

# “New Pfizer” pledges obsession with high quality service and products



A competitive, responsive and innovative supply of animal health products, protocols and management services has been pledged to vets and farmers by Pfizer Animal Health on completion of its acquisition of Fort Dodge.

At a press briefing to launch the enlarged business, new UK Vice President John Hanley (pictured) promised a fixation on customers' needs, a willingness to go beyond national boundaries to find usable new knowledge about animal health and well-being, and an obsession with being an efficient and supportive supply chain partner to vets and farmers<sup>1</sup>.

*“This is a very significant time for animal health,” he said. “We have a huge responsibility to provide excellent service and competitive products to vets and farmers in the supply of products that achieve the results they promise. This responsibility includes continuing to invest in research and development as well as supporting existing products, protocols and management regimes.”*

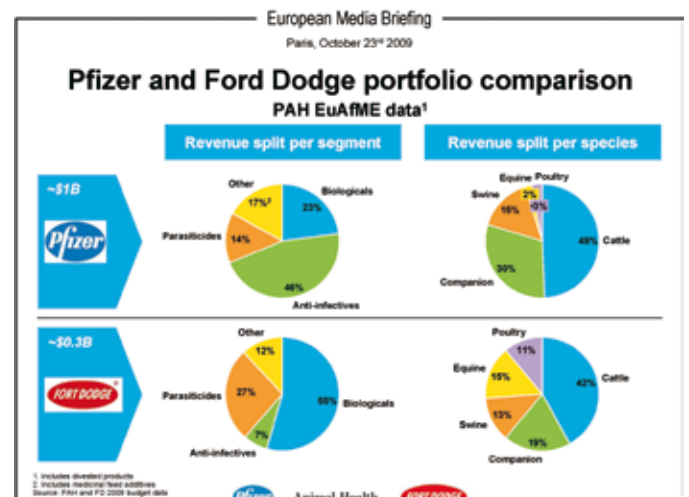
Globally in 2008, Pfizer Animal Health and Fort Dodge invested \$300 million and \$81 million respectively in R&D, compared with the sector's second highest spend of \$200 million<sup>2</sup>. At the press briefing, recent and upcoming examples from the R&D pipeline included a new Blue Tongue vaccine, a long-acting antibiotic and Europe's first equine vaccine against the West Nile virus.

According to Hanley, Fort Dodge's comparative strengths in vaccines, wormers, and the equine and poultry sectors will complement Pfizer's in antibiotics, cattle and pets. He says the company's post-acquisition market share is estimated to be 18%<sup>3</sup>.

For the trading region of Europe, Africa and Middle East (EuAfME), pre-acquisition net sales of \$1,000 million for Pfizer and \$300 million Fort Dodge are projected to become \$1,200 million for the combined entity after the divestiture of brands specified by the European Commission (EC).

During the divestment process, the brands involved are being handled by an independent management company, answerable to Deloitte acting as trustee for the EC, to maintain their brand equity and competitive market position. John Hanley says this business model was proposed by Pfizer to the EC and he believes this to be the first time it has been used in EU animal health mergers and acquisitions. Veterinary practices and POM-VPS merchants have been informed by Pfizer about the divestment process.

One area of support for the veterinary profession that “new Pfizer” will invest in, according to John Hanley, is the provision of management services. These will be geared to helping practices increase profitability, improve client service and strengthen employee morale and productivity, in context with the changing demands, constraints and expectations of the profession from governments, regulators, clients and the media, for example.



#### References:

- 1 John Hanley, 23 October 2009. Personal communication with author. Pfizer AH EuAfME press briefing, Paris.
- 2 Vetnosis Income Statement Report, April 2009.
- 3 Pfizer AH estimate, October 2009.



Pfizer Animal Health, a business of Pfizer Inc, is a world leader in animal health, committed to providing high-quality, innovative medicines and vaccines for livestock and companion animals. Pfizer Inc, a research-based pharmaceutical company with global operations, discovers, develops, manufactures and markets leading prescription medicines, for humans and animals.

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