FORM 10-K405

Annual report pursuant to section 13 and 15(d), Regulation S-K Item 405

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BORON LEPORE & ASSOCIATES INC

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark one)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the fiscal year ended December 31, 1998

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from to

Commission File Number:

BORON, LEPORE & ASSOCIATES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	22-2365997
STATE OR OTHER JURISDICTION OF incorporation or organization)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)
17-17 Route 208 North, Fair Lawn, New Jersey	07410
(Address of principal executive offices)	(Zip Code)

(201) 791-7272
(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THIS ACT:

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THIS ACT:
COMMON STOCK (PAR VALUE $0.01 PER SHARE)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [_] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or Information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of March 15, 1999, there were 12,684,062 shares of Common Stock outstanding. The aggregate market value of shares of such Common Stock (based upon the last sale price of $13.875 per share as of March 15, 1999 on the NASDAQ National Market System) held by non-affiliates was approximately $130,274,234.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the Registrant's Proxy Statement in connection with the Registrant's 1999 Annual Meeting of Stockholders scheduled to be held in May 1999 are incorporated by reference in Part III hereof.

STATEMENTS MADE OR INCORPORATED INTO THIS FORM 10-K INCLUDE A NUMBER OF FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933 AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934. FORWARD LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION, STATEMENTS CONTAINING THE WORDS "ANTICIPATES", "BELIEVES", "EXPECTS", "INTENDS", "FUTURE", AND WORDS OF SIMILAR IMPORT WHICH EXPRESS MANAGEMENT'S BELIEFS, EXPECTATIONS OR INTENTIONS REGARDING THE COMPANY'S FUTURE PERFORMANCE. THE COMPANY'S ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS. CERTAIN FACTORS THAT MIGHT CAUSE SUCH A DIFFERENCE ARE DISCUSSED IN THE SECTION ENTITLED "CERTAIN FACTORS THAT MIGHT AFFECT RESULTS" ON PAGE 19 OF THIS FORM 10-K.

ITEM 1. BUSINESS

GENERAL

Boron, LePore & Associates, Inc. (the " Company" or "BLP") provides outsourced promotional, marketing, educational and field sales force logistics services to the pharmaceutical industry. The Company is a leading provider of peer-to-peer meetings. BLP recently expanded the range of its services. Newer service offerings include coordination of other types of meetings such as symposia, continuing education conferences and video satellite conferences;

product marketing services; teleservices such as teledetailing, telemarketing, sales support and fulfillment; contract sales services; and field sales force logistics services. In March, 1998, the Company acquired a continuing medical education company and in May, 1998, the Company purchased a continuing medical education and clinical sales training company.

The Company's predecessor, Boron, LePore & Associates, Inc., a New Jersey corporation, was founded in 1981. In November 1996, the Company's predecessor reincorporated in Delaware to form the Company by merging with and into BLA Acquisition Corp., a newly-formed Delaware corporation. BLA Acquisition Corp., the surviving corporation, changed its name to Boron, LePore & Associates, Inc., upon consummation of the merger.

INDUSTRY AND COMPANY OVERVIEW

Based on data from Scott-Levin, a healthcare marketing information company, pharmaceutical companies spent approximately $1 billion in 1997 on promotional and marketing meetings and events, including peer-to-peer meetings, symposia, third party events and teleconferences. Pharmaceutical companies have relied for many years on third party providers of promotional, marketing and educational conferencing services. In recent years, changes in the pharmaceutical industry have led to greater outsourcing of promotional, marketing and educational functions. At the same time, pharmaceutical companies and providers of promotional, marketing and educational services to such companies have broadened their means of communicating with target audiences from traditional product detailing, peer-to-peer meetings and in-person conferences to also include teleconferences, satellite conferences and various other forms of teleservices.

BLP's objective is to enhance its position as a leading provider of peer-to-peer and other meetings and continue to expand its array of other outsourced promotional, marketing, educational and logistical services, focused mainly on the pharmaceutical industry. The principal elements of the Company's strategy are to: (i) offer a broad range of promotional, marketing, educational and field sales force logistics services; (ii) increase business with existing customers; (iii) obtain new customers; (iv) target new audiences; and (v) pursue strategic acquisitions.

SERVICES

BLP's principal lines of business presently include: (i) promotional and other conferencing services; (ii) educational conferencing services; (iii) product marketing services; (iv) teleservices; (v) contract sales services; and (vi) field sales force logistics services.

Promotional and Other Conferencing Services

The Company conducts and produces conferences in a variety of formats and through different forms of media. All of BLP's conferences are sponsored by the Company's pharmaceutical company customers. The conferences are designed to communicate the sponsoring pharmaceutical company's message to the physicians and other healthcare professionals who attend. BLP's promotional conference service is providing peer-to-peer meetings, which involve a small gathering of physicians who are invited to meet in person or by teleconference to discuss a particular drug or indication under the chairmanship of a Company trained and employed moderator. Other conference services include providing symposia, which are attended by a larger number of attendees and involve a more in-depth presentation than peer-to-peer meetings, and video satellite conferencing. The Company's meetings are not limited to these formats, however, as the Company will coordinate meetings in any format that can effectively convey a customer's message.

Peer-to-Peer. Peer-to-peer meetings among physicians have been the historic foundation of BLP's revenues and growth. Through peer-to-peer meetings, pharmaceutical companies are able to convey information concerning their products to physicians. Physicians who attend the meetings in turn have an opportunity to exchange ideas, clinical experiences and opinions about current therapies. Peer-to-peer meetings are particularly useful in connection with new product launches and products that require an in-depth explanation of their associated therapeutic benefits.

Peer-to-peer meetings typically involve 10 to 12 healthcare practitioners, primarily physicians, who are identified by a pharmaceutical company and generally invited using the Company's telerecruiting center. The attending physicians discuss therapeutic benefits of a new drug or new indication for a familiar drug under the chairmanship of a Company trained moderator. The meetings take place throughout the United States, either at a local hotel or restaurant over dinner (a clinical experience program or "CEP") or by teleconference (a clinical experience teleconference or "CET"). CET meetings are increasingly popular because physicians have a greater choice of meeting times and can interact with peers from around the country. The physicians who attend peer-to-peer meetings receive non-cash honoraria consistent with applicable American Medical Association (the "AMA") and pharmaceutical industry guidelines, which they may donate to charity or use for the purchase of items such as medical equipment or textbooks.

BLP believes pharmaceutical companies select a peer-to-peer meeting provider based on the ability of the provider to attract the invited physicians to attend and the provider's performance record in communicating the customer's message effectively. The Company's customers purchase prescription drug tracking data from independent companies to measure the effectiveness of the peer-to-peer meetings. The prescription drug tracking data generally has demonstrated that physicians who attend the Company's meetings increase their prescriptions of drugs reviewed at the meetings. The Company believes that its reputation, which has been developed over 15 years of conducting peer-to-peer meetings, facilitates recruiting physicians to attend its peer-to-peer meetings.

The Company believes that its moderators have been an important factor in the success of its peer-to-peer meetings. The Company historically has focused on hiring individuals with industry experience as moderators. BLP has developed training techniques to enable the moderators to lead effective peer-to-peer meetings and communicate the therapeutic benefits of a drug. Moderators are trained in such matters as how to best familiarize themselves with the product, how to prepare the proper setting for a meeting, how to deliver an effective presentation and how to coordinate the proper flow of information between the moderator and the physicians and among the physicians. In addition, BLP performs periodic quality reviews of its moderators and solicits feedback from customers and physicians about each moderator.

BLP's contracts for the coordination and production of peer-to-peer meetings generally are fee based, although some contain a performance component which is monitored through the use of the independent prescription tracking systems. The Company's contracts typically require it to provide a certain number of meetings (usually 100 to 300) over a specified period of time (typically three to six months) on behalf of a customer. The terms of each of the Company's contracts vary based upon the complexity of the individual arrangement, whether the meetings will be CEP or CET meetings, the duration of the contract, the number of meetings and attendees covered by the contract and the location for the meetings. The volume of meetings coordinated and produced by the Company has enabled it to obtain discount pricing and preferred scheduling from Mariott Hotels, which has a dedicated sales representative in the Company's office, and discount pricing from other vendors of services such as airline and overnight courier services.

In 1998, 1997 and 1996, BLP conducted 12,822, 10,398 and 7,749 peer-to-peer meetings, respectively. These meetings generated revenues of approximately $52.8 million in 1998, $45.1 million in 1997 and $33.4 million in 1996, representing 32.0%, 61.9% and 83.0%, respectively, of the Company's revenues in each of these years.

Symposia. The Company added symposia in the fourth quarter of 1996 to complement its peer-to-peer meeting business. A Company organized symposium generally involves attendance by approximately 50 to 300 physicians over a weekend. The physicians hear presentations regarding a drug or treatment protocol presented by a faculty of experts in the field for the purpose of being trained to serve as consultants and spokespeople for the sponsoring pharmaceutical company. The sponsoring company pays the faculty in the form of fees or medical grants and reimburses faculty and attending physicians for their travel expenses.

Symposia are organized and conducted on an in-person basis by BLP throughout the United States. BLP actively works with its customers to identify speakers and select locations for each conference. The Company utilizes its in-house travel agent and its other relationships with vendors to assist in coordinating symposia. The Company believes that the key considerations for its customers in selecting a provider for symposia are cost and the ability to effectively organize a large medical conference.

Pharmaceutical company sponsored symposia have been subject to past scrutiny which had an adverse effect on the market for symposia services. Physician attendance currently is subject to a number of industry and professional association guidelines designed to prevent conflicts of interest. In particular, these guidelines regulate the circumstances under which travel and lodging reimbursement and other payments to physicians are permissible. In light of these concerns, the Company adheres to its customers' instructions in conducting symposia. In the event of changes in law, regulatory policy or applicable industry or professional association guidelines or negative publicity concerning symposia sponsored by the pharmaceutical industry, customers may choose to alter their guidelines in ways that would make symposia and related consultancies less attractive to physicians and pharmaceutical companies. In addition, restrictions on such meetings could be imposed by governmental agencies, industry or professional associations or the pharmaceutical companies themselves. Finally, any of the Company's customers could be found to be in non-compliance with relevant law, policy or guidelines in their handling of symposia. Any of these events could have a material adverse effect on the demand for BLP's symposia services.

The Company's symposium contracts generally are fee based. The terms of each of BLP's symposium contracts vary based upon the complexity of the individual arrangement, the duration of the contract, the number of symposia covered by the contract, and their location. The Company conducted 169 symposia in 1998, 48 in 1997 and four in 1996. Symposia accounted for revenues of approximately $28.9 million in 1998, $20.7 million in 1997 and $1.5 million in 1996, representing 17.5%, 28.3% and 3.8%, respectively, of the Company's revenues in each of these years.

Additional Conferencing Services. The Company provides a range of additional conferencing services. The Company emphasizes flexibility and conducts meetings in any format that can effectively communicate its customer's message. Video satellite conferences are an example of one of the many possible formats for meetings. Video satellite conferences are lectures sponsored by pharmaceutical companies. The speakers typically are physicians or other medical experts who are retained by the pharmaceutical company for a fee to discuss a new drug or indication or other medical topic. The Company broadcasts the conferences via satellite on television to various locations throughout the United States. The video satellite conferences typically utilize interactive media involving one-way video, two-way audio, and special keypads for audience participation. By using new forms of technology and media in connection with such video satellite conferences, and CET programs for peer-to-peer meetings, the Company seeks to enable its clients to effectively and efficiently communicate medical information to physicians so that physicians can better understand and utilize pharmaceutical products.

Educational Conferencing Services

Physicians and other healthcare professionals must dedicate a minimum number of hours to certified continuing education ("CE") to remain certified to practice their respective professions in certain jurisdictions. BLP coordinates CE conferences that are funded by pharmaceutical companies and held for approximately 50 to 350 healthcare professionals, primarily physicians, at various locations throughout the United States. Each CE conference is designed, if applicable, to satisfy CE requirements in accordance with relevant regulations or accreditation procedures. Not all of the educational conferences conducted by the Company are intended to satisfy

certified CE requirements. As with the Company's promotional conferencing services, some of the CE programs are conducted by teleconference.

The CE programs, which have been conducted by a separate division of the Company, utilize certain of the Company's core competencies in handling conferencing logistics. Because BLP has not historically been an accredited CE service provider, it typically provided these programs in conjunction with an accredited CE entity, such as a university, which is responsible for producing the program curriculum and related educational materials. The CE programs are frequently taped or otherwise recorded for further distribution to those individuals who are unable to attend.

In March 1998, BLP acquired substantially all of the assets of Strategic Implications International, Inc., a privately-held company located in Vienna, Virginia ("Strategic Implications"). Strategic Implications is a provider of continuing medical education and other related services, and has received accreditation by the American Council for Continuing Medical Education and the American Council on Pharmaceutical Education to provide such services. Strategic Implications is operated as a separate subsidiary of BLP. In May 1998, BLP acquired substantially all of the assets of Medical Education Systems, Inc., a privately-held company located in Philadelphia, Pennsylvania ("MES"). MES is a provider of continuing medical education and other related services. MES is operated as a separate subsidiary of BLP. Combined revenues for Strategic Implications and MES totaled $19.3 million in 1998, representing 11.7% of the Company's revenue in 1998.

Product Marketing Services

BLP introduced its product marketing service in 1996. The Company's customers tend to focus their marketing efforts on their key products because of budgetary and other constraints, and thus typically have a significant number of products with relatively limited sales that are not heavily marketed, if at all. The Company believes that the sales of certain of these products could be increased if their therapeutic benefits were actively communicated to physicians or other healthcare professionals. BLP believes it can leverage its customer relationships and existing services to market some of these products successfully by devising and implementing a variety of promotional and marketing strategies.

The Company anticipates that product marketing engagements typically will involve the grant by a pharmaceutical company of rights to market a particular product for a specified period. The Company will generally bear most marketing costs during this period and in return share incremental revenue if the product achieves specified sales objectives. The Company contemplates that some of these engagements, however, may be fee based to some extent.

The Company currently has the right in the United States to market Ponstel(R) (a registered trademark of Parke-Davis), an analgesic for dysmenorrhea manufactured by Parke-Davis, until July 2000, subject to extension by mutual agreement for successive terms of twelve months. Under the contract, the Company is compensated based on the increase in the sales of Ponstel(R) above an established baseline. During 1998, the Company also had the right in the United States to market Duricef(R) (a registered trademark of Bristol-Myers Squibb), which the Company marketed for most of 1998.

The Company believes that pharmaceutical companies and their product managers may be attracted to product marketing services and the related revenue sharing structure because it enables them to obtain incremental revenue with minimal marketing expenses. The Company's product marketing service enables a product manager to obtain active promotion of products in the manager's portfolio that would not otherwise be actively promoted. The Company's involvement in product marketing need not be limited to a particular stage of a drug's life cycle, as the Company could obtain rights to market an underpromoted drug at any stage of a product's life cycle or supply product support in a vacant sales territory.

Product marketing is subject to a number of the same risks as the Company's conferencing services, as well as additional risks that are not present in the Company's conferencing services, including the risk that the Company will expend resources to sell a product and not achieve the level of sales required to realize any revenue from its efforts. BLP will seek to manage this risk by carefully selecting the products it agrees to promote based on its assessment of multiple criteria, including, but not limited to, the potential responsiveness of the product to promotional activities, the capabilities of the pharmaceutical company's sales force and information obtained from

physicians. Product marketing is a new business area for the Company, and there can be no assurance that the Company will establish a significant or lasting presence in this market.

Teleservices

With the proliferation of multiple forms of interactive media in the 1990s, companies in a variety of industries are increasingly using teleservices as a means of communicating information directly to current and prospective customers and widening the scope of their sales efforts. The Company has expanded its teleservice capabilities, in part, because it is a cost-efficient means, compared to in-person sales calls, to promote, market and sell pharmaceutical or other healthcare products to the highly fragmented universe of physicians, pharmacists and other healthcare professionals. For instance, the Company believes that small to mid-sized pharmaceutical companies, whose detailing forces are limited in size, may seek to expand their sales and marketing efforts for certain products through telemarketing.

BLP believes that the use of teletechnology as a means of marketing pharmaceutical products is in an early stage of development and that there exists a wide range of potential future uses, particularly in relation to consumer healthcare. The Company's strategy involves leveraging its competitive strengths, including its established customer relationships, existing market position, broad range of available services and experience in communicating with physicians and other healthcare personnel, to provide an integrated communications strategy for its customers.

With the opening of its teleservice center in Norfolk, Virginia in July 1997, the Company's teleservices capability increased substantially. The Norfolk teleservice center is capable of traditional modes of teleservice plus more advanced forms of communication, such as internet and interactive computer capabilities, which the Company uses for CE and other purposes. The Company chose the Norfolk location as the site for its teleservice center based on the results of an extensive east coast site selection study which noted, among other factors, the existence of a large pool of available healthcare industry personnel such as nurses, and a redundantly-wired, fiber optic cable infrastructure resulting from the significant military presence in the area.

As of December 1998, the Company had approximately 309 operational terminals at the Norfolk facility. As a result of the new capacity at the Norfolk facility, since September 1997 the Company has reduced the number of teleservice terminals operational in New Jersey from 125 to approximately 6. With respect to both its New Jersey and Norfolk teleservice facilities, the Company believes it has adequate disaster recovery plans, including, among other protections, the ability to regularly back-up data and to access auxiliary power when needed, although there can be no assurance that such plans will be effective in the case of an actual emergency.

The Norfolk facility is being used for telemarketing, teledetailing (i.e., using the telephone to speak to physicians about pharmaceutical products), telerecruiting for its conferencing services, in connection with its field force logistics services and for an inbound consumer help line. BLP contemplates broadening the activities of the center to include other traditional marketing services targeted to the healthcare industry, including marketing and sales support, physician recruitment and fulfillment (i.e., the fulfillment of requests for items such as drug samples, product information packets, product studies and other marketing and promotional materials) from the center's adjacent warehouse of supplies. The Company's potential teleservice businesses include: maintaining consumer health and drug and disease information lines; handling general health information, wellness and triage calls; and disease state education.

BLP contemplates offering its teleservices to managed care companies as a means of promoting proper drug use by their members. For instance, the Company is exploring the possibility of providing information about drugs and holding meetings about drug treatment for managed care patients who are failing to take the medications prescribed by their physicians. The Company believes that such a service could help reduce the costs of the managed care provider by improving the health of its patients, while simultaneously providing information about a pharmaceutical company's product.

Teleservices is a new business area for the Company involving a number of the same risks as the Company's conferencing services, as well as additional risks not present in its traditional business, such as the risk of competition from larger, established companies having greater resources and access to capital. There can be no assurance that the Company will establish a significant or lasting presence in this market.

Contract Sales Services

BLP established a contract sales organization (the "CSO") in August 1997. The Company believes that contract sales is another attractive outsourced service to pharmaceutical companies because it allows a customer to shift fixed cost to variable cost by outsourcing portions of its sales function and to respond quickly to the need for alternative and additional sales support for its products. The Company expects that the CSO will engage in traditional product detailing efforts, which involve providing pharmaceutical product samples and related promotional and educational materials to physicians. In addition, the CSO will utilize advanced information technology and interface with the teleservices business to offer clients a fully integrated sales approach. This approach will include unique training, development and recruiting disciplines designed to enable the CSO to compete effectively to service the specialized needs of the pharmaceutical industry. BLP believes it can leverage its existing customer relationships and market reputation to obtain projects for the CSO.

The Company currently has five contracts for its CSO, and currently has approximately 382 salaried sales representatives to service these contracts. Combined revenues for the CSO organization totaled $23.0 million in 1998, representing 14.0% of the Company's revenue in 1998.

The Company expects that its CSO will continue to be structured along the dedicated sales force model, with groups of sales persons recruited by BLP to conduct sales for a particular client. The Company is currently in negotiations to provide contract sales services for additional customers.

BLP believes that the quality of sales representatives, speed of recruitment and management of the CSO are the most important factors in responding to its customers' needs for outsourced sales support. The Company believes that its established reputation in the industry, its ability to provide an array of complementary promotional services and its ability to recruit and staff new sales forces in a timely manner will assist it in expanding its CSO in the coming year.

Contract sales is an area of business for BLP involving a number of the same risks as the Company's conferencing services, as well as additional risks not present in its traditional business, such as the risk of competition from larger, established companies having greater resources and access to capital. There can be no assurances that the Company will establish and maintain a significant or lasting presence in this market.

Field Sales Force Logistics Services

The Company's customers generally provide their sales forces in the field with budgets with which to engage in promotional and educational efforts. Because these field sales representatives typically have been responsible for planning, coordinating and implementing these efforts with in-house staff, outside vendors and meeting participants, the Company believes that the representatives have historically had to divert valuable time away from their primary sales and education activities. BLP's field sales force logistics organization was created to allow pharmaceutical companies to increase the efficiency and reach of their field sales forces by providing integrated outsource solutions for the sales forces' meeting planning, event coordination and other logistical functions. The Company believes that field sales force logistics represents a substantial, emerging business opportunity, and that its historical expertise and ability to invest in technology provide it with a strategic advantage in delivering such services to potential customers.

The Company's field sales force logistics organization is designed to handle all logistical matters for the field sales force of a customer upon the direction of the sales force personnel. For example, a field sales representative could contact a dedicated resource at BLP and request the implementation of a meeting with doctors in an indicated field to be chaired by a specified speaker. The Company would secure the meeting site, target and generate the appropriate audience, identify and/or contact the speaker, arrange for attendee and speaker travel arrangements, send out invitations and post-meeting thank you notes, assist in obtaining any necessary approvals from the home office and handle all other logistical details. BLP would also process and make available to the sales representative all relevant programs and data on a virtual basis via the internet and other forms of remote access.

BLP began forming a field sales force logistics organization in late 1997. In March 1998, the Company signed a contract with a large pharmaceutical company to provide field sales force logistical services for up to a two-year period. Pursuant to that contract, the Company has created an organization of approximately 80 employees dedicated to servicing the field sales force logistics requirements of that customer. In December 1998, the Company signed a contract with a pharmaceutical company to provide field sales force logistical services for up to a three-year period. The Company is creating an organization dedicated to servicing the field sales force logistics requirements of that customer. BLP is currently in the preliminary stages of negotiations to provide field sales force logistics services to other customers. Revenues for the field sales force logistics organization totaled $35.5 million in 1998, representing 21.6% of the Company's revenue in 1998.

Field sales force logistics is an area of business for BLP involving a number of the same risks as the Company's conferencing services, as well as risks not present in its traditional business, such as the risks that it will be unable to efficiently implement the significant planning and coordination efforts required by this business or that this new service will not be accepted generally by pharmaceutical companies. There can be no assurance that the Company will establish a significant or lasting presence in the market, or that this market will continue to develop at all.

CUSTOMERS

BLP believes that its relationships with its customers, which include many of the largest pharmaceutical companies, are among its most important strategic advantages. Prior to 1996, the Company's customers principally engaged the Company to hold peer-to-peer meetings. Commencing in 1996, several of the relationships expanded to include other services such as symposia, product marketing, teleservices, contract sales and field sales force logistics.

BLP's customer relations strategy focuses on maintaining strong relationships with product managers and senior management at each of its customers and providing creative, focused and result-oriented solutions to their marketing needs. The Company's account managers (currently 20 individuals) develop relationships principally with the product managers at the pharmaceutical companies and spend significant time on-site at customer facilities. The Company's account managers work with the product managers to implement, and in some cases assist in developing, the customer's marketing plan within a prescribed budget. Although the Company markets competing products from time to time, it does not market such products through the same type of promotional or marketing service without the consent of its customers.

Revenue from two customers accounted for approximately $56.5 million (34%) and $44.0 million (27%) of total revenue for the year ending December 31, 1998.

In late 1998, the Company was advised that a significant customer would not be making any new commitments for speaker training and advisory panel meetings with the Company. This customer represented 27% of the Company's total revenues during the year ended December 31, 1998. A substantial portion of this revenue was comprised of speaker training and advisory panel meetings. Based on further discussions with this customer, except for a limited amount of speaker training revenue in the three-month period ending March 31, 1999, the Company believes it will not produce any revenue related to this customer in 1999. The Company believes it will be more successful by focusing on other existing and new services which are more profitable than attempting to replace the anticipated loss in speaker training and advisory panel meetings revenue, as such meetings have a significantly lower gross margin percentage than other services. There can be no assurance that the Company will be able to develop or grow services quickly enough or with enough magnitude and profitability to mitigate the reduction in profit related to the anticipated reduction in speaker training and advisory panel meetings revenue. In addition, the Company will attempt to replace the non-speaker training and advisory panel revenue from this customer by increasing its peer-to-peer meeting and medical education business with existing and new clients. There can be no assurance that the Company will be able to build other customer relations to the level necessary to fully replace the anticipated loss of non-speaker training and advisory panel revenue previously generated by this client.

COMPETITION

The business of providing promotional, marketing and educational services to the pharmaceutical industry is competitive. The business of providing pharmaceutical conferencing services is highly fragmented and the Company's competitors in this area generally include smaller, regionally focused companies that provide a limited number of promotional, marketing and educational services, usually focused on the pharmaceutical industry. Several of the Company's competitors in this area, however, offer services that are somewhat wider in scope. Although BLP believes it is a leading provider of peer-to-peer meetings, there are many larger providers of symposia and educational conferences.

As BLP seeks to expand its range of services, it is likely to face competition from companies which already have established a strong business presence providing similar services to other businesses. The outsourced product marketing business is currently in its formative stage and is expected to become increasingly competitive. In addition, the sale of a pharmaceutical product and its related assets to a third party is a competing strategy by which pharmaceutical companies may seek to maximize returns from products that might otherwise be candidates for the Company's product marketing services. A large number of companies currently provide teleservices such as telemarketing and teledetailing to companies in many industries including the pharmaceutical industry, and many of these companies have greater resources and access to capital than the Company. The provision of contract sales services is also a relatively new and undeveloped industry in the United States, and the Company faces significant competition in providing such services from larger, established companies having greater resources and access to capital. For instance, some of the Company's larger competitors have computerized resume tracking systems for recruiting contract sales representatives.

Overall, BLP believes that its most significant competition is potentially from other companies that provide outsourced promotional, marketing, educational and field sales force logistics services and large advertising agencies which may seek to expand their service offerings. In addition, the pharmaceutical companies' in-house marketing departments may provide similar services to those provided by BLP and competition could increase as a result of the expansion of the in-house marketing capabilities by BLP's customers or in the pharmaceutical industry generally.

BLP competes against other companies offering pharmaceutical conferencing and other outsourced promotional, marketing and educational services on the basis of such factors as reputation, quality, experience, performance record, effectiveness of service, ability to offer a range of integrated services, ability to provide services quickly and price. Some of the Company's distinguishing characteristics are the longevity of its relationships with its customers, its reputation for quality service and its ability to offer a relatively broad range of services.

GOVERNMENT AND INDUSTRY REGULATION

The healthcare industry is subject to extensive regulation. Various laws, regulations and guidelines promulgated by government, industry and professional bodies affect, among other matters, the provision, licensing, labeling, marketing, promotion, sale and reimbursement of healthcare services and products, including pharmaceutical products. Certain areas of the telemarketing and teleservices industry recently also have become subjected to increasing government regulation. It is possible that additional or amended laws, regulations or guidelines could be adopted in the future.

BLP's service offerings are affected by various guidelines promulgated by industry and professional organizations. For example, certain ethical guidelines promulgated by the AMA govern, among other matters, the receipt by physicians of gifts from health-related entities. These guidelines govern the honoraria and other items of pecuniary value which AMA-member physicians may receive in connection with peer-to-peer meetings and symposia sponsored by the pharmaceutical company customers of the Company. Similar regulations have been implemented by other professional and industry organizations, such as the Pharmaceutical Manufacturers Association, and some of the Company's customers also have their own policies regarding such matters. The provision of CE services is subject to compliance with guidelines promulgated by various accreditation bodies. For instance, providers of continuing medical education programs must comply with the rules of the Accreditation Council of Continuing Medical Education (the "ACCME") in order for the provider of the program to receive

accreditation from the ACCME. Other professional associations and some of the Company's customers also have their own standards for continuing education programs.

The pharmaceutical industry is subject to extensive federal regulation and oversight by the FDA. For instance, the Federal Food, Drug and Cosmetic Act, as supplemented by various other statutes, regulates, among other matters, the approval, labeling, advertising, promotion, sale and distribution of drugs, including the practice of providing product samples to physicians. Under this statute, the FDA asserts its authority to regulate all promotional activities involving prescription drugs. For example, in connection with focus groups conducted by one of the Company's competitors, the FDA recently issued warning letters indicating concern about the manner in which the focus groups were conducted, and the FDA also questioned the content of the information provided to the focus group participants and requested delivery of remedial information. Accordingly, the businesses of BLP and its customers, to the extent such business involves promotion and marketing of pharmaceutical products, are subject to the extensive regulation governing the pharmaceutical industry, and there can be no assurance that the Company will not be subject to increased regulatory scrutiny in the future.

Certain portions of the telemarketing and teleservices industry have become subject to increased federal and state regulation in recent years. The rules of the Federal Communications Commission (the "FCC") under the Federal Telephone Consumer Protection Act of 1991 limit the hours during which telemarketers may call consumers and prohibit the use of automated telephone dialing equipment to call certain telephone numbers. The Federal Telemarketing and Consumer Fraud and Abuse Prevention Act of 1994 (the "TCFAPA") broadly authorizes the Federal Trade Commission (the "FTC") to issue regulations prohibiting misrepresentation in telephone sales. In August 1995, the FTC issued regulations under the TCFAPA which, among other things, require telemarketers to make certain disclosures when soliciting sales. The Company believes its operating procedures comply with the telephone solicitation rules of the FCC and the FTC. However, there can be no assurance that additional federal or state legislation, or changes in the regulatory environment, would not limit the activities of the Company or its customers in the future or significantly increase the cost of regulatory compliance.

The failure of BLP or its customers to comply with, or any change in, the applicable regulatory requirements or professional organization or industry guidelines could, among other things, limit or prohibit the Company or its customers from conducting certain business activities, subject the Company or its customers to adverse publicity, increase the costs of regulatory compliance or subject the Company or its customers to monetary fines or other penalties. Any such actions could have a material adverse effect on the Company.

LIABILITY AND INSURANCE

Participants in the healthcare industry have become subject to an increasing number of lawsuits alleging malpractice, product liability and other legal theories, many of which involve large claims and significant legal costs. As a provider of promotional, marketing, educational and field sales force logistics services to the pharmaceutical industry, BLP is subject to the risk of being named as a party in such lawsuits. As a result of its introduction of product marketing services, teleservices and contract sales services, the Company believes that the relative likelihood of becoming involved in litigation regarding the information given or products sold or distributed by its personnel has increased, with the attendant risks of significant legal costs, substantial damage awards and adverse publicity. Even if any such claims ultimately prove to be without merit, defending against them can result in adverse publicity, diversion of management's time and attention and substantial expenses, which could have a material adverse effect on the Company.

BLP maintains insurance policies, including liability insurance, which it believes to be adequate in amount and coverage for the current size and scope of its operations. There can be no assurance, however, that the coverage maintained by the Company will be sufficient to cover all future claims or will continue to be available in adequate amounts or at a reasonable cost. During 1998, the Company increased its insurance coverage in connection with expanding its service offerings. In addition, although the Company's contracts with its customers sometimes require the customer to indemnify the Company for the customer's negligent conduct, the contracts do not provide for adequate indemnification against many of the potential litigation risks facing the Company and often require the Company to indemnify its customer for the Company's negligence. BLP, therefore, could be held responsible for losses incurred in connection with the performance of its services under the terms of these contracts or otherwise and could incur substantial costs in connection with legal proceedings associated with its services or the pharmaceutical products with respect to which it provides services.

EMPLOYEES

As of December 31, 1998, BLP had 1,094 employees, including 932 full-time employees and 162 part-time employees. Of the full-time employees, 64 were moderators, 43 were engaged in sales, 489 were engaged in sales support and production, 382 were contract sales representatives, 6 were engaged in business development and 110 were engaged in general and administration. The Company is not party to a collective bargaining agreement with a labor union and considers its relations with its employees to be good.

ITEM 2. PROPERTIES

BLP's corporate headquarters are located in Fair Lawn, New Jersey, in approximately 17,238 square feet of space occupied under a lease which expires on July 31, 1999. In March 1998, the Company entered into a lease for 5,600 square feet of additional space in the same building as its corporate headquarters. This lease expires on January 31, 2000. The Company currently leases an additional 5,247 square feet of space for a call center in Fair Lawn, New Jersey.

The Company commenced operations at its teleservice center in Norfolk, Virginia, in July 1997. The space for the teleservice center currently consists of approximately 28,700 square feet under a lease expiring in July 2007, with options to expand the lease space. BLP also has leased a 14,248 square foot warehouse adjacent to the teleservice center which is intended to be used for fulfillment functions.

During 1998, the Company commenced operations on its field force logistics business in Piscataway, New Jersey, in approximately 16,465 square feet of space occupied under a lease which expires on January 1, 2003.

During 1998, the Company acquired Medical Education Systems, Inc. ("MES"). The MES operations are located in Philadelphia, Pennsylvania, in approximately 12,316 square feet of space occupied under a lease which expires on March 31, 2008.

In addition, the Company leases other sales offices around the United States on a short-term basis to support its local sales and service operations.

ITEM 3. LEGAL PROCEEDINGS

As previously disclosed, Thomas S. Boron, a former stockholder and officer of the Company, filed a complaint on March 27, 1998 in the United States District Court for the District of New Jersey against the Company, Patrick G. LePore and Gregory F. Boron, senior officers and directors of the Company, and Michael W. Foti and Christopher J. Sweeney, former officers of and current consultants to the Company, alleging, among other matters, securities and common law fraud and breach of contract in connection with the settlement of contractual arrangements with Thomas S. Boron in December 1996. The damages sought by Thomas S. Boron are not stated in the complaint. The Company's By-laws provide for mandatory indemnification of the Company's officers and former officers to the fullest extent authorized by the Delaware General Corporation Law against all expenses incurred in proceedings in which an officer or former officer is involved as a result of serving or having served as an officer, director or employee of the Company. The Company believes the allegations of Thomas S. Boron are without merit and intends to contest them vigorously. The Company believes that the matter may involve significant litigation-related expenses but that it will not have a material adverse effect on its financial condition or results of operations; there can be no assurance, however, that this will be the case.

In addition, the Company, from time to time, is involved in legal proceedings incurred in the normal course of business. The Company believes none of these proceedings will have a material adverse effect on the financial condition or liquidity of the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information

The Company's Common Stock, $.01 par value ("Common Stock") has been traded on the NASDAQ National Market ("Nasdaq") since the Company's initial public offering on September 23, 1997 and currently trades under the symbol "BLPG". The following table sets forth the high and low of the closing sales prices for the Company's Common Stock as reported by Nasdaq for the periods indicated:

	MARKET PRICES (1)	
	HIGH	LOW
1997 Fiscal Quarters		
Third Quarter (2)	$24.125	$22.750
Fourth Quarter	$28.000	$19.625
1998 FISCAL QUARTERS		
First Quarter	$36.750	$23.875
Second Quarter	$38.000	$27.875
Third Quarter	$41.375	$30.000
Fourth Quarter	$43.000	$25.000

(1) The prices listed reflect inter-dealer prices without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.
(2) From September 23, 1997, the effective date of the Company's initial public offering.

Holders

The number of record holders of the Company's Common Stock as of March 15, 1999 was approximately 61, although the Company believes that the number of beneficial owners of Common Stock as of that date was substantially higher.

Dividends

The Company did not pay cash dividends on its Common Stock during the years ended December 31, 1998 and December 31, 1997, and intends to retain all available funds for use in the operation and expansion of its business. The Company therefore does not anticipate that any cash dividends on its Common Stock will be declared or paid in the foreseeable future.

Recent Sales of Unregistered Securities

In March 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Strategic Implications International, Inc. ("SII"), a Maryland corporation. The purchase price was $4.3 million in cash and approximately 137,000 shares of the Company's common stock. The Company continued to operate SII as an ongoing business unit during 1998.

In May 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Medical Education Systems, Inc. ("MES"), a Pennsylvania corporation. The purchase price was $10.0 million in cash and 160,103 shares of the Company's common stock. The Company continued to operate MES as an ongoing business unit during 1998.

In August 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Strategem Plus, Inc. ("Strategem"), a New Jersey corporation. The purchase price was $1.6 million in cash and 13,630 shares of the Company's common stock. The Company continued to operate Strategem as an ongoing business unit during 1998.

ITEM 6. SELECTED FINANCIAL DATA

The selected statement of operations data for the years ended December 31, 1998, 1997 and 1996 and the selected balance sheet data at December 31, 1998 and 1997 have been derived from the audited Financial Statements of the Company included elsewhere in this Report on Form 10-K. The selected statement of income data for the years ended December 31, 1995 and 1994 and the selected balance sheet data at December 31, 1996, 1995 and 1994 have been derived from the audited financial statements of the Company not included in this Report on Form 10-K. The following selected financial data should be read in conjunction with the Financial Statements and the Notes thereto of the Company and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this Form 10-K.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,				
	1998	1997	1996	1995	1994
	(IN THOUSANDS, EXCEPT PER SHARE DATA)				
<S>	<C>	<C>	<C>	<C>	<C>
STATEMENT OF OPERATIONS DATA:					
Revenues	$164,670	$72,907	$ 40,220	$21,775	$20,580
Cost of sales	115,712	51,580	26,005	12,788	12,378
Gross profit	48,958	21,327	14,215	8,987	8,202
Selling, general and administrative expenses	34,625	12,444	19,995(1)	6,341	6,536
Operating income (loss)	14,333	8,883	(5,780)	2,646	1,666
Interest (income) expense, net	(1,664)	1,071	255	86	43
Nonrecurring loss on forgiveness of related party loan	--	--	1,076	--	--
Income (loss) before provision for income taxes	15,997	7,812	(7,111)	2,560	1,623
Provision for income taxes(2)	5,550	1,700	--	51	25
Net income (loss)	$ 10,447	$ 6,112	$ (7,111)	$ 2,509	$ 1,598
Net income (loss) per common share--basic	$0.88	$1.07	$(1.18)		
Weighted average common shares outstanding--basic	11,936	4,947	6,028		
Net income (loss) per common share--diluted	$0.84	$0.72	$(1.18)		
Weighted average common shares outstanding--diluted(3)	12,370	8,507	6,028		

<CAPTION>

	DECEMBER 31,				
	1998	1997	1996	1995	1994
	(IN THOUSANDS)				
<S>	<C>	<C>	<C>	<C>	<C>
BALANCE SHEET DATA:					
Cash and cash equivalents	$ 36,924	$24,016	$ 7,176	$ 963	$ 30
Working capital	56,470	29,805	2,416	3,046	78
Total assets	125,102	51,056	23,097	10,499	5,128
Long-term debt, less current maturities	--	--	20,000	2,061	308
Redeemable equity securities	--	--	12,500	--	--
Total stockholders' equity (deficit)	97,496	32,843	(29,387)	2,505	145

</TABLE>

(1) Includes $10.0 million for special officer bonuses, including $7.5 million as part of the TA Transaction and $0.6 million for fees related to the TA Transaction.
(2) The Company elected to be taxed under Subchapter S of the Code until December 4, 1996, and accordingly the provision for income taxes for all periods ending on or prior to such date reflects only state business tax expense, if any.
(3) Due to the effect of the TA Transaction on the Company's capital structure, per share data for the years ended prior to December 31, 1996 are not comparable to subsequent periods and, therefore, have not been presented. Weighted average common shares outstanding has been computed as provided in Note 3 to the Financial Statements of the Company included elsewhere in this Report on Form 10-K.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of the results of operations and financial condition of the Company should be read in conjunction with the Company's Financial Statements and the Notes thereto included elsewhere in this Report on Form 10-K. This Report on Form 10-K contains forward-looking statements. Discussions containing such forward-looking statements may be found in the material set forth below, as well as in this Form 10-K generally. Prospective investors are cautioned that any such forward looking statements are not guarantees of future performance and involve risks and uncertainties. Actual events or results may differ materially from those discussed in the forward-looking statements.

OVERVIEW

Boron, LePore & Associates, Inc. ("BLP" or the "Company") provides outsourced marketing, educational and sales services to the pharmaceutical industry.

Substantially all of the Company's customers are large pharmaceutical companies seeking to communicate their messages to physicians and other healthcare professionals on a cost-effective basis. The Company's objective is to enhance its position as a leading provider of peer-to-peer and other meetings and to continue to expand its array of other marketing, educational and sales services.

Following several years of relatively modest revenue growth, BLP's revenues have grown significantly since 1995. This growth resulted from increased business with existing customers, the addition of new customers and the expansion of services offered. The Company believes that the increase in business with existing customers and the addition of new customers reflect increased recognition of peer-to-peer meeting programs as an effective promotional technique and increased levels of marketing and educational spending in the pharmaceutical industry.

Principal elements of the Company's growth strategy are further enhancing and expanding its service offerings, continuing to increase business with existing customers and obtaining new customers. As part of this strategy, over the last three years, the Company has expanded its portfolio of services to include symposia, medical education, product marketing, teleservices, contract sales and field force logistics services. In connection with its expansion of services, during 1997, the Company opened a new teleservice center in Norfolk, Virginia and established a contract sales organization. In late 1997, the Company began forming a field force logistics organization and, in March 1998, the Company signed a contract with a large pharmaceutical company to provide field force logistics services through December 1999. Such services include meeting planning, event coordination and other logistical services. The contract provides for a management fee component and a fee-for-service component. In October 1998 the management fee for calendar year 1999 was established. The fee-for-service component is dependent upon the level of services provided. In December 1998, the Company signed its second field force logistics contract with a pharmaceutical company to provide field force logistics services through December 2001. This second contract is significantly smaller than the Company's first field force logistics contract, and it also provides for a management fee component and a fee-for-service component. The Company believes field force logistics is a substantial, emerging business opportunity and that the Company's historical expertise and ability to invest in technology provide it with a strategic advantage. However, there can be no assurance that the Company will be able to obtain additional field force logistics contracts or that the existing contracts will be extended. Also in 1998, the Company continued to enhance its newer service offerings, as it acquired two medical education companies and added clients to its contract sales business.

In late 1998, the Company was advised that a significant customer would not be making any new commitments for speaker training and advisory panel meetings with the Company. This customer represented 27% of the Company's total revenues during the year ended December 31, 1998. A substantial portion of this revenue was comprised of speaker training and advisory panel meetings. Based on further discussions with this customer, except for a limited amount of speaker training revenue in the three-month period ending March 31, 1999, the Company believes it will not produce any revenue related to this customer in 1999. The Company believes it will be more successful by focusing on other existing and new services which are more profitable than attempting to replace the anticipated loss in speaker training and advisory panel meetings revenue, as such meetings have a significantly lower gross margin percentage than other services. There can be no assurance that the Company will be able to develop or grow services quickly enough or with enough magnitude and profitability to mitigate the reduction in profit related to the anticipated reduction in speaker training and advisory panel meetings revenue. In addition, the Company will attempt to replace the non-speaker training and advisory panel revenue from this customer by

increasing its peer-to-peer meeting and educational conferencing business with existing and new clients. There can be no assurance that the Company will be able to build other customer relations to the level necessary to fully replace the anticipated loss of non-speaker training and advisory panel revenue previously generated by this client.

Although revenues from the Company's peer-to-peer meeting business grew from $33.4 million in 1996 to $45.1 million in 1997 and then to $52.8 million in 1998, the Company does not anticipate that future growth of revenues from this line of business will continue at such an accelerated rate. Furthermore, the Company believes that the aforementioned loss of a significant customer will negatively impact the Company's future peer-to-peer meeting revenue. In addition, although revenues from the Company's symposia services (also known as speaker training meetings) increased from $1.5 million in 1996 to $20.7 million in 1997 and to $28.9 million in 1998, due to the aforementioned loss of the significant customer and the Company's focus on replacing the speaker training revenue related to this customer with revenue from other services, the Company anticipates a significant decrease in symposia revenue in 1999 as compared to 1998.

Certain of BLP's newer services, particularly symposia and field sales force logistics, have lower gross margin percentages than the Company's historical peer-to-peer meeting business, while other services, particularly educational conferencing, have higher gross margin percentages than the Company's historical peer-to-peer meeting business. As such, the mix of business generated from indivdiual services could impact the Company's operating profit percentage. In addition, the initial costs related to the Company's new teleservice center, contract sales organization, development and implementation costs of the Company's technology enhancement efforts and the establishment and build-out of its field sales force logistics organization, negatively impacted the Company's 1998 financial performance. Due to those costs and the increase in the proportion of symposia and field sales force logistics revenue during 1998 relative to 1997, its operating profit as a percentage of revenues in 1998 was less than that achieved in 1997. The Company's objective is to enhance its operating profit through efficiency efforts, carefully managing operating expenses, improving its mix of revenue and increasing its overall revenue. However, the Company's operating margins could be adversely affected if its efforts to enhance the profitability of its services are not successful, the proportion of symposia or field sales force logistics revenue to total revenues is greater than anticipated, the proportion of educational conferencing revenue is less than anticipated or total revenues do not grow sufficiently to fully leverage its operating expenses.

RESULTS OF OPERATIONS

The following table sets forth as a percentage of revenues certain items reflected in the Company's Statement of Operations for the periods indicated.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
<S>	<C>	<C>	<C>
Revenues..	100.0%	100.0%	100.0%
Cost of sales...	70.3	70.7	64.7
Gross profit..	29.7	29.3	35.3
Selling, general and administrative expenses................	21.0	17.1	49.7
Operating income (loss)...................................	8.7	12.2	(14.4)
Interest (income) expense, net..............................	(1.0)	1.5	0.6
Nonrecurring loss on forgiveness of related party loan.......	--	--	2.7
Income (loss) before provision for income taxes.............	9.7	10.7	(17.7)
Provision for income taxes..................................	3.4	2.3	--
Net income (loss)...	6.3%	8.4%	(17.7)%

</TABLE>

YEAR ENDED DECEMBER 31, 1998 COMPARED TO YEAR ENDED DECEMBER 31, 1997

Revenues increased $91.8 million, or 126%, from $72.9 million in 1997 to $164.7 million in 1998. This growth primarily resulted from the addition of $34.5 million of revenue from field sales force logistics services, an increase of $20.9 million of revenue from contract sales services, an increase of $18.9 million in educational conferencing services and a $17.5 million increase in promotional conferencing services revenue. The increase in the Company's promotional conferencing services revenue was comprised of an $8.2 million increase in symposia

services revenue and an increase in revenue from peer-to-peer meetings and other conferencing services of $9.3 million.

Cost of sales increased $64.1 million, or 124%, from $51.6 million in 1997 to $115.7 million in 1998. Cost of sales as a percentage of revenues decreased from 70.7% in 1997 to 70.3% in 1998. The decrease in cost of sales as a percentage of revenues was primarily due to the increase in educational services revenue which has a higher gross profit percentage than the Company's historical peer-to-peer meeting business. This decrease was partially offset by an increased proportion of field sales force logistics revenue, which, during 1998, had a lower average gross profit than the Company's historical business due to the higher proportion of production costs which are passed through to the customer with little or no markup and a decreased proportion of symposia services.

Selling, general and administrative expenses increased $22.2 million, or 178%, from $12.4 million in 1997 to $34.6 million in 1998. This increase was due to the cost of personnel additions of approximately $12.6 million, including the personnel of acquired companies, and an increase in other operating costs of approximately $9.6 million incurred to support the Company's growth. Selling, general and administrative expenses increased as a percentage of revenues from 17.1% in the prior year period to 21.0% in the current year period as the percentage increase in selling, general and administrative expenses was partially offset by the increase of revenues.

Operating income increased $5.4 million from $8.9 million in 1997 to $14.3 million in 1998. Operating income as a percentage of revenues declined from 12.2% in 1997 to 8.7% in 1998. The decrease in operating income as a percentage of revenues was primarily due to the aforementioned increase in selling, general and administrative expenses as a percentage of revenues.

Interest expense, net of interest income, was $1.1 million in 1997 compared to $1.7 million of interest income in 1998. This change was due to a decrease in interest expense in the current year period as compared to the prior year period related to the Company's full repayment of its bank debt during 1997, and an increase in interest income in the current year period as compared to the prior year period related to the Company's higher average cash balance in the current year period as compared to the prior year period.

The provision for income taxes for 1998 was $5.6 million versus $1.7 million for 1997, reflecting estimated Federal and state income tax expense partially offset by the utilization of benefits from net deferred tax assets recognized on the Company's December 31, 1996 balance sheet which are related to net operating loss carryforwards previously not recognized.

YEAR ENDED DECEMBER 31, 1997 COMPARED TO YEAR ENDED DECEMBER 31, 1996

Revenues increased $32.7 million, or 81%, from $40.2 million in 1996 to $72.9 million in 1997. This increase was primarily due to growth of the Company's promotional and other conferencing services, which increased $30.9 million, or 88%. This growth resulted from the addition of $19.1 million of revenue from symposia services, which were introduced by the Company in late 1996, and $11.8 million of incremental revenue from peer-to-peer meetings and other conferencing services. Contract sales services, which were introduced by the Company in August 1997, accounted for $2.2 million in revenue in 1997 and field force logistics services, which were introduced by the Company in late 1997, accounted for $1.0 million in revenue in 1997. These revenue increases were partially offset by a $1.3 million decrease in revenues from educational services, teleservices and product marketing services, on a combined basis.

Cost of sales increased $25.6 million, or 98%, from $26.0 million in 1996 to $51.6 million in 1997. Cost of sales as a percentage of revenues increased from 64.7% in 1996 to 70.7% in 1997. The increase in cost of sales as a percentage of revenues was primarily due to the introduction of symposia services, which have a lower average gross profit than the Company's historical business due to the higher proportion of production costs which are passed through to the customer with little or no markup, and a $0.9 million increase in moderator training costs.

Selling, general and administrative expenses decreased $7.6 million, or 38%, from $20.0 million in 1996 to $12.4 million in 1997. This decrease was due to 1996 financial results containing $10.0 million for special officer bonuses, including $7.5 million related to the TA Transaction in December 1996, and fees of $0.6 million related to the TA Transaction, whereas 1997 financial results contained no such special bonuses or fees. This decrease was partially offset by an increase in outside services, rent, depreciation, and other operating expenses of approximately $2.1 million incurred to support the Company's growth, and the cost of personnel additions of approximately $0.9

million. Selling, general and administrative expenses decreased as a percentage of revenues from 49.7% in 1996 to 17.1% in 1997 primarily due to the special officer bonuses and fees incurred in 1996, which amounted to 26.4% of 1996 revenues, and the aforementioned increase in revenues from 1996 to 1997.

Operating income increased $14.7 million from an operating loss of $5.8 million in 1996 to an operating income of $8.9 million in 1997. Operating income (loss) as a percentage of revenues improved from 14.4% operating loss in 1996 to 12.2% operating income in 1997. The improvement in operating income (loss) was primarily due to the aforementioned decrease in selling, general and administrative expenses as a percentage of revenues, partially offset by the aforementioned increase in cost of sales as a percentage of revenues. The decrease in selling, general and administrative expenses as a percentage of revenues primarily related to the inclusion in 1996 of expenses relating to the TA Transaction, which comprised 26.4% of 1996 revenues.

In December 1996, the Company incurred a nonrecurring loss of approximately $1.1 million resulting from the write-down of a promissory note from a former affiliate. This note was purchased by certain of the Company's officers in connection with the TA Transaction.

Interest expense net of interest income increased from $0.3 million in 1996 to $1.1 million in 1997. This increase was primarily attributable to increased borrowings in 1997, partially offset by increased interest income. The increased borrowings were related to the Company's $20 million term loan which was entered into in December 1996. The increase in interest income was related to increased cash balances, primarily resulting from the Company's 1997 initial public offering. The increase in interest expense net of interest income was also due to the 1997 amount including a $0.3 million write-off of unamortized financing fees and a $31,000 charge to terminate an interest rate swap agreement. Both of these transactions were related to the Company's early settlement of its term loan.

The provision for income taxes for 1997 was $1.7 million, reflecting estimated Federal and state income tax expense partially offset by the utilization of benefits from net deferred tax assets recognized on the Company's December 31, 1996 balance sheet which are related to net operating loss carryforwards previously not recognized. Prior to December 4, 1996, the Company had elected to be subject to taxation under Subchapter S of the Internal Revenue Code of 1986, as amended (the "Code") and, therefore, no income tax expense was recorded prior to such change in tax status. During the remaining portion of 1996, subsequent to the change in tax status, the Company incurred a net operating loss. As such, the Company did not record a tax provision in 1996.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 1998, the Company had $56.5 million in net working capital, an increase of $26.7 million from December 31, 1997. As described below, $44.4 million of the Company's net working capital resulted from its secondary public offering of Common Stock which was completed in the second quarter of 1998. The Company's primary sources of liquidity as of December 31, 1998 consisted of cash and cash equivalents, accounts receivable and borrowing availability under a revolving credit facility.

The Company's accounts receivable turnover averaged 93 days for the period ended December 31, 1998 and 84 days for the period ended December 31, 1997. The allowance for doubtful accounts was $0.5 million at December 31, 1998 and $0.4 million at December 31, 1997.

During 1998, the Company used approximately $11.5 million in operating activities and $20.4 million in investing activities. The $11.5 million used in operating activities was primarily related to the substantial increase in business experienced by the Company throughout 1998. The Company believes its ability to generate cash flow from operations is inversely related to revenue growth. As such, during periods of rapid growth the Company will use cash, whereas during periods of slow growth the Company believes it will be able to generate cash from operations. The $20.4 million of cash used in investing activities was comprised of $15.9 million used for business acquisitions and $4.5 million used to purchase computer, telephone and office equipment.

Financing activities during 1998 generated $44.8 million of net cash inflows. Included in these activities was the Company's secondary public offering in the second quarter of 2,980,000 shares of Common Stock, of which 1,580,000 shares were issued and sold by the Company at $30.00 per share, resulting in net proceeds to the Company, after underwriter commissions and offering costs, of approximately $44.4 million.

The Company made payments of approximately $5.7 million during the first quarter of 1999 based upon the attainment of contingent payment goals related to the acquisitions of Medical Education Systems, Inc. ("MES") and Strategic Implications International, Inc. In addition, the Company may be required to pay an additional $5.0 million in contingent cash payments related to the purchase of MES based on certain operating income goals of the acquired business, during the period ending May 31, 1999.

During the third quarter of 1998 the Company terminated its previous credit facility which included a secured revolving credit facility and established an unsecured revolving credit facility which provides for a $5.0 million revolving credit facility. As of December 31, 1997 and 1998 there were no outstanding borrowings under the previous revolving credit facility and the new revolving credit facility.

The Company anticipates spending for capital expenditures in 1999 to decrease from the amounts incurred in 1997 and 1998, as the Company begins to experience the benefits of the prior year's expenditures.

YEAR 2000

During 1998, the Company conducted an extensive review of its computer systems and operations to identify the areas that could be affected by the Year 2000 issue. A plan has been developed that focuses on the Company's information systems and third-party relationships.

The Company has developed a five phase Year 2000 program consisting of: Phase I - detailed review and ranking of the components of the Company's systems that may be vulnerable; Phase II - overall assessment of all items identified in Phase I; Phase III - replacement of non-compliant systems and components; Phase IV - testing of systems and components following replacement; and Phase V - developing contingency plans to address the most reasonably likely worst case scenarios. The Company has completed Phases I and II, and has made substantial progress on Phases III and IV. The Company anticipates completion of all Phases by June 1999.

With respect to its third party relationships, the Company is in the process of contacting its largest vendors, customers, and other material third parties to assess the state of their Year 2000 readiness. The Company has commenced contingency planning to address the most reasonably likely worst case Year 2000 scenarios with respect to its third party relationships, including developing alternative third-party relationships, if necessary.

Based on its efforts to date, the Company does not believe that the Year 2000 issue will have a material adverse effect on its financial condition or results of operations. The Company's costs incurred to date associated with the Year 2000 issue are approximately $50,000. The Company estimates that the costs to complete its five phase program, excluding any costs that may be incurred by the Company as a result of the failure of any third parties to become Year 2000 compliant, will be approximately $200,000. There can be no assurance that the timing and cost estimates related to the Year 2000 conversion will be accurate. Actual results for the Company and third parties could differ materially from those currently anticipated.

NEW ACCOUNTING PRONOUNCEMENTS

In 1998, the Company adopted the Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131"). SFAS 131 supersedes FASB Statement No. 14, "Financial Reporting for Segments of a Business Enterprise". SFAS 131 establishes standards for reporting of financial information about operating segments in annual financial statements. For the Company's disclosures related to SFAS 131, see Note number 17 in the Notes to Consolidated Financial Statements.

CERTAIN FACTORS THAT MAY AFFECT FUTURE RESULTS

The statements contained in this report which are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to the Company's: ability to expand its peer-to-peer meetings business with existing and new customers, ability to extend or replace its existing contracts with its field sales force logistics and contract sales customers, ability to grow new and existing services other than symposia, dependence on the pharmaceutical industry, customer concentration, reliance on new services for continued growth, management of growth, acquisition risks, variation in quarterly operating results, regulation, potential litigation exposure and reliance on certain personnel, and those risks and uncertainties contained under the heading "Risk Factors" on page 6 of the Company's Registration Statement on Form S-1 (File No. 333-51101) as filed with the Securities and Exchange Commission.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

None.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

BORON, LEPORE & ASSOCIATES, INC.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

TO BORON, LEPORE & ASSOCIATES, INC.:

We have audited the accompanying consolidated balance sheets of Boron, LePore & Associates, Inc. (a Delaware Corporation) and subsidiaries as of December 31, 1998 and 1997, and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for each of the three years ending December 31, 1998. These consolidated financial statements and schedule referred to below are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boron, LePore & Associates, Inc. as of December 31, 1998 and 1997, and the results of its operations and its cash flows for each of the three years ending December 31,1998 in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule liseted in the index to the financial statements is presented for the purpose of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements, and in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

Arthur Andersen LLP

Roseland, New Jersey
February 2, 1999

BORON, LEPORE & ASSOCIATES, INC.

CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS)

<TABLE>
<CAPTION>

	December 31, 1998	December 31, 1997
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,924	$ 24,016
Accounts receivable, net of allowance for doubtful accounts of $535 and $400 at December 31, 1998 and 1997, respectively	44,394	21,764
Prepaid expenses and other current assets	1,678	729
Total current assets	82,996	46,509
Furniture, fixtures and equipment, at cost, net of accumulated depreciation of $2,036 and $849 at December 31, 1998 and 1997, respectively	7,884	4,454
Security deposits	182	73
Intangible assets	33,592	20

Other assets	448	--
Total assets	$125,102	$ 51,056
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 5,138	$ 3,838
Accrued payroll	1,808	1,288
Accrued expenses	9,981	4,604
Deferred revenue	9,599	6,974
Total current liabilities	26,526	16,704
Deferred income taxes	1,080	1,509
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $.01 par value, 2,000 shares authorized, none issued and outstanding	--	--
Common stock, $.01 par value, 50,000 shares authorized; 16,882 issued and 12,682 outstanding at December 31, 1998; 14,948 issued and 10,748 outstanding at December 31, 1997	169	149
Class A common stock, $.01 par value, none authorized, issued and outstanding	--	--
Class B common stock, $.01 par value, none authorized, issued and outstanding	--	--
Treasury stock, at cost, 4,200 shares at December 31, 1998 and 1997	(24,350)	(24,350)
Additional paid-in capital	118,363	64,177
Retained earnings (deficit)	3,314	(7,133)
Total stockholders' equity	97,496	32,843
Total liabilities and stockholders' equity	$125,102	$ 51,056

</TABLE>

The accompanying notes are an integral part of these consolidated balance sheets.

BORON, LEPORE & ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
	1998	1997	1996
Revenues	$164,670	$72,907	$40,220
Cost of sales	115,712	51,580	26,005
Gross profit	48,958	21,327	14,215
Selling, general and administrative expenses	34,625	12,444	19,995
Operating income (loss)	14,333	8,883	(5,780)
Interest (income) expense, net of interest expense of $0 in 1998, net of interest income of $461 and $56 in 1997 and 1996, respectively	(1,664)	1,071	255
Nonrecurring loss on forgiveness of related party loan	--	--	1,076
Income (loss) before provision for income taxes	15,997	7,812	(7,111)
Provision for income taxes	5,550	1,700	--
Net income (loss)	$ 10,447	$ 6,112	$(7,111)
Net income (loss) per common and common equivalent share:			
Basic	$ 0.88	$ 1.07	$ (1.18)
Diluted	$ 0.84	$ 0.72	$ (1.18)
Weighted average number of common and common equivalent shares:			
Basic	11,936	4,947	6,028

Diluted	12,370	8,507	6,028

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

BORON, LEPORE & ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

<S>	Common STOCK <C>	CLASS A COMMON STOCK <C>	CLASS B COMMON STOCK <C>	TREASURY STOCK <C>	ADDITIONAL PAID-IN CAPITAL <C>	RETAINED EARNINGS (DEFICIT) <C>
BALANCE AS OF DECEMBER 31, 1995	$ 57	$ --	$ --	$ --	$ --	$ 2,448
Net Loss	--	--	--	--	--	(7,111)
Repurchase of minority stockholder's 1,548 shares of common stock	--	--	--	(644)	--	--
Repurchase of minority stockholder's 1,720 shares of common stock	--	--	--	(970)	(6,175)	--
Capital contributions by stockholders	--	--	--	--	451	--
Retirement of 3,269 treasury shares of common stock	(4)	--	--	1,614	(451)	(189)
Termination of S Corporation	--	--	--	--	7,562	(7,562)
Repurchase of 3,733 shares of common stock as treasury stock	--	--	--	(18,850)	--	--
Issuance of 667 shares Class A common stock at $.428 per share	--	7	--	--	278	--
Issuance of 400 shares common stock at $.428 per share	4	--	--	--	167	--
Stock issuance costs	--	--	--	--	(19)	--
BALANCE AS OF DECEMBER 31, 1996	57	7	--	(18,850)	1,813	(12,414)
Net income	--	--	--	--	--	6,112
Non cash compensation expense	--	--	--	--	43	--
Dividends on convertible participating preferred stock	--	--	--	--	--	(831)
Net proceeds of initial public offering	37	--	--	--	59,750	--
Repurchase of minority stockholder's 467 shares of common stock as treasury stock	--	--	--	(5,500)	--	--
Conversion of convertible participating preferred stock to common stock	47	--	--	--	2,453	--
Issuance of Class A common stock	--	1	--	--	118	--
Conversion of Class A common stock to common stock	8	(8)	--	--	--	--
BALANCE AS OF DECEMBER 31, 1997	149	--	--	(24,350)	64,177	(7,133)
Net income	--	--	--	--	--	10,447
Net proceeds of public stock offering	16	--	--	--	44,396	--
Issuance of stock for business acquisitions	3	--	--	--	9,403	--
Issuance of stock for stock option exercises	1	--	--	--	387	--
BALANCE AS OF DECEMBER 31, 1998	$169	$ --	--	$(24,350)	$118,363	$ 3,314

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

BORON, LEPORE & ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS)

<TABLE>
<CAPTION>

<S>	YEARS ENDED DECEMBER 31, 1998 <C>	1997 <C>	1996 <C>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 10,447	$ 6,112	$ (7,111)
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation and amortization	2,296	360	113
Nonrecurring loss on forgiveness of related party loan	--	--	1,076
Write-off of unamortized deferred financing costs	--	271	--
Non-cash compensation expense	--	43	--
Deferred income taxes	(429)	1,509	(75)
Changes in operating assets and liabilities, net of effects from acquisitions of businesses:			
Increase in accounts receivable, net	(13,669)	(6,795)	(7,561)
Increase in prepaid expenses and other current assets	(880)	(475)	(58)
(Increase) decrease in security deposits	(109)	(46)	1
Increase in intangibles	--	(1)	(353)
Increase in other assets	(428)	--	--
Increase in due from affiliates	--	--	(140)
Decrease in due from officers	--	--	28
(Decrease) increase in accounts payable and accrued expenses	(781)	(3,046)	9,929
(Decrease) increase in deferred revenue	(7,912)	766	3,438
Net cash used in operating activities	(11,465)	(1,302)	(713)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of furniture, fixtures and equipment	(4,507)	(4,433)	(135)
Acquisitions, net of acquired cash	(15,920)	--	--
Net cash used in investing activities	(20,427)	(4,433)	(135)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from long-term debt	--	--	20,000
Proceeds from revolving line of credit	--	--	1,000
Repayments of long term debt and revolving line of credit	--	(21,000)	(2,302)
(Redemption of) proceeds from convertible participating preferred stock	--	(10,831)	12,500
Proceeds from the issuance of common stock	44,412	59,787	171
Proceeds from the issuance of Class A common stock	--	119	285
Capital contributions by stockholders	--	--	451
Proceeds from exercise of stock options	388	--	--
Payment of stock issuance costs	--	--	(19)
Repurchase of treasury stock from stockholders	--	--	(18,850)
Repurchase of treasury stock from former stockholders	--	(5,500)	(6,175)
Net cash provided by financing activities	44,800	22,575	7,061
Net increase in cash	12,908	16,840	6,213
CASH AND CASH EQUIVALENTS, beginning of period	24,016	7,176	963
CASH AND CASH EQUIVALENTS, end of period	$ 36,924	$ 24,016	$ 7,176
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest	$ --	$ 1,614	$ 321
Taxes	$ 5,515	$ 252	$ 20

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

BORON, LEPORE & ASSOCIATES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

1. DESCRIPTION OF THE BUSINESS:

BUSINESS:

Boron, LePore & Associates, Inc. and subsidiaries (the "Company") provides outsourced marketing, educational and sales services to the pharmaceutical industry. The Company was founded in 1981 and has become a leading provider of peer-to-peer meetings, which typically involve gatherings of 10 to 12 physicians meeting under the chairmanship of a Company moderator to discuss a new drug or new indication for a familiar drug. The Company also conducts meetings such as symposia, continuing education conferences and video satellite conferences; product marketing services; teleservices such as teledetailing, telemarketing, sales support and fulfillment; contract sales services; and field force logistics services.

INCORPORATION AND MERGER:

On November 22, 1996, BLA Acquisition Corporation ("BLA") was incorporated in the State of Delaware. On November 27, 1996, the stockholders of BLA and the stockholders of Boron, LePore & Associates, Inc., all under common control, unanimously approved the Agreement and Plan of Merger ("Merger Agreement") of the two companies. On December 3, 1996, the merger became effective and was accounted for comparable to a pooling of interests. The surviving corporation was BLA, which subsequently changed its name to Boron, LePore & Associates, Inc. (the "Company").

On December 4, 1996, the Company amended and restated its certificate of incorporation to include the authority to issue 26,400,000 shares of common stock.

On September 24, 1997, the Company completed the initial public offering of 3,735,000 shares (including the underwriters' over allotment of 135,000 shares) of Common Stock at $17.50 per share resulting in net proceeds, after underwriter commissions and offering costs, of approximately $59,800 (the "IPO"). Of these net proceeds, approximately $19,600 was used to retire outstanding debt and pay related interest expense, approximately $10,800 was used to redeem all shares of Redeemable Preferred Stock and related accumulated dividends and approximately $5,600 was used to purchase 466,666 shares of Common Stock from a former officer of the Company.

In connection with the IPO, the authorized stock of the Company was increased on September 22, 1997 to 50,000,000 shares of $.01 par value common stock and 2,000,000 shares of $.01 par value preferred stock. Upon completion of the IPO, all outstanding shares of non-voting Class A Common Stock converted into shares of Common Stock. Also upon completion of the IPO, the Convertible Participating Preferred Stock of the Company converted into 4,666,666 shares of Common Stock and 5,600,000 shares of Redeemable Preferred Stock which, as described above, was redeemed with a portion of the net proceeds of the IPO.

On May 27, 1998, the Company completed a secondary stock offering of 2,980,000 shares (including the underwriters' over allotment of 80,000 shares) of Common Stock at $30.00 per share resulting in net proceeds, after underwriter commissions and offering costs, of approximately $44,400 (the "Secondary Offering"). The Company intends to use these net proceeds from the Secondary Offering for working capital and other general corporate purposes, including the funding of potential acquisitions.

All share amounts have been retroactively adjusted to reflect a two-for-three reverse stock split which occurred on September 11, 1997.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONSOLIDATION:

The consolidated financial statements include the accounts of Boron, LePore & Associates, Inc. and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated.

RECLASSIFICATION:

Certain prior year balances have been reclassified to conform to current year presentation.

CASH AND CASH EQUIVALENTS:

The Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

REVENUE RECOGNITION:

Revenue is recognized as services are performed. For conferencing services, revenue is recognized upon completion of the meeting or symposia. Revenue for multiple-meeting projects is attributed to individual meetings based on an average amount per meeting, and is recognized as individual meetings are completed. Revenue for product marketing services is recognized in the period contractual performance benchmarks are achieved and confirmed by the client. Revenue for teleservices and field force logistics services are recorded in the period the services are performed, based on the specific terms of the contract.

Customers are invoiced according to agreed upon billing terms. Items which are invoiced prior to performance of the related services are recorded as deferred revenue and are not recognized as revenue until the required service is provided, in accordance with the Company's revenue recognition policy.

The Company is entitled to performance incentives under certain contracts. The additional revenues are computed based on a formula specified in each contract and are primarily dependent upon increases in market share for a customer's product. The market share statistics are measured over a future period of time specified in the contract. If the contract permits invoicing for portions of the performance incentives prior to the calculation of actual market share results, the revenues are deferred at the time of invoicing. Included in deferred revenue are performance incentive revenues of $0 and $729, as of December 31, 1998 and December 31, 1997, respectively.

DEPRECIATION AND AMORTIZATION:

Depreciation and amortization is provided on the straight-line method over the estimated useful lives of the related assets, generally a three to ten year period. Expenditures for repairs and maintenance are expensed as incurred while renewals and betterments are capitalized.

INTANGIBLE ASSETS:

Intangible assets generally represent goodwill associated with the excess of purchase price over net assets acquired, non-compete agreements and deferred financing costs. Goodwill is generally amortized over a period not to exceed 20 years, and other intangible assets are amortized over the term of the related agreement or debt

instrument. During December 1996, as part of a Preferred Stock Purchase Agreement (see Note 13), the Company incurred certain financing costs related to the transaction. The costs were comprised primarily of commitment fees related to long-term debt financing costs and totaled $312. Such amount was being amortized over the life of the debt instrument. During September 1997, in conjunction with the Offering and the settlement of all outstanding bank debt (See Note 4), the Company wrote-off the remaining balance of unamortized deferred financing costs, which amounted to approximately $270.

The Company recognized amortization expense of $985, $55 and $8 for the years ending December 31, 1998, 1997 and 1996, respectively, and has recognized accumulated amortization expense of $1,048 through December 31, 1998.

INCOME TAXES:

On December 4, 1996, the Company began operations as a Delaware corporation and was subject to Federal and state corporate tax rates as a "C" corporation (see Note 8). The Company has adopted the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). This standard requires the use of the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, tax credit carryforwards and operating loss carryforwards. A valuation allowance is established to reduce deferred tax assets if it is more likely than not that such deferred tax assets will not be realized. For all periods prior to December 4, 1996, the shareholders of the Company were treated as an "S" corporation for both Federal and state income tax purposes, and accordingly the provision for income taxes for all periods ending on or prior to such date reflects only certain state taxes.

LONG-LIVED ASSETS:

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

The Company has adopted the provisions of Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-lived Assets" ("SFAS 121"). SFAS 121 requires, among other things, that an entity review its long-lived assets and certain related intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. As a result of its review, the Company does not believe that any such changes in circumstances have occurred.

STOCK BASED COMPENSATION:

The Company has adopted the provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"). SFAS 123 requires that an entity account for employee stock compensation under a fair value based method. However, SFAS 123 also allows an entity to continue to measure compensation cost for employee stock-based compensation using the intrinsic value based method of accounting prescribed by APB Opinion No. 25, "Accounting for Stock Issued to Employees" ("Opinion 25"). The Company elected to remain with the accounting under Opinion 25 and has made the pro forma disclosures of net income and earnings per share as if the fair value based method of accounting under SFAS 123 had been applied (See Note 14).

EARNINGS PER SHARE:

The provisions of Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("SFAS 128") require the presentation of basic earnings per share ("Basic EPS") and diluted earnings per share ("Diluted EPS"). Basic EPS is calculated by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding during the period. Diluted EPS is calculated by dividing income available to common shareholders by the weighted average number of common shares outstanding for the period adjusted to reflect potentially dilutive securities (See Notes 3).

NEW ACCOUNTING PRONOUNCEMENTS

In 1998, the Company adopted Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131"). SFAS 131 supersedes FASB Statement No. 14, "Financial Reporting for Segments of a Business Enterprise". SFAS 131 established standards for reporting of financial information about operating segments in annual financial statements (See Note 17).

3. EARNINGS PER SHARE:

In accordance with SFAS 128, the following table reconciles income and share amounts used to calculate basic earnings per share and diluted earnings per share.

<TABLE>
<CAPTION>

	FOR THE YEARS ENDED DECEMBER 31,		
	1998	1997	1996
<S>	<C>	<C>	<C>
Numerator:			
Net income (loss)--Diluted	$ 10,447	$ 6,112	$ (7,111)
Less dividends on convertible participating preferred stock	--	(831)	--
Net income (loss)--Basic	$ 10,447	$ 5,281	$ (7,111)
Denominator:			
Weighted average shares outstanding--Basic	11,935,773	4,947,018	6,027,869
Incremental shares from assumed conversions of options	434,126	159,364	--
Convertible participating preferred stock	--	3,400,911	--
Weighted average shares outstanding--Diluted	12,369,899	8,507,293	6,027,869
Net income (loss) per share--Basic	$ 0.88	$ 1.07	$ (1.18)
Net income (loss) per share--Diluted	$ 0.84	$ 0.72	$ (1.18)

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

</TABLE>

4. LONG-TERM DEBT:

During 1996, the Company entered into a borrowing agreement with a bank. The borrowing agreement provided for a $5,000 revolving credit facility and a $20,000 term loan (the "Credit Facility"). The interest rates on the loans vary and are a function of the stated LIBOR rate and the effective prime rate as defined in the Agreement. In September 1997, in conjunction with the Offering, the Company repaid the then outstanding balance of the term loan, $19,500, and $1,000 outstanding under the revolving credit facility. In connection with this debt repayment, the Company wrote-off the balance of unamortized deferred financing costs related to the credit facility, resulting in a charge of approximately $270. During 1998, the Company renegotiated the revolving credit facility. Under the new loan agreement, the Company may borrow up to $5,000 on an unsecured basis. As of December 31, 1998, there were no outstanding borrowings under the revolving credit facility and $5,000 was available for future borrowings.

5. FURNITURE, FIXTURES AND EQUIPMENT:

Furniture, fixtures and equipment consists of:

<TABLE>
<CAPTION>

	DECEMBER 31, 1998	DECEMBER 31, 1997
<S>	<C>	<C>
Telephone and computer equipment......................................	$ 7,206	$3,467
Office equipment..	2,080	937
Other...	634	899
	9,920	5,303
Less: Accumulated depreciation..	(2,036)	(849)
Furniture, fixtures and equipment net of accumulated depreciation.....	$ 7,884	$4,454

</TABLE>

Depreciation expense was $1,311, $305 and $105 for the years ending December 31, 1998, 1997 and 1996, respectively.

6. ACCRUED EXPENSES:

Accrued expenses are comprised of the following:

<TABLE>
<CAPTION>

	DECEMBER 31, 1998	DECEMBER 31, 1997
<S>	<C>	<C>
Accrued honoraria..............................	$2,470	$3,549
Accrued earnout................................	5,700	--
Accrued income taxes...........................	712	--
Other accrued expenses.........................	1,099	1,055
Accrued expenses...............................	$9,981	$4,604

</TABLE>

7. COMMITMENTS AND CONTINGENCIES:

OPERATING LEASES:

The Company leases office space, automobiles, and equipment under various operating leases expiring in 2008. Approximate annual lease commitments for the next five years and thereafter are as follows:

<TABLE>
<S> <C>

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

1999	$2,014
2000	1,177
2001	920
2002	851
2003	611
2004 and thereafter	2,462

Rent expense charged against operations approximated $1,530, $525 and $387 for the years ended December 31, 1998, 1997 and 1996, respectively.

LITIGATION:

The Company, from time to time, is involved in legal proceedings incurred in the normal course of business. The Company believes none of these proceedings will have a material adverse effect on the financial condition or liquidity of the Company. Additionally, a former shareholder/officer of the Company has sent correspondence to the Company alleging securities and common law fraud and breach of contract by senior officers of the Company in connection with the settlement of contractual arrangements with the former shareholder/officer in December, 1996. The Company believes the allegations of the former shareholder/officer are without merit and intends to contest them vigorously should litigation be commenced against the Company, its officers or other personnel. The Company does not believe that this matter will have a material adverse effect on its financial condition or results of operations, although there can be no assurance that this will be the case.

EMPLOYMENT AGREEMENTS:

The Company has entered into employment agreements with its executive officers and certain other senior management employees, some of whom are stockholders of the Company. The agreements specify duties, benefits, confidentiality and miscellaneous other provisions. The employment agreements generally have initial terms of no greater than three years, with one year renewals after such initial term. During 1997, two officers of the Company became consultants and their employment agreements were amended. At December 31, 1998, the maximum contingent liability related to consulting and employment agreements is approximately $3,278.

8. INCOME TAXES:

The components of the provision (benefit) for income taxes are summarized as follows for the years ending December 31:

	1998	1997	1996
Current	$5,979	$ 191	$ 75
Deferred	(429)	1,509	(75)
Total	$5,550	$1,700	$ --

As discussed in Note 2 the Company began operating as a "C" Corporation on December 4, 1996. The following table indicates the significant elements contributing to the difference between the Federal statutory rate and the Company's effective tax rate--

	1998	1997
Federal statutory rate	34.0%	34.0%
State taxes net of Federal effect	6.0	6.0
Utilization of net operating loss carryforwards, net of valuation allowance	(6.3)	(20.7)
Alternative minimum tax	--	2.5
Other	1.0	--
Effective tax rate	34.7%	21.8%

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

</TABLE>

Deferred income taxes represent the tax effect of the difference between book and tax bases of assets and liabilities. The major components of deferred tax assets and liabilities as of December 31 are as follows:

<TABLE>
<CAPTION>

	1998	1997
Net operating loss carryforward	$ --	$ 1,755
Allowance for doubtful accounts	214	160
Other operating reserves	57	44
Tax over book depreciation	(180)	(24)
Cash to accrual liability	(1,171)	(1,880)
Alternative minimum tax credit	--	191
Subtotal	(1,080)	246
Valuation allowance	--	(1,755)
Total	$(1,080)	$(1,509)

</TABLE>

9. MAJOR CUSTOMERS:

Revenue from two customers accounted for approximately $56,500 (34%) and $44,000 (27%) of total revenue for the year ending December 31, 1998.

Revenue from two customers accounted for approximately $35,900 (49%) and $13,400 (18%) of total revenue for the year ending December 31, 1997.

Revenue from three customers accounted for approximately $17,600 (44%), $6,300 (16%) and $4,100 (10%) of total revenue for the year ending December 31, 1996.

Major customers accounted for approximately $25,358, or 56%, and $12,500, or 56%, of accounts receivable at December 31, 1998 and 1997, respectively.

10. DUE FROM AFFILIATES:

In January 1996, the amounts due at December 31, 1995 from a former affiliate were converted into a $1,000 promissory note bearing interest at 8.1% per annum payable in quarterly installments over six years. During 1996, additional liabilities were satisfied by the Company on behalf of the former affiliate and payments were received according to terms. On December 4, 1996, the Company agreed to sell the amounts due from the former affiliate, approximately $1,560 plus interest, to certain officers/stockholders of the Company for $500. The balance of the amount was recorded as a nonrecurring loss on forgiveness of related party loan in the accompanying statement of operations. The $500 was received by the Company from the stockholders, pursuant to the terms contained in the Preferred Stock Purchase Agreement (see Note 13) in the form of bonus compensation payments of approximately $865 which provided the stockholders with the after-tax funds to make the repayment.

11. DUE FROM OFFICERS/STOCKHOLDERS:

On June 30, 1995, the Company loaned three officers/stockholders amounts aggregating approximately $672. In January 1996, the Company forgave a portion of one loan and accrued interest of approximately $194 due from a stockholder as part of a stock repurchase agreement. The remaining loans, bearing interest of 8% per annum, were payable in five equal installments due on June 30 of each year. The total amount due from officers of approximately $435, including accrued interest of $14, was repaid pursuant to the terms contained in the Preferred Stock Purchase Agreement (see Note 13) in the form of bonus compensation payments of approximately $761 which provided the officers with the after-tax funds to make the repayment.

During 1998, the Company granted a loan to an officer in the amount of $100. The loan, bearing interest of 8.5% per annum, is payable in twelve equal quarterly installments. At December 31, 1998, the outstanding balance on this loan was approximately $85.

12. PURCHASE OF TREASURY STOCK:

In January 1996, the Company paid a minority stockholder $450 and forgave the stockholder's loan receivable and accrued interest of approximately $194 in exchange for the stockholder's 1,548,387 shares of common stock. The shares were held in treasury at a cost of $644. Additionally, in January 1996, the remaining stockholders of the Company sold their shares of common stock in an affiliated company. Subsequent to these transactions there was no longer a common ownership relationship between the two companies. Concurrent with the Merger Agreement (see Note 1), the stock held in treasury was retired on December 4, 1996 and the $644 cost was transferred to retained earnings on that date.

On June 18, 1996, the Company entered into a Stock Purchase Agreement to repurchase 1,720,430 shares of common stock from a stockholder. The agreement also contained a Disposition Benefit Agreement. The stockholder was a former officer of the Company. The Disposition Benefit Agreement would only become effective if there was a sale of a controlling interest of the outstanding stock within a certain period of time. The stock was purchased with a promissory note payable over five years with monthly payments of principal and interest of $10 and annual payments of $125, including interest, commencing on January 1, 1997. The shares were held in treasury at a cost of $970, the net present value of the promissory note. Concurrent with the Merger Agreement on December 4, 1996, the treasury shares were canceled, the cost of the shares were transferred to paid-in capital and retained earnings and the former stockholder received a payment of $6,175 on that date. The terms of the transaction were the result of arms-length negotiations.

Concurrent with the closing of the sale of the preferred shares and with financing provided by a bank in December 1996, the Company redeemed 3,733,333 shares of common stock from two individual shareholders for payments aggregating $18,850 pursuant to the terms contained in the Preferred Stock Purchase Agreement.

In September 1997, the Company paid a former officer of the Company approximately $5,600 to repurchase 466,666 shares of common stock and to amend the employment agreement of such former officer. At December 31, 1997, the shares are held in treasury at a cost of approximately $5,500.

13. PREFERRED STOCK PURCHASE AGREEMENT AND STOCK REDEMPTION:

On December 4, 1996 a Preferred Stock Purchase Agreement was entered into, between the Company and certain investment partnerships and individuals (collectively the "Investors"). The Company sold 7,000,000 shares of its authorized $0.01 par value Convertible Participating Preferred Stock for $12,500. The Convertible Participating Preferred Stock had a minimum liquidation value of $10,000 and was convertible to common stock and redeemable preferred stock at various rates based on the occurrence of certain events. In addition, the holders of the Convertible Participating Preferred Stock were entitled to receive an annual cash dividend of approximately $0.1429 per share. The Convertible Participating Preferred shares had voting rights similar to common stock and were subject to certain liquidating and redemption features, as defined, at the option of the holder.

In September 1997, upon completion of the Company's IPO (see Note 1), the 7,000,000 shares of Convertible Participating Preferred Stock converted into 4,666,666 shares of Common Stock and 5,600,000 shares of Redeemable Preferred Stock. The Redeemable Preferred Stock was immediately redeemed for $10,000 plus accumulated dividends of approximately $831.

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

14. STOCK OPTION AND GRANT PLAN AND EMPLOYEE STOCK PURCHASE PLAN:

During 1996, the Boron, LePore & Associates 1996 Stock Option and Grant Plan (the "1996 Plan") was established. In August, 1997, the Plan was amended to increase the shares of stock reserved for issuance under the 1996 Plan to 3,000,000 shares. During 1998 the Boron, LePore & Associates 1998 Employee Stock Option Plan (the "1998 Plan") was established, under which 500,000 shares of Common Stock can be issued through the exercise of stock options. The following table summarizes stock option activity:

	Number of SHARES	EXERCISE PRICE PER SHARE	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding at December 31, 1996	--	--	--
Granted	733,059	$ 0.43 - $22.00	$11.27
Canceled	(1,500)	21.25	21.25
Exercised	--	--	--
Outstanding at December 31, 1997	731,559	0.43 - 22.00	11.26
Granted	1,155,525	26.50 - 38.50	30.58
Canceled	(26,666)	0.43 - 26.50	10.21
Exercised	(40,916)	9.45	9.45
Outstanding at December 31, 1998	1,819,502	$ 9.45 - $38.50	$24.42
Shares exercisable at December 31, 1998	345,065	$ 9.45 - $35.13	$13.81

The following table summarizes information about options outstanding at December 31, 1998:

	OPTIONS OUTSTANDING AT DECEMBER 31, 1998			OPTIONS EXERCISABLE AT DECEMBER 31, 1998	
RANGE	NUMBER OF SHARES	WEIGHTED AVERAGE EXERCISE PRICE	WEIGHTED AVERAGE CONTRACTUAL LIFE (YEARS)	NUMBER OF SHARES	WEIGHTED AVERAGE EXERCISE PRICE
$ 9.45 - $12.00	468,077	$10.79	8.51	266,090	$10.84
$12.01 - $24.00	205,900	20.97	8.77	63,975	21.17
$24.01 - $30.00	847,850	29.30	9.36	--	--
$30.01 - $38.50	297,675	34.35	9.34	15,000	35.13
	1,819,502	$24.42		345,065	$13.81

Of the total options outstanding under the 1996 and 1998 Plans, 345,065 and 13,000 were exercisable at December 31, 1998 and 1997, respectively. Stock options available for grant were 1,639,582, and 2,269,941 at December 31, 1998 and 1997, respectively.

As permitted by SFAS 123, the Company has elected to continue to account for stock-based compensation using the intrinsic value method. Accordingly, no compensation expense has been recognized for stock options granted at or above market value. Had the fair value method of accounting been applied to the Company's stock option grants, which requires recognition of compensation costs ratably over the vesting period of the underlying equity instruments, net income would have been as follows:

	1998	1997
Pro forma net income	$5,890	$6,080
Pro forma net income per common share		
Basic	$ 0.49	$ 1.07
Diluted	$ 0.48	$ 0.71

The fair value of options were estimated at the date of grant using a Black-Scholes option pricing model with the following assumptions for 1998 and 1997, respectively: weighted-average risk-free interest rates of 4.7% for 1998 and 6.5% for 1997, no dividends, volatility factors of the expected market price of the Company's common stock of 65.9% for 1998 and 38.0% for 1997, a weighted-average expected life of the options of 6.0 years for 1998 and 1997 and a weighted-average grant date fair value of options granted during fiscal years 1998 and 1997 of $19.53 and $4.38, respectively. There were no options granted for any periods prior to January 1, 1997.

In August 1997, the Company's 1997 Employee Stock Purchase Plan (the "Purchase Plan") was established. The Purchase Plan allowed for up to 225,000 shares of Common stock to be issued at 85% of fair market value. The Purchase Plan was cancelled during 1998. As of December 31, 1998 and 1997, respectively, no shares were issued under the Purchase Plan.

15.SAVINGS AND INVESTMENT PLAN:

During 1998, the Company adopted the Boron LePore & Associates Savings Plan (the "401(k) Plan"), which is intended to qualify under Section 401(k) of the Internal Revenue Code of 1986, as amended. The 401(k) Plan is a defined contribution plan established to provide retirement benefits for all employees who have completed six months of service with the Company.

The 401(k) Plan is employee funded up to an elective annual deferral. In addition, the Company matches up to 50% of the participants's contribution up to a maximum employer contribution of 2.0% of the employee's total compensation. For the years ended December 31, 1998 and 1997, the Company's matching contributions to the 401(k) Plan were approximately $99 and $0, respectively.

16. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

Summarized unaudited quarterly operating results for 1998 and 1997 are as follows:

(In thousands, except per share data)	FISCAL QUARTERS ENDED			
	MARCH 31, 1998	JUNE 30, 1998	SEPT. 30, 1998	DEC. 31, 1998
Revenues	$32,154	$47,740	$41,937	$42,839
Gross profit	8,397	13,082	14,070	13,409
Net income	1,875	2,372	3,101	3,099
Net income per common share--basic	$ 0.17	$ 0.20	$ 0.25	$ 0.24
Net income per common share--diluted	$ 0.17	$ 0.20	$ 0.24	$ 0.24

(In thousands, except per share data)	FISCAL QUARTERS ENDED			
	MARCH 31, 1997	JUNE 30, 1997	SEPT. 30, 1997	DEC. 31, 1997

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

Revenues	$13,673	$18,448	$17,500	$23,286
Gross profit	3,936	5,345	5,092	6,954
Net income	877	1,429	1,074	2,732
Net income per common share--basic	$ 0.20	$ 0.43	$ 0.24	$ 0.25
Net income per common share--diluted	$ 0.12	$ 0.19	$ 0.13	$ 0.25

</TABLE>

17. SEGMENT INFORMATION:

The Company's management considers its business to be a single business entity - the providing of outsourced marketing, educational and sales services to the pharmaceutical industry. The Company's services generally are utilized by customers and people associated with the pharmaceutical industry and the medical profession. Management evaluates its product offerings on a revenue basis, which is presented below, and profitability is generally evaluated on an enterprise-wide basis due to shared infrastructures.

<TABLE>
<CAPTION>

	FOR THE YEARS ENDED DECEMBER 31,		
	1998	1997	1996
<S>	<C>	<C>	<C>
Revenues:			
Marketing and Educational Services	$106,106	$69,740	$40,220
Field sales force logistics services	35,545	1,000	--
Contract sales services	23,019	2,167	--
Total revenues	$164,670	$72,907	$40,220

</TABLE>

18. RELATED PARTY TRANSACTIONS:

The Company entered into a consulting agreement on December 23, 1991 with a stockholder of the Company. The agreement provided, among other things, for the payment of monthly consulting fees through December 31, 2001. The total consulting fees charged to operations during the years ended December 31, 1998, 1997 and 1996 approximated $0, $0 and $516, respectively. In 1996, the consulting agreement was terminated pursuant to the terms contained in the Preferred Stock Purchase Agreement and the Company received and executed a general release from the former stockholder in consideration for the payment made.

During the years ending December 31, 1998, 1997, and 1996, the Company leased space from a stockholder of the Company. The aggregate rent expense charged to operations for those periods approximated $24, $24 and $84, respectively.

19. ACQUISITIONS:

In January 1998, the Company purchased certain assets from Decision Point, Inc., an Illinois company. The purchase price was $800 in cash, subject to adjustment upward or downward, based on certain revenue and pre-tax earnings goals related to the calendar year subsequent to the date of the acquisition. The acquisition has been accounted for using the purchase method of accounting. The excess of purchase price over net assets acquired, approximately $800, is being amortized over twenty years.

In March 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Strategic Implications International, Inc., a Maryland corporation. The purchase price was $4,300 in cash and approximately 137,000 shares of the Company's common stock. In addition, the Company will pay approximately $700 in the first quarter of 1999 based on the attainment of performance goals. The acquisition has been accounted for using the purchase method of accounting. The excess of purchase price over net assets acquired was estimated to be approximately $9,700 and is being amortized over twenty years.

In May 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Medical Education Systems, Inc., a Pennsylvania corporation. The purchase price was $10,000 in cash and 160,103 shares of the

(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

Company's common stock. The Company will pay approximately $5,000 in the first quarter of 1999 based upon the attainment of operating income goals achieved during the year ended December 31, 1998. In addition, the Company may be required to pay an additional amount up to $5,000 in contingent cash payments based on certain operating income goals of the acquired business during the five month period ending May 31, 1999. The acquisition has been accounted for using the purchase method of accounting. The excess of purchase price over net assets acquired was estimated to be approximately $21,500 and is being amortized over twenty years.

In August 1998, the Company purchased substantially all of the assets and assumed certain liabilities of Strategem Plus, Inc., a New Jersey corporation. The purchase price was $1,600 in cash and 13,630 shares of the Company's common stock. In addition, the Company may be required to pay an additional amount of cash and stock based on the attainment of certain revenue goals of the acquired business during the twelve-month period subsequent to the date of the acquisition. The acquisition has been accounted for using the purchase method of accounting. The excess of purchase price over net assets acquired was estimated to be approximately $2,500 and is being amortized over twenty years.

The following unaudited pro forma summary presents information as if the acquisitions had occurred at the beginning of the respective periods:

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31, 1998
Net revenues	$169,263
Net income	$ 10,048
Pro forma diluted earnings per share	$ 0.84

</TABLE>

The pro forma information is not necessarily indicative of the results that would have occurred had the acquisitions taken place at the beginning of the respective periods.

20. SUBSEQUENT EVENTS (UNAUDITED):

During the first quarter of 1999, the Company paid $5.0 million and $0.7 million to Medical Education Systems and Strategic Implications International, respectively, based upon their respective attainment of performance goals agreed upon at the time of acquisition and achieved during the year ended December 31, 1998, as discussed in Note 19 to the Financial Statements.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information appearing under the captions "Information Regarding Directors" and "Executive Officers" in the registrant's definitive proxy statement relating to the 1999 Annual Meeting of Stockholders to be held in May 1999 is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information appearing under the caption "Executive Compensation" in the registrant's definitive proxy statement relating to the 1999 Annual Meeting of Stockholders to be held in May 1999 is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information appearing under the caption "Principal and Management Stockholders" in the registrant's definitive proxy statement relating to the 1999 Annual Meeting of Stockholders to be held in May 1999 is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information appearing under the caption "Certain Transactions" in the registrant's definitive proxy statement relating to the 1999 Annual Meeting of Stockholders to be held in May 1999 is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)(1) Financial Statements.

(a)(2) Schedules.

Schedule II--Valuation and Qualifying Accounts

All other schedules have been omitted because they are not required or because the required information is given in the Financial Statements or Notes thereto.

(a)(3) Exhibits. Exhibits 10.4 through 10.29 constitute all of the management contracts and compensation plans and arrangements of the Company required to be filed as exhibits to this Annual Report. The following is a complete list of Exhibits filed or incorporated by reference as part of this Annual Report.

2.1 Agreement and Plan of Merger by and between the Predecessor and the Company.(2)

2.2 Stock Redemption Agreement dated as of December 4, 1996 by and among the Company and Patrick G. LePore, Gregory Boron, Christopher Sweeney and Michael W. Foti.(2)

2.3 Preferred Stock Purchase Agreement dated as of December 4, 1996 by and among the Company and the Investors named therein.(2)

2.4 Stockholders' Agreement dated as of December 4, 1996, as amended, by and among the Company, the Investors (as defined), Patrick G. LePore, Gregory Boron, Christopher Sweeney and Michael W. Foti.(3)

2.4(a) Consent and Second Amendment to Stockholder's Agreement, dated March 11, 1998.(5)

2.5 Registration Rights Agreement by and among the Company, Christos S. Efessiou and Alicia A. Angelides, dated March 18, 1998.(5)

2.6 Asset Purchase Agreement by and among the Company, Christos S. Efessiou, Alicia A. Angelides, Strategic Implications International, Inc. and EFAN Holdings, dated March 18, 1998.(5)

2.7 Asset Purchase Agreement by and among the Company, MES Acquisition Corp., Medical Education Systems, Inc., Mary Parenti and James Jamieson.

3.1 Third Amended and Restated Certificate of Incorporation.(5)

3.2 Amended and Restated By-laws.(5)

4.1 Specimen certificate for shares of Common Stock, $.01 par value, of the Company.(4)

4.2 Credit Agreement with Fleet National Bank as Agent and Lender, as amended.(2)

10.1(a) Lease between MBM Associates and the Company.(2)

10.1(b) Sublease between Lonza, Inc. and the Company.(2)

10.2 Lease by and between SPENCO, Ltd. and the Company.(2)

10.3 Deed of Lease Agreement by and between Norfolk Commerce Center Limited Partnership and the Company.(2)

10.4 Employment Agreement for Patrick G. LePore.

10.5 Employment Agreement for Gregory F. Boron.(2)

10.7 Employment Agreement for Timothy J. McIntyre.

10.8 Non-Competition Agreement for Patrick G. LePore.(5)

10.9 Non-Competition Agreement for Gregory F. Boron.(2)

10.11 Employment Agreement for Martin J. Veilleux.

10.12 Boron, LePore & Associates, Inc. Amended and Restated 1996 Stock Option and Grant Plan.(3)

10.13 Boron, LePore & Associates, Inc. 1998 Employee Stock Option and Grant Plan.

10.14 Form of Indemnification Agreement between the Registrant and directors.(2)

10.15 Stock Purchase Agreement of Christopher Sweeney.(2)

10.16 Restricted Stock Agreement for Patrick G. LePore.(1)

10.17 Restricted Stock Agreement for Gregory F. Boron.(1)

10.18 Restricted Stock Agreement for Christopher Sweeney.(1)

10.19 Restricted Stock Agreement for Timothy J. McIntyre.(2)

10.20 Incentive Stock Option Agreement for Timothy J. McIntyre.(1)

10.21 Non-qualified Stock Option Agreement for Timothy J. McIntyre.(3)

10.22 Incentive Stock Option Agreement for Martin J. Veilleux.(3)

10.23 Incentive Stock Option Agreement for Martin J. Veilleux.(3)

10.24 Incentive Stock Option Agreement for Brian J. Smith.(3)

10.25 Employment Agreement for Brian J. Smith.

10.26 Side Letter Agreement with Christopher J. Sweeney.(4)

10.27 Lease Agreement by and between Maurice M. Weill, Trustee, as Landlord and BLP Group Companies, as Tenant.(5)

10.28 Incentive Stock Option Agreement for Timothy J. McIntyre.(5)

10.29 Incentive Stock Option Agreement for Patrick G. LePore.(5)

16.1 Letter re: Change in Certifying Accountant.(1)

21.1 Subsidiaries of the Registrant.(5)

23.2 Consent of Arthur Andersen LLP.(6)

23.3 Consent of M.R. Weiser & Co. LLP.(6)

24.1 Power of Attorney (included on the signature page hereto).

27.1 Financial Data Schedule.

(1) Previously filed as an exhibit to the Company's Registration Statement on Form S-1 (SEC File No. 333-30573) filed with the Commission on July 1, 1997.
(2) Previously filed as an exhibit to Amendment No. 1 to the Company's Registration Statement on Form S-1 (SEC File No. 333-30573) filed with the Commission on August 15, 1997.
(3) Previously filed as an exhibit to Amendment No. 2 to the Company's Registration Statement on Form S-1 (SEC File No. 333-30573) filed with the Commission on August 29, 1997.
(4) Previously filed as an exhibit to Amendment No. 3 to the Company's Registration Statement on Form S-1 (SEC File No. 333-30573) filed with the Commission on September 18, 1997.
(5) Previously filed as an exhibit to the Company's Registration Statement on Form 10-K (SEC File No. 000-23093) for the year ended December 31, 1997, filed with the Commission on March 31, 1998.

(6) Previously filed as an exhibit to the Company's Registration Statement on Form S-1 (SEC File No. 333-51101) filed with the Commission on May 5, 1998.

A COPY OF ANY EXHIBIT TO THIS ANNUAL REPORT MAY BE OBTAINED UPON PAYMENT OF A REASONABLE FEE FOR COPYING BY WRITTEN REQUEST TO ATTENTION: MARTIN J. VEILLEUX, BORON, LEPORE & ASSOCIATES, INC., 17-17 ROUTE 208 NORTH, FAIR LAWN, NEW JERSEY 07410.

(b) Reports on Form 8-K. The Registrant did not file any reports on Form 8-K during the last quarter of the period covered by this Annual Report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Fair Lawn, New Jersey, on March 26, 1999.

Boron, Lepore & Associates, Inc.

By: /s/ Patrick G. LePore

PATRICK G. LEPORE
Chairman, Chief Executive Officer
and President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ PATRICK G. LEPORE ------------------------ Patrick G. Lepore	Chairman of the Board, Chief Executive Officer, President and Director (Principal Executive Officer)	March 26, 1999
/s/ MARTIN J. VEILLUEX ------------------------ Martin J. Veilluex	Chief Financial Officer, Secretary and Treasurer, (Principal Financial and Accounting Officer)	March 26, 1999
/s/ ROGER BOISSONNEAULT ------------------------ Roger Boissonneault	Director	March 26, 1999
/s/ ROGER B. KAFKER ------------------------ Roger B. Kafker	Director	March 26, 1999
/s/ JACQUELINE C. MORBY ------------------------ Jacqueline C. Morby	Director	March 26, 1999
/s/ MELVIN SHAROKY ------------------------ Melvin Sharoky	Director	March 26, 1999
/s/ JOSEPH E. SMITH ---------------------- Joseph E. Smith	Director	March 26, 1999
/s/ JOHN A. STALEY, IV ------------------------- John A. Staley, IV	Director	March 26, 1999

BORON, LEPORE & ASSOCIATES, INC.

VALUATION AND QUALIFYING ACCOUNTS
ALLOWANCE FOR DOUBTFUL ACCOUNTS

	BALANCE AT BEGINNING OF YEAR	CHARGED TO COSTS AND EXPENSES	DEDUCTIONS	BALANCE AT END OF YEAR
For the year ended December 31, 1996..........	$ 0	$ 300,000	$ 0	$ 300,000
For the year ended December 31, 1997..........	$ 300,000	$ 100,000	$ 0	$ 400,000
For the year ended December 31, 1998..........	$ 400,000	$ 135,000	$ 0	$ 535,000

Exhibit 10.4

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is made as of the ____ day of March, 1999, between Boron, LePore & Associates, Inc., a Delaware corporation (the "Company"), and Patrick G. LePore ("Executive").

WHEREAS, Executive has previously had a valued association with the Company;

WHEREAS, the Company is desirous of engaging Executive to continue to serve as President and Chief Executive Officer of the Company; and

WHEREAS, Executive is desirous of committing to serve the Company on the terms herein provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. EMPLOYMENT. The initial term of this Agreement shall extend from the date hereof (the "Commencement Date") until the fourth anniversary of the Commencement Date. The term of this Agreement shall be subject to termination as provided in Paragraph 6 and may be referred to herein as the "Period of Employment."

2. POSITION AND DUTIES. During the Period of Employment, Executive shall serve as the Chairman, President and Chief Executive Officer of the Company, reporting to the Board of Directors of the Company (the "Board"), and shall have general charge of and supervision over the business of the Company and its subsidiaries as its chief executive officer, subject to his supervision of the Board of Directors, and such other powers and duties as may from time to time be prescribed by the Board, provided that such duties are consistent with Executive's position or other positions that he may hold from time to time. Executive shall devote his full working time and efforts to the business and affairs of the Company. Notwithstanding the foregoing, Executive may serve on other boards of directors or engage in religious, charitable or other community activities as long as such services and activities are disclosed to the Board and do not materially interfere with Executive's performance of his duties to the Company as provided in this Agreement.

3. COMPENSATION AND RELATED MATTERS.

(A) BASE SALARY. Initially, Executive shall receive an annual base salary ("Base Salary") at the rate of Three Hundred Fifty Thousand Dollars and xx/100 Cents ($350,000). Executive's Base Salary shall be increased, but not decreased, annually based on Executive's annual performance reviews.

(B) ANNUAL BONUS. In addition to Base Salary, Executive shall be entitled to participate in such executive bonus program as may be established by the Company and then in effect, subject to and in accordance with the terms thereof (the "Annual Bonus").

(C) OTHER BENEFITS. During the Period of Employment, Executive shall be entitled to continue to participate in or receive benefits under all of the Company's Employee Benefit Plans maintained for senior executive officers in effect on the date hereof. As used herein, "Employee Benefit Plans" include, without limitation, each pension and retirement plan; supplemental pension, retirement and deferred compensation plan; savings and profit-sharing plan; stock ownership plan; stock purchase plan; stock option plan; life insurance plan; medical insurance plan; disability plan; and health and accident plan or arrangement established and maintained by the Company on the date hereof for senior executive officers of the Company. During the Period of Employment, Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement which may, in the future, be made available by the Company to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plan or arrangement. Compliance with this Subparagraph 3(c) shall in no way create any obligation, expressed or implied, on the part of the Company or any parent, subsidiary or affiliate of the Company with respect to the continuation of any benefit plan or arrangement maintained as of or prior to the date hereof or the creation and maintenance of any particular benefit or other plan or arrangement of any time after the date hereof. Nothing paid to Executive under the Employee Benefit Plans presently in effect or any employee benefit plan or arrangement which may be made available in the future shall be deemed to be in lieu of compensation payable to Executive under Subparagraphs 3(a) and 3(b).

(D) LIABILITY INSURANCE. The Company shall pay the premiums on, and maintain in effect throughout the Period of Employment, director and officer liability insurance coverage as is paid and maintained for other directors and senior executive officers of the Company.

In addition, for six (6) years following the termination of the Period of Employment, the Company shall pay the premiums on, and maintain in effect, the same level of director and officer liability insurance coverage as was paid and maintained for Executive as of the last day of the Period of Employment. Such coverage shall be provided only with respect to claims incurred during Executive's Period of Employment.

(E) AUTOMOBILE ALLOWANCE. The Company shall pay, in addition to Executive's Base Salary and Annual Bonus, an annual amount of $1,200 to Executive, to be used for the purpose of maintaining an automobile.

(F) EXPENSES. Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him (in accordance with the policies and procedures then in effect and established by the Company for its senior executive officers) in performing services hereunder during the Period of Employment, provided that Executive properly accounts therefor in accordance with Company policy.

(G) VACATIONS. Executive shall be entitled to the number of paid vacation days in each calendar year determined by the Company from time to time for its senior executive officers, but in any case not less than five (5) weeks per annum. Executive shall also be entitled to all paid holidays given by the Company to its senior executive officers.

(H) CLUBS. The Company shall maintain memberships in two country clubs as designated by the Executive during the Period of Employment and during any period in which severance is paid.

4. UNAUTHORIZED DISCLOSURE.

(A) CONFIDENTIAL INFORMATION. Executive acknowledges that in the course of his employment with the Company, he has been allowed to become, and shall continue to be allowed to become, acquainted with the Company's business affairs, information, trade secrets, and other matters which are of a proprietary or confidential nature, including, but not limited to, and the Company's business opportunities and plans, sales and marketing plans, price and cost information, earnings information and projections, business relationships, joint ventures, finances, various sales techniques and other confidential information (collectively the "Confidential Information"). Executive understands and acknowledges that such Confidential Information is confidential, and he agrees not to disclose such Confidential Information to anyone outside the Company except as he deems reasonably necessary or appropriate in connection with performing his duties on behalf of the Company. Executive further agrees that he shall not during employment and/or at any time thereafter use such Confidential Information in competing, directly or indirectly, with the Company. At such time as Executive shall cease to be employed by the Company, he shall immediately turn over to the Company all Confidential Information, including papers, documents, writings, electronically stored information, other property, and all copies of them provided to or created by him during the course of his employment with the Company.

(B) HEIRS, SUCCESSORS, AND LEGAL REPRESENTATIVES. The foregoing provisions of this Paragraph 4 shall be binding upon Executive's heirs, successors, and legal representatives. The provisions of this Paragraph 4 shall survive the termination of this Agreement for any reason.

5. COVENANT NOT TO COMPETE. The provisions of this Paragraph 5 shall apply during the Period of Employment with the Company and for a period of two (2) years thereafter following termination of the Executive's employment relationship with the Company for any reason, provided that such non-competition period shall be three (3) years if the Executive is entitled to compensation upon termination as contemplated by Subparagraphs 8(a) or 8(b), in either case commencing when the employment relationship has ended (the "Non-Competition Period"). In consideration for Executive's employment by the Company under the

terms provided in this Agreement and as a means to aid in the performance and enforcement of the terms of the Unauthorized Disclosure provisions of Paragraph 4, Executive agrees that he will not, without the express written consent of the Company, directly or indirectly, anywhere in the United

States, engage in any activity which is, or participate or invest in, or provide or facilitate the provision of financing to, or assist (whether as owner, part-owner, shareholder, partner, director, officer, trustee, employee, agent or consultant, or in any other capacity), any business, organization or person other than the Company (or any affiliate of the Company), whose business, activities, products or services are competitive with any of the business, activities, products or services conducted or offered by the Company and its subsidiaries at the time of the termination of Executive's employment with the Company, which business, activities, products and services shall include in any event peer influence meetings, telemarketing activities, contract sales, field force logistics services and outsource marketing involving pharmaceutical and healthcare companies. However, direct and/or indirect ownership by Executive of not more than five percent (5%) of the number of shares outstanding of a publicly-held corporation which is engaged primarily in such business shall not be considered a violation of the preceding sentence.

Further, Executive agrees that Executive shall not, during the Non-Competition Period, directly or indirectly, solicit or induce any present or future employee of the Company to accept employment with Executive or with any business, operation, corporation, partnership, association, agency, or other person or entity with which Executive may be associated. However, Executive shall not be deemed to be in violation of the preceding sentence if Executive is approached by such a Company employee regarding employment with Executive. Executive also agrees that Executive shall not employ or cause any business, operation, corporation, partnership, association, agency, or other person or entity with which Executive may be associated to employ any present or future officer, director or regional manager of the Company without providing the Company with ten (10) days' prior written notice of such proposed employment.

6. TERMINATION. Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(A) DEATH. Executive's employment hereunder shall terminate upon his death.

(B) PERMANENT DISABILITY. If, as a result of Executive's permanent incapacity due to physical or mental illness or disability, Executive shall have been absent from his duties hereunder on a full-time basis for one hundred eighty (180) calendar days in the aggregate in any twelve (12) month period, the Company may terminate Executive's employment hereunder.

(C) TERMINATION BY COMPANY FOR CAUSE. At any time during the Period of Employment, the Company may terminate Executive's employment hereunder for Cause, provided that such termination is approved by not less than a majority of

Board at a meeting of the Board called and held for such purpose. For purposes of this Agreement, "Cause" shall mean:

(i) the Executive shall commit an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company or any of its subsidiaries, or shall be convicted by a court of competent jurisdiction of, or shall plead guilty or nolo contendere to, any felony or any crime involving moral turpitude; or

(ii) the Executive shall commit a material breach of any of the covenants, terms or provisions hereof, which breach has not been remedied within thirty (30) days after delivery to the Executive by the Board of written notice of the facts constituting the breach; or

(iii) the Executive shall have failed to comply with written instructions from the Board, which are reasonable and consistent with Section 3, or shall have substantially failed to perform the Executives's duties hereunder for a period of thirty (30) days after written notice from the Board.

(D) TERMINATION WITHOUT CAUSE. At any time during the Period of Employment, the Company may terminate Executive's employment hereunder without Cause if such termination is approved by not less than a majority of the Board at a meeting of the Board called and held for such purpose.

(E) TERMINATION BY EXECUTIVE. At any time during the Period of Employment, Executive may terminate his employment hereunder for any reason, including but not limited to Good Reason. For purposes of this Agreement, "Good Reason" shall mean that Executive has complied with the "Good Reason Process" (hereinafter defined) following the occurrence of any of the following events: (A) a substantial adverse change in the nature or scope of the Executive's responsibilities, authorities, title, powers, functions, or duties; (B) a reduction in the Executive's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; or (C) the relocation of the offices at which the Executive is principally employed to a location more than fifty (50) miles from Fair Lawn, New Jersey. "Good Reason Process" shall mean that (i) the Executive reasonably determines in good faith that a "Good Reason" event has occurred; (ii) Executive notifies the Company in writing of the occurrence of the Good Reason event; (iii) Executive cooperates in good faith with the Company's efforts, for a period not less than thirty (30) days following such notice, to modify Executive's employment situation in a manner acceptable to Executive and Company; and (iv) notwithstanding such efforts, one or more of the Good Reason events continues to exist and has not been modified in a manner acceptable to Executive.

(F) NOTICE OF TERMINATION. Except for termination as specified in Subparagraph 6(a), any termination of Executive's employment by the Company or any such termination by Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(G) DATE OF TERMINATION. "Date of Termination" shall mean: (i) if Executive's employment is terminated by his death, the date of his death; (ii) if Executive's employment is terminated on account of permanent disability under Subparagraph 6(b), the date on which Notice of Termination is given; (iii) if Executive's employment is terminated by the Company under Subparagraph 6(c) or 6(d), thirty (30) days after the date on which a Notice of Termination is given; and (iv) if Executive's employment is terminated by Executive under Subparagraph 6(e), thirty (30) days after the date on which a Notice of Termination is given.

7. COMPENSATION UPON TERMINATION OR DURING DISABILITY.

(A) If Executive's employment terminates by reason of his death or disability, the Company shall, within ninety (90) days of death or such disability termination, pay in a lump sum amount to the Executive (or his surviving spouse in the case of death) an amount equal to the Executive's accrued and unpaid Base Salary. In the case of termination due to death, the Company shall also continue payment of Executive's Base Salary and target bonus at the rates in effect at the Date of Termination to Executive's surviving spouse for one (1) year. In either case, for a period of one (1) year following the Date of Termination, the Company shall provide medical and dental insurance coverage to Executive (in the case of disability), Executive's spouse and dependents, on the same terms and conditions as though Executive had remained employed. In addition to the foregoing, any payments to which Executive (or his spouse, beneficiaries, or estate, in the case of death) may be entitled under any employee benefit plan shall also be paid in accordance with the terms of such plan or arrangement. Such payments, in the aggregate, shall fully discharge the Company's obligations hereunder.

(B) During any period that Executive fails to perform his duties hereunder as a result of permanent incapacity due to physical or mental illness or disability, Executive shall receive the benefits provided under the Company's then-existing long-term disability insurance policy for senior executive officers.

(C) If Executive's employment is terminated by the Company for Cause as provided in Subparagraph 6(c) or Executive terminates his employment hereunder without Good Reason as provided in Subparagraph 6(e), then the Company shall, through the Date of Termination, pay Executive in a lump sum amount his accrued and unpaid Base Salary at the rate in effect at the time Notice of Termination is given. Thereafter, the Company shall have no further obligations to Executive except as otherwise expressly provided under this Agreement, provided any such termination shall not adversely affect or alter Executive's rights under any employee benefit plan of the Company in which Executive, at the Date of

Termination, has a vested interest, unless otherwise provided in such employee benefit plan or any agreement or other instrument attendant thereto.

(D) If Executive's employment is terminated by the Company without Cause as provided in Subparagraph 6(d), if Executive terminates his employment for Good Reason as provided in Subparagraph 6(e) or if Executive's employment with the Company terminates as a result of the expiration of the initial Period of Employment without extension, then the

Company shall, through the Date of Termination, pay Executive his accrued and unpaid Base Salary at the rate in effect at the time Notice of Termination is given. Payment of all amounts under this Subparagraph 7(d) is agreed to by the parties hereto to be in full satisfaction, compromise and release of any claims arising out of Executive's employment or termination thereof pursuant to Subparagraph 6(d) or 6(e). In any case, the payment of all such amounts under this Subparagraph 7(d) shall be contingent upon the Employee's compliance with Paragraphs 4 and 5 above and the Executive's delivery of a general release upon termination of employment covering all matters arising under or in connection with this Agreement. Such release shall be in a form reasonably satisfactory to the Company, it being understood that no severance benefits shall be provided unless and until the Executive determines to execute and deliver such release.

Subject to the foregoing, the Company shall also provide Executive with the following "Severance Benefits:"

(i) The Company shall pay Executive in a lump sum, on the Date of Termination, an amount equal to two (2) times the sum of (A) Executive's current Base Salary and (B) his most recently paid Annual Bonus, or target bonus for the year of termination, if higher.

(ii) In addition to any other benefits to which Executive may be entitled in accordance with the Company's then existing severance policies, the Company shall, for a period of two (2) years commencing on the Date of Termination, continue to provide family medical and dental insurance coverage to Executive, Executive's spouse and dependents, on the same terms and conditions as though Executive had remained employed. In the event Executive's participation in any medical or dental insurance plan is barred, the Company shall arrange to provide Executive with benefits substantially equivalent to those which Executive would otherwise have received had his participation not been barred;

(iii) Executive shall receive all the rights and benefits granted or in effect with respect to Executive under the Company's employee stock option or incentive plans and agreements with Executive pursuant thereto. In addition to the foregoing, all stock options and restricted stock awards shall be deemed fully vested as of the date of termination, and all outstanding option agreements shall be deemed amended to so provide; and

(iv) Executive shall be entitled to receive reimbursement of any reasonable legal fees or costs incurred by him in obtaining or enforcing any right or benefit provided by this Agreement, except in cases involving frivolous or bad faith litigation initiated by Executive.

(e) Nothing contained in the foregoing Subparagraphs 7(a) through 7(d) shall be construed so as to affect Executive's rights or the Company's obligations relating to agreements or benefits which are unrelated to termination of employment.

8. PAYMENT. The provisions of this Paragraph 8 set forth certain terms of an agreement reached between Executive and the Company regarding Executive's rights and obligations upon or following the occurrence of a Change in Control of the Company. These provisions are intended to assure and encourage in advance Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall apply in lieu of, and expressly supersede, the provisions of Subparagraph 7(d)(i) regarding Severance Benefits in the event the Executive's employment terminates as contemplated by Subparagraphs 8(a) or 8(b), it being understood that the provisions of Section 7(d)(ii) through (iv) shall continue to apply in the event of a termination under Section 8(a) or 8(b) below.

(A) UPON CHANGE IN CONTROL. If, within the thirty (30) day period immediately following a Change in Control, Executive elects to terminate his employment with the Company, then the Company shall pay Executive in a lump sum an amount equal to the sum of (A) three (3) times the Executive's current Base Salary (or his Base Salary immediately prior to the Change of Control, if greater), (B) three (3) times his Highest Bonus (as hereinafter defined), and (C) any Gross-Up Payment provided under Subparagraph 8(c) below. Such payment shall be made no later than three (3) days after the Date of Termination. For purposes of this Section 8, Highest Bonus shall mean the largest Annual Bonus actually paid for work performed in the three most recently completed fiscal years.

(B) AFTER CHANGE IN CONTROL. If, within the eighteen (18) month period following a Change of Control, Executive's employment is terminated pursuant to or under the circumstances contemplated by Section 7(d), then the Company shall pay Executive in a lump sum an amount equal to the sum of (A) three (3) times the Executive's current Base Salary (or his Base Salary immediately prior to the Change of Control, if greater), (B) three (3) times his Highest Bonus, and (C) any Gross-Up Payment provided under Subparagraph 8(c) below.

(C) ADDITIONAL BENEFITS.

(i) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, other than amounts payable under the Company's Incentive Bonus Plan for Executives, (the "Severance Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive shall be entitled to receive an additional payment (a "Gross-Up Payment") such that the net amount

retained by the Executive, after deduction of any Excise Tax on the Severance Payments, any Federal, state, and local income tax, employment tax and Excise Tax upon the payment provided by this subsection, and any interest and/or penalties assessed with respect to such Excise Tax, shall be equal to the Severance Payments.

(ii) Subject to the provisions of Subparagraph 8(c)(iii), all determinations required to be made under this Subparagraph 8(c), including whether a Gross-Up Payment is required and the amount of such Gross-Up Payment, shall be made by Arthur Andersen LLP or any other nationally recognized accounting firm selected by the Company (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and the Executive within fifteen (15) business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. For purposes of determining the amount of the Gross-Up Payment, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the Gross-Up Payment is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of the Executive's residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. The initial Gross-Up Payment, if any, as determined pursuant to this Subparagraph 8(c)(ii), shall be paid to the applicable tax authorities on behalf of the Executive within five days of the receipt of the Accounting Firm's determination. If the Accounting Firm determines that no Excise Tax is payable by the Executive, the Company shall furnish the Executive with an opinion of counsel that failure to report the Excise Tax on the Executive's applicable federal income tax return would not result in the imposition of a negligence or similar penalty. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made (an "Underpayment"). In the event that the Company exhausts its remedies pursuant to Subparagraph 8(c)(iii) and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred, consistent with the calculations required to be made hereunder, and any such Underpayment, and any interest and penalties imposed on the Underpayment and required to be paid by the Executive in connection with the proceedings described in Subparagraph 8(c)(iii), shall be promptly paid by the Company to or for the benefit of the Executive.

(iii) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-up Payment. Such notification shall be given as soon as practicable but no later than ten (10) business days after the Executive knows of such claim and shall apprise the Company of the nature of such claim and the date on which

such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the thirty (30) day period following the date on which he gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, provided that the Company has set aside adequate reserves to cover the Underpayment and any interest and penalties thereon that may accrue, the Executive shall:

(A) give the Company any information reasonably requested by the Company relating to such claim,

(B) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney selected by the Company,

(C) cooperate with the Company in good faith in order effectively to contest such claim, and

(D) permit the Company to participate in any proceedings relating to such claim; provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Subparagraph 8(c)(iii), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forego any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax, including interest or penalties with respect thereto, imposed with respect to such advance or with respect to any imputed income with respect to such advance; and further provided that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control

of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issues raised by the Internal Revenue Service or any other taxing authority.

(iv) If, after the receipt by the Executive of an amount advanced by the Company pursuant to Subparagraph 8(c)(iii), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of Subparagraph 8(c)(iii)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to Subparagraph 8(c)(iii), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of thirty (30) days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

(D) DEFINITIONS. For purposes of this Agreement "Change in Control" shall mean (a) the sale of all or substantially all of the assets of the Company and its subsidiaries to an unrelated person or entity; (b) a merger, reorganization or consolidation in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; (c) the sale of all or substantially all of the outstanding stock of the Company to an unrelated person or entity in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; or (d) any other transaction or series of transactions where the owners of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction.

9. NOTICE. For purposes of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States certified mail, return receipt requested, postage prepaid, addressed as follows:

if to the Executive:

At his home address as shown
in the Company's personnel records;

if to the Company:

Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410
Attn.: President

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

10. SPECIFIC PERFORMANCE; SEVERABILITY. It is specifically understood and agreed that any breach of the provisions of this Agreement including, without limitation, Paragraph 5 hereof by the Executive is likely to result in irreparable injury to the Company and its subsidiaries and affiliates, that the remedy at law alone will be inadequate remedy for such breach and that, in addition to any other remedy it may have, the Company shall be entitled to enforce the specific performance of this Agreement by the Executive and to seek both temporary and permanent injunctive relief (to the extent permitted by law), without the necessity of proving actual damages. In case any of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this unenforceable provision had been limited or modified (consistent with its general intent) to the extent necessary to make it valid, legal and enforceable, or if it shall not be possible to so limit or modify such invalid, illegal or unenforceable provision or part of a provision, this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part of a provision had never been contained in this Agreement.

11. MISCELLANEOUS. No provisions of this Agreement may be modified, waived, or discharged unless such waiver, modification, or discharge is agreed to in writing and signed by Executive and such officer of the Company as may be

specifically designated by the Board. No waiver by either party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, unless specifically referred to herein, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Delaware (without regard to principles of conflicts of laws).

12. VALIDITY. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. The invalid portion of this Agreement, if any, shall be modified by any court having jurisdiction to the extent necessary to render such portion enforceable.

13. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

14. LITIGATION AND REGULATORY COOPERATION. During and after Executive's employment, Executive shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while Executive was employed by the Company; provided, however, that such cooperation shall not materially and adversely affect Executive or expose Executive to an increased probability of civil or criminal litigation. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after Executive's employment, Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while Executive was employed by the Company. The Company shall also provide Executive with compensation on an hourly basis calculated at his final base compensation rate for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse Executive for all costs and expenses incurred in connection with his performance under this Paragraph 14, including, but not limited to, reasonable attorneys' fees and costs.

15. NO REQUIREMENT OF MITIGATION. After the termination of this Agreement, Executive shall not be required to seek other employment, nor shall Executive be required to offset the benefits payable by the Company under this Agreement against his other compensation or income. The Company shall not offset Executive's benefits under this Agreement by any claims which it may have

against the Executive.

16. ASSIGNABILITY. This Agreement shall not be assigned by the Executive and shall inure to the benefit of successors to the Company by way of merger, consolidation or transfer of all or substantially all of the assets of the Company. The Company will use its best efforts to require any successor to expressly assume and agree to perform this Agreement in the same manner that the Company would be required to perform if no such succession had taken place.

17. DISPUTE RESOLUTION. In the event of a dispute between the parties concerning their respective rights and obligations under this Agreement or under any stock option agreement to which the Executive and the Company are party that the parties are unable to resolve amicably between themselves within sixty (60) days of proper notice from one party to another, such dispute shall be settled by arbitration in the State of New Jersey in an expedited manner in accordance with the Employment Dispute Rules of the American Arbitration Association by a duly registered arbitrator to be selected jointly by the parties. The decision of the arbitrator shall be final and binding upon the parties. Notwithstanding anything to the contrary herein, the provisions of this Section 17 shall not apply to any equitable remedies to which any party may be entitled to hereunder.

18. PRIOR AGREEMENTS. By execution of this Agreement, the parties hereby terminate the prior agreement between Executive and the Company dated as of December 4, 1996 with regard to employment or severance arrangements and acknowledge and agree that no provisions of such prior agreement shall survive the execution and delivery of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

BORON, LEPORE &ASSOCIATES, INC.

By:_________________________________
Its:________________________________

____
Patrick G. LePore

Exhibit 10.7

EMPLOYMENT AGREEMENT

Amended and Restated Employment Agreement, dated the 1st day of March, 1999 by and between Timothy J. McIntyre (the "Employee") and Boron, LePore & Associates, Inc., a Delaware corporation (the "Company"). In consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. Employment.

Subject to the provisions of Section 6, the Company hereby employs the Employee and the Employee accepts such employment upon the terms and conditions hereinafter set forth.

2. Term of Employment.

Subject to the provisions of Section 6, the term of the Employee's employment pursuant to this Agreement shall commence on and as of the date hereof (the "Effective Date") and shall terminate on the second anniversary of the Effective Date; provided, however, that the term of the Employee's employment pursuant to this Agreement shall be extended automatically for successive one-year periods ending on the relevant anniversary of the Effective Date unless either party gives the other notice no later than 270 days prior to the scheduled termination date (i.e., the second anniversary of the Effective Date or any later anniversary) of his or its determination not to extend the term of the Employee's employment pursuant to this Agreement, whereupon such term of employment shall terminate as of such anniversary date; and provided further, however, that in the event a Change of Control (as defined in Section 10 hereof) shall occur, then (subject to Sections 6 and 10) such term of employment shall not expire by reason of non-extension by the Company pursuant to this Section 2 prior to the date which is 18 months following such Change of Control. The period during which the Employee serves as an employee of the Company in accordance with and subject to the provisions of this Agreement is referred to in this Agreement as the "Term of Employment."

3. Duties.

During the Term of Employment, the Employee (a) shall serve as an employee of the Company with the title of Corporate Executive Vice President, reporting to the Chief Executive Officer of the Company, and shall perform such duties and have such responsibilities and shall have such additional or alternative duties as may be reasonably determined by the Chief Executive

Officer of the Company, consistent with the general area of the Employee's experience and skills; (b) upon the request of the Chief Executive Officer of the Company, shall serve as an officer and/or director of the Company's subsidiaries; and (c) shall render all services reasonably incident to the foregoing. The Employee hereby accepts such employment, agrees to serve the Company in the capacities indicated, and agrees to use his best efforts in, and shall devote his full working time, attention, skill and energies to, the

advancement of the interests of the Company and its subsidiaries and the performance of his duties and responsibilities hereunder.

4. Salary and Bonus.

(a) During the Term of Employment, the Company shall pay the Employee a salary at the annual rate of $250,000 per annum (the "Base Salary"). Such Base Salary shall be subject to withholding under applicable law, shall be pro rated for partial years and shall be payable in periodic installments not less frequently than monthly in accordance with the Company's usual practice for executives of the Company as in effect from time to time. The Board of Directors or Compensation Committee of the Company shall review the Base Salary of the Employee at least annually, but such salary shall not be set at a rate lower than $250,000 per annum.

(b) Bonus. During the Term of Employment, the Employee shall be entitled to participate in such executive bonus program as may be established by the Company and then in effect, subject to and in accordance with the terms thereof.

5. Benefits.

(a) During the Term of Employment, the Employee shall be entitled to participate in any and all medical, pension, dental and life insurance plans, disability income plans, stock incentive plans, retirement arrangements and other employment benefits as in effect from time to time for executive officers of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents (including, as applicable, provisions granting discretion to the Board of Directors of the Company or any administrative or other committee provided for therein or contemplated thereby); and (ii) generally applicable policies of the Company.

(b) Notwithstanding the foregoing, during the Term of Employment the Company shall provide the Employee with or reimburse the Employee for a Company automobile and club dues in accordance with the Company's practices for executive officers, as in effect from time to time.

(c) The Company shall promptly reimburse the Employee for all reasonable business expenses incurred by the Employee during the Term of

Employment in accordance with the Company's practices for executive officers of the Company with a similar level of responsibility, as in effect from time to time.

(d) During the Term of Employment, the Employee shall receive paid vacation annually in accordance with the Company's practices for executive officers, as in effect from time to time, but in any event not less than four (4) weeks per calendar year.

(e) The Company will purchase on behalf of the Employee a term life insurance policy providing a death benefit of $1,000,000 in the event of the Employee's death and naming such person or persons as the Employee may designate as loss payee or payees. The obligation to purchase and the maintenance of such life insurance policy during the Term of Employment, however, shall be contingent upon (i) the Employee's satisfactory completion of all requirements in connection therewith including, without limitation, a physical examination, and (ii) the annual premium payments for such policy not exceeding $5,000; provided, however, that if such amount is not adequate to cover a policy with a death benefit of $1,000,000, the Company shall purchase a term life insurance policy providing for the maximum death benefit payable for an annual premium of $5,000.

(f) Compliance with the provisions of Section 4(b) or Section 5 shall in no way create or be deemed to create any obligation, express or implied, on the part of the Company or any of its affiliates with respect to the continuation of any particular benefit or other plan or arrangement maintained by them or their subsidiaries as of or prior to the date hereof or the creation and maintenance of any particular benefit or other plan or arrangement at any time after the date hereof, except as provided in Sections 5(b), 5(c), 5(d) and 5(e).

6. Termination of Employment of the Employee.

Prior to the expiration of the Term of Employment as provided in Section 2 hereof, this Agreement may or shall (as applicable) be terminated as follows:

(a) At any time by the mutual consent of the Employee and the Company.

(b) At any time for "cause" by the Company upon written notice to the Employee. For purposes of this Agreement, a termination shall be for "cause" if:

(i) the Employee shall commit an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company or

any of its subsidiaries, or shall be convicted by a court of competent jurisdiction of, or shall plead guilty or nolo contendere to, any felony or any crime involving moral turpitude; or

(ii) the Employee shall commit a breach of any of the covenants, terms or provisions hereof, which breach has not been remedied within thirty (30) days after delivery to the Employee by the Company of written notice of the facts constituting the breach; or

(iii) the Employee shall have failed to comply with written instructions from the Company's Chief Executive Officer, which are reasonable and consistent with Section 3, or shall have substantially failed to perform the Employee's duties hereunder for a period of thirty (30) days after written notice from the Company.

Upon termination for cause as provided in this Section 6(b), (A) all obligations of the Company under this Agreement shall thereupon immediately terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent then accrued or vested, it being understood that upon any such termination the Employee shall not be entitled to (1) receive any bonus or portion thereof from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise, or (2) any continuation of benefits except as may be required by law, and (B) the Company shall have any and all rights and remedies under this Agreement and applicable law; provided, however, that termination of this Agreement by the Employee for Good Reason (as defined in Section 10) within 18 months following a Change of Control shall not be deemed grounds for termination pursuant to this Section 6(b).

(c) Upon the death of the Employee or upon the permanent disability (as defined below) of the Employee continuing for a period in excess of one hundred eighty (180) consecutive days. Upon any such termination of the Employee's employment as provided in this Section 6(c), all obligations of the Company under this Agreement shall thereupon immediately terminate other than (i) any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination and (ii) the obligation of the Company to pay the Employee or his estate cash bonuses earned as of the date of termination. As used herein, the terms "permanent disability" or "permanently disabled" shall mean the inability of the Employee, by reason of injury, illness or other similar cause, to perform a major part of his duties and responsibilities in connection with the conduct of the business and affairs of the Company, as determined reasonably and in good faith by the Company.

(d) By the Employee on at least 60 days' prior written notice to the Company. Upon termination by the Employee as provided in this Section 6(d), all obligations of the Company under this Agreement thereupon

immediately shall terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination, it being understood that in the event of such a termination the Employee shall not be entitled to (i) receive any bonus from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise with respect to any period during or after the Term of Employment or (ii) any continuation of benefits except to the extent required by law.

(e) At any time without "cause" (as defined in Section 6(b)) by the Company upon written notice to the Employee. In the event of termination of the Employee by the Company pursuant to this Section 6(e), the Company shall continue to make Base Salary payments to the Employee in the manner contemplated by Section 4(a) from the date of termination through the first anniversary of the date on which such termination occurs, and the Company shall also remain obligated to pay the full amount of the

target bonus contemplated by Section 4(b) for the year in which such termination occurs, when and as it otherwise would have paid such bonuses; subject, however, to the provisions of Section 10 in the event any such termination occurs within 18 months following any Change of Control. Notwithstanding the foregoing, if the Employee's employment terminates pursuant to Section 6(e) or 6(f) in the 18 months following a Change of Control and at the time of such termination no target bonus shall be in effect or such target bonus shall be lower than the average of the Employee's bonus for the two most recent years, than in such circumstances the bonus payment of the Employee's severance which is otherwise payable pursuant to this Agreement shall equal the average bonus and shall be paid promptly following such termination. Such payments of bonus and Base Salary amounts contemplated by Section 6(e) or 6(f) are agreed by the parties hereto to be in full satisfaction, compromise and release of any claims arising out of the Employee's employment or termination thereof pursuant to this Section 6(e) or Section 6(f). In any case the payment of all such amounts under Sections 6(e) or 6(f) shall be contingent upon the Employee's compliance with Section 8 below and the Employee's delivery of a general release upon termination of employment covering all matters arising under or connection with this Agreement. Such release shall be in a form reasonably satisfactory to the Company, it being understood that no severance benefits shall be provided unless and until the Employee determines to execute and deliver such release.

(f) The Employee shall have the right to terminate his employment hereunder (i) in the event of a material default by the Company in the performance of its obligations hereunder, after the Employee has given written notice to the Company specifying such default by the Company and giving the Company a reasonable time, not less than 30 days, to conform its performance to its obligations hereunder or (ii) without limitation of clause (i), for Good Reason during the 18 months following any Change of

Control as contemplated by Section 10. The rights and obligations of the parties shall be as set forth in Section 6(e) and Section 10, as applicable, in the event of any such termination.

(g) In the event either party gives a notice of non-renewal to be effective as of any anniversary hereof as contemplated by Section 2, then all obligations of the parties hereunder shall terminate as of the end of the Term of Employment except as contemplated by Sections 7, 8, 9, 11, 12, 13 and 14 hereof.

7. Confidentiality; Proprietary Rights.

(a) In the course of performing services hereunder, on behalf of the Company (for purposes of this Section 7, including all predecessors of the Company) and its affiliates, the Employee has had and from time to time will have access to confidential records, data, customer lists, trade secrets and other confidential information owned or used in the course of business by the Company and its affiliates (the "Confidential Information"). The Employee agrees (i) to hold the Confidential Information in strict confidence; (ii) not to

disclose the Confidential Information to any person (other than in the regular business of the Company or its affiliates); and (iii) not to use, directly or indirectly, any of the Confidential Information for any competitive or commercial purpose other than on behalf of the Company and its affiliates; provided, however, that the limitations set forth above shall not apply to any Confidential Information which (A) is then generally known to the public; (B) became or becomes generally known to the public through no fault of the Employee; or (C) is disclosed in accordance with an order of a court of competent jurisdiction or applicable law. Upon the termination of the Employee's employment with the Company for any reason, all Confidential Information (including, without limitation, all data, memoranda, customer lists, notes, programs and other papers and items, and reproductions thereof relating to the foregoing matters) in the Employee's possession or control, shall be immediately returned to the Company or the applicable affiliate and remain in its or their possession.

(b) The Employee recognizes that the Company and its affiliates possess a proprietary interest in all of the information described in Section 7(a), subject to the provisions and limitations thereof, and have the exclusive right and privilege to use, protect by copyright, patent or trademark, or otherwise exploit the processes, ideas and concepts described therein to the exclusion of the Employee, except as otherwise agreed between the Company and the Employee in writing. The Employee expressly agrees that any products, inventions, discoveries or improvements made by the Employee or his agents or affiliates in the course of the Employee's employment, including any of the foregoing which is based on or arises out of the information described in

Section 7(a), shall be the property of and inure to the exclusive benefit of the Company. The Employee further agrees that any and all products, inventions, discoveries or improvements developed by the Employee (whether or not able to be protected by copyright, patent or trademark) during the course of his employment, or involving the use of the time, materials or other resources of the Company or any of its affiliates, shall be promptly disclosed to the Company and shall become the exclusive property of the Company, and the Employee shall execute and deliver any and all documents necessary or appropriate to implement the foregoing.

(c) The Employee agrees, while he is employed by the Company, to offer or otherwise make known or available to it, as directed by the Chief Executive Officer of the Company and without additional compensation or consideration, any business prospects, contracts or other business opportunities that he may discover, find, develop or otherwise have available to him in any field in which the Company or its affiliates are engaged, and further agrees that any such prospects, contacts or other business opportunities shall be the property of the Company.

8. Non-Competition.

In view of the fact that any activity of the Employee in violation of the terms hereof would deprive the Company and its subsidiaries, if any, of the benefits of their bargain under this Agreement, as a material inducement to and a condition precedent of the Company's payment obligations hereunder and the other covenants set forth herein, and to preserve the

goodwill associated with the Boron, LePore business, the Employee hereby agrees that during the term of the Employee's employment with the Company and its subsidiaries and thereafter for a period of one year following the termination of the Employee's employment with the Company, regardless of the circumstances of termination, he will not, without the express written consent of the Company, directly or indirectly, anywhere in the United States, engage in any activity which is, or participate or invest in, or provide or facilitate the provision of financing to, or assist (whether as owner, part-owner, shareholder, partner, director, officer, trustee, employee, agent or consultant, or in any other capacity), any business, organization or person other than the Company (or any affiliate of the Company), whose business, activities, products or services are competitive with any of the business, activities, products or services conducted or offered by the Company and its subsidiaries at the time of the termination of Employee's employment with the Company, which business, activities, products and services shall include in any event peer influence meetings, telemarketing activities, contract sales, field force logistics services and outsource marketing involving pharmaceutical and healthcare companies. Without implied limitation, the foregoing covenant shall include hiring or engaging or attempting to hire or engage for or on behalf of himself or any such competitor, any officer or employee of the Company or any of its direct and/or indirect

subsidiaries, encouraging for or on behalf of himself or any such competitor, any such officer or employee to terminate his or her relationship or employment with the Company or any of its direct or indirect subsidiaries, soliciting for or on behalf of himself or any such competitor any client of the Company or any of its direct or indirect subsidiaries and diverting to any person (as defined in Section 14) any client or business opportunity of the Company or any of any of its direct or indirect subsidiaries.

Notwithstanding anything herein to the contrary, the Employee may make passive investments in any enterprise the shares of which are publicly traded if such investment constitutes less than five (5%) percent of the equity of such enterprise.

The Employee acknowledges that neither the Employee nor any business entity controlled by him is a party to any contract, commitment, arrangement or agreement which could, following the date hereof, restrain or restrict the Company or any subsidiary or affiliate of the Company from carrying on its business or restrain or restrict the Employee from performing his obligations under this Agreement and as of the date of this Agreement the Employee has no business interests in or relating to the pharmaceutical industry whatsoever other than his interest in the Company, or interests in public companies of less than five (5%) percent. The Employee further acknowledges that he will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any previous employment or other party.

9. Specific Performance; Severability.

It is specifically understood and agreed that any breach of the provisions of Section 7 or 8 hereof by the Employee is likely to result in irreparable injury to the Company and/or its affiliates, that the remedy at law alone will be an inadequate remedy for such breach

and that, in addition to any other remedy it may have, the Company shall be entitled to enforce the specific performance of this Agreement by the Employee and to seek both temporary and permanent injunctive relief (to the extent permitted by law), without the necessity of posting a bond or proving actual damages. In case any of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had been limited or modified (consistent with its general intent) to the extent necessary to make it valid, legal and enforceable, or if it shall not be possible to so limit or modify such invalid, illegal or unenforceable provision or part of a provision, this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part of a provision had never been contained in this Agreement.

10. Assignability; Change of Control.

This Agreement shall inure to the benefit of, and be binding upon and assignable to, successors of the Company by way of merger, reorganization, consolidation or other sale. In addition, if the Company sells all or substantially all of its assets, the Company will cause this Agreement to be assumed by the buyer and if the buyer does not assume this Agreement, such non-assumption shall be treated as a material breach under Section 6(f). This Agreement may not be assigned by the Employee. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, in the event of (a) the sale of all or substantially all of the assets of the Company and its Subsidiaries to another person or entity; (b) a merger, reorganization or consolidation in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; (c) the sale of all or substantially all of the outstanding stock of the Company to an unrelated person or entity in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; or (d) any other transaction or series of transactions where the owners of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction (collectively, a "Change of Control"), if, and within the 18 months thereafter, the Company terminates the Employee's employment pursuant to Section 6(e) or the Employee terminates his employment pursuant to Section 6(f), including for Good Reason (as hereinafter defined), the Employee shall receive severance of two years Base Salary rather than one year, payable through the second anniversary of such termination, in addition to the bonus payment contemplated by Section 6(e). For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following events: (A) a substantial adverse change in the nature or scope of the Employee's responsibilities, authorities, title, powers, functions, or duties; (B) a reduction in the Employee's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; or (C) the relocation of the offices at

which the grantee is principally employed to a location more than fifty (50) miles from Fair Lawn, New Jersey.

11. Notices.

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if faxed (with transmission acknowledgment received), delivered personally or mailed by

certified or registered mail (return receipt requested) as follows:

To the Company: Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410
Attention: Patrick G. LePore, President and CEO

To the Employee: Timothy J. McIntyre
c/o Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410

or to such other address or fax number of which any party may notify the other parties as provided above. Notices shall be effective as of the date of such delivery, mailing or fax.

12. Dispute Resolution. In the event of a dispute between the parties concerning their respective rights and obligations under this Agreement or under any stock option agreement to which the Employee and the Company are party, that the parties are unable to resolve amicably between themselves within sixty (60) days of proper notice from one party to another, such dispute shall be settled by arbitration in the State of New Jersey in an expedited manner in accordance with the Commercial Rules of the American Arbitration Association by a duly registered arbitrator to be selected jointly by the parties. The decision of the arbitrator shall be final and binding upon the parties. Notwithstanding anything to the contrary herein, the provisions of this Section 12 shall not apply to any equitable remedies to which any party may be entitled to hereunder.

13. Litigation and Regulatory Cooperation.

During and after Employee's employment, the Employee shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Employee was employed by the Company; provided, however, that such cooperation shall not materially and adversely affect the Employee or expose the Employee to an increased probability of civil or criminal litigation. The Employee's cooperation in connection with such claims or actions shall include, but not be

limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Employee's employment, the Employee also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or

review relates to events or occurrences that transpired while the Employee was employed by the Company. The Company shall also provide the Employee with compensation on an hourly basis calculated at his final base compensation rate for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse the Employee for all costs and expenses incurred in connection with his performance under this Paragraph 13, including, but not limited to, reasonable attorneys' fees and costs.

14. Miscellaneous.

This Agreement shall be governed by and construed under the laws of the State of New Jersey, and shall not be amended, modified or discharged in whole or in part except by an agreement in writing signed by both of the parties hereto. The failure of either of the parties to require the performance of a term or obligation or to exercise any right under this Agreement or the waiver of any breach hereunder shall not prevent subsequent enforcement of such term or obligation or exercise of such right or the enforcement at any time of any other right hereunder or be deemed a waiver of any subsequent breach of the provision so breached, or of any other breach hereunder. This Agreement supersedes, terminates and in all respects replaces all prior understandings and agreements, written or oral, between the parties relating to the subject matter hereof, including, without limitation, the Employee's employment contract dated June 9, 1997. For purposes of this Agreement, the term "person" means an individual, corporation, partnership, association, trust or any unincorporated organization; a "subsidiary" of a person means any corporation more than 50 percent of whose outstanding voting securities, or any partnership, joint venture or other entity more than 50 percent of whose total equity interest, is directly or indirectly owned by such person; and an "affiliate" of a person shall mean, with respect to a person or entity, any person or entity which directly or indirectly controls, is controlled by, or is under common control with such person or entity.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first set forth above.

BORON, LePORE & ASSOCIATES, INC.

By: /s/ Patrick G. LePore

Patrick G. LePore, President

/s/ Timothy J. McIntyre

TIMOTHY J. McINTYRE

Exhibit 10.11

EMPLOYMENT AGREEMENT

Amended and Restated Employment Agreement, dated the 1st day of March, 1999 by and between Martin J. Veilleux (the "Employee") and Boron, LePore & Associates, Inc., a Delaware corporation (the "Company"). In consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. Employment.

Subject to the provisions of Section 6, the Company hereby employs the Employee and the Employee accepts such employment upon the terms and conditions hereinafter set forth.

2. Term of Employment.

Subject to the provisions of Section 6, the term of the Employee's employment pursuant to this Agreement shall commence on and as of the date hereof (the "Effective Date") and shall terminate on the second anniversary of the Effective Date; provided, however, that the term of the Employee's employment pursuant to this Agreement shall be extended automatically for successive one-year periods ending on the relevant anniversary of the Effective Date unless either party gives the other notice no later than 270 days prior to the scheduled termination date (i.e., the second anniversary of the Effective Date or any later anniversary) of his or its determination not to extend the term of the Employee's employment pursuant to this Agreement, whereupon such term of employment shall terminate as of such anniversary date; and provided further, however, that in the event a Change of Control (as defined in Section 10 hereof) shall occur, then (subject to Sections 6 and 10) such term of employment shall not expire by reason of non-extension by the Company pursuant to this Section 2 prior to the date which is 18 months following such Change of Control. The period during which the Employee serves as an employee of the Company in accordance with and subject to the provisions of this Agreement is referred to in this Agreement as the "Term of Employment."

3. Duties.

During the Term of Employment, the Employee (a) shall serve as an employee of the Company with the title of Corporate Executive Vice President, reporting to the Chief Executive Officer of the Company, and shall perform such duties and have such responsibilities and shall have such additional or alternative duties as may be reasonably determined by the Chief Executive

Officer of the Company, consistent with the general area of the Employee's experience and skills; (b) upon the request of the Chief Executive Officer of the Company, shall serve as an officer and/or director of the Company's subsidiaries; and (c) shall render all services reasonably incident to the foregoing. The Employee hereby accepts such employment, agrees to serve the Company in the capacities indicated, and agrees to use his best efforts in, and shall devote his full working time, attention, skill and energies to, the advancement of the interests of the Company and its subsidiaries and the performance of his duties and responsibilities hereunder.

4. Salary and Bonus.

(a) During the Term of Employment, the Company shall pay the Employee a salary at the annual rate of $200,000 per annum (the "Base Salary"). Such Base Salary shall be subject to withholding under applicable law, shall be pro rated for partial years and shall be payable in periodic installments not less frequently than monthly in accordance with the Company's usual practice for executives of the Company as in effect from time to time. The Board of Directors or Compensation Committee of the Company shall review the Base Salary of the Employee at least annually, but such salary shall not be set at a rate lower than $200,000 per annum.

(b) Bonus. During the Term of Employment, the Employee shall be entitled to participate in such executive bonus program as may be established by the Company and then in effect, subject to and in accordance with the terms thereof.

5. Benefits.

(a) During the Term of Employment, the Employee shall be entitled to participate in any and all medical, pension, dental and life insurance plans, disability income plans, stock incentive plans, retirement arrangements and other employment benefits as in effect from time to time for executive officers of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents (including, as applicable, provisions granting discretion to the Board of Directors of the Company or any administrative or other committee provided for therein or contemplated thereby); and (ii) generally applicable policies of the Company.

(b) Notwithstanding the foregoing, during the Term of Employment the Company shall provide the Employee with or reimburse the Employee for a Company automobile in accordance with the Company's practices for executive officers, as in effect from time to time.

(c) The Company shall promptly reimburse the Employee for all reasonable business expenses incurred by the Employee during the Term of

Employment in accordance with the Company's practices for executive officers of the Company with a similar level of responsibility, as in effect from time to time.

(d) During the Term of Employment, the Employee shall receive paid vacation annually in accordance with the Company's practices for executive officers, as in effect from time to time, but in any event not less than four (4) weeks per calendar year.

(e) The Company will purchase on behalf of the Employee a term life insurance policy providing a death benefit of $1,000,000 in the event of the Employee's death and naming such person or persons as the Employee may designate as loss payee or payees. The obligation to purchase and the maintenance of such life insurance policy during the Term of Employment, however, shall be contingent upon (i) the Employee's satisfactory completion of all requirements in connection therewith including, without limitation, a physical examination, and (ii) the annual premium payments for such policy not exceeding $5,000; provided, however, that if such amount is not adequate to cover a policy with a death benefit of $1,000,000, the Company shall purchase a term life insurance policy providing for the maximum death benefit payable for an annual premium of $5,000.

(f) Compliance with the provisions of Section 4(b) or Section 5 shall in no way create or be deemed to create any obligation, express or implied, on the part of the Company or any of its affiliates with respect to the continuation of any particular benefit or other plan or arrangement maintained by them or their subsidiaries as of or prior to the date hereof or the creation and maintenance of any particular benefit or other plan or arrangement at any time after the date hereof, except as provided in Sections 5(b), 5(c), 5(d) and 5(e).

6. Termination of Employment of the Employee.

Prior to the expiration of the Term of Employment as provided in Section 2 hereof, this Agreement may or shall (as applicable) be terminated as follows:

(a) At any time by the mutual consent of the Employee and the Company.

(b) At any time for "cause" by the Company upon written notice to the Employee. For purposes of this Agreement, a termination shall be for "cause" if:

(i) the Employee shall commit an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company or

any of its subsidiaries, or shall be convicted by a court of competent jurisdiction of, or shall plead guilty or nolo contendere to, any felony or any crime involving moral turpitude; or

(ii) the Employee shall commit a breach of any of the covenants, terms or provisions hereof, which breach has not been remedied within thirty (30) days after delivery to the Employee by the Company of written notice of the facts constituting the breach; or

(iii) the Employee shall have failed to comply with written instructions from the Company's Chief Executive Officer, which are reasonable and consistent with Section 3, or shall have substantially failed to perform the Employee's duties hereunder for a period of thirty (30) days after written notice from the Company.

Upon termination for cause as provided in this Section 6(b), (A) all obligations of the Company under this Agreement shall thereupon immediately terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent then accrued or vested, it being understood that upon any such termination the Employee shall not be entitled to (1) receive any bonus or portion thereof from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise, or (2) any continuation of benefits except as may be required by law, and (B) the Company shall have any and all rights and remedies under this Agreement and applicable law; provided, however, that termination of this Agreement by the Employee for Good Reason (as defined in Section 10) within 18 months following a Change of Control shall not be deemed grounds for termination pursuant to this Section 6(b).

(c) Upon the death of the Employee or upon the permanent disability (as defined below) of the Employee continuing for a period in excess of one hundred eighty (180) consecutive days. Upon any such termination of the Employee's employment as provided in this Section 6(c), all obligations of the Company under this Agreement shall thereupon immediately terminate other than (i) any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination and (ii) the obligation of the Company to pay the Employee or his estate cash bonuses earned as of the date of termination. As used herein, the terms "permanent disability" or "permanently disabled" shall mean the inability of the Employee, by reason of injury, illness or other similar cause, to perform a major part of his duties and responsibilities in connection with the conduct of the business and affairs of the Company, as determined reasonably and in good faith by the Company.

(d) By the Employee on at least 60 days' prior written notice to the Company. Upon termination by the Employee as provided in this Section 6(d), all obligations of the Company under this Agreement thereupon

immediately shall terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination, it being understood that in the event of such a termination the Employee shall not be entitled to (i) receive any bonus from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise with respect to any period during or after the Term of Employment or (ii) any continuation of benefits except to the extent required by law.

(e) At any time without "cause" (as defined in Section 6(b)) by the Company upon written notice to the Employee. In the event of termination of the Employee by the Company pursuant to this Section 6(e), the Company shall continue to make Base Salary payments to the Employee in the manner contemplated by Section 4(a) from the date of termination through the first anniversary of the date on which such termination occurs, and the Company shall also remain obligated to pay the full amount of the

target bonus contemplated by Section 4(b) for the year in which such termination occurs, when and as it otherwise would have paid such bonuses; subject, however, to the provisions of Section 10 in the event any such termination occurs within 18 months following any Change of Control. Notwithstanding the foregoing, if the Employee's employment terminates pursuant to Section 6(e) or 6(f) in the 18 months following a Change of Control and at the time of such termination no target bonus shall be in effect or such target bonus shall be lower than the average of the Employee's bonus for the two most recent years, than in such circumstances the bonus payment of the Employee's severance which is otherwise payable pursuant to this Agreement shall equal the average bonus and shall be paid promptly following such termination. Such payments of bonus and Base Salary amounts contemplated by Section 6(e) or 6(f) are agreed by the parties hereto to be in full satisfaction, compromise and release of any claims arising out of the Employee's employment or termination thereof pursuant to this Section 6(e) or Section 6(f). In any case the payment of all such amounts under Sections 6(e) or 6(f) shall be contingent upon the Employee's compliance with Section 8 below and the Employee's delivery of a general release upon termination of employment covering all matters arising under or connection with this Agreement. Such release shall be in a form reasonably satisfactory to the Company, it being understood that no severance benefits shall be provided unless and until the Employee determines to execute and deliver such release.

(f) The Employee shall have the right to terminate his employment hereunder (i) in the event of a material default by the Company in the performance of its obligations hereunder, after the Employee has given written notice to the Company specifying such default by the Company and giving the Company a reasonable time, not less than 30 days, to conform its performance to its obligations hereunder or (ii) without limitation of clause (i), for Good Reason during the 18 months following any Change of

Control as contemplated by Section 10. The rights and obligations of the parties shall be as set forth in Section 6(e) and Section 10, as applicable, in the event of any such termination.

(g) In the event either party gives a notice of non-renewal to be effective as of any anniversary hereof as contemplated by Section 2, then all obligations of the parties hereunder shall terminate as of the end of the Term of Employment except as contemplated by Sections 7, 8, 9, 11, 12, 13 and 14 hereof.

7. Confidentiality; Proprietary Rights.

(a) In the course of performing services hereunder, on behalf of the Company (for purposes of this Section 7, including all predecessors of the Company) and its affiliates, the Employee has had and from time to time will have access to confidential records, data, customer lists, trade secrets and other confidential information owned or used in the course of business by the Company and its affiliates (the "Confidential Information"). The Employee agrees (i) to hold the Confidential Information in strict confidence; (ii) not to

disclose the Confidential Information to any person (other than in the regular business of the Company or its affiliates); and (iii) not to use, directly or indirectly, any of the Confidential Information for any competitive or commercial purpose other than on behalf of the Company and its affiliates; provided, however, that the limitations set forth above shall not apply to any Confidential Information which (A) is then generally known to the public; (B) became or becomes generally known to the public through no fault of the Employee; or (C) is disclosed in accordance with an order of a court of competent jurisdiction or applicable law. Upon the termination of the Employee's employment with the Company for any reason, all Confidential Information (including, without limitation, all data, memoranda, customer lists, notes, programs and other papers and items, and reproductions thereof relating to the foregoing matters) in the Employee's possession or control, shall be immediately returned to the Company or the applicable affiliate and remain in its or their possession.

(b) The Employee recognizes that the Company and its affiliates possess a proprietary interest in all of the information described in Section 7(a), subject to the provisions and limitations thereof, and have the exclusive right and privilege to use, protect by copyright, patent or trademark, or otherwise exploit the processes, ideas and concepts described therein to the exclusion of the Employee, except as otherwise agreed between the Company and the Employee in writing. The Employee expressly agrees that any products, inventions, discoveries or improvements made by the Employee or his agents or affiliates in the course of the Employee's employment, including any of the foregoing which is based on or arises out of the information described in

Section 7(a), shall be the property of and inure to the exclusive benefit of the Company. The Employee further agrees that any and all products, inventions, discoveries or improvements developed by the Employee (whether or not able to be protected by copyright, patent or trademark) during the course of his employment, or involving the use of the time, materials or other resources of the Company or any of its affiliates, shall be promptly disclosed to the Company and shall become the exclusive property of the Company, and the Employee shall execute and deliver any and all documents necessary or appropriate to implement the foregoing.

(c) The Employee agrees, while he is employed by the Company, to offer or otherwise make known or available to it, as directed by the Chief Executive Officer of the Company and without additional compensation or consideration, any business prospects, contracts or other business opportunities that he may discover, find, develop or otherwise have available to him in any field in which the Company or its affiliates are engaged, and further agrees that any such prospects, contacts or other business opportunities shall be the property of the Company.

8. Non-Competition.

In view of the fact that any activity of the Employee in violation of the terms hereof would deprive the Company and its subsidiaries, if any, of the benefits of their bargain under this Agreement, as a material inducement to and a condition precedent of the Company's payment obligations hereunder and the other covenants set forth herein, and to preserve the

goodwill associated with the Boron, LePore business, the Employee hereby agrees that during the term of the Employee's employment with the Company and its subsidiaries and thereafter for a period of one year following the termination of the Employee's employment with the Company, regardless of the circumstances of termination, he will not, without the express written consent of the Company, directly or indirectly, anywhere in the United States, engage in any activity which is, or participate or invest in, or provide or facilitate the provision of financing to, or assist (whether as owner, part-owner, shareholder, partner, director, officer, trustee, employee, agent or consultant, or in any other capacity), any business, organization or person other than the Company (or any affiliate of the Company), whose business, activities, products or services are competitive with any of the business, activities, products or services conducted or offered by the Company and its subsidiaries at the time of the termination of Employee's employment with the Company, which business, activities, products and services shall include in any event peer influence meetings, telemarketing activities, contract sales, field force logistics services and outsource marketing involving pharmaceutical and healthcare companies. Without implied limitation, the foregoing covenant shall include hiring or engaging or attempting to hire or engage for or on behalf of himself or any such competitor, any officer or employee of the Company or any of its direct and/or indirect

subsidiaries, encouraging for or on behalf of himself or any such competitor, any such officer or employee to terminate his or her relationship or employment with the Company or any of its direct or indirect subsidiaries, soliciting for or on behalf of himself or any such competitor any client of the Company or any of its direct or indirect subsidiaries and diverting to any person (as defined in Section 14) any client or business opportunity of the Company or any of any of its direct or indirect subsidiaries.

Notwithstanding anything herein to the contrary, the Employee may make passive investments in any enterprise the shares of which are publicly traded if such investment constitutes less than five (5%) percent of the equity of such enterprise.

The Employee acknowledges that neither the Employee nor any business entity controlled by him is a party to any contract, commitment, arrangement or agreement which could, following the date hereof, restrain or restrict the Company or any subsidiary or affiliate of the Company from carrying on its business or restrain or restrict the Employee from performing his obligations under this Agreement and as of the date of this Agreement the Employee has no business interests in or relating to the pharmaceutical industry whatsoever other than his interest in the Company, or interests in public companies of less than five (5%) percent. The Employee further acknowledges that he will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any previous employment or other party.

9. Specific Performance; Severability.

It is specifically understood and agreed that any breach of the provisions of Section 7 or 8 hereof by the Employee is likely to result in irreparable injury to the Company and/or its affiliates, that the remedy at law alone will be an inadequate remedy for such breach

and that, in addition to any other remedy it may have, the Company shall be entitled to enforce the specific performance of this Agreement by the Employee and to seek both temporary and permanent injunctive relief (to the extent permitted by law), without the necessity of posting a bond or proving actual damages. In case any of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had been limited or modified (consistent with its general intent) to the extent necessary to make it valid, legal and enforceable, or if it shall not be possible to so limit or modify such invalid, illegal or unenforceable provision or part of a provision, this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part of a provision had never been contained in this Agreement.

10. Assignability; Change of Control.

This Agreement shall inure to the benefit of, and be binding upon and assignable to, successors of the Company by way of merger, reorganization, consolidation or other sale. In addition, if the Company sells all or substantially all of its assets, the Company will cause this Agreement to be assumed by the buyer and if the buyer does not assume this Agreement, such non-assumption shall be treated as a material breach under Section 6(f). This Agreement may not be assigned by the Employee. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, in the event of (a) the sale of all or substantially all of the assets of the Company and its Subsidiaries to another person or entity; (b) a merger, reorganization or consolidation in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; (c) the sale of all or substantially all of the outstanding stock of the Company to an unrelated person or entity in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; or (d) any other transaction or series of transactions where the owners of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction (collectively, a "Change of Control"), if, and within the 18 months thereafter, the Company terminates the Employee's employment pursuant to Section 6(e) or the Employee terminates his employment pursuant to Section 6(f), including for Good Reason (as hereinafter defined), the Employee shall receive severance of two years Base Salary rather than one year, payable through the second anniversary of such termination, in addition to the bonus payment contemplated by Section 6(e). For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following events: (A) a substantial adverse change in the nature or scope of the Employee's responsibilities, authorities, title, powers, functions, or duties; (B) a reduction in the Employee's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; or (C) the relocation of the offices at

which the grantee is principally employed to a location more than fifty (50) miles from Fair Lawn, New Jersey.

11. Notices.

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if faxed (with transmission acknowledgment received), delivered personally or mailed by

certified or registered mail (return receipt requested) as follows:

To the Company: Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410
Attention: Patrick G. LePore, President and CEO

To the Employee: Martin J. Veilleux
c/o Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410

or to such other address or fax number of which any party may notify the other parties as provided above. Notices shall be effective as of the date of such delivery, mailing or fax.

12. Dispute Resolution. In the event of a dispute between the parties concerning their respective rights and obligations under this Agreement or under any stock option agreement to which the Employee and the Company are party, that the parties are unable to resolve amicably between themselves within sixty (60) days of proper notice from one party to another, such dispute shall be settled by arbitration in the State of New Jersey in an expedited manner in accordance with the Commercial Rules of the American Arbitration Association by a duly registered arbitrator to be selected jointly by the parties. The decision of the arbitrator shall be final and binding upon the parties. Notwithstanding anything to the contrary herein, the provisions of this Section 12 shall not apply to any equitable remedies to which any party may be entitled to hereunder.

13. Litigation and Regulatory Cooperation.

During and after Employee's employment, the Employee shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Employee was employed by the Company; provided, however, that such cooperation shall not materially and adversely affect the Employee or expose the Employee to an increased probability of civil or criminal litigation. The Employee's cooperation in connection with such claims or actions shall include, but not be

limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Employee's employment, the Employee also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or

review relates to events or occurrences that transpired while the Employee was employed by the Company. The Company shall also provide the Employee with compensation on an hourly basis calculated at his final base compensation rate for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse the Employee for all costs and expenses incurred in connection with his performance under this Paragraph 13, including, but not limited to, reasonable attorneys' fees and costs.

14. Miscellaneous.

This Agreement shall be governed by and construed under the laws of the State of New Jersey, and shall not be amended, modified or discharged in whole or in part except by an agreement in writing signed by both of the parties hereto. The failure of either of the parties to require the performance of a term or obligation or to exercise any right under this Agreement or the waiver of any breach hereunder shall not prevent subsequent enforcement of such term or obligation or exercise of such right or the enforcement at any time of any other right hereunder or be deemed a waiver of any subsequent breach of the provision so breached, or of any other breach hereunder. This Agreement supersedes, terminates and in all respects replaces all prior understandings and agreements, written or oral, between the parties relating to the subject matter hereof, including, without limitation, the Employee's employment contract dated August 12, 1997. For purposes of this Agreement, the term "person" means an individual, corporation, partnership, association, trust or any unincorporated organization; a "subsidiary" of a person means any corporation more than 50 percent of whose outstanding voting securities, or any partnership, joint venture or other entity more than 50 percent of whose total equity interest, is directly or indirectly owned by such person; and an "affiliate" of a person shall mean, with respect to a person or entity, any person or entity which directly or indirectly controls, is controlled by, or is under common control with such person or entity.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first set forth above.

BORON, LePORE & ASSOCIATES, INC.

By: /s/ Patrick G. LePore

Patrick G. LePore, President

/s/ Martin J. Veilleux

MARTIN J. VEILLEUX

Exhibit 10.13

BORON, LEPORE & ASSOCIATES, INC.
1998 EMPLOYEE STOCK OPTION AND GRANT PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Boron, LePore & Associates, Inc. 1998 Employee Stock Option and Grant Plan (the "Plan"). The purpose of the Plan is to encourage and enable the employees of Boron, LePore & Associates, Inc. (the "Company") and its Subsidiaries (as defined below) upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company's welfare will assure a closer identification of their interests with those of the Company, thereby stimulating their efforts on the Company's behalf and strengthening their desire to remain with the Company.

The following terms shall be defined as set forth below:

"Act" means the Securities Exchange Act of 1934, as amended.

"Award" or "Awards," except where referring to a particular category of grant under the Plan, shall include Non-Qualified Stock Options, Restricted Stock Awards and Unrestricted Stock Awards.

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

"Committee" has the meaning specified in Section 2.

"Effective Date" means December 9, 1998.

"Fair Market Value" of the Stock on any given date means (i) if the Stock is admitted to quotation on the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), the Fair Market Value on any given date shall not be less than the average of the highest bid and lowest asked prices of the Stock reported for such date or, if no bid and asked prices were reported for such date, for the last day preceding such date for which such prices were reported; or (ii) if the Stock is admitted to trading on a national securities exchange or the NASDAQ National Market System, then clause (i) shall not apply and the Fair Market Value on any date shall not be less than the closing price reported for the Stock on such exchange or system for such date or, if no sales were reported for such date, for the last date preceding such date for which a sale was reported; and (iii) if the Stock is not publicly traded on a securities exchange or traded in the over-the-counter market or, if traded or quoted, there are no transactions or quotations within the last ten trading days or trading has been halted for

extraordinary reasons, the Fair Market Value on any given date shall be determined in good faith by the Committee with reference to the rules and principles of valuation set forth in Section 20.2031-2 of the Treasury Regulations.

"Incentive Stock Option" means any Stock Option designated and qualified as an "incentive stock option" as defined in Section 422 of the Code.

"Independent Director" means a member of the Board who is neither an employee or officer of the Company or any Subsidiary.

"Non-Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

"Option" or "Stock Option" means any option to purchase shares of Stock granted pursuant to Section 5.

"Restricted Stock Award" means any Award granted pursuant to Section 6.

"Stock" means the Common Stock, par value $.01 per share, of the Company, subject to adjustments pursuant to Section 3.

"Subsidiary" means any corporation or other entity (other than the Company) in any unbroken chain of corporations or other entities, beginning with the Company, if each of the corporations or entities (other than the last corporation or entity in the unbroken chain) owns stock or other interests possessing 50% or more of the economic interest or the total combined voting power of all classes of stock or other interests in one of the other corporations or entities in the chain.

"Unrestricted Stock Award" means any Award granted pursuant to Section 7.

SECTION 2. ADMINISTRATION OF PLAN; COMMITTEE AUTHORITY TO SELECT PARTICIPANTS AND DETERMINE AWARDS

(a) Committee. The Plan shall be administered by the Board of Directors of the Company, or at the discretion of the Board, by a committee or committees of the Board consisting of not less than two Independent Directors, except as contemplated by Section 2(c). Each member of the Committee shall be a "Non-Employee Director" within the meaning of Rule 16b-3(a)(3) under the Act. All references herein to the Committee shall be deemed to refer to the entity then responsible for administration of the Plan at the relevant time (i.e., either the Board of Directors or a committee of the Board, as applicable).

(b) Powers of Committee. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the employees of the Company and its Subsidiaries to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the extent, if any, of Non-Qualified Stock Options, Restricted Stock Awards and Unrestricted Stock Awards, or any combination of the foregoing, granted to any one or more participants;

(iii) to determine the number of shares of Stock to be covered by any Award;

(iv) to determine and modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and participants, and to approve the form of written instruments evidencing the Awards;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award and/or to include provisions in Awards providing for such acceleration;

(vi) to impose any limitations on Awards granted under the Plan, including limitations on transfers, repurchase provisions and the like and to exercise repurchase rights or obligations;

(vii) to extend at any time the period in which Stock Options may be exercised;

(viii) to determine at any time whether, to what extent, and under what circumstances Stock and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the participant and whether and to what extent the Company shall pay or credit amounts constituting interest (at rates determined by the Committee) or dividends or deemed dividends on such deferrals; and

(ix) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Committee shall be binding on all persons, including the Company and Plan participants.

(c) Delegation of Authority to Grant Awards. The Board, in its discretion, may appoint the Chief Executive Officer of the Company as a one-person Committee in addition to the Committee contemplated by Section 2(a) having authority (co-extensive with such other

Committee) to grant Awards to individuals who are not subject to the reporting and other provisions of Section 16 of the Act or "covered employees" within the meaning of Section 162(m) of the Code.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION

(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 500,000 shares of Stock. The maximum number of shares of stock which may be the subject of outright grants shall not exceed 500,000 shares. For purposes of the foregoing limitations, the shares of Stock underlying any Awards which are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan. Subject to such overall limitation, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company.

(b) Recapitalizations. If, through or as a result of any merger, consolidation, sale of all or substantially all of the assets of the Company, reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar transaction, the outstanding shares of Stock are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company or any successor company, or additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Stock or other securities, the Committee shall make an appropriate or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, (ii) the number of Stock Options or other Awards that can be granted to any one individual participant, (iii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, and (iv) the price for each share subject to any then outstanding Stock Options or other Awards under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of shares) as to which such Stock Options remain exercisable and the repurchase price for shares subject to repurchase. The adjustment by the Committee shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Committee in its discretion may make a cash payment in lieu of fractional shares.

(c) Mergers and Other Transactions. In the case of (i) the dissolution or liquidation of the Company, (ii) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (iii) a merger, reorganization or consolidation in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction, (iv) the sale of all of the Stock of the Company to an unrelated person or entity in which the holders of the

Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction, or (v) any other transaction in which the owners of the Company's outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the relevant entity after the transaction (in each case, a "Transaction"), the Plan and all outstanding Options and other Awards granted hereunder shall terminate, unless provision is made in connection with the Transaction for the assumption of Awards, the continuation of Awards by the Company as survivor or the substitution of such Awards with new Awards of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as provided in Section 3(b) above. In the event of such termination, each grantee shall be permitted to exercise, for a period of at least 15 days prior to the date of such termination, all outstanding Options and other Awards held by such grantee which are then exercisable. Notwithstanding anything herein to the contrary, in the event that provision is made in connection with the Transaction for the assumption or continuation of Awards, or the substitution of such Awards with new Awards of the successor entity or parent thereof, then, except as the Committee may otherwise determine with respect to particular Awards, any Award so assumed or continued or substituted therefor shall be deemed vested and exercisable in full upon the date on which the grantee's employment or service relationship with the Company and its subsidiaries or successor entity terminates if (i) such termination occurs within eighteen (18) months after the closing of such Transaction and (ii) such termination is by the Company or its Subsidiaries or successor entity without Cause (as defined below) or by the grantee for Good Reason (as defined below), subject, however, to the following sentence. Notwithstanding the foregoing, in the event that the Company receives written advice from its independent public accountants in connection with any Transaction to the effect that vesting of any Award under the circumstances contemplated by the preceding sentence would preclude or otherwise adversely affect the ability of the Company or any other party to such Transaction to account for the same as a "pooling of interests" within the meaning of APB No. 16 (or any successor provision), which Transaction would otherwise qualify for such accounting treatment, then vesting of such Awards shall not accelerate on a subsequent termination of grantee's employment or service relationship within 18 months following such Transaction as contemplated by the preceding sentence. For purposes of this Section 3(c), the term "Cause" means a vote of the Board of Directors of the Company or the successor entity, as the case may be, resolving that the grantee should be dismissed as a result of (i) any material breach by the grantee of any agreement to which the grantee and the Company are parties, (ii) any act (other than retirement) or omission to act by the grantee which would reasonably be likely to have a material adverse effect on the business of the Company or its subsidiaries or successor entity, as the case may be, or on the grantee's ability to perform services for the Company or its subsidiaries or successor entity, as the case may be, including, without limitation, the conviction of any crime (other than ordinary traffic violations), or (iii) any material misconduct or willful and deliberate non-performance of duties by the grantee in connection with the business or affairs of the Company or its subsidiaries or successor entity, as the case may be; and the term "Good Reason" means the occurrence of any of the following events: (A) a

substantial adverse change in the nature or scope of the grantee's responsibilities, authorities, title, powers, functions, or duties; (B) a reduction in the grantee's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; or (C) the relocation of the offices at which the grantee is principally employed to a location more than fifty (50) miles from such offices."

(d) Substitute Awards. The Committee may grant Awards under the Plan in substitution for stock and stock based awards held by employees of another corporation who become employees of the Company or a Subsidiary as the result of a merger or consolidation of the employing corporation with the Company or a Subsidiary or the acquisition by the Company or a Subsidiary of property or stock of the employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

SECTION 4. ELIGIBILITY

Participants in the Plan will be such employees of the Company and its Subsidiaries who are responsible for or contribute to the management, growth or profitability of the Company and its Subsidiaries as are selected from time to time by the Committee, in its sole discretion.

SECTION 5. STOCK OPTIONS

Any Stock Option granted under the Plan shall be pursuant to a stock option agreement which shall be in such form as the Committee may from time to time approve. Option agreements need not be identical.

Stock Options granted under the Plan shall be Non-Qualified Stock Options, which may be granted to employees of the Company and its Subsidiaries.

(a) Terms of Stock Options. Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(i) Exercise Price. The exercise price per share for the Stock covered by a Stock Option shall be determined by the Committee at the time of grant.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become vested and exercisable at such time or times, whether or not in installments, as shall be determined by the Committee at or after the grant date; provided, however, that Stock Options granted in lieu of cash compensation shall be exercisable in full as of the grant date. The Committee may at any time accelerate the exercisability of all or any portion of any Stock Option. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(iv) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods:

(A) In cash, by certified or bank check or other instrument acceptable to the Committee;

(B) In the form of shares of Stock that are not then subject to restrictions under any Company plan and that have been held by the optionee free of such restrictions for at least six months, if permitted by the Committee in its discretion. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(C) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure; or

(D) By the optionee delivering to the Company a promissory note if the Board has authorized the loan of funds to the optionee for the purpose of enabling or assisting the optionee to effect the exercise of his Stock Option; provided that at least so much of the exercise price as represents the par value of the Stock shall be paid other than with a promissory note.

Payment instruments will be received subject to collection. The delivery of certificates representing the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained

in the Stock Option or applicable provisions of laws.

(v) Termination. Unless otherwise provided in the option agreement or determined by the Committee, upon the optionee's termination of employment (or other business relationship) with the Company and its Subsidiaries, the optionee's rights in his Stock Options shall automatically terminate.

(b) Reload Options. At the discretion of the Committee, Options granted under the Plan may include a "reload" feature pursuant to which an optionee exercising an option by the delivery of a number of shares of Stock in accordance with Section 5(a)(v)(B) hereof would automatically be granted an additional Option (with an exercise price equal to the Fair Market Value of the Stock on the date the additional Option is granted and with the same expiration date as the original Option being exercised, and with such other terms as the Committee may provide) to purchase that number of shares of Stock equal to the number delivered to exercise the original Option.

(c) Non-transferability of Options. No Stock Option shall be transferable by the optionee otherwise than by will or by the laws of descent and distribution and all Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee. Notwithstanding the foregoing, the Committee may provide in an option agreement that the optionee may transfer, without consideration for the transfer, his Non-Qualified Stock Options to members of his immediate family, to trusts for the benefit of such family members, to partnerships in which such family members are the only partners; or to charitable organizations; provided, however, that the transferee agrees in writing to be bound by the terms and conditions of this Plan and the applicable Option Agreement.

SECTION 6. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. A Restricted Stock Award is an Award entitling the recipient to acquire, at par value or such other purchase price determined by the Committee, shares of Stock subject to such restrictions and conditions as the Committee may determine at the time of grant ("Restricted Stock"). Conditions may be based on continuing employment (or other business relationship) and/or achievement of pre-established performance goals and objectives.

(b) Rights as a Stockholder. Upon execution of a written instrument setting forth the Restricted Stock Award and paying any applicable purchase price, a participant shall have the rights of a stockholder with respect to the voting of the Restricted Stock, subject to such conditions contained in the written instrument evidencing the Restricted Stock Award. Unless the Committee shall otherwise determine, certificates evidencing the Restricted Stock shall remain in the possession of the Company until such Restricted Stock is vested as provided in Section 6(d) below.

(c) Restrictions. Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the written instrument evidencing the Restricted Stock Award. If a participant's employment (or other business relationship) with the Company and its Subsidiaries terminates under the conditions specified in the relevant instrument relating to the Award, or upon such other event or events as may be stated in the instrument evidencing the Award, the Company or its assigns shall have the right or shall agree, as may be specified in the relevant instrument, to repurchase some or all of the shares of Stock subject to the Award at such purchase price as is set forth in such instrument.

(d) Vesting of Restricted Stock. The Committee at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which Restricted Stock shall become vested, subject to such further rights of the Company or its assigns as may be specified in the instrument evidencing the Restricted Stock Award.

(e) Waiver, Deferral and Reinvestment of Dividends. The written instrument evidencing the Restricted Stock Award may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the Restricted Stock.

SECTION 7. UNRESTRICTED STOCK AWARDS

(a) Grant or Sale of Unrestricted Stock. The Committee may, in its sole discretion, grant (or sell at a purchase price determined by the Committee) an Unrestricted Stock Award to any participant, pursuant to which such participant may receive shares of Stock free of any vesting restrictions ("Unrestricted Stock") under the Plan. Unrestricted Stock Awards may be granted or sold as described in the preceding sentence in respect of past services or other valid consideration, or in lieu of any cash compensation due to such individual.

(b) Elections to Receive Unrestricted Stock In Lieu of Compensation. Upon the request of a participant and with the consent of the Committee, each such participant may, pursuant to an advance written election delivered to the Company no later than the date specified by the Committee, receive a portion of the cash compensation otherwise due to such participant in the form of shares of Unrestricted Stock either currently or on a deferred basis.

(c) Restrictions on Transfers. The right to receive shares of Unrestricted Stock on a deferred basis may not be sold, assigned, transferred, pledged or otherwise encumbered, other than by will or the laws of descent and distribution.

SECTION 8. TAX WITHHOLDING

(a) Payment by Participant. Each participant shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first

becomes includable in the gross income of the participant for Federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any federal, state, or local taxes of any kind required by law to be withheld with respect to such income. The Company and its Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the participant.

(b) Payment in Stock. Subject to approval by the Committee, a participant may elect to have such tax withholding obligation satisfied, in whole or in part, by (i) authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due, or (ii) transferring to the Company shares of Stock owned by the participant with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due.

SECTION 9. TRANSFER, LEAVE OF ABSENCE, ETC.

For purposes of the Plan, the following events shall not be deemed a termination of employment:

(a) a transfer to the employment of the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another; or

(b) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

SECTION 10. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Committee may, at any time, amend or cancel any outstanding Award (or provide substitute Awards at the same or reduced exercise or purchase price or with no exercise or purchase price in a manner not inconsistent with the terms of the Plan), but such price, if any, must satisfy the requirements which would apply to the substitute or amended Award if it were then initially granted under this Plan for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the holder's consent.

SECTION 11. STATUS OF PLAN

With respect to the portion of any Award which has not been exercised and any payments in cash, Stock or other consideration not received by a participant, a participant shall have no rights greater than those of a general creditor of the Company unless the Committee shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

SECTION 12. GENERAL PROVISIONS

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring Stock pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof.

No shares of Stock shall be issued pursuant to an Award until all applicable securities law and other legal and stock exchange or similar requirements have been satisfied. The Committee may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Other Compensation Arrangements; No Employment Rights. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of this Plan and the grant of Awards do not confer upon any employee any right to continued employment with the Company or any Subsidiary.

SECTION 13. GOVERNING LAW

This Plan shall be governed by Delaware law except to the extent such law is preempted by federal law.

Adopted and Effective: December 9, 1998

Exhibit 10.25

EMPLOYMENT AGREEMENT

Amended and Restated Employment Agreement, dated the 1st day of March, 1999 by and between Brian J. Smith (the "Employee") and Boron, LePore & Associates, Inc., a Delaware corporation (the "Company"). In consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. Employment.

Subject to the provisions of Section 6, the Company hereby employs the Employee and the Employee accepts such employment upon the terms and conditions hereinafter set forth.

2. Term of Employment.

Subject to the provisions of Section 6, the term of the Employee's employment pursuant to this Agreement shall commence on and as of the date hereof (the "Effective Date") and shall terminate on the second anniversary of the Effective Date; provided, however, that the term of the Employee's employment pursuant to this Agreement shall be extended automatically for successive one-year periods ending on the relevant anniversary of the Effective Date unless either party gives the other notice no later than 270 days prior to the scheduled termination date (i.e., the second anniversary of the Effective Date or any later anniversary) of his or its determination not to extend the term of the Employee's employment pursuant to this Agreement, whereupon such term of employment shall terminate as of such anniversary date; and provided further, however, that in the event a Change of Control (as defined in Section 10 hereof) shall occur, then (subject to Sections 6 and 10) such term of employment shall not expire by reason of non-extension by the Company pursuant to this Section 2 prior to the date which is 18 months following such Change of Control. The period during which the Employee serves as an employee of the Company in accordance with and subject to the provisions of this Agreement is referred to in this Agreement as the "Term of Employment."

3. Duties.

During the Term of Employment, the Employee (a) shall serve as an employee of the Company with the title of Corporate Executive Vice President, reporting to the Chief Executive Officer of the Company, and shall perform such duties and have such responsibilities and shall have such additional or alternative duties as may be reasonably determined by the Chief Executive

Officer of the Company, consistent with the general area of the Employee's experience and skills; (b) upon the request of the Chief Executive Officer of the Company, shall serve as an officer and/or director of the Company's subsidiaries; and (c) shall render all services reasonably incident to the foregoing. The Employee hereby accepts such employment, agrees to serve the Company in the capacities indicated, and agrees to use his best efforts in, and shall devote his full working time, attention, skill and energies to, the advancement of the interests of the Company and its subsidiaries and the performance of his duties and responsibilities hereunder.

4. Salary and Bonus.

(a) During the Term of Employment, the Company shall pay the Employee a salary at the annual rate of $225,000 per annum (the "Base Salary"). Such Base Salary shall be subject to withholding under applicable law, shall be pro rated for partial years and shall be payable in periodic installments not less frequently than monthly in accordance with the Company's usual practice for executives of the Company as in effect from time to time. The Board of Directors or Compensation Committee of the Company shall review the Base Salary of the Employee at least annually, but such salary shall not be set at a rate lower than $225,000 per annum.

(b) Bonus. During the Term of Employment, the Employee shall be entitled to participate in such executive bonus program as may be established by the Company and then in effect, subject to and in accordance with the terms thereof.

5. Benefits.

(a) During the Term of Employment, the Employee shall be entitled to participate in any and all medical, pension, dental and life insurance plans, disability income plans, stock incentive plans, retirement arrangements and other employment benefits as in effect from time to time for executive officers of the Company generally. Such participation shall be subject to (i) the terms of the applicable plan documents (including, as applicable, provisions granting discretion to the Board of Directors of the Company or any administrative or other committee provided for therein or contemplated thereby); and (ii) generally applicable policies of the Company.

(b) Notwithstanding the foregoing, during the Term of Employment the Company shall provide the Employee with or reimburse the Employee for a Company automobile and club dues in accordance with the Company's practices for executive officers, as in effect from time to time.

(c) The Company shall promptly reimburse the Employee for all reasonable business expenses incurred by the Employee during the Term of

Employment in accordance with the Company's practices for executive officers of the Company with a similar level of responsibility, as in effect from time to time.

(d) During the Term of Employment, the Employee shall receive paid vacation annually in accordance with the Company's practices for executive officers, as in effect from time to time, but in any event not less than four (4) weeks per calendar year.

(e) The Company will purchase on behalf of the Employee a term life insurance policy providing a death benefit of $1,000,000 in the event of the Employee's death and naming such person or persons as the Employee may designate as loss payee or payees. The obligation to purchase and the maintenance of such life insurance policy during the Term of Employment, however, shall be contingent upon (i) the Employee's satisfactory completion of all requirements in connection therewith including, without limitation, a physical examination, and (ii) the annual premium payments for such policy not exceeding $5,000; provided, however, that if such amount is not adequate to cover a policy with a death benefit of $1,000,000, the Company shall purchase a term life insurance policy providing for the maximum death benefit payable for an annual premium of $5,000.

(f) Compliance with the provisions of Section 4(b) or Section 5 shall in no way create or be deemed to create any obligation, express or implied, on the part of the Company or any of its affiliates with respect to the continuation of any particular benefit or other plan or arrangement maintained by them or their subsidiaries as of or prior to the date hereof or the creation and maintenance of any particular benefit or other plan or arrangement at any time after the date hereof, except as provided in Sections 5(b), 5(c), 5(d) and 5(e).

6. Termination of Employment of the Employee.

Prior to the expiration of the Term of Employment as provided in Section 2 hereof, this Agreement may or shall (as applicable) be terminated as follows:

(a) At any time by the mutual consent of the Employee and the Company.

(b) At any time for "cause" by the Company upon written notice to the Employee. For purposes of this Agreement, a termination shall be for "cause" if:

(i) the Employee shall commit an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company or

any of its subsidiaries, or shall be convicted by a court of competent jurisdiction of, or shall plead guilty or nolo contendere to, any felony or any crime involving moral turpitude; or

(ii) the Employee shall commit a breach of any of the covenants, terms or provisions hereof, which breach has not been remedied within thirty (30) days after delivery to the Employee by the Company of written notice of the facts constituting the breach; or

(iii) the Employee shall have failed to comply with written instructions from the Company's Chief Executive Officer, which are reasonable and consistent with Section 3, or shall have substantially failed to perform the Employee's duties hereunder for a period of thirty (30) days after written notice from the Company.

Upon termination for cause as provided in this Section 6(b), (A) all obligations of the Company under this Agreement shall thereupon immediately terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent then accrued or vested, it being understood that upon any such termination the Employee shall not be entitled to (1) receive any bonus or portion thereof from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise, or (2) any continuation of benefits except as may be required by law, and (B) the Company shall have any and all rights and remedies under this Agreement and applicable law; provided, however, that termination of this Agreement by the Employee for Good Reason (as defined in Section 10) within 18 months following a Change of Control shall not be deemed grounds for termination pursuant to this Section 6(b).

(c) Upon the death of the Employee or upon the permanent disability (as defined below) of the Employee continuing for a period in excess of one hundred eighty (180) consecutive days. Upon any such termination of the Employee's employment as provided in this Section 6(c), all obligations of the Company under this Agreement shall thereupon immediately terminate other than (i) any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination and (ii) the obligation of the Company to pay the Employee or his estate cash bonuses earned as of the date of termination. As used herein, the terms "permanent disability" or "permanently disabled" shall mean the inability of the Employee, by reason of injury, illness or other similar cause, to perform a major part of his duties and responsibilities in connection with the conduct of the business and affairs of the Company, as determined reasonably and in good faith by the Company.

(d) By the Employee on at least 60 days' prior written notice to the Company. Upon termination by the Employee as provided in this Section 6(d), all obligations of the Company under this Agreement thereupon

immediately shall terminate other than any obligation of the Company with respect to earned but unpaid Base Salary and benefits contemplated hereby to the extent accrued or vested through the date of termination, it being understood that in the event of such a termination the Employee shall not be entitled to (i) receive any bonus from the Company or any of its affiliates not then paid whether pursuant to Section 4 or otherwise with respect to any period during or after the Term of Employment or (ii) any continuation of benefits except to the extent required by law.

(e) At any time without "cause" (as defined in Section 6(b)) by the Company upon written notice to the Employee. In the event of termination of the Employee by the Company pursuant to this Section 6(e), the Company shall continue to make Base Salary payments to the Employee in the manner contemplated by Section 4(a) from the date of termination through the first anniversary of the date on which such termination occurs, and the Company shall also remain obligated to pay the full amount of the

target bonus contemplated by Section 4(b) for the year in which such termination occurs, when and as it otherwise would have paid such bonuses; subject, however, to the provisions of Section 10 in the event any such termination occurs within 18 months following any Change of Control. Notwithstanding the foregoing, if the Employee's employment terminates pursuant to Section 6(e) or 6(f) in the 18 months following a Change of Control and at the time of such termination no target bonus shall be in effect or such target bonus shall be lower than the average of the Employee's bonus for the two most recent years, than in such circumstances the bonus payment of the Employee's severance which is otherwise payable pursuant to this Agreement shall equal the average bonus and shall be paid promptly following such termination. Such payments of bonus and Base Salary amounts contemplated by Section 6(e) or 6(f) are agreed by the parties hereto to be in full satisfaction, compromise and release of any claims arising out of the Employee's employment or termination thereof pursuant to this Section 6(e) or Section 6(f). In any case the payment of all such amounts under Sections 6(e) or 6(f) shall be contingent upon the Employee's compliance with Section 8 below and the Employee's delivery of a general release upon termination of employment covering all matters arising under or connection with this Agreement. Such release shall be in a form reasonably satisfactory to the Company, it being understood that no severance benefits shall be provided unless and until the Employee determines to execute and deliver such release.

(f) The Employee shall have the right to terminate his employment hereunder (i) in the event of a material default by the Company in the performance of its obligations hereunder, after the Employee has given written notice to the Company specifying such default by the Company and giving the Company a reasonable time, not less than 30 days, to conform its performance to its obligations hereunder or (ii) without limitation of clause (i), for Good Reason during the 18 months following any Change of

Control as contemplated by Section 10. The rights and obligations of the parties shall be as set forth in Section 6(e) and Section 10, as applicable, in the event of any such termination.

(g) In the event either party gives a notice of non-renewal to be effective as of any anniversary hereof as contemplated by Section 2, then all obligations of the parties hereunder shall terminate as of the end of the Term of Employment except as contemplated by Sections 7, 8, 9, 11, 12, 13 and 14 hereof.

7. Confidentiality; Proprietary Rights.

(a) In the course of performing services hereunder, on behalf of the Company (for purposes of this Section 7, including all predecessors of the Company) and its affiliates, the Employee has had and from time to time will have access to confidential records, data, customer lists, trade secrets and other confidential information owned or used in the course of business by the Company and its affiliates (the "Confidential Information"). The Employee agrees (i) to hold the Confidential Information in strict confidence; (ii) not to

disclose the Confidential Information to any person (other than in the regular business of the Company or its affiliates); and (iii) not to use, directly or indirectly, any of the Confidential Information for any competitive or commercial purpose other than on behalf of the Company and its affiliates; provided, however, that the limitations set forth above shall not apply to any Confidential Information which (A) is then generally known to the public; (B) became or becomes generally known to the public through no fault of the Employee; or (C) is disclosed in accordance with an order of a court of competent jurisdiction or applicable law. Upon the termination of the Employee's employment with the Company for any reason, all Confidential Information (including, without limitation, all data, memoranda, customer lists, notes, programs and other papers and items, and reproductions thereof relating to the foregoing matters) in the Employee's possession or control, shall be immediately returned to the Company or the applicable affiliate and remain in its or their possession.

(b) The Employee recognizes that the Company and its affiliates possess a proprietary interest in all of the information described in Section 7(a), subject to the provisions and limitations thereof, and have the exclusive right and privilege to use, protect by copyright, patent or trademark, or otherwise exploit the processes, ideas and concepts described therein to the exclusion of the Employee, except as otherwise agreed between the Company and the Employee in writing. The Employee expressly agrees that any products, inventions, discoveries or improvements made by the Employee or his agents or affiliates in the course of the Employee's employment, including any of the foregoing which is based on or arises out of the information described in

Section 7(a), shall be the property of and inure to the exclusive benefit of the Company. The Employee further agrees that any and all products, inventions, discoveries or improvements developed by the Employee (whether or not able to be protected by copyright, patent or trademark) during the course of his employment, or involving the use of the time, materials or other resources of the Company or any of its affiliates, shall be promptly disclosed to the Company and shall become the exclusive property of the Company, and the Employee shall execute and deliver any and all documents necessary or appropriate to implement the foregoing.

(c) The Employee agrees, while he is employed by the Company, to offer or otherwise make known or available to it, as directed by the Chief Executive Officer of the Company and without additional compensation or consideration, any business prospects, contracts or other business opportunities that he may discover, find, develop or otherwise have available to him in any field in which the Company or its affiliates are engaged, and further agrees that any such prospects, contacts or other business opportunities shall be the property of the Company.

8. Non-Competition.

In view of the fact that any activity of the Employee in violation of the terms hereof would deprive the Company and its subsidiaries, if any, of the benefits of their bargain under this Agreement, as a material inducement to and a condition precedent of the Company's payment obligations hereunder and the other covenants set forth herein, and to preserve the

goodwill associated with the Boron, LePore business, the Employee hereby agrees that during the term of the Employee's employment with the Company and its subsidiaries and thereafter for a period of one year following the termination of the Employee's employment with the Company, regardless of the circumstances of termination, he will not, without the express written consent of the Company, directly or indirectly, anywhere in the United States, engage in any activity which is, or participate or invest in, or provide or facilitate the provision of financing to, or assist (whether as owner, part-owner, shareholder, partner, director, officer, trustee, employee, agent or consultant, or in any other capacity), any business, organization or person other than the Company (or any affiliate of the Company), whose business, activities, products or services are competitive with any of the business, activities, products or services conducted or offered by the Company and its subsidiaries at the time of the termination of Employee's employment with the Company, which business, activities, products and services shall include in any event peer influence meetings, telemarketing activities, contract sales, field force logistics services and outsource marketing involving pharmaceutical and healthcare companies. Without implied limitation, the foregoing covenant shall include hiring or engaging or attempting to hire or engage for or on behalf of himself or any such competitor, any officer or employee of the Company or any of its direct and/or indirect

subsidiaries, encouraging for or on behalf of himself or any such competitor, any such officer or employee to terminate his or her relationship or employment with the Company or any of its direct or indirect subsidiaries, soliciting for or on behalf of himself or any such competitor any client of the Company or any of its direct or indirect subsidiaries and diverting to any person (as defined in Section 14) any client or business opportunity of the Company or any of any of its direct or indirect subsidiaries.

Notwithstanding anything herein to the contrary, the Employee may make passive investments in any enterprise the shares of which are publicly traded if such investment constitutes less than five (5%) percent of the equity of such enterprise.

The Employee acknowledges that neither the Employee nor any business entity controlled by him is a party to any contract, commitment, arrangement or agreement which could, following the date hereof, restrain or restrict the Company or any subsidiary or affiliate of the Company from carrying on its business or restrain or restrict the Employee from performing his obligations under this Agreement and as of the date of this Agreement the Employee has no business interests in or relating to the pharmaceutical industry whatsoever other than his interest in the Company, or interests in public companies of less than five (5%) percent. The Employee further acknowledges that he will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any previous employment or other party.

9. Specific Performance; Severability.

It is specifically understood and agreed that any breach of the provisions of Section 7 or 8 hereof by the Employee is likely to result in irreparable injury to the Company and/or its affiliates, that the remedy at law alone will be an inadequate remedy for such breach

and that, in addition to any other remedy it may have, the Company shall be entitled to enforce the specific performance of this Agreement by the Employee and to seek both temporary and permanent injunctive relief (to the extent permitted by law), without the necessity of posting a bond or proving actual damages. In case any of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had been limited or modified (consistent with its general intent) to the extent necessary to make it valid, legal and enforceable, or if it shall not be possible to so limit or modify such invalid, illegal or unenforceable provision or part of a provision, this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part of a provision had never been contained in this Agreement.

10. Assignability; Change of Control.

This Agreement shall inure to the benefit of, and be binding upon and assignable to, successors of the Company by way of merger, reorganization, consolidation or other sale. In addition, if the Company sells all or substantially all of its assets, the Company will cause this Agreement to be assumed by the buyer and if the buyer does not assume this Agreement, such non-assumption shall be treated as a material breach under Section 6(f). This Agreement may not be assigned by the Employee. Notwithstanding the foregoing or any other provision of this Agreement to the contrary, in the event of (a) the sale of all or substantially all of the assets of the Company and its Subsidiaries to another person or entity; (b) a merger, reorganization or consolidation in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; (c) the sale of all or substantially all of the outstanding stock of the Company to an unrelated person or entity in which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction; or (d) any other transaction or series of transactions where the owners of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction (collectively, a "Change of Control"), if, and within the 18 months thereafter, the Company terminates the Employee's employment pursuant to Section 6(e) or the Employee terminates his employment pursuant to Section 6(f), including for Good Reason (as hereinafter defined), the Employee shall receive severance of two years Base Salary rather than one year, payable through the second anniversary of such termination, in addition to the bonus payment contemplated by Section 6(e). For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following events: (A) a substantial adverse change in the nature or scope of the Employee's responsibilities, authorities, title, powers, functions, or duties; (B) a reduction in the Employee's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; or (C) the relocation of the offices at

which the grantee is principally employed to a location more than fifty (50) miles from Fair Lawn, New Jersey.

11. Notices.

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if faxed (with transmission acknowledgment received), delivered personally or mailed by

certified or registered mail (return receipt requested) as follows:

To the Company: Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410
Attention: Patrick G. LePore, President and CEO

To the Employee: Brian Smith
Boron, LePore & Associates, Inc.
17-17 Route 208 North
Fair Lawn, New Jersey 07410

or to such other address or fax number of which any party may notify the other parties as provided above. Notices shall be effective as of the date of such delivery, mailing or fax.

12. Dispute Resolution. In the event of a dispute between the parties concerning their respective rights and obligations under this Agreement or under any stock option agreement to which the Employee and the Company are party, that the parties are unable to resolve amicably between themselves within sixty (60) days of proper notice from one party to another, such dispute shall be settled by arbitration in the State of New Jersey in an expedited manner in accordance with the Commercial Rules of the American Arbitration Association by a duly registered arbitrator to be selected jointly by the parties. The decision of the arbitrator shall be final and binding upon the parties. Notwithstanding anything to the contrary herein, the provisions of this Section 12 shall not apply to any equitable remedies to which any party may be entitled to hereunder.

13. Litigation and Regulatory Cooperation.

During and after Employee's employment, the Employee shall reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Employee was employed by the Company; provided, however, that such cooperation shall not materially and adversely affect the Employee or expose the Employee to an increased probability of civil or criminal litigation. The Employee's cooperation in connection with such claims or actions shall include, but not be

limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Employee's employment, the Employee also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or

review relates to events or occurrences that transpired while the Employee was employed by the Company. The Company shall also provide the Employee with compensation on an hourly basis calculated at his final base compensation rate for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse the Employee for all costs and expenses incurred in connection with his performance under this Paragraph 13, including, but not limited to, reasonable attorneys' fees and costs.

14. Miscellaneous.

This Agreement shall be governed by and construed under the laws of the State of New Jersey, and shall not be amended, modified or discharged in whole or in part except by an agreement in writing signed by both of the parties hereto. The failure of either of the parties to require the performance of a term or obligation or to exercise any right under this Agreement or the waiver of any breach hereunder shall not prevent subsequent enforcement of such term or obligation or exercise of such right or the enforcement at any time of any other right hereunder or be deemed a waiver of any subsequent breach of the provision so breached, or of any other breach hereunder. This Agreement supersedes, terminates and in all respects replaces all prior understandings and agreements, written or oral, between the parties relating to the subject matter hereof, including, without limitation, the Employee's employment contract dated August 18, 1997. For purposes of this Agreement, the term "person" means an individual, corporation, partnership, association, trust or any unincorporated organization; a "subsidiary" of a person means any corporation more than 50 percent of whose outstanding voting securities, or any partnership, joint venture or other entity more than 50 percent of whose total equity interest, is directly or indirectly owned by such person; and an "affiliate" of a person shall mean, with respect to a person or entity, any person or entity which directly or indirectly controls, is controlled by, or is under common control with such person or entity.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first set forth above.

BORON, LePORE & ASSOCIATES, INC.

By: /s/ Patrick G. LePore

Patrick G. LePore, President

/s/ Brian J. Smith

BRIAN J. SMITH

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THIS SCHEDULE CONTAINS SUMMARY/CONSOLIDATED FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S BALANCE SHEET AT DECEMBER 31, 1998 AND CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENT.
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