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PPAI Opposes Voluntary PhRMA Code Restricting The Distribution of Medically Relevant Logoed Items

Irving, Texas (July 11, 2008) The Pharmaceutical Research and Manufacturers of America (PhRMA) board of directors has announced modification of the PhRMA code on interactions with healthcare professionals. **Promotional Products Association International (PPAI)** strongly opposes this code as it severely and unjustifiably constrains the use and distribution of promotional products to healthcare professionals.

This new, further-reaching PhRMA code will take effect in January 2009. Under the terms of this voluntary code, all non-educational items—including practice-related items of minimal value, such as pens, note pads, mugs and similar reminder items—should not be offered to healthcare professionals or members of their staff, even if they are accompanied by patient or physician educational materials.

However, PhRMA will still support the distribution of items designed primarily for the education of patients or healthcare professionals if the items are not of substantial value (\$100 or less) and do not have value to the healthcare professional outside of his or her professional responsibilities.

“While on one hand I applaud PhRMA for recognizing the value of promotional products in effectively keeping brand message top of mind, quite frankly, if my doctor is going to be influenced by a pen, a pad of paper or any other logoed item of minimal value at the risk of his or her professional reputation, I want another doctor,” said Steve Slagle, CAE, president and CEO of PPAI. “We are all exposed to advertising messages every day. I find it hard to believe that educated and sophisticated professionals in the healthcare field must be isolated from these logoed items to ensure that they provide unbiased patient care.”

Existing federal law is clear on this topic—the pharmaceutical industry may not give healthcare professionals anything of value in exchange for writing prescriptions. The PhRMA code on healthcare interactions does nothing to change, modify or enforce existing guidelines. This code will only add additional reporting and administrative costs and burdens on the pharmaceutical industry.

“The modifications to this code are a knee-jerk reaction to the pressure being placed on the pharmaceutical industry to reform many of its marketing practices including trips, excessive honorariums and elaborate gifts. To put essential office tools and medically relevant logoed items in the same category as junkets and banquets makes no sense at all,” Slagle concluded.

Slagle, on behalf of the PPAI board of directors, will continue to reach out to Billy Tauzin, president and CEO of PhRMA, to voice the industry's opposition to this proposed code. PPAI will work with PhRMA to offer guidance on the effective and beneficial uses of promotional products in the healthcare field, not only in the areas of direct patient care, but in cause marketing and awareness campaigns, where promotional products have a proven benefit, including cancer, heart disease, drug abuse awareness and prevention, and many others. To view Slagle's letter to Tauzin and PhRMA, click [HERE](#).

“This is simply PhRMA responding to policymakers, healthcare professionals and others telling them that they can do better—and we agree—they can and should do better. This is not the solution. Rather, the PhRMA industry must take a closer look at some of the overly aggressive business tactics utilized by many of its practitioners,” said Stan Breckenridge, MAS, PPAI chairman of the board. “This new code, and its draconian reporting practices modeled after Sarbanes-Oxley compliance mechanisms, are sure to drive up administrative costs on the part of the pharmaceutical giants, and I fully expect these costs to be passed on to the patient.”

In a recent article by *BusinessWeek*, Greg Kelly, editor of *Physicians' Financial News*, is quoted as saying, “The bottom line is, are America's physicians to be trusted to do the right thing? History shows that the vast majority of doctors always put the interests of their patients (and by extension their professional reputations) before any gift they get from drug companies. And national polls consistently show that the vast majority of Americans (in the 90 percent range) trust doctors to give them unbiased advice.”

To view the PhRMA news release, click [HERE](#). To view the PhRMA code on interactions with healthcare professionals, click [HERE](#).

PPAI will continue to monitor these developments and attempt to work with PhRMA to reach a solution that will allow healthcare professionals to receive medically relevant logoed items and business supplies in a reasonable manner that supports effective patient care.

PPAI—the promotional products industry's only international not-for-profit trade association—offers education, tradeshow, business products and services, mentoring, technology and legislative support to its more than 7,500 global members. Promotional products are more than a \$19.4 billion industry and include wearables, writing instruments, calendars, drinkware and many other items, usually imprinted with a company's name, logo or message. PPAI created and maintains the UPIC (Universal Promotional Identification Code), the industry's only free identification system and universal company database.

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To view PhRMA's news release, click [HERE](#).

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