

NEWS RELEASE

New guiding principles further strengthen and improve Rx&D's Code of Conduct

Ottawa, December 6, 2005 - "Rx&D member companies are proud of our commitment to the high standards of ethics and our *Code of Conduct*," stated Rx&D President Russell Williams.

"Ethics and a conduct above and beyond reproach by governments, professional associations, non profit groups, stakeholders, businesses, and individuals in their day-to-day interactions and operations is not only expected, but justifiably demanded by Canadians," said Mr. Williams.

Mr. Williams was commenting on the latest improvements to the association's mandatory *Code of Conduct*, approved in June of this year and which will come into effect on January 1, 2006.

The latest improvements to the *Code* were made in consultation with a number of key stakeholders including, the Canadian Medical Association (CMA), the College of Family Physicians of Canada (CFPC), the Ontario and Quebec pharmacists associations, the Pharmaceutical Advertising and Advisory Board (PAAB), and provincial nursing chapters, just to name a few. New *Code* enhancements include:

- ❑ Eleven (11) *Guiding Principles* member companies must adhere to in their ongoing interactions with health care professionals. The *Guiding Principles* are supported by an effective enforcement mechanism;
- ❑ *Code* violations. For a company that has five or more violations in one calendar year or has two successive years with at least three violations in each year, the Rx&D Executive Committee will place the company on a 12-month probationary period. If the company is found to be in violation of the *Code of Conduct* during its probationary period, the Board of Directors will determine if the violation is just cause to have the company expelled from Rx&D; and
- ❑ A new Industry Practices Review Committee (IPRC) to adjudicate a reported *Code* infraction(s) by a member company. The Committee is composed of experts including, industry legal counsel, regulatory and marketing representatives; and, two health care professionals (physician and pharmacist).

"We hope other research-based pharmaceutical companies will join Rx&D, as membership clearly confirms a commitment to a set of values and principles, as well as a mechanism of enforcement and accountability," continued the Rx&D president.

"As health care partners, our member companies believe adherence to these ethical values, principles, and business practices are crucial. A transparent and effective *Code of Conduct* will help member companies maintain our important relationship with health care practitioners within the highest of standards," emphasized Mr. Williams.

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Supportive comments on the latest improvements to Rx&D's *Code of Conduct* were also echoed by the Janssen-Ortho President Gary Pruden, chair of Rx&D's Industry Practices Committee that oversees the *Code*. "Rx&D member companies are very proud of the *Code of Conduct*."

Mr. Pruden also noted how the *Code* has improved the industry's relationships with patient stakeholder groups and governments. "They see the *Code* as an excellent example of how ethical guidelines can open the door on collaborative health care issues and foster partnerships where the sole objective is better and improved health care outcomes for those who matter most, patients."

Mr. Williams concluded his remarks on the *Code* improvements by underlining what Canadians expect in business and personal dealings: unblemished ethical behaviour. "The research-based pharmaceutical community in Canada has demonstrated to Canadians, and will continue to demonstrate to Canadians, that ethics and adherence to our *Code of Conduct* is a part and parcel of our every day business life. Canadians expect, and should not expect, anything less."

Canada's Research-Based Pharmaceutical Companies (Rx&D) is an association of members dedicated to improving the health of Canadians. As a partner of the health care system, our discoveries help eliminate the need for medical procedures such as surgery, which have a significant impact on patient quality of life and health care budgets. Our community represents more than 22,000 men and women working for over 50 member companies in Canada.

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