

CAN UK PHARMA BECOME A WORLD PLAYER?

A recent report from PricewaterhouseCoopers predicts that the global pharma market will more than double in value by 2020. John Clare asks if UK pharma is heading for relegation or can it fight off fierce competition to make the premier division?



UK pharma's slice of the expanding cake is under serious pressure, with the G7 markets (Brazil, China, India, Indonesia, Mexico, Russia and Turkey) expected to lead this anticipated growth. By 2020, it is expected that as a group they may account for one-fifth of total global sales.

So while the world's population is growing older, more prosperous and more obese, UK pharma, home to two of the world's top six pharmaceutical companies, is in danger of being left behind, with the US continuing to dominate the global market. Currently, UK share of sales is around 4 per cent.

The UK picture is a remarkable story of fading prestige and influence. Cambridge University has won more Nobel Prizes than any other institution. British scientists led the world in medical and scientific innovation, from Jenner with vaccination, to Lister with antiseptics and Fleming with penicillin. Even today, more than half of the leading medicines sold in the UK were invented or developed here. Yet British doctors (encouraged or prevented by NICE) prescribe fewer new medicines than their counterparts in any other European country.

Companies are under greater pressure than ever to increase innovation, yet reduce prices. Of course, whatever happens to sales here, the UK will continue to punch above its weight... the presence of GSK and AZ, the world-renowned research institutes and the dominance of English as the global language of business will ensure that.

However, it will also mean that as the home market becomes increasingly insignificant, there will need to be an increasing international focus. To continue the football analogy, it's the international fixtures that count most.

The old business model of 'we develop and market it, governments (or insurers) pay for it, doctors prescribe it and patients take it' is obsolete. For different reasons, all four of those propositions are under threat. The new story needs to be about transparency, partnerships and risk-sharing (from all sides); about drugs that make a clinical difference, not just a statistical one with an impressive p-value. It needs to be about disease prevention, personalised medicine and risk-sharing. The industry needs to demonstrate added value. It needs to embrace change, and tell its story differently... in ways that resonate with payers and patients.

But going from 'big pharma' to 'new pharma' will be difficult. This transition requires two things that may at first seem contradictory: tell a consistent story around the world, and adapt that story to local conditions. Consumers (who are also taxpayers and patients) are still suspicious of the pharmaceutical industry almost everywhere. As communicators we understand the two cornerstones of successfully getting our message across: consistency and repetition. But there is a third... adaptation. The new pharma story needs to be carefully worked out, and told in a way that resonates equally with audiences in Birmingham, Berlin or Beijing. It needs to take account of different political, financial and regulatory pressures.

As that most English of novels, *The Go Between*, begins: 'The past is a foreign country... they do things differently there.' The future is also a foreign country, and we need to speak the right language.

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