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China Tightens Advertising Rules for Life Sciences Companies

This year China's *Advertising Law* will see its first amendment in two decades. The amendment, which will be implemented on September 1, 2015, reflects the central government's efforts to strengthen consumer protection and to crack down on fraudulent marketing behaviors. It also specifically subjects life sciences companies to new advertising requirements and restrictions.

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Echoing the amendment, the State Administration of Industry and Commerce ("SAIC"), the enforcement body overseeing advertising compliance, is now calling for public comments on the follow-on revision of a series of administrative measures on drug, device and medical service advertisements, including the *Review Standards for Pharmaceutical Advertisements*, the *Review Standards for Medical Device Advertisements*, the *Review Standards for Veterinary Drug Advertisements*, and the *Administrative Measures on Medical Service Advertisements*.

Below are some noteworthy changes introduced by this round of legislative initiatives. Life sciences industry players are encouraged to carefully review the new requirements and adapt their marketing and promotional policies and activities accordingly.

- Advertising is prohibited for a broader set of pharmaceutical products. The advertising ban now extends to pharmaceutical precursor chemicals, as well as drugs, devices and treatment methods for drug rehabilitation.
- Drug and device advertisements must clearly state critical information about the products, such as contraindication and adverse effects.
- Drug and device advertisements must not contain absolute assurances or guarantees of the product's safety. (Previously, the law prohibited only assurances or guarantees of efficacy).
- Advertisements of OTC drugs must not specify their pharmacologic action mechanisms.
- Spokesmen cannot be used in drug, device and medical service advertisements.
- Mass media (including broadcasting, television and the Internet) cannot feature drug, device, health supplement and medical service advertisements in disguised forms, such as in news reports or health-related public education programs.
- Mass media targeted at minors are not allowed to carry drug, device, health supplement or medical service advertisements.
- Advertisement producers and publishers, together with the advertisement owners, are jointly liable for fraudulent advertisement of products and services concerning consumers' lives and health.

Alongside the above new requirements, the revision proposes to remove a restriction on medical service advertisements. Currently, medical service advertisements can contain only basic information regarding the advertised medical institution, such as name, address, telephone number, clinical subjects, and number of beds. In the revised measures, other promotional content will be allowed unless expressly prohibited.

If you would like to discuss the foregoing or any other related matter, please contact [Katherine Wang](#) or your usual Ropes & Gray advisor.