ACT ON GLOBAL HEALTH ISSUES?

Big pharma are not at all immune to criticism and advice. Over the past years, we have seen numerous examples of changing behavior [8], including shifting of research and production from US and Europe to Asia and South America, more focus on rare diseases, public-private partnerships, acquisition of generic manufacturers in LMIC, patient crowd-sourcing, new ways of collaborating for example with rivals, and integration of the Access to Medicine Strategy into the core business model, anchored at the executive level within the companies.

Yet, it is in the blood of these corporations to look for new ways to increase their bottom line, and their actions in LMIC can be less admirable. They continue to promote expensive, newer generation drugs even when the previous generation has a more attractive price-benefit ratio [9], and they sometimes run "trials" to get more people started on their medicine. At the same time, though, we're also seeing companies who choose to stay in a low-profit market because there is no available alternative if the company pulls out [10], and most companies have *differential pricing policies*, offering drugs for sale in LMIC at markedly reduced prices, at times approaching manufacturing costs.

Big pharma also do extensive lobbying to influence relevant policymaking. They have offices or teams dedicated to ongoing dialogue with the WHO and other UN bodies in Geneva and New York, and they maintain friendly relationships with influential donors such as the Bill and Melinda Gates Foundation. They speak with health authorities in relevant countries, sometimes with the aid from embassies from their home country, and they have frequent meetings with their own Ministry for Foreign Aid.

The purpose is dual: they want their opinion to be heard, but they also want to stay up-to-date on current trends in global health and foreign aid policy. Pharma even has their own organization to represent them in matters relating to “emerging markets” (corporate language for LMIC), the Geneva-based *International Federation of Pharmaceutical Manufacturers and Associations*.

Finally, drug companies provide direct financial support to so-called patient-oriented NGOs, they set up public health programs in various shapes and sizes, and they create foundations dedicated to a set of global health issues. Thus, even if you strongly disagree with some of the companies’ priorities and actions, there should be plenty of ways to find common ground and shared agendas somewhere in the company.

HOW COULD DRUG COMPANIES CONTRIBUTE TO GLOBAL HEALTH?

The literature mentions numerous potential ways for companies to contribute to global health. These include diverse topics such as joint decision making, advocacy and fundraising, seconding of personnel from private to public sector, use of logos or product endorsement, collaboration on sales or marketing promotions, private sector donations for activities or publications [11], innovation of new technologies, creating chains for effective distribution of life-saving and life-changing products, and improving health literacy through education and creation of awareness [12].

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a level of business ethics which goes beyond legal requirements, and sometimes even appears to do social good beyond the interests of the firm.

CSR has evolved from Quaker-driven companies such as Cadbury Chocolates, which in the late 19th century moved their factory to a countryside location south of Birmingham, UK.

In this “cleaner and healthier” environment they built the village Bournville, which provided housing for its employees, many of whom were treated with great respect, relatively high wages, and good working conditions.

Today, typical CSR topics focus on preserving the environment, improving health and well-being, and reducing poverty.

Activities labelled CSR range from simple “window-dressing” practiced by some companies to thoroughly-embedded, company-wide, carefully thought-through ways of responsible and sustainable business management, spearheaded by the best of the bunch.

One common mistake is to view a pharmaceutical company as a potential donor of a global health project and nothing else. This view is too simple, and if one comes straight up and asks for funding, the answer is likely to be “no”. The companies want to get actively involved, and the projects they support need to fit into their agenda one way or another.

Luckily, most companies have a multi-topic global health agenda, often spread over different countries and divisions within the company. It does matter whether one is dealing with part of the company’s “global sales and marketing” division – as would be the case for most country affiliate offices, or if one is tapping into an HQ function such as corporate social responsibility (CSR). There are plenty of opportunities for making pharma contribute to global health issues. It is surprising how far one can get by looking for common grounds and shared agendas on topics such as health care accessibility, infrastructure strengthening, education, health literacy, and prevention.

IDENTIFYING OPPORTUNITIES FOR COLLABORATION

Most importantly, make sure that whatever collaboration you set up with a drug company is consistent with your own global health agenda. You will most likely at the same time be supporting their agenda, but isn’t this a good thing? Successful collaborative projects are those, which create win-win situations for all parties, and they are more likely to receive consistent funding and thereby be sustainable.

COLLABORATION AT COUNTRY LEVEL

Global pharmaceutical companies have country affiliates spread all over the globe. These are basically frontline *sales and marketing* offices, sometimes involved in *clinical development* through phase three and four trials. Their primary stakeholders may include local health authorities, health care providers, and patients; they report to the

company's global sales and marketing on a monthly basis and their sales target horizon is often no longer than one year. Thus, any collaborative global health activities should have a short time focus and have a clear link to the bottom line. Sometimes they may have earmarked funding from the company's headquarters that allows them to undertake more long-term projects.

Country affiliates would typically be willing to support local *disease awareness* campaigns or *screening programs*, or they might be interested in funding *observational studies* of disease prevalence. They might also support programs focusing on *service delivery*, for example initiatives aiming to improve drug adherence, psychosocial support to patients with chronic diseases; and they may occasionally fund a small NGO providing free medicine and care to selected patient groups such as children. Beware though, that all of the above activities are of relevance only in countries where the company is already making a profit or believe that they can make a profit in the very near future. For projects focusing on the poorest countries, the best chances of receiving corporate support would be through a company-associated foundation.

LOWER PRICES

Requests for drug donations are not likely to be positively received. In corporate language, a donation is *unsustainable* because it contributes negatively to the bottom line. The buzzword is *differential pricing*, convincing the company to sell their products at a very low price in the low-income countries, or to the poorest people in middle-income countries. Differential pricing schemes are *sustainable* because they are positive or neutral on the bottom line, and therefore more likely to continue year after year. However, the pricing discussions are better left to the UN system and a few dedicated NGOs who are putting constant pressure on the issue in LMIC.

COLLABORATION AT HQ LEVEL

All large pharmaceutical corporations have CSR offices. They may have other names such as “global stakeholder engagement”, “international relations”, or “global health programs”, and their names change depending on current trends and the innate corporate need for continuous internal restructuring, but they are more or less the same. Do not think that CSR is equal to philanthropy though. Modern CSR is an embedded part of the business, and CSR spending is normally justified internally as part of a long-term business strategy.

The CSR departments anchor at HQ level, have the attention of Executive Management, and are able to operate on longer time spans, and with no requirement of directly measurable impact on the bottom line. All of the above is good news for us working in global health. Purely philanthropic donations, whether of money or drugs, which have no internal link to the business strategy, are likely to be cut at any moment and therefore *non-sustainable* both from the view of the company and or the receiving party.

On the contrary, collaborating with a modern CSR department can be broader in scope, truly global, and last several years. The business-related strategic goals for CSR-supported activities are typically *advocacy* towards local and global policy makers, *reputation building* at global and local level, and greater *awareness* of a disease among people and health care professionals. Knowing this, there are plenty of opportunities to engage in smart global health collaborations with these corporations.

Very common is the *direct funding of advocacy-oriented NGOs* such as the International AIDS Association, the World Heart Federation, and the International Diabetes Federation. While some of these organizations are often rightly criticized for being too dependent on corporate funding, they usually do a lot of important advocacy and policy work in low- and middle-income countries and towards the United Nations system to put their respective diseases on the agenda.

Other CSR activities include *support to side events* at global health and development meetings such as the annual World Health Assembly, the 2012 Rio+20 UN Conference on Sustainable Development, and the UN high-level meetings on AIDS and non-communicable diseases (NCDs). As already mentioned, drug companies have an interest in influencing global health policy at the highest level, but they also have an interest in being seen in the context of these important meetings. Thus, hooking up with non-corporate organizations around joint side events, gives them a voice and a chance to maintain or improve their reputation.

Almost all pharmaceutical companies are also driving *multi- or single-country programs in LMIC*, and the smartest of them hook up with non-corporate organizations. These programs serve the dual purpose of improving health in the countries where they take place, while showing to the world that the company is active in helping people on the ground. I have often been met with the attitude from “big pharma sceptics” that the purpose of “building reputation” is dishonest. I simply do not understand that way of thinking. Everyone likes to brag about their own successes, not least, NGOs and governments, so if a corporation is sponsoring a program that is actually changing lives, why should this not count towards their reputation?

Admitted, though, big pharma have smart and powerful communications departments, and the intended effects of an upcoming program often may be presented in a way that makes it look as results of a completed program. Examples of such a multi-country program is the Johnson & Johnson-funded Mobile Alliance for Maternal Action [13], investing millions of dollars in a partnership with a range of non-corporate organizations.

A NOTE ON INTELLECTUAL PROPERTY RIGHTS

Finally, do not discuss drug patents with pharmaceutical companies unless your primary purpose of the dialogue is to

make them change their mind on this topic. Intellectual property rights are essentially, what carry the very existence of the company, and any decision on the company's patent policy is anchored at executive level. It is, therefore unlikely, that your contact person in the company would have any influence on these matters.

WHAT SHOULD DRUG COMPANIES' ROLE BE IN GLOBAL HEALTH?

There is no doubt that the largest pharmaceutical manufacturers already have global health high on the agenda. Certainly not in the same way as the classic NGO or development aid agency, but in their own corporate way. Their thinking, planning and actions can potentially influence the access to medicine for millions of people. Some people think big pharma should stick to drug development and manufacturing, adhere to regulations, and stay out of policy making, advocacy and health care programmes. In my opinion, the only way forward in today's global health landscape is continuous dialogue with pharmaceutical companies, including collaboration on topics varying from advocacy to country programs, as long as these activities serve a true global health agenda in a meaningful way.

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