

*The Truth*  *About Health*

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## WHO IS PHRMA AND IS IT YOUR FRIEND?

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PHRMA is shorthand for the Pharmaceutical Research and Manufacturers of America. This group is composed of all the big players in the pharmaceutical industry: Eli Lilly, Merck, AstraZeneca, Hoffman-LaRoche, Pfizer, Novartis and many, many more. Their website states that these companies invested an estimated estimated \$39.4 billion in 2005 into research into new medications. They also state that the entire pharmaceutical industry invested \$51.3 billion in research the same year.

But how do they foster a favorable environment in which to peddle their drugs? According to Common Cause, the nonpartisan nonprofit advocacy organization, research is not the only thing they are spending money on!

In a report titled Prescription for Power, Common Cause states that over the past five election cycles, PHRMA and PHRMA members wrote a prescription for an estimated \$360 million in political contributions, lobbying and advertising campaigns just to protect its legislative agenda. This does not include advertising their products to consumers or practitioners.

Common Cause goes on to say: “The (pharmaceutical) industry’s money cure disarmed its critics and played a key role in stopping any attempts to rein in prices or increase competition with generic drugs.” The report quotes Kim Slocum, the director of strategic planning and business development at AstraZeneca (manufacturer of many cardiovascular medications such as Crestor®): “Our industry has had a very successful run over the past six to seven years. It’s about as good as you can get....”

And its investments seem well placed. The Common Cause report states: “Indeed, since 1994, the financial health of the drug industry has grown more and more robust, as it racked up one legislative victory after another. With annual sales of \$110 billion, the pharmaceutical industry’s 18.6 percent return on revenues ranked it as the nation’s most profitable industry last year.”

Common Cause President Scott Harshbarger said, “This industry...racked up its successes at the expense of the American public. We all rely on lifesaving medicines, and no one faults this industry for its quest for reasonable profitability. But these companies, whose profits exceed all other industries’, used their political power to sabotage all efforts to reduce the cost of prescription drugs for American families.

Their conduct hurts our pocketbooks and jeopardizes our health. Their success is a testament to the ability of big money to trump fair and reasonable public policies.”

SOURCES: [http://www.phrma.org/about\\_phrma/](http://www.phrma.org/about_phrma/); Prescription For Power, report published by Common Cause, a nonpartisan nonprofit advocacy organization. [www.commoncause.org](http://www.commoncause.org).