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Bringing in the Green: Pharma Stands to Win Hearts, Minds, and Tax Credits by Launching an Eco Bandwagon

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Bringing in the Green

Pharma stands to win hearts, minds, and tax credits by launching an eco bandwagon

A Green mind-set can lead to a black bottom line. Becoming environmentally friendly can help boost brand image and ROI—and pharma can get there with a few easy steps.

First, with about 90,000 sales representatives on the road, the industry could lead a revolution in transportation if it bought hybrid cars. By replacing the current fleet, the benefits would be substantial. Each hybrid is cheaper to maintain, more fuel-efficient, and leaves a far smaller greenhouse-gas footprint on the environment. Imagine extrapolating these benefits to thousands of cars: That's an environmentally friendly signature that shows leadership in the one-atmosphere world we live in.

One promising indication is that at least two pharmaceutical companies are already providing incentives for their sales consultants to order hybrids once the leases on their current cars run out.

Thanks to the Energy Policy Act of 2005, pharma could even reap a tax credit for buying hybrid cars in bulk. Under that law, the government has begun awarding groundbreaking tax incentives to consumers and businesses that buy or lease new hybrid cars. The federal income tax credit ranges from \$250 to \$3,400, depending on the fuel economy and the weight of the vehicle.

Additionally, hybrid manufacturers might give pharmaceutical companies a discount for such bulk purchases.

Lastly, eco-conscious doctors and consumers could be more inclined to buy from companies that lead the charge on buying hybrids.

Big Pharma needs to create a CEO Roundtable on the Environment, modeled after the CEO Roundtable on Can-

An enviro-sensitive Big Pharma CEO might decide to launch a consortium, akin to the Roundtable on Cancer, to establish best practices to improve the environment

cer, an association of high-powered CEOs (mostly from Big Pharma) that seeks to forge best practices for anticancer policies. An enviro-sensitive Big Pharma CEO might decide to launch such a consortium to establish best industry practices to improve the environment.

A top priority of this Roundtable must be the preservation of major ecosystems affected by global warming. Loss of habitat and species diversity could have a direct financial impact on pharmaceutical R&D and global health. The great coral reefs are among the world's most biologically diverse ecosystems; they and associated organisms are a significant source of genetic materials beneficial to pharma. These coral reefs, already under mounting pressure from human impact, are showing clear signs

of damage from global warming. Two main threats—coral bleaching due to rising water temperature and the acidification of surface waters due to rising CO₂—have the potential to devastate an already fragile ecosystem.

The second ecosystem the Roundtable must address is the Amazon rain forest. Seventy percent of plants found to have anticancer properties are unique to the rain forest. Loss of this habitat is of serious concern for the industry. The world's rain forests are already suffering the im-

act of deforestation and habitat fragmentation, and up to 50,000 species a year may be lost forever. Recent droughts and fires that reduced parts of the rain forest to dry savannah have highlighted concerns over global warming. Such devastation serves as a clear warning that the more frequent droughts predicted by many climate models could lead to increased deforestation, species extinction, and accelerating climate change.

A commitment by Big Pharma to the reduction of global CO₂ would be a commitment toward the preservation of these fragile ecosystems. At the same time, an enhanced effort to preserve the genetic potential of some of the most vulnerable systems through research, documentation, and archiving will create a valuable resource for the future, when the diversity we take for granted today may be a distant memory.

There are clear and compelling financial, corporate-citizenship, and consumer-management arguments for the industry to aggressively become eco-friendly. The first pharma company that adopts these Green practices and markets itself in this way may have a major competitive advantage within reach. **1**



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