

MICHAEL BROWN, M.D.

For using his unique scientific skills to enhance the Pfizer board's effectiveness

NOBEL PRIZE-WINNING medical researcher Dr. Michael Brown wasn't all that keen on joining a large corporate board when a colleague first proposed the idea to him eight years ago. "I thought that it would be boring," Brown admits.

Today, he calls that decision the third best of his life. The first two, he says, were marrying his wife and entering a life-long scientific collaboration with Joseph L. Goldstein. Brown and Goldstein, both researchers at the University of Texas Southwestern Medical School in Dallas, jointly received a Nobel Prize in 1985.

Other members of the Pfizer board are also pleased with Brown's decision. They say the practicing scientist and physician serves an invaluable role translating scientific talk into plain English for his board-room colleagues. They also say Brown is pivotal in a campaign to inject new vitality into Pfizer's drug pipeline — an initiative that is key to the future of the mammoth pharmaceutical company.

Pfizer makes a total of 14 drugs that are top-sellers in their category, including Viagra and the cholesterol-lowering agent Lipitor. Such market dominance has its positives, but it also has its negatives. For example, it can foster a bureaucratic mindset and stifle innovation. If it goes on too long, patents on current products start to expire and the competitive advantage shrinks.

"We've got to develop new blockbusters," Brown says. "In this industry, you've got to develop new drugs not just to grow, but to stay in place."

Brown has been the impetus behind proactive steps to do just that. In 2003 he assembled a three-person team of outside scientists to advise and provide additional perspective to Pfizer's Science and Technology committee.

The committee, which in addition to Brown includes fellow board members Stan Ikenberry and Franklin

Raines, held dinners with junior Pfizer researchers to discuss their current work and their concerns about any organizational barriers to innovation.

"We need to make sure the young people have a chance to express themselves," Brown explains. He notes that most of history's greatest scientific discoveries were made by people in their thirties or younger. "He has been extraordinarily important in that endeavor, and has always been very

interested in the younger people in the organization," says Pfizer CEO Henry McKinnell.

Brown is quick to deny that he possesses any outstanding qualities as a director. "I am not the best director of Pfizer," he insists. "What I do is I bring a unique perspective." Fellow directors cite contributions that are quite concrete. For example, each board meeting includes a scientific presentation by company staff. Typically, the presenters' biomedical expertise surpasses their skill for communicating it to a wider audience. "Brown speaks to issues in lay language, in simple terms, using common analogies, and unobtrusively brings the entire board into discussions that otherwise could have been unintelligible inside baseball," says Ikenberry.

He recalls a recent case when the board—and possibly shareholders—benefited directly from Brown's medical-world contacts and willingness to put in some extra time.

A Harvard colleague had called Brown, seeking access to certain scientific materials that Pfizer had available. The professor was having trouble getting through the company bureaucracy. Brown made a couple of phone calls, and within hours the material was in the hands of the Harvard professor. Brown recognized the longer-term implications to Pfizer of the science behind the professor's request, and suggested Pfizer be involved in the research.

As professor of molecular genetics and internal medicine at University of Texas Southwestern Medical Center, Brown knows something about scientific research. His



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President Emeritus, University of Illinois

own led to the development of life-saving drugs that landed him a Nobel Prize for Physiology or Medicine along with Goldstein. In the 1970s, the pair discovered a mechanism by which blood cells remove excess cholesterol from the bloodstream. Fittingly, one of Pfizer's blockbuster drugs, Lipitor, is a cholesterol-lowering agent whose development can be traced all the way back to Brown and Goldstein's discoveries.

There are downsides to being a director, however, especially in today's post-Enron environment. One is exposure to media criticism. Brown is among a genre of directors subject to particular scrutiny by watchdog groups. These groups monitor boards that include individuals from the nonprofit sector — charitable institutions, hospitals, universities, etc. Their concern is that the independence of the individual directors may be compromised when the companies donate money to their institutions.

“Pfizer, among other companies, contributes small amounts to our medical school. I don't believe the total amount has changed since I've been on the board,” Brown reports. The pharmaceutical companies consider discretionary charitable contributions, in the aggregate, of less than 1 percent of the organization's operating budget to be not “material” and therefore not a threat to the director's independence. Whether directors meet these categorical independence tests is disclosed prior to their standing for reelection to the board.

WHILE HE IS A SCIENTIST, Brown doesn't focus only on the science in the boardroom. That's what strikes **Charles Baker**, a colleague of Brown's on the board of **Regeneron Pharmaceuticals**. “My first comment after a few board meetings was, ‘He is a good board member, because he tries hard to understand all the issues, not just the science,’” Baker says.

“The fact that Michael adds a different point of view adds great value,” says McKinnell. “It's always a healthy exchange. Michael hears not only our side of the story, but competitors', through the doctors and salespeople that he's in contact with.”

In fact, Brown's contact with doctors and salespeople ties in to the story of how Brown landed on the Pfizer board. In the mid-1990s, a scientist on the Pfizer board, **Paul Marks**, was reaching retirement age and wanted to nominate Brown to replace him. Brown agreed to interview for the director-

ship. **William Steere**, then Pfizer's CEO, asked his advice about the potential for Lipitor, which at the time was a new drug Pfizer was preparing to launch. Brown had learned through his own scientific grapevine of **Warner-Lambert** data that showed that Lipitor outperformed its rivals, and advised Steere that it looked to him like Pfizer had a winner.

Subsequently, Lipitor became the most-prescribed medicine in its category in the United States. Meanwhile, Brown agreed to join the Pfizer board, realizing that his scientific input would provide value...and keep him engaged as well. ■

DIRECTOR'S SNAPSHOT



► Michael Brown celebrates one of his daughters' graduation day with his family

BORN:

April 13, 1941,
in Brooklyn, New York

EDUCATION:

B.A. and M.D., University of Pennsylvania; residency at Massachusetts General Hospital, Boston

CAREER HISTORY:

Professor of molecular genetics and internal medicine and distinguished chair of biomedical sciences at University of Texas Southwestern Medical Center; formerly with the laboratory of Earl R. Stadtman at the National Institutes of Health

FAMILY:

Married to Alice for 39 years; two children

HOMETOWN:

Dallas, Texas

BEST BOOK READ THIS YEAR:

Half Asleep in Frog Pajamas, by Tom Robbins

BEST VACATION PAST 5 YEARS:

A week sailing a chartered boat with Alice in the Virgin Islands

BEST SUMMER JOB:

Working at Smith Kline & French Laboratories in Philadelphia during college and medical school for three summers

I DON'T LEAVE HOME WITHOUT:

My eyeglasses

WHEN I WANT TO RELAX, I:

Go fishing or sailing

FAVORITE QUOTATION:

“I miss 100 percent of the shots that I don't take.”
—Wayne Gretzky

CURRENT CORPORATE BOARDS:

Pfizer, Regeneron Pharmaceuticals