

# Healthcare Congress Alliance

The Liaison Working Group in the Healthcare Congress Industry

**NEWSLETTER ISSUE 4**

## Be aware of the importance of the careful use of scientific information

### Case study:

Dr. Brown<sup>1</sup> is a well known professor of Oncology. He is the principal investigator in a phase III study of a new drug being developed by Company X, a publicly listed pharmaceutical company. This new drug could have blockbuster potential when it is registered for sale. Dr. Brown has been invited to speak about new scientific trends at the next World Oncology Congress; a part of his presentation will cover the study on this new drug. With its promising results and excellent therapeutic and safety profile, Company X, which is sponsoring the study, has already approved Dr. Brown's presentation and is preparing a press release on the preliminary results of the phase III study to be delivered on the first day of the Congress.

Well in advance of the Congress, the Scientific Committee and the responsible Professional Congress Organizer (PCO) have requested scientific abstracts of all proposed presentations.

Is there anything which should concern Dr. Brown if he submits his abstract – as requested – before the Congress starts?

### Answer:

Yes, because he is considered to be an “external insider” under EC Directive 2003/6/EC of January 28, 2003. This Directive and a similar ruling by the Security Exchange Commission in the US (“Selective Disclosure and Insider Trading”, release 33-7881), – collectively known as “Insider Trading Rules” – exist to ensure that price sensitive data, which could influence the stock price of a publicly listed company, is not released in a selective way, and to punish any subsequent insider trading of such stocks. Therefore, the transfer of sensitive data to the Scientific Committee and the PCO is a problem for all of them (including Dr. Brown) if it is done before the data is issued to the public.

Dr. Brown is an independent physician and is not employed by Company X, but he is still considered to be an “external insider” under the “Insider Trading Rules” outlined above because he is in possession of data which could influence the stock price of Company X.

There is only one legal way under the “Insider Trading Rules” to submit an abstract with such potentially price sensitive data before the data is issued to the public and before the Congress starts. He

has to negotiate a Confidentiality Agreement with anybody who might see the abstract. This includes the Scientific Committee, the PCO, and any of their subcontractors (e.g. printers). This Confidentiality Agreement must provide for the confidentiality of the results of the study and must strictly forbid the spread of the contents of the abstract before the sensitive data is issued to the public. If he does not negotiate such a Confidentiality Agreement, Company X would then be obliged to immediately notify the general public of the results of the study by means of a press release at the same time as Dr. Brown submits his abstract. This will be before the Congress, and not on the first day.

In the jurisdiction of both the European Community and the United States, the omission of such a notification is regarded as a crime and can lead to prosecution.

Therefore, Dr. Brown should insist on the necessary Confidentiality Agreement with all potential recipients of the abstract.

**(Dr. Manfred Piepenburg, Bayer, Legal Advisor to IPCAA)**

*<sup>1</sup>All names and firms mentioned in the text are fiction and do not represent any living person or entity.*

### BE AWARE THAT:

- Potentially the “Insider Trading Laws” affect ALL people dealing with new scientific data including Pharmaceutical companies, Presenters, Scientific Committees, PCO's and their various sub-contractors.
- In Europe and the USA this is the law.
- To protect yourself, especially if you are an individual dealing with new scientific data that is potentially price sensitive and the data is not yet public, you must negotiate a Confidentiality Agreement with all concerned parties before releasing the information.

### Accountability Issues in Healthcare Congress Management

The latest publication from the Healthcare Congress Alliance – Accountability Issues in Healthcare Congress Management – addresses the many issues which fall under the general area of best practices and accountability. The above Case Study is just one such issue. Other issues fall under the broad sections of:

- Accuracy of Information
- Contractual Obligations
- Financial Arrangements
- Data Protection and Intellectual Property
- Safety and Security Issues

**For your copy of the Publication contact IAPCO or download it from the website on [www.iapco.org](http://www.iapco.org)**



# HCA Publications

As part of the HCA's remit to provide a service to the meetings industry, representative of the many parties involved, various publications have been produced to assist in the organization of large medical meetings.

	<h3>Housing Guidelines</h3> <p>It is acknowledged by those involved in congress organization that in many cases there is a substantial lack of adequate hotel accommodation in many of the cities chosen to host medical meetings. This document seeks to set out guidelines for the equitable resolution to the problems to the satisfaction of all parties.</p>		<h3>Safety and Security</h3> <p>To assist those involved in the planning of healthcare events, this guideline document identifies key issues regarding safety and security, risk assessment and liability. It defines the responsibilities to be upheld by each of the individual parties involved and includes check lists for organizers, sponsor events teams, participants and exhibitors.</p>
<h3>First Steps</h3> <p>The First Steps in the Preparation of an International Medical Meeting for the Chairman of the Meeting is designed to assist the Chairman of the Local Organizing Committee in the host country and assumes that the country has already been selected, but not necessarily the venue. A step-by-step action plan is provided.</p>		<h3>Sponsorship Prospectus</h3> <p>This publication seeks to guide organizing committees of medical meetings in the raising of sponsorship and invitations to industry. Designed as a template, this Guideline for the Sponsorship Prospectus is intended to be of assistance when preparing the invitation document.</p>	

## The Associations

### International Association of Professional Congress Organizers (IAPCO)

The International Association of Professional Congress Organizers (IAPCO), a non-profit organization founded in 1968, represents professional organizers and managers of international and national congresses, conventions and special events. Currently there are over 90 IAPCO members in 32 countries. IAPCO is committed to raising standards of service among its members and other sectors of the meetings industry by means of continuing education and interaction with other professionals. IAPCO has members worldwide whose activities are monitored on an annual basis. As a result, IAPCO membership offers a unique quality assurance recognised by conference clients and suppliers all over the world.

**Inge Hanser, President of IAPCO, represents the Association on the HCA.**

**Other IAPCO representatives include: Jorge Castex, Sarah Storie-Pugh, Carolina G. Sicilia and Vincent van Wulfen.**

### International Pharmaceutical Congress Advisory Association (IPCAA)

IPCAA members are drawn from the research-based healthcare industry. The organization recognises that healthcare congresses are an important part of Continuing Medical Education (CME) and are indispensable for the spread of knowledge and the exchange of experience. IPCAA's aims are to:

- Promote the highest possible standards at healthcare congresses
- Establish a common and consistent congress policy through recognised partnership with medical societies
  - Ensure optimum benefit for all parties involved in healthcare congresses
  - Exchange experience, data and documentation on healthcare congresses
- Organize meetings of members to exchange knowledge and information about healthcare congress management
- Maintain a Code of Conduct and Guidelines on the organisation of and participation in healthcare congresses

**Kurt Nagel, President of IPCAA, currently represents IPCAA on the HCA supported by IPCAA's Executive Director, Dennis Wheatley.**

**Other IPCAA representatives include Florence Mangers.**

### Healthcare Convention & Exhibitors Association (HCEA)

The Healthcare Convention & Exhibitors Association (HCEA) is a trade association of more than 700 organizations united by their common desire to increase the effectiveness and efficiency of healthcare conventions and exhibitions as an educational and marketing medium. HCEA promotes the value of exhibits as an integral part of healthcare meetings. Since 1930 HCEA has provided healthcare exhibitors, associations and suppliers a forum for the exchange of mutually beneficial information and ideas. HCEA offers its members a continuing opportunity to become more knowledgeable in their profession through meaningful communication, the exchange of ideas with other members and the many services provided exclusively to HCEA members.

**HCEA is represented on the HCA by Eric Allen, Executive Vice President, together with Janine Smith, Chair, International Chapter.**

Should you require copies of the documentation, please visit the HCA website on [www.healthcarecongress.net](http://www.healthcarecongress.net) where they can be downloaded. Alternatively, contact one with the Associations who will be delighted to send you a copy.

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