

Partnerships with Pharmaceuticals

GOOD HEALTH IS GOOD BUSINESS



COMMERCIAL MARKET STRATEGIES
NEW DIRECTIONS IN REPRODUCTIVE HEALTH





What are partnerships with pharmaceuticals?

At the Commercial Market Strategies (CMS) project, partnerships with pharmaceuticals are defined as *negotiated agreements between CMS/USAID and international or national pharmaceutical and health care product manufacturers whereby the pharmaceutical company agrees to market its products in a way that will make them more accessible to low-income consumers in developing countries.*

In developing countries, the goal of forming partnerships with pharmaceutical companies is to establish a full range of affordable reproductive health products available through the private sector. Increasing the role of the private sector helps to ensure that low-cost contraceptives will be available over the long term.

Partnership agreements can be country specific, regional or global. They may involve only CMS and the pharmaceuticals or include other partners such as local NGOs and governments. CMS can facilitate and contribute to the partnership by providing assistance in advertising, market research, distribution, and leveraging cooperation with the host-country government.

Why are partnerships with pharmaceuticals important?

Contraceptive social marketing projects have been a core focus of USAID support for decades — they range from completely subsidized programs to market-based partnership models with pharmaceutical companies. Given the decrease in donor funding for reproductive health activities all over the world, there is a need for an affordable and sustainable supply of reproductive health products. A consistent supply of products to the private sector promotes *contraceptive security* over the long term. The CMS project addresses this issue by forming partnerships with pharmaceutical companies.

Partnerships with pharmaceutical companies help shift the burden of the provision of family planning products and services from donors/governments to the private sector. This shift allows the public sector to refocus donor resources on the neediest citizens. Partnerships between the public and private sector pharmaceutical companies can also serve to increase the responsibility and accountability of those companies, thereby securing quality products to the public.

What can CMS pharmaceutical partnership activities achieve?

CMS pharmaceutical partnerships help to secure the sustainable delivery of reproductive health care products in areas where they are most needed. Successful CMS partnerships have been mutually beneficial. Increased access to reproductive health care products often results in increased use. So the health impact on a needy community is being met, which is the ultimate goal of CMS. And increased product use means an increase in the bottom line for a pharmaceutical company.

What can CMS do in pharmaceutical partnerships?

If they can see a clear market advantage, pharmaceutical companies will build their business in partnership with donors and/or host country governments. Pharmaceuticals will invest in market building activities in exchange for negotiated donor concessions that increase their likelihood of success.

CMS experts can provide technical assistance to engage pharmaceuticals in a partnership dialogue and potential negotiations. Forming partnerships with pharmaceuticals follows a logical sequence of steps to the desired outcome.

ASSESSMENT PHASE

CMS conducts research of current market positioning, prices, distribution and manufacturing agreements of all major pharmaceutical companies. In addition, CMS examines host-country government restrictions on distribution, advertising and promotion, and donor leveraging capabilities to stimulate market growth activities.

PLANNING PHASE

CMS identifies market opportunities based on discussions with all players, including pharmaceutical companies, host country governments, and relevant Non-Governmental Organizations. At this point, CMS defines the partnership goals that are of mutual interest to both CMS/USAID and the pharmaceutical company.

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MOROCCO: In Morocco, CMS has a partnership with Wyeth and Schering. The *Kinat Al Hilal* social marketing campaign is an innovative program that promotes the use of oral contraceptive pills. CMS



developed an umbrella brand for two types of pills — *Minidril* (Wyeth) and *Microgynon* (Schering). In exchange for technical assistance on marketing and promotion from CMS, the pharmaceutical companies have agreed to keep their product costs down to reach low-income customers. The companies have also agreed to contribute a percentage of their profits to support the advertising campaign. This partnership has lasted for many years.



The Kinat Al-Hilal social marketing campaign to promote the pill in Morocco was so successful that other reproductive health care products such as the Lawlab Al-Hilal IUD were added to the brand promotion.

Commercial Market Strategies (CMS) is a USAID-funded project that aims to increase access to and demand for reproductive health and family planning in developing countries through the private sector.



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If you would like additional information about Pharmaceutical Partnership initiatives at CMS please contact us at:

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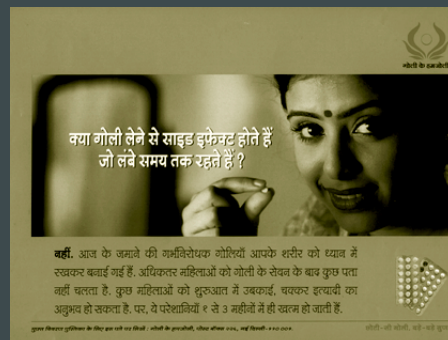
IMPLEMENTATION AND FOLLOW-UP PHASE

CMS facilitates dialogue with senior level players capable of making strategic commitments. During this phase, the details of the partnership are negotiated to create a "win-win" agreement for both the private sector company and CMS/USAID. The result of the negotiations is detailed in a written document called a Memorandum of Understanding (MOU) that is then turned into a subcontract between CMS/USAID and the pharmaceutical company.

These phases are part of the partnership-building process and lead to a mutually beneficial agreement between a pharmaceutical company and USAID.

Contact CMS

Contact CMS to explore how our reproductive health and private sector expertise can increase the health impact of your current programs. Visit our web site, www.cmsproject.com, for more information about the project, our current country programs and CMS research publications (available for download).



The Goli ke Hamjoli (Friends of the Pill) campaign in Northern India is a partnership between CMS and oral contraceptive manufacturers. CMS, together with several manufacturers of newer, low-dose oral contraceptives are working on a campaign to dispel the myths about negative side effects of pills. CMS is providing technical assistance with this advertising and public relations campaign which has won prestigious international marketing awards. More importantly, the Goli ke Hamjoli partnership has helped create a significant increase in oral contraceptive use within the region.