Philanthropy and Corporate Social Responsibility Efforts of the Pharmaceutical Industry

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Background

• According to a Gallup poll done in 2015, in recent years, the reputation of the pharmaceutical industry has declined, which has led to mistrust placed in pharmaceutical companies from the public.

• Despite this decline, the pharmaceutical industry continues to transform health outcomes through innovative research and development efforts. The development of transformational therapies has resulted in the pharmaceutical sector being a highly profitable portion of the healthcare system.

• However, with increased profits and despite a declining reputation, the industry ranks among the highest in terms of charitable giving for philanthropic efforts through their corporate social responsibility (CSR) initiatives which contributes to global and public health efforts.

Objective

• To benchmark top performing pharmaceutical companies by revenue and uncover descriptively and quantitatively their humanitarian initiatives.

Methods

• Top performing pharmaceutical companies were evaluated by the dollar amount in revenue of their respective pharmaceutical divisions. Revenue data was gathered from Bloomberg and Market Watch. Only the pharmaceutical divisions of the companies were included. Revenue from other sources such as consumer health, crop science, or animal health were excluded. The six companies evaluated were chosen based upon their revenue and the data available to the public on philanthropic efforts in CSR.

• Information was collected from CSR and charitable donation reports from company websites and public sources to determine contributions. The research was performed based on the most recent and available annual numbers from 2015-2018 totaling 4 years of analysis.

• This information along with infographics and annual reports were used to extract numerical data from company profits and donations to evaluate the similarities and differences in major pharmaceutical companies’ philanthropic contributions.

• In addition to these sources, results from special program pages, videos, and patient stories were used to create an overview of company specific approaches to CSR and philanthropy.

• The information was gathered and top performing companies that did not have publicly available information were excluded from analysis.

Results

Search results revealed robust information regarding CSR for six prominent pharmaceutical companies, including Pfizer, Merck, Sanofi, Novartis, GlaxoSmithKline (GSK), and Bristol-Myers Squibb (BMS).

Many companies have created their own charitable foundations, continuously donate medicines and vaccines to help solve global health issues, and increase healthcare education and access globally.

The results revealed that Pfizer has donated approximately $50 million doses of azithromycin to help eliminate trachoma over a 20-year initiative and has donated $3 million USD to provide immunization coverage in both Africa and Asia. Sanofi donated $112,000 USD to the refugee crisis in 2015 and $4,877,343 USD to various non-governmental organizations (NGOs) in Nepal.

Figure 1. Total Monetary Contributions (in million USD)

Figure 2. Product Donations (in million USD)

Figure 3. Philanthropic Product Donations by Disease State

Figure 4. Contribution to CSR Sectors by Percentage

Results (continued)

• Through the Novartis Malaria initiative, the company will invest more than $500 million USD to advance research and development for antimalarials and GSK’s Combi Relief Partnership also helps to fight malaria.

• The Merck for Mothers initiative will donate $500 million USD over 10 years to improve the health of women during pregnancy, childbirth, and the postpartum period. The BMS Foundation’s Secure The Future initiative has transformed the lives of over 1 million women and children with HIV/AIDS in sub-Saharan Africa.

Limitations

• Limitations in data collection were due to only having access to publicly available data regarding company corporate social responsibility from CSR reports, infographics, press releases, company annual reports and company websites.

• Results may not be all inclusive of each company’s philanthropic efforts.

Conclusions

The top pharmaceutical companies with information available on CSR were evaluated. Out of the six companies, in their respective calendar year, Novartis and Pfizer donated over 3 billion USD while Pfizer tied for 3rd with $2.5 billion medicinal products. A majority of CSR contributions have been donated to healthcare needs and the most common disease states are infectious tropical diseases. These results reflect the significant global and public health impact pharmaceutical companies have. In the future, with increasing revenue and CSR transparency, we expect giving efforts to increase in the coming years.

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