Medical Events Roiled By New Ethics Guidelines

A new set of marketing guidelines adopted last year by the association representing leading pharmaceutical and biotechnology research companies is causing changes in how medical meeting planners do their jobs and spawning some new alliances between third-party planners and suppliers.

The voluntary code of the Pharmaceutical Research and Manufacturers of America is designed to avert government regulation of the pharmaceutical industry's use of special events, meetings and dinners to market to physicians and other health care professionals.

The code essentially prohibits using most types of entertainment and recreational activities as marketing vehicles.

It also specifies that any meeting, meal or program sponsored by a drug company must be held "in a venue and manner conducive to informational communication and provide scientific or educational value."

As a result, many medical planners are seeking new venue options and adding educational components to their dinners, product rollouts and presentations.

"We recently had a pharmaceutical event planned in Seattle at a place called the Lady Champagne," said Michelle Mobley, marketing manager for The TCI Companies, a Washington, D.C.-based event planning firm. "Legal heard about it and made us change the venue two days out because of the name."

Now, Mobley said, she needs approval from her pharmaceutical client's legal department for all invitations.

Though the code is not legally enforceable, PhRMA strongly encourages all members to adhere to the guidelines, and indications are that most are doing so. The federal government warned last October that drug companies that continue to offer financial incentives to healthcare professionals are more likely to be investigated and prosecuted for violations of federal fraud and kickback statutes.

Adhering to the code has greatly affected this $2.1 billion industry. Tickets to sporting events and theater productions are gone, as are complimentary trips to resorts and spas. Attendees no longer can bring guests to events, gifts must be less than $100 in value, and girls must benefit patients or relate directly to the health care professional's practice.

Planners of continuing medical education programs now have to submit all topics, speaker names, handouts (including evaluation forms), sponsors, signage and promotional materials to the accredited CME provider...
for approval. Additionally, they must inform the attendees in writing of corporate sponsors, as well as any connections between faculty and the drug manufacturer or provider of commercial products or services.

"If your event is sponsored by a pharmaceutical company, you have to make sure you're disclosing all types of relationships," said Gael Sandoval, Detroit-based vice president of corporate meetings and events for International Meeting Managers, a nationwide meeting and association management company headquartered in Houston.

Added Doug Petkus, a spokesman for pharmaceutical company Wyeth, "Planners have taken on more of a watchdog role to meet the guidelines. And they have to lean more toward the practical and are not booking events at luxury hotels."

Added Rod Abraham, whose Durham, N.C.-based Professional Meeting Planners Network (PMPN) provides on-site meeting management through a pool of 700 planners nationwide, "It may cost more to have a meeting at a mid-range airport hotel than at a Ritz-Carlton. But now there is more concern about perception than reality."

In response, drug companies are finding some rather creative ways around adherence to the letter of the code. At an event for the anti-depressant drug Effexor, manufactured by Wyeth, attendees received a blues CD as a giveaway.

"This was acceptable, because blues music is considered depressing, and the drug helps cure depression," said Mobley.

Assistance From Outside

Many pharmaceutical meetings and events used to be planned by the drug companies' sales representatives. That's avoided now in order to head off any code-violation concerns.

Instead, companies are hiring third-party planners -- especially those with health care industry experience -- to plan and manage these events on-site in order to limit the pharmaceutical companies' liability.

To take advantage of this opportunity, meetings management company McGettigan Partners recently formed a strategic alliance with EZ-Event, a company that provides an online application for group dinner meetings.

"As a result of the McGettigan partnership, we're now linked to hotel chains to supply meeting space for these dinners, to reduce any potential perception problems associated with some high-end restaurants," said Alan Prushan, senior vice president of sales and marketing for EZ-Event. "Marriott International and Wyndham Hotels and Resorts, for example, have been great new partners."

Wyndham's national sales force already has noticed an increase in medical dinners and meetings at several of its properties. It also recently forged an agreement with MediVia, a New York City-based medical education company and speakers bureau that plans 80,000 lecture programs annually.

"We're very excited about both the MediVia and EZ-Event programs," said David Riley, vice president of catering and meeting services for Wyndham. "We've created core menus, so if planners want to host a similar event at 10 different Wyndhams around the country, they can do that. By centralizing purchasing and decision making, pharmaceutical companies can find increased levels of service, quality and cost."

And in December, MediVia partnered with The Meeting Candidate Network, a meeting staffing company also based in New York, to help meet its increased demand for approved moderators and speakers at medical events.

"This arrangement helps us effectively respond to the growing cost-containment pressures the pharmaceutical industry now faces," said Merrill Corry, MediVia's vice president and director of meeting services.

There also appear to be new opportunities for those in the know.
Said James Montague, senior vice president and COO of PMPN, "Suppliers, third-party providers and on-site third-party planners will be very key in the future. Become as well versed in the PhRMA Code and FDA guidelines as possible, and you can write your own ticket."

By Donna M. Airoldi

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