UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

Mary Koelbel Engle
Associate Director

July 2, 2003

John C. Dodds, Esq.
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921

Re: *AstraZeneca Pharmaceuticals, LP*, FTC File No. 032-3067

Dear Mr. Dodds:

As you know, the staff of the Federal Trade Commission has conducted an investigation to determine whether AstraZeneca Pharmaceuticals, LP engaged in unfair or deceptive acts or practices in violation of Sections 5 and 12 of the FTC Act, 15 U.S.C. §§ 45 and 52, in connection with a "switch program." In switch programs, pharmaceutical manufacturers typically contract with pharmacies to send letters to their patients encouraging them to switch to a drug other than their current drug. The FTC staff investigation arose from claims made during a switch program designed to persuade consumers to change to Nexium, a prescription drug that AstraZeneca launched in 2001 for the treatment of acid reflux-related disorders.

Our investigation focused on one such "switch letter" that was sent to 125,000 Wal-Mart customers in August 2001. This letter stated that Nexium "has been shown to be clinically superior to Prilosec," another acid reflux drug that AstraZeneca manufactures. The FDA-approved labeling for Nexium, however, does not permit a claim that it had been proven to be clinically superior to Prilosec. Shortly after the letter was disseminated, and without any governmental intervention, AstraZeneca and Wal-Mart disseminated a correction letter to all customers who had received the switch letter.

The staff has concerns about the clinical superiority claim made for Nexium. After consideration of a variety of factors, including the prompt correction mailed to consumers, we have determined to close the investigation. FTC staff recommends that AstraZeneca be more careful about the claims that it makes in its advertising for Nexium and other prescription drugs, including claims that are made by third parties acting on behalf of AstraZeneca. It should continue to review its advertising to ensure that all its claims are accurate and non-misleading.

After careful review, the staff has decided to not to recommend enforcement action at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation did not occur, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Very truly yours,

Mary K. Engle

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