



**Remarks for Kenneth C. Frazier
Executive Vice President and President, Global Human Health
Merck & Co., Inc.**

**Ben Franklin Award
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**Fighting River Blindness:
The MECTIZAN Donation Program and the Power of Partnerships**

Good morning.

It is an honor to be here in Philadelphia as we pay tribute to the memory of Benjamin Franklin and recognize just some of the many, many contributions he made to our country and the world.

Recognizing that this room is filled with people who know about the life and work of Benjamin Franklin in far more detail than I do, I'll start with one of his 13 "virtues"

In 1726 – at the age of 20 -- he wrote: "FRUGALITY. Make no expense but to do good to others or yourself; i.e. (that is), waste nothing."

The call to focus on doing good to others and to yourself– to waste nothing – is a call that Merck has tried to heed as an organization.

Now I will grant you that we did not do so by invoking the words of Benjamin Franklin, but rather we did so invoking the words of Merck's modern day founder, George Merck. In 1957

– two and a half centuries after Benjamin Franklin wrote his "virtues", George Merck said, "we will not stop until a way has been found to bring our finest achievements to everyone."

When you think of the assets that a large and successful pharmaceutical company develops over time – whether Merck, or GSK, or others – these assets have the potential to transform people's lives – to prevent illness, to treat illness, to save lives. To NOT put these medicines and vaccines into the hands of the people that need them – that would be a waste.

And that brings me to our story about a landmark research and public health program, the MECTIZAN Donation Program – a program inspired and initiated by Dr. Roy Vagelos.

In the mid-1970s, Merck researchers working for Dr. Vagelos discovered and developed a new drug they called ivermectin. The drug was initially developed as an antiparasitic medicine for veterinary use. However, in a fortunate turn of events, the head of the research team, Dr. Bill Campbell – who is here with us today – suspected that ivermectin would also work against the parasite that causes a human disease called river blindness. Dr. Vagelos, who at the time was the head of Merck Research Laboratories, gave approval for Dr. Campbell and his team to investigate further.

Although river blindness is not a disease we hear too much about in the United States, it is a threat to the health and livelihood of more than 100 million people living in some of the poorest areas of the world. The disease is most prevalent in sub-Saharan Africa, and also affects some parts of Latin America and the Middle East. It is spread by the bite of a black fly which transmits a parasite that causes painful and unsightly skin irritation, vision loss, and eventual blindness – in addition to tremendous social and economic hardship. In the early

years of the MECTIZAN Donation Program, the World Health Organization estimated that more than 1 million people were either blind or visually impaired as a result of the disease.

But because of where the disease is most common, even if the medicine were to work, it was thoroughly unclear who would pay for treatment. But, despite the clear lack of a financial market for the potential use of this medicine for river blindness, Dr. Vagelos was persistent in pursuing the research program.

The additional research by Dr. Campbell showed that ivermectin was indeed effective against the river blindness parasite. But more work was necessary to develop it into a safe and effective drug for wide scale human use.

Once again, Dr. Vagelos recognized the great potential of the medicine and authorized and funded continued research, this time through clinical studies in Africa – something in which neither Merck nor any major pharmaceutical company had experience in at the time. One of Dr. Campbell's colleagues, Dr. Ken Brown – who is also here today – worked with the World Health Organization to conduct years of field work. These studies confirmed that the drug – by then called MECTIZAN – offered a powerful new tool to fight river blindness.

By this time Dr. Vagelos had risen to become the CEO of Merck. He recognized the impact this new drug could have in the areas where the disease was prevalent. At the same time, he appreciated that the poor and isolated populations in need of the medicine were those least able to afford it – essentially, there was no commercial market, nor was there an infrastructure to deliver the medicine.

So – in a decision that I think truly reflects Ben Franklin's call to "waste nothing" – in 1987 Dr. Vagelos announced Merck's commitment to donate MECTIZAN for river blindness to all who need it, for as long as necessary.

However, Merck is a pharmaceutical company, not an implementer of public health programs. Therefore, to make the program successful, Merck joined with other key players in global public health to create a robust and diverse partnership involving the World Health Organization, the World Bank, national governments, non-profit organizations and local communities.

In 1994, Dr. Vagelos traveled to the African country of Chad with President Jimmy Carter – a key partner in river blindness programs – to see firsthand the impact of the disease and the benefits of treatment with MECTIZAN. As Dr. Vagelos recounts in his book *The Moral Corporation*, he was struck by the high number of people who had been blinded by river blindness. But he was encouraged by the promise of a future free of the threat of blindness offered to future generations, and the eagerness of the people to receive treatment with MECTIZAN.

That global partnership now reaches more than 70 million people each year to fight river blindness.

In a public health triumph, in 2007 the country of Colombia became the first to eliminate river blindness, and tens of millions of people in more than 30 other countries have better health – and renewed hope – as a result of the program.

The commitment that Dr. Vagelos and Merck made in 1987 to donate MECTIZAN for as long as it was needed was a watershed moment. Clearly, it was a watershed moment for

our Company, and for the people who have been helped. I would argue to you that it was a watershed moment because it created a new standard for what organizations and partnerships could accomplish – and it inspired us and others to do more.

Eleven years ago, in 1998, we expanded our MECTIZAN donation commitment to target another tropical disease called lymphatic filariasis – or LF. We do this through a unique partnership initiated by GSK and the World Health Organization, and involving a broad range of other key stakeholders. As part of the Global Program to Eliminate LF, GSK generously donates one of their drugs, called albendazole, which is administered either with MECTIZAN or one other drug to address LF.

It is true that Merck and GSK are business competitors. But our innovative partnership on the LF program illustrates how divergent parties can work together to address seemingly insurmountable global health challenges. And our collaboration is bearing fruit, with nearly 50 million people in Africa last year receiving the combination of Merck's and GSK's medicine for LF. After more than 10 years of partnership, we are on our way to our goal of eliminating the disease by the year 2020. Although the LF program was launched a few years after Dr. Vagelos had retired from Merck, we would not have been able to take advantage of this opportunity with GSK and others were it not for the foundation laid by Dr. Vagelos.

A key element of the MECTIZAN Donation Program that enables so many people to be reached – and that is yielding additional benefits as well -- was the development of the community-directed treatment with ivermectin strategy – or "CDTI." This innovative approach empowers trained community volunteers, rather than medical professionals, to distribute the medicine – a crucial breakthrough for remote areas that often lack a formal

health care system. Building on the success of river blindness programs, the CDTI strategy has enabled other health and social services — such as malaria prevention, vitamin A distribution, and immunization campaigns — to be introduced in often remote communities where health services are limited.

Today, at Merck, we still aspire to live up to the challenge put to us by George Merck to bring our finest achievements to everyone. There is no better example of how we can do that than the MECTIZAN Donation Program created by Roy Vagelos. The most obvious beneficiaries are the people who receive MECTIZAN. But there are other beneficiaries as well — because Roy's vision for the MECTIZAN program led to the very first public-private partnership of its kind in global health. And this vision and the experience we gained, as a company, through the MECTIZAN Donation Program have enabled us, and others, to address other, complex public health challenges, such as HIV/AIDS.

For more than 20 years, Merck has been engaged in the fight against HIV/ AIDS. Research by Merck scientists in the mid to late 1980's, during Dr. Vagelos' tenure, made crucial contributions to early discoveries about the disease and Merck now markets four antiretroviral medicines. And since our first HIV medicine was approved in 1996, we have worked to expand access to our medicines, including for patients in countries that are the poorest and hardest hit by the pandemic.

Because of a combination of differential pricing and engagement in public-private partnerships, our HIV medicines are used around the world, regardless of economic status. As of July 2008, more than 777,000 patients in 125 countries and territories were being treated with regimens containing at least one of Merck's HIV medicines. Four out of five (81 percent) — or an estimated 631,000 patients — obtained these medicines in the poorest

nations of the world -- the more than 80 countries in which we sell them at a price at which Merck does not profit.

As one example of our HIV/AIDS partnerships -- in 2000 Merck joined forces with the Government of Botswana and the Bill & Melinda Gates Foundation to establish a comprehensive and sustainable response to the AIDS pandemic in a country which at its height, had an adult HIV prevalence rate close to 40 percent. Today, with more than 100,000 people on treatment, Botswana has one of the largest and most successful treatment programs on the African continent.

As we look to how these partnerships have been successful – both the MECTIZAN donation program, the LF program, and Botswana, it is through a combination of organizations who are doing their part, as well as through individuals who are doing what Mr. Franklin himself tried to do – to do good to others.

I'll conclude with yet another of Ben Franklin's maxims -- "*energy and persistence conquer all things.*" When I think of the impact of Roy Vagelos, I think that "energy and persistence" were – and are – essential to what he has been able to accomplish. With the "*energy and persistence*" he and his colleagues used in pursuing the challenge of river blindness, and the innovative approach they took to developing a global partnership to ensure that this medicine would reach those in need, Dr. Vagelos brought hope and better health to millions.

Thank you.

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