

Awards...



BBK RECEIVES WEB HEALTH AWARD

BBK Worldwide has been awarded a 2012 Bronze Web Health Award in the Patient Education Portal Website category for its online diabetes community, *CallingAllTypes.com*. The Health Information Resource Center has recognized BBK for its digital resource for consumer and health professionals.

CRA EXECUTIVES HONORED

Clinical Research Advantage (CRA) received a national honor in this year's Best in Biz Awards, an independent business awards program judged by members of the press and industry analysts. The company received the silver award for Executive Team of the Year. Mark Hanley, CEO, and David Bruggeman, president and chief operating officer, were recognized for their strategic vision and leadership in growing the company to become one of the largest and most therapeutically diverse integrated site networks.



Mark Hanley



David Bruggeman

INVIVO CO-FOUNDER RECEIVES AWARD

InVivo Therapeutics Co-Founder Robert Langer, Sc.D., will receive the National Medal of Technology and Innovation. President Barack Obama will present the award to Dr. Langer, who also won the National Medal of Science in 2006, at a White House ceremony in early 2013. Dr. Langer is among 23 renowned researchers who have been awarded the nation's highest honors for scientists, engineers, and inventors this year. He is being recognized for his major contributions to the worlds of biomaterials, tissue engineering, tissue regeneration, and drug delivery.

OGILVY WINS FOUR FINALIST CERTIFICATES AT THE GLOBAL AWARDS

Ogilvy CommonHealth Worldwide agencies won four certificates in the

INDUSTRY at Large ▼



Bristol-Myers Squibb Foundation Supports RETURNING VETERANS

The Bristol-Myers Squibb Foundation — through its Mental Health & Well-Being initiative — has awarded additional grants of almost \$3 million to support initiatives to address the mental health needs of returning veterans. The program was launched in 2011.

"Returning veterans are eager to get on with their lives and build a better future for themselves and their families," says John Damonti, president, Bristol-Myers Squibb Foundation. "But many face emotional and physical health challenges that can have serious consequences if they are not addressed. Through the Foundation's Mental Health & Well-Being initiative, we are creating sustainable community-based support systems and helping to improve the quality of care for our veterans."

BMS Mental Health & Well-Being initiative funds six additional community-based programs designed to provide essential support for military service personnel and veterans returning from Iraq and Afghanistan.

Quote of the Month...

“When it comes to Twitter, if a pharma company can concentrate on mentions and on highlighting actual users of a particular product — instead of focusing on the whole company or overarching brand — they will get much more value from these built-in ambassadors.”

JOE DOYLE

Interactive Director, HCB Health



Pharmaceutical R&D COSTS INCREASE

The Office of Health Economics in London has released a comprehensive study of the cost of R&D for new medicines. It confirms research published to date, which shows an increase in costs from **\$199 million** per new medicine in the **1970s** to **\$1.9 billion** in the **2000s** (both in **2011** prices). Four factors are increasing R&D costs:

1. Higher out-of-pocket costs, up almost **600%** from the **1970s** to the **2000s**.
2. Lower success rates for clinical development as tougher therapeutic areas are tackled — e.g. neurology (Alzheimer's), autoimmune diseases (arthritis), and oncology — from **1 in 5** in the **1980s** to **1 in 10** in the **2000s**.

3. Increases in R&D times as both regulation and science have become more complex, from six years in the **1970s** to **13.5** years in the **2000s**.
4. Increases in the cost of capital, i.e. providing returns to funders that reflect the high risks of investing in medicines R&D, from **8%** in the **1970s** to **11%** in the **2000s**.

▼ For more information, visit ohe.org.

Biotech Predictions FOR 2013

G. Steven Burrill issued his annual predictions for the life sciences in the new year. Mr. Burrill, CEO of Burrill & Company, says the pace of change is accelerating as personalized medicine and digital health technologies are altering the way doctors and patients treat, manage, and prevent disease. But global economic problems and the transition of healthcare around the world to value-based systems provide continuing challenges for life-sciences companies.

A sampling of **2013** predictions:

- » **Fundraising:** Capital will continue to be expensive and difficult to raise for life-sciences companies. In **2013**, expect the industry to raise **\$100** billion in capital, with financings heavily weighted to the large companies and to the use of debt.
- » **IPOs:** Bolstered with increased public market activity, the JOBS Act, and more realistic outlooks about the pricing of their offerings, the number of life-sciences IPOs will grow to **25** in **2013**.
- » **Mergers & Acquisitions:** Expect M&A activity to increase by at least **20%** with a pick up in acquisitions of mid-cap life-sciences companies and at least one big pharma or major biotech merger in **2013**.
- » **Reimbursement:** Comparative effectiveness

will become a reality for drugmakers in **2013** as they prepare to meet the growing demand of payers to demonstrate value and justify pricing of their new products. Investors will shift emphasis from a focus on whether a drug will be approved, to whether payers will see value in a product and if companies will be able to capture value.

- » **Regulatory:** Expect a total of **35** new drugs to be approved in **2013** as drug makers take advantage of mechanisms to accelerate approval.
- » **Healthcare:** A new cost-consciousness will permeate patients and providers as new value-based approaches to healthcare take hold. Patients will look past the traditional delivery of healthcare and rely on new digital tools to comparison shop for services.
- » **Digital Health:** Digital health technologies will grow ubiquitous as doctors and patients grow comfortable with using their everyday digital devices to manage health. The convergence of wireless technologies, social medial, and low-cost monitoring devices and sensors will provide consumers with new ways to take control of their own health and wellness.

▼ For more 2013 predictions and a 2012 recap, visit burrillandco.com.

Big Pharma Will Increasingly TAP M&A

Ernst & Young's newly released Firepower Index finds big pharma's capacity for M&A has decreased just when it needs transactions for growth and shareholder returns to close a **\$100** billion growth gap.

"While the dynamics of the pharma industry remain fluid, the deal environment in **2013** and beyond will be more complex and competitive," says Glen Giovannetti, Ernst & Young's global life sciences leader. "Life sciences companies that are positioned appropriately should benefit from increased competition and see higher premiums. But the finite resources of many big pharma companies and the need to make prudent acquisitions to address the immediate growth gap mean they will likely be even more selective."

Key trends for **2013**:

- » **More bolt-on acquisitions:** Only a handful of big pharma companies now have



the firepower to pursue M&A targets above **\$60** billion. But with big biotechs and specialty pharma having joined big pharma in their capacity to engage in smaller deals, more bolt-on acquisitions are anticipated.

- » **More divestitures:** As pharma companies look to boost firepower and sharpen their strategic focus, it is likely they will consider more divestitures of non-strategic assets. Both corporate investors and private equity are seen as likely acquirers.

- » **More offshore deals and emerging markets deals:** The need to address the growth gap will drive pharma companies to look for attractive acquisitions everywhere. For U.S. buyers, high tax rates in the U.S. may increase the attractiveness of using offshore cash reserves to buy non-US companies. With **2012** emerging market sales growth rates for big pharma declining by about **50%**, many companies will need to close this gap through more deals in emerging markets.

▼ For more information, visit ey.com.

2012 Global Awards. The Global Awards are an international competition dedicated to honoring excellence in healthcare communications. Ogilvy Healthworld in Brazil took home two certificates in the communication to the consumer social commitment/outdoor categories for work created for a Parkinson's disease awareness campaign and for a hair-loss lotion campaign. The network's Parsippany group was awarded a finalist certificate for the development of a leading oral contraceptive's website in the communication to the healthcare professional category. Ogilvy Healthworld, Sydney, Australia, also won a certificate for a mixed media osteoporosis campaign.

WOLTERS KLUWER WINS KLAS AWARD

Wolters Kluwer Health ranked second overall among software vendors in the 2012 Top 20 Best in KLAS Awards: Software



and Professional Services report. The award recognizes healthcare vendors for their leadership in working with customers to ensure satisfaction. Six Wolters Kluwer Health solutions were included in the 2012 Awards. One award, ProVation MD, received top ranking in the clinical procedure documentation category for the sixth consecutive year.

PharmaVOICE.com

PODCASTS

Demystifying Routine Care Coverage in Trial Budgeting

Thought Leaders: Jessica Dolfi, Medidata Solutions Worldwide, and Kelly Willenberg, Kelly Willenberg LLC

Conducting User Testing to Improve Clinical Trial Technologies

Thought Leader: Joseph Bedford, Ph.D., Almac Clinical Technologies