

# Drug industry embraces new business strategies after tough year

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A timely year-end analysis of the state of the pharmaceutical industry is scheduled for Chemical & Engineering News, ACS' weekly newsmagazine. Credit: American Chemical Society

As they pop the champagne corks to celebrate New Year's Eve, drug industry executives will likely be glad to put 2009 behind them. That's because pharmaceutical companies who make top-selling drugs for heart disease, asthma, and many other conditions had a tough year in the midst of mounting market pressures and a global recession. A timely year-end analysis of the state of the pharmaceutical industry is scheduled for the current issue of *Chemical & Engineering News*, ACS' weekly newsmagazine.

C&EN Senior Editor Susan Ainsworth points out in the magazine's cover

story that in 2009 drug companies were plagued by patent expirations for superstar drugs, rising competition from generic drugs, and shrinking pipelines for big-ticket products. On top of that, pharmaceutical firms also faced the possibility of U.S. health care reform legislation that could lower future drug pricing and profits, according to the article.

But drug companies are fighting back. They are cutting costs, slashing jobs, and refocusing business units in an attempt to be leaner and more customer-focused, the article notes. It describes how many companies are setting up creative licensing deals, partnerships and acquisitions — including megamergers — to improve operating efficiencies and strengthen new product pipelines. Some companies are also broadening access to their medicines in both established and emerging markets. "The companies that execute well while transforming themselves to compete effectively in this environment will emerge on top," notes the CEO of one major pharmaceutical company.

More information: "Timely Transformation", This story is available at [pubs.acs.org/cen/coverstory/87/8749cover.html](https://pubs.acs.org/cen/coverstory/87/8749cover.html)

Source: American Chemical Society ([news](#) : [web](#))

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