

**For Immediate Release**

**Pharmaceutical Industry Scores Highest, Financial Services and Legal Lowest, in  
Sophistication of Corporate Intelligence Programs Worldwide—  
First-Ever Global Benchmark Study**

Cambridge, MA— The pharmaceutical industry has the largest percentage of world class corporate intelligence programs, in contrast to the financial services and legal industries, which doll out the lowest budgets and contain an extraordinarily high percentage of very basic, poorly functioning competitive intelligence programs, according to a new survey of 141 corporations carried out by Fuld & Company, a consulting firm specializing in competitive intelligence.

Technology and manufacturing industries appeared in the middle of the pack, as far as management commitment, budget allocation, and age and maturity of the intelligence program.

“Experts in the competitive intelligence field concur that, in order for a CI program to truly impact the organization and survive the inevitable waves of budget cuts, it should report to senior levels of management,” says Leonard Fuld, CEO of Fuld & Co. “In this study, the pharmaceuticals industry stood out for having achieved this objective: 57% of pharmaceutical respondents report to either VP or C-level executives.

“In the legal industry, only 16% of respondents report to VP or C-level executives. This could be in part because law firms are just beginning to explore this function, or possibly because law firm partners, the equivalent of C-level executives, have not yet accepted the function,” he said.

Overall, American companies appear to have less of a long-term commitment to CI than do companies in Europe and Latin America, the survey suggests. Approximately one-quarter of both EU and Latin American respondents reported that their intelligence programs have existed for four years or longer, while in the United States, only 3% of respondents said their intelligence programs have existed for four or more years.

“While respondents were not asked the reason for this dramatic difference in the regions, we speculate that the longer CI lifespan for European intelligence programs is the result of Europeans being historically less mobile than Americans; second, firings or layoffs are less likely in Europe because of both culture and the regulatory systems in place in many EU countries. In contrast, short CI lifespan in U.S. companies could be a function of the quarter-to-quarter pressure facing U.S. companies to give good shareholder returns, which results in more knee-jerk budget cuts, particularly staffing cuts of non-revenue-generating personnel. Certainly, this dynamic affects staff functions other than CI,” says Fuld.

Nearly half the respondents overall were in the pilot stage—where management has begun to recognize the importance of CI and has perhaps allocated some budget—but remained there for four or more years. “This indicates that they are in some way ‘stuck’—likely because they report into the wrong department, have insufficient budgets, or some other reason this survey did not identify,” says Fuld. “CI efforts that are more than four years old and still scoring in the pilot stage indicate a loss of momentum.”

The self-assessment survey consisted of 11 multiple-choice questions, administered online. It inquired into respondents’ processes, awareness, responsibilities, technology, and people, among other areas.

Overall, evidence of CI’s growing importance in corporate decision-making abounds:

- The number of news articles on competitive or competitor intelligence multiplied from 68 in 1990 to 751 in 1998 to 4081 in 2006, according to the Factiva information service.
- The Society of Competitive Intelligence, founded in 1986, has a global membership of nearly 7,000, and has members who run the competitive intelligence programs in most of the Fortune 1,000 or FTSE 100.
- The Fuld Gilad Herring Academy of Competitive Intelligence has educated over 8,000 professionals from 28 countries and was the first organization to offer certification in competitive intelligence.
- CEOs have begun to appreciate CI’s value. Daniel Vasella of Novartis stated that CI is a critical component of his thinking process.

Fuld & Company Inc. ([www.fuld.com](http://www.fuld.com)) is the world's preeminent research and consulting firm in the field of business and competitive intelligence. It has offices in Cambridge, MA, and London.

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