

# John LaMattian, former head of Pfizer R&D, says industry mergers have harmed R&D efforts

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John L. LaMattina, the former President of Pfizer Global Research and Development, has just published an article in Nature that looks at the impact of drug company mergers and increased industry concentration on R&D. Among his conclusions: the "impact on the R&D of the organizations involved has been devastating."

<http://www.nature.com/nrd/journal/v10/n8/full/nrd3514.html>

## COMMENT

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The impact of mergers on pharmaceutical R&D

John L. LaMattina (former President of Pfizer Global Research and Development)

Mergers and acquisitions in the pharmaceutical industry have substantially reduced the number of major companies over the past 15 years. The short-term business rationale for this extensive consolidation might have been reasonable, but at what cost to research and development productivity?

Concerns about the productivity of pharmaceutical research and development (R&D) are becoming increasingly common in both the mainstream media and scientific literature. A range of possible causes have been identified, from more challenging therapeutic targets to excessive bureaucracy, and various approaches to address these issues have been put forward (for example, see REFS 1,2). However, the impact of mergers and acquisitions on R&D productivity is less well documented, because R&D integrations and cuts are largely done privately. In this article, it is argued that although mergers and acquisitions in the pharmaceutical industry might have had a reasonable short-term business rationale, their impact on the R&D of the organizations involved has been devastating.

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