

# Code of Ethical Business Practice

Case-studies with resolution  
(July 2017)

# Case Study I

- ❁ The European Society of Medicine (ESM), a Scientific Society based in London is planning a 5-day pan-European event to take place from Sunday 2 – Thursday 6 September 2018 at the FIRA convention centre in Barcelona, Spain.
- ❁ It seeks to obtain financial support for both educational and commercial activities. For this purpose it is considering how to approach members of MedTech Europe in the light of the new rules introduced by the MedTech Europe Code of Ethical Business Practice.
- ❁ In the proposed packages ESM is offering their industry partners, they include different benefits, such as: booth spaces, placement in marketing material, complimentary registrations for staff, support to HCP attendance, as well as support to speakers in certain sessions.
- ❁ To build a more robust scientific programme, ESM is asking industry partners for speaker and KOL references.
- ❁ After the Event, one of the industry partners is requesting the list of names of HCPs that benefited from the support of the package they contracted, on the basis that they need to perform a post-event verification of the use of the funds.



# Case Study I – Resolution

- Does ESM need to **proactively approach industry** partners to start the discussions or do they need to wait for the different companies to approach them instead?
  - Either options valid. Companies that have a long-standing relationship with ESM may be willing to proactively engage them to set up a comprehensive Educational Grant scheme that would fit both parties' needs.
  - Another option would be that the ESM creates different packages and then proceeds to offer them to their industry partners. In such case, who would be the best person/department to contact?
- The Code requires that MedTech Europe Members have **a established decision-making process to assess Grant requests**, but the exact set-up will vary from company to company.
- There is a need for a **separation of commercial activities/educational ones**
- Control on who's benefiting from complementary invitations
- Industry cannot support speakers** but can provide speakers reference if asked to
- In principle, list of grants beneficiary should not be provided to the grantor, aggregated names of all participants without a distinction of who was sponsored by which company is ok – **see Q&A 38** for more details
- CVS is mandatory** for MTE Members
- Seasonality/destination/centrality of destination needs to be assessed with regards to **country of origin of participants**



# Case Study II

- ❁ ESM started planning another educational event, which will take place in Switzerland at the end of 2019.
- ❁ ESM are approached by a MedTech Europe member to co-brand such an event and provide an Educational Grant that would support attendance of HCPs coming from Germany, France, Italy and Sweden.
- ❁ The Event will still be designed and driven by ESM, who has however outsourced the organisation of the Event to a local PCO, whom will be the recipient of all industry financial support.
- ❁ The PCO is going to charge ESM for the HCP travel and accommodation arrangements, and ESM is asking for these costs to be covered in the offered packages.
- ❁ Later on, another industry partner interested in supporting the Event, but who is only active in Italy, approaches ESM to see if it would be possible to restrict their support to Italian HCPs, and more specifically, to those practicing medicine in their specific sector of interest.



# Case Study II – Resolution

- 🌀 **Switzerland at the end of 2019** – Importance of CVS Pre-Clearance/Seasonality (they need to choose the location in accordance with appropriate season in the year/Centrality of location)
- 🌀 How to deal with **overhead costs**? Some companies will consider FMV OC, others not. Some countries have capped these costs (e.g. Spain)
- 🌀 Shift of travel/accommodation responsibility to HCO/PCO
- 🌀 **Co-branding** - It is the organisation that has legitimate business needs that is driving the Event – how to differentiate third-party organised events (TPOE) vs company-organised events?
  - Open events are typical of TPOE (third-party chooses which HCPs attend)
  - Who is the primary initiator of the event, how much is the Third Party involved, who is driving the event?
  - CME accreditation can be an TPOE indicator
  - TPOE are not focusing on the product but their scope is broader
  - Single-sponsored events are often company organised events
- 🌀 VAT issues to consider when providing Educational Grants **to for-profit entities**, like PCOs
- 🌀 Need to consider specific more stringent countries **national laws/regulations** – nature of the grant

