

Up Front

Is There Life After Pharma?

As reported by CNN Money, "Pfizer announced Monday that it has signed a deal to acquire the smaller drugmaker Wyeth for \$68 billion, and tens of thousands of job cuts will follow" (see <http://tinyurl.com/bxmew9>).

I don't have a tally of all the jobs being lost in the pharmaceutical industry—that was something Ed Silverman, creator of the popular Pharamalot blog and reporter at the Newark Star Ledger was good at.

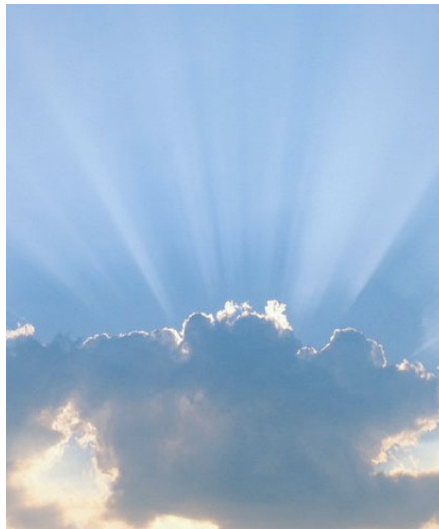
Unfortunately, Ed lost his job and his blog has not been updated since. Fortunately, he got a buy-out and quickly found another job and still covers the pharmaceutical industry. Some of us may not be that fortunate.

No doubt you know someone who has lost his or her job in the drug industry. Once all the drug company mergers have taken effect, you probably will know one or two or more people who are no longer employed in this industry. These people may get severance pay, but they may no longer be sought after by any company related to the drug industry.

Cutting heads is par for the course in Mergers and Acquisitions. But even pharmaceutical companies that are not growing by acquisition, but shrinking by design (eg, GSK), are cutting back on personnel. At first, it was the sales head count that was the target. Then it was R&D. Now it is marketing. Cuts in marketing departments are likely to increase in 2009 as pharma cuts back its spending on direct-to-consumer (DTC) advertising (see "The Future of DTC Advertising," this month's Feature Article, PMN Reprint #81-01: <http://tinyurl.com/bjafmb>).

Workforce to be Double Decimated!

Pfizer said it would cut 10% of its 81,900 staff—about 8,000 jobs. It plans to cut about the same number in a second round of layoffs. I call this "double decimated," meaning cut by 10% two times!



10% here, 10% there, pretty soon we're talking workforce "annihilation," which is the "popular" definition of decimate! Whatever! You're going to see a lot of people out there looking for a life after pharma.

Take Michael Parks, former Vice President of Corporate Communications for Centocor and creator of its CNTO411 corporate blog. He was laid off several months ago.

Parks has launched a PR consultancy whose client base will transcend the pharmaceutical industry. To find out more about his life after

pharma, listen to my conversation with him on the upcoming Pharma Marketing Talk show entitled "Life After CNTO411 Blog for Michael Parks: Pitch360" (see <http://tinyurl.com/8vp8jd>).

Some "ePharma Pioneers" like Rich Meyer, blogger over at "The World of DTC Marketing Blog", claim to have left their day jobs at drug or medical device companies because they felt their employers were not investing in the "e" channel and believed that their talents could be better used elsewhere. They too are looking for a life after pharma.

Parks and Meyer are members of my new ePharma Pioneer Club™, a members-only Facebook Group that I created to facilitate the exchange of information and ideas among eMarketing experts who are pioneers in the use of the Internet and other technologies for pharmaceutical marketing, sales, and communications (see article in this issue, PMN Reprint #81-02; <http://tinyurl.com/bbnj7h>).

For a brief period of time, I thought e-marketers were making a comeback in pharma when I met one or two executives at a pharma conference who said they were hiring! But then reality set in and all hell broke out in the economy.

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The last time I saw this happen, most of the laid off people ended up in jobs that depended upon the pharmaceutical industry. That is, they became pharmaceutical marketing consultants or found jobs with a pharma vendor or a service provider company.

This time, however, I don't think those companies will be hiring. They'll be Pfiring, just like Big Pharma. Life after pharma may not be anything like it was before.



John Mack, Editor

Pharma Marketing News

Pharma Marketing News is an independent, free monthly electronic newsletter focused on issues of importance to pharmaceutical marketing executives. It is a service of the Pharma Marketing Network, which brings together pharmaceutical marketing professionals from manufacturers, communications companies, and marketing service providers for wide ranging discussions and education on a multitude of current topics.

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