AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON FEBRUARY __, 1998
REGISTRATION NO. 333-_____

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

PROFESSIONAL DETAILING, INC.
(Exact name of Registrant as specified in its charter)

<TABLE>
<S> <C> <C>

DELAWARE	7389	22-3562897
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

599 MacArthur Boulevard
Mahwah, New Jersey 07430-2326
(201) 818-8450
(201) 818-8445 Facsimile
</TABLE>

(Address, including zip code, and telephone number, including area code, of Registrant's executive offices)

CHARLES T. SALDARINI
PRESIDENT AND CHIEF EXECUTIVE OFFICER
PROFESSIONAL DETAILING, INC.
599 MACARTHUR BOULEVARD
MAHWAH, NEW JERSEY 07430-2326
(201) 818-8450
(201) 818-8445 FACSIMILE
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

<TABLE>
<S> <C>

KENNETH S. ROSE, ESQ.	KEITH F. HIGGINS, ESQ.
JOEL J. GOLDSCHMIDT, ESQ.	ROPES & GRAY
MORSE, ZELNICK, ROSE & LANDER, LLP	ONE INTERNATIONAL PLACE
450 PARK AVENUE	BOSTON, MASSACHUSETTS 02110
NEW YORK, NEW YORK 10022	(617) 951-7000
(212) 838-5030	(617) 951-7050 FACSIMILE
(212) 838-9190 FACSIMILE	
</TABLE>

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: AS SOON AS PRACTICABLE AFTER THIS REGISTRATION STATEMENT BECOMES EFFECTIVE.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the 'Securities Act'), check the following box. / /

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. / /

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (1)	AMOUNT OF REGISTRATION FEE
<S>	<C>	<C>
Common Stock, $.01 par value.....	$46,000,000	$13,570.00

</TABLE>

(1) Estimated solely for purposes of calculating the amount of the registration fee paid pursuant to Rule 457(o) under the Securities Act.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

- ---
- ---

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

PROSPECTUS (SUBJECT TO COMPLETION)
ISSUED _____ ___, 1998

_____SHARES

PROFESSIONAL DETAILING, INC.

COMMON STOCK

ALL OF THE SHARES OF COMMON STOCK BEING OFFERED HEREBY ARE BEING SOLD BY THE COMPANY. PRIOR TO THE OFFERING, THERE HAS BEEN NO PUBLIC MARKET FOR THE COMMON STOCK OF THE COMPANY. IT IS CURRENTLY ESTIMATED THAT THE INITIAL PUBLIC OFFERING PRICE PER SHARE WILL BE BETWEEN $_____ AND $_____. SEE 'UNDERWRITERS' FOR A DISCUSSION OF THE FACTORS TO BE CONSIDERED IN DETERMINING THE INITIAL PUBLIC OFFERING PRICE.

APPLICATION HAS BEEN MADE TO LIST THE COMMON STOCK FOR QUOTATION ON THE NASDAQ NATIONAL MARKET UNDER THE SYMBOL 'PDII.'

THIS OFFERING INVOLVES A HIGH DEGREE OF RISK. SEE 'RISK FACTORS'

BEGINNING ON PAGE 7 OF THIS PROSPECTUS.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE $ A SHARE

<TABLE>
<CAPTION>

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS (1)	PROCEEDS TO COMPANY (2)
<S>	<C>	<C>	<C>
Per Share.....	$	$	$
Total (3).....	$	$	$

</TABLE>

- ---

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

(2) Before deducting expenses payable by the Company estimated at $_____.

(3) The Company has granted to the Underwriters an option, exercisable within 30 days of the date hereof, to purchase up to an aggregate of _____ additional Shares at the price to public less underwriting discounts and commissions for the purpose of covering over-allotments, if any. If the Underwriters exercise such Shares in full, the total price to public, underwriting discounts and commissions and proceeds to Company will be $_____, $_____ and $_____, respectively. See 'Underwriters.'

The Shares are offered, subject to prior sale, when, as and if accepted by the Underwriters named herein and subject to approval of certain legal matters by Ropes & Gray, counsel for the Underwriters. It is expected that delivery of the Shares will be made on or about , 1998 at the office of Morgan Stanley & Co. Incorporated, New York, N.Y., against payment therefor in immediately available funds.

MORGAN STANLEY DEAN WITTER
WILLIAM BLAIR & COMPANY
HAMBRECHT & QUIST

, 1998

NO PERSON IS AUTHORIZED IN CONNECTION WITH ANY OFFERING MADE HEREBY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR BY ANY UNDERWRITER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY OTHER THAN THE SHARES OF COMMON STOCK OFFERED HEREBY, NOR DOES IT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY TO ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION TO SUCH PERSON. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY OFFER OR SALE MADE HEREBY SHALL UNDER ANY CIRCUMSTANCE IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

UNTIL , 1998 (25 DAYS AFTER THE COMMENCEMENT OF THE OFFERING) ALL DEALERS EFFECTING TRANSACTIONS IN THE COMMON STOCK, WHETHER OR NOT PARTICIPATING

IN THIS DISTRIBUTION, MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS IS IN ADDITION TO THE OBLIGATION OF DEALERS TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

The Company intends to furnish to its stockholders annual reports containing audited financial statements and an opinion thereon expressed by independent accountants and quarterly reports for the first three quarters of each fiscal year containing interim financial information.

CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN, OR OTHERWISE AFFECT THE PRICE OF THE COMMON STOCK. SPECIFICALLY, THE UNDERWRITERS MAY OVERALLOT IN CONNECTION WITH THE OFFERING, AND MAY BID FOR, AND PURCHASE, SHARES OF THE COMMON STOCK IN THE OPEN MARKET. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE 'UNDERWRITERS.'

In this Prospectus, the term the 'Company' or 'PDI' includes Professional Detailing, Inc., a Delaware corporation, and its predecessors. The Company's corporate headquarters are located at 599 MacArthur Boulevard, Mahwah, New Jersey 07430, and its telephone number is (201) 818-8450.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the more detailed information and the Financial Statements and the notes thereto appearing elsewhere in this Prospectus. Unless otherwise indicated, the information in this Prospectus has been adjusted to reflect a merger (the 'Merger') of Professional Detailing, Inc., a New Jersey corporation, with and into Professional Detailing, Inc., a Delaware corporation, immediately prior to the effective date of the registration statement of which this Prospectus is a part. Upon completion of the Merger, the shareholders of the New Jersey corporation will own an aggregate of _____ shares of the Delaware corporation and all outstanding options to purchase shares of the New Jersey corporation will be converted into options to purchase shares of the Delaware corporation. All references herein to industry financial and statistical information are based on trade articles, industry reports and other sources that the Company believes to be reliable, although there can be no assurance to that effect. Unless specified to the contrary or the context clearly implies otherwise, all references herein to the 'Company' or 'PDI' shall be deemed to include Professional Detailing,

Inc., a Delaware corporation, and its predecessors. Unless otherwise indicated, the information in this Prospectus assumes no exercise of the Underwriters' over-allotment option.

THE COMPANY

The Company is a leading provider of comprehensive customized sales solutions on an outsourced basis to the United States pharmaceutical industry. The Company believes it has achieved this leadership position based on its 10 years of industry experience and its relationships with many of the pharmaceutical industry's largest companies. Since inception, the Company has designed customized product detailing programs for approximately 25 clients, including Pfizer, Inc., Astra Merck Inc., Glaxo Wellcome Inc. and Johnson & Johnson, Inc. These programs have been designed to promote more than 70 different products, including such leading prescription medications as Prilosec(Registered), Wellbutrin(Registered) and Cardura(Registered), as well as a number of over-the-counter ('OTC') products such as Bayer(Registered) Aspirin, Pepcid AC(Registered) and Monistat 5(Registered), to hospitals, pharmacies and physicians in approximately 20 different specialties. The Company's primary objective is to enhance its leadership position in the growing contract sales organization ('CSO') industry and to become the premier supplier of comprehensive sales solutions to the pharmaceutical industry and other segments of the healthcare market.

The Company has demonstrated strong internal growth, generated by securing new business from leading pharmaceutical companies and by renewing and expanding programs with existing clients. The Company believes that it is one of the largest CSOs operating in the United States measured both by revenue and total number of sales representatives used in programs. Revenue and gross profit grew at compound rates of 87.7% and 58.0%, respectively, between 1994 and 1997. The number of sales representatives (both full-time and part-time) employed by the Company has increased from approximately 100 as of December 31, 1993 to approximately 1,000 as of December 31, 1997. Over that same period, the Company's mix between part-time and full-time representatives shifted from 100% part-time to 45% part-time. The Company has also experienced a consistently high renewal rate among its clients. For example, for the year ended December 31, 1997, approximately 86% of the Company's revenue was generated from clients that had contributed to its 1996 revenue.

According to PMSI Scott-Levin Inc., a healthcare marketing information company ('Scott-Levin'), United States pharmaceutical companies spent approximately $4.5 billion on product detailing in 1996. The Company estimates that product detailing, on average, represents approximately 60% of a pharmaceutical company's total promotional spending. Product detailing involves a face-to-face meeting between a sales representative and a targeted prescriber, usually a physician identified because of his or her specialty or prescribing patterns. Detailing generally occurs in physician offices and hospitals, although conventions and trade association meetings may also provide an appropriate forum. The sales representative is required to possess a high level of product knowledge, as well as other technical and therapeutic expertise. Product detailing involves a technical review of the product's legally authorized indications and usage, role in disease treatment, mechanism of action, side effects, dosing, drug interactions, cost and availability (i.e., the 'details').

The CSO industry provides outsourced physician detailing programs to pharmaceutical, medical device and diagnostic companies. CSOs have evolved from providing detailing support for OTC products into a full-service industry handling some of the leading prescription pharmaceutical compounds. Since the early 1990s, the United States pharmaceutical industry has increasingly used CSOs to provide the detailing service required to introduce new products, reintroduce older products, supplement existing sales efforts, raise promotional barriers to entry for competitors and demonstrate the incremental sales impact of detailing a particular product. While there is little available data regarding the CSO industry, the Company believes that there are approximately eight CSOs currently operating in the United States. The Company also believes that 17 of the 50 largest pharmaceutical

<Page
companies in the United States, measured by healthcare revenue, currently use CSOs. Finally, the Company estimates that revenues for the CSO industry in the

United States increased from approximately $80 million in 1995 to $185 million in 1996 and $325 million in 1997.

The Company is engaged by its clients to design and implement product detailing programs for both prescription and OTC pharmaceutical products. Such programs typically include three phases: design, execution and assessment. In the program design phase, the Company works with the client to understand needs, define objectives, select targets and determine appropriate staffing. Program execution involves recruiting, hiring, training and managing a sales force, which performs detail calls promoting the particular client's pharmaceutical products. Assessment, the last phase of the program, involves measurement of sales force performance and program success relative to the goals and objectives outlined in the program design phase.

The Company believes that because of the benefits of outsourcing, pharmaceutical companies have made a strategic decision to continue to outsource a significant portion of their sales and marketing activities. The Company believes that the trend toward the increased use of CSOs by pharmaceutical companies will continue due to the following industry dynamics: (i) pharmaceutical companies will continue to expand their product portfolios and, as a result, will need to add sales force capacity, (ii) pharmaceutical companies will continue to face margin pressures and will seek to maintain flexibility by converting fixed costs to variable costs, and (iii) the availability of qualified CSOs will provide an incentive to pharmaceutical companies to continue to outsource this function.

The Company believes that it is well positioned to benefit from these growth opportunities. Through its 10 years of providing service to the United States pharmaceutical industry, the Company has demonstrated that it is a high-quality, results-oriented provider of detailing services. In addition, the Company maintains a highly qualified sales force as a result of a rigorous recruiting process and training programs that are comparable to those of the pharmaceutical companies. The Company believes that one of its biggest competitive advantages is its ability to provide customized solutions to its clients. Finally, as one of the largest CSOs, the Company has achieved the size and demonstrated the ability to perform large detailing programs and execute multiple programs simultaneously.

In order to leverage its competitive advantages, PDI's growth strategy emphasizes: (i) enhancing its leadership position in the growing CSO market by maintaining its historic focus on high-quality contract sales services and by continuing to build and invest in the Company's core competencies and operations; (ii) expanding both its relationship with existing clients and its selling efforts to capture new clients; (iii) offering additional promotional, marketing and educational services and further developing its existing detailing services; (iv) entering new geographic markets; and (v) investigating and pursuing appropriate acquisitions of detailing or detailing-related companies.

The Company was incorporated under the laws of the state of Delaware on February 10, 1998. The Company's predecessor was incorporated under the laws of New Jersey on March 10, 1988. The Company's principal executive offices are located at 599 MacArthur Boulevard, Mahwah, New Jersey 07430 and its telephone number is (201) 818-8450.

THE OFFERING

<TABLE>
<S> <C>
Common Stock to be Offered..... _____Shares
Common Stock to be Outstanding after the Offering..... _____Shares (1)
Use of Proceeds..... Working capital for business expansion purposes, investment in infrastructure and other general corporate purposes, including potential acquisitions. See 'Use of Proceeds.'
Proposed Nasdaq National Market Symbol..... PDII
</TABLE>

- ----------
(1) Excludes (i) _____ shares of Common Stock issuable upon the exercise of stock options outstanding on December 31, 1997, at a weighted average

exercise price of $_____ per share and (ii) _____ additional shares of Common Stock reserved for future grants under the Company's 1998 Stock Option Plan. See 'Management -- 1998 Stock Option Plan.'

SUMMARY FINANCIAL DATA

STATEMENT OF OPERATIONS DATA:

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,				
	1993	1994	1995	1996	1997
	(IN THOUSANDS, EXCEPT PER SHARE AND STATISTICAL DATA)				
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$8,226	$8,250	$18,398	$33,015	$54,542
Program expenses	4,886	5,339	15,427	26,886	43,057
Gross profit	3,340	2,911	2,971	6,129	11,485
Compensation expense	1,945	1,673	2,124	3,191	5,121(1)
Bonus to majority shareholder(2)	440	200	425	1,500	2,243
Stock grant expense(3)	--	--	--	--	4,470
Other general, selling and administrative expenses	844	826	1,159	1,650	2,755
Total general, selling and administrative expenses	3,229	2,699	3,708	6,341	14,589
Operating income (loss)	111	212	(737)	(212)	(3,104)
Other income, net	17	16	70	98	155
Income (loss) before provision for taxes	128	228	(667)	(114)	(2,949)
Pro forma provision for (benefit from) income taxes(4)	51	91	(121)	--	--
Pro forma net income (loss)(4)	$ 77	$ 137	$ (546)	$ (114)	$(2,949)
Pro forma net income (loss) per share(4)					$
Pro forma weighted average number of shares outstanding					
OTHER FINANCIAL DATA:					
Adjusted operating income (loss)(5)	$ 551	$ 412	$ (312)	$ 1,288	$ 3,609
Adjusted net income (loss)(4)(5)	341	257	(145)	832	2,258
OTHER OPERATING DATA:					
Number of detail programs	8	9	10	13	15
Number of clients	6	7	7	8	12
Average size of detail program	$1,028	$ 917	$ 1,840	$ 2,540	$ 3,636
Number of sales representatives at end of period:					
Full-time	--	--	--	29	633
Part-time	107	107	393	709	362
Total	107	107	393	738	995

</TABLE>

See footnotes on following page

<TABLE>

<CAPTION>
BALANCE SHEET DATA:

	AS OF DECEMBER 31, 1997	
		PRO FORMA
	ACTUAL	AS ADJUSTED(6)
	(IN THOUSANDS)	
<S>	<C>	<C>
Cash and cash equivalents	$ 5,760	$
Working capital	129	
Total assets	13,691	
Total long-term debt	--	
Shareholders' equity (deficit)	676	

</TABLE>

- ----------

(1) Includes bonus compensation of $237,000 paid to Charles T. Saldarini, the Company's President, Chief Executive Officer and a minority shareholder. It is expected that, in addition to his base salary, Mr. Saldarini may receive cash bonuses in future periods as determined by the Compensation Committee. See 'Management -- Executive Compensation.'

(2) The Company has been treated as an S Corporation under subchapter S of the Internal Revenue Code of 1986, as amended (the 'Code') since January 1, 1991 and under the corresponding provisions of the tax laws of the State of New Jersey since January 1, 1994. Historically, as an S Corporation, the Company made annual bonus payments to its majority shareholder based on the Company's estimated profitability and working capital requirements. With the exception of the distribution to be declared immediatley prior to the Offering, the Company does not expect to pay such bonuses in future periods. See 'Dividend Policy.'

(3) On January 1, 1997, the Company issued shares of its Common Stock to Charles T. Saldarini, its current President and Chief Executive Officer. As a result, prior to the Offering, Mr. Saldarini owns 15.0% of the Common Stock outstanding. For financial accounting purposes, a non-recurring, non-cash compensation expense was charged in the first quarter of 1997. See 'Principal Shareholders,' 'Management,' 'Certain Transactions' and note 12 to the Company's Financial Statements.

(4) As an S Corporation, the Company has not been subject to Federal or New Jersey corporate income taxes, other than a New Jersey state corporate income tax of approximately 2%. Rather, the income of the Company has been taxed at the shareholder level. Upon consummation of this Offering, the Company will no longer be treated as an S Corporation, and, accordingly, will be subject to Federal and state corporate income taxes. Pro forma provision for income taxes, net income, net income per share and adjusted net income for all periods presented reflect a provision for income taxes as if the Company had been taxed as a C Corporation for all periods.

(5) Adjusted to eliminate bonus to majority shareholder and stock grant expense. This presentation illustrates the Company's results of operations on an adjusted basis to reflect that the Company does not intend to pay bonuses to its majority shareholder or incur stock grant expense in future periods. These presentations should not be construed as an alternative to operating income or net income/(loss) (as determined in accordance with generally accepted accounting principles) as presented herein.

(6) Adjusted to reflect the receipt of the estimated net proceeds of this Offering and the pro forma effect of the estimated final distribution to the Company's existing shareholders immediately prior to this Offering of approximately $_____ million reflecting shareholders' equity as of the date of such distribution. See 'Dividend Policy,' 'S Corporation Termination' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations.'

RISK FACTORS

An investment in the shares of Common Stock offered hereby involves a high degree of risk. Prospective investors should consider carefully the following risk factors, in addition to the other information contained in this Prospectus, in evaluating an investment in the shares of Common Stock offered hereby.

DEPENDENCE ON OUTSOURCING BY PHARMACEUTICAL COMPANIES

The Company's revenue is highly dependent on sales and marketing expenditures by pharmaceutical companies for the sale and distribution of pharmaceutical products. The Company has benefited to date from the growing trend of pharmaceutical companies to outsource sales and marketing programs to CSOs. There can be no assurance that this trend in outsourcing will continue as pharmaceutical companies may elect to perform such services internally. In particular, the trend in the pharmaceutical industry toward consolidation, by merger or otherwise, may result in a reduction in the use of CSOs. A significant change in the direction of the outsourcing trend generally, or a trend in the pharmaceutical industry not to use, or to reduce the use of, outsourced marketing services, such as those provided by the Company, would have a material adverse effect on the Company. See 'Business -- The CSO Industry.'

CUSTOMER CONCENTRATION

The Company's revenue and profitability are highly dependent on its relationships with several large pharmaceutical companies. In 1995, the Company's four largest clients accounted for approximately 42%, 17%, 15% and 10%, respectively, or 84%, of its revenue. In 1996, the Company's four largest clients accounted for approximately 30%, 21%, 17% and 16%, respectively, or 84%, of its revenue. In 1997, the Company's four largest clients, Pfizer, Glaxo Wellcome, Astra Merck and Novartis, accounted for approximately 25%, 22%, 19% and 10%, respectively, or 76%, of its revenue. The Company is likely to continue to experience a high degree of concentration of business. Such concentration may become greater as a result of consolidation within the pharmaceutical industry. The loss or significant reduction of business from any significant customer, including as a result of further consolidation in the pharmaceutical industry, could have a material adverse effect on the Company's business and results of operations. See 'Business -- Clients and Contracts.'

DEPENDENCE ON THE PHARMACEUTICAL INDUSTRY

Substantially all of the Company's revenue to date has been generated from providing product detailing services to pharmaceutical companies. The Company could be materially and adversely affected by unfavorable developments in the pharmaceutical industry generally or any reduction in expenditures for, or future outsourcing of, promotional, marketing and sales activities by pharmaceutical companies or a shift in marketing focus away from detailing. Promotional, marketing and sales expenditures by pharmaceutical companies have in the past been, and could in the future be, negatively impacted by, among other things, governmental reform or private market initiatives intended to reduce the cost of pharmaceutical products or by governmental, medical association or pharmaceutical industry initiatives designed to regulate the manner in which pharmaceutical companies promote their products. See 'Business -- The CSO Industry.'

LACK OF PROFITABILITY

For the years ended 1995, 1996 and 1997, the Company had net losses of $667,000, $114,000 and $2,949,000, respectively. At December 31, 1997, the Company had negative retained earnings of $3,416,000. While the Company's net losses in 1995 and 1996 were primarily due to expenses incurred in connection with the expansion of the Company's business and bonus payments to its majority shareholder and the Company's negative retained earnings and net loss for 1997 were due to a non-cash, non-recurring compensation expense relating to stock granted to the Company's President and Chief Executive Officer, Charles T. Saldarini, in the first quarter of 1997, the Company must nonetheless continue to replace and/or expand existing programs and obtain new clients in order to achieve sustained profitability. There can be no assurance that the Company will be able to continue to generate increased revenue or achieve profitable operations. See 'Management's Discussion and Analysis of Financial Condition and Results of Operations.'

RISKS ASSOCIATED WITH THE NATURE OF CONTRACTS

The Company's contracts are generally for terms of six months to one year

and are subject to renewal upon expiration. In addition, a single contract may account for a significant portion of the Company's total revenue. The Company's contracts may be terminated by the client at any time for any reason. Also, contracts typically contain significant penalties if the Company fails to meet state performance benchmarks. While the cancellation

of certain of the Company's contracts by a client without cause may result in the imposition of penalties on such client, such penalties may not act as an adequate deterrent to the termination of such contracts. In addition, there can be no assurance that such penalties will offset the lost revenue or the costs incurred by the Company as a result of any such termination. Furthermore, all of the Company's sales representatives are employees rather than independent contractors. Accordingly, upon the termination of a particular contract, unless the Company can immediately transfer the sales force to a new program, it either must continue to compensate those employees, without realizing any related revenue, or terminate their employment. If the Company terminates their employment, it may incur significant expenses relating to such termination, including the cost of recruiting and hiring replacement sales personnel. Finally, substantially all of the Company's contracts are 'fixed fee' arrangements. Accordingly, if the Company underestimates the costs associated with the services to be provided pursuant to a particular contract, or if there are unanticipated increases in the Company's operating or administrative expenses, the overall profitability of the Company and the margins on a particular contract may be adversely affected. The failure to obtain new contracts to replace expiring contracts, the cancellation or delay of an existing contract, the failure to satisfy the minimum performance standards set forth in a contract, the inability of the Company to transfer a sales force to a new program upon the termination of program, or the underestimation of costs associated with a particular contract could have a material adverse effect on the Company's business and results of operations. See 'Business -- Clients and Contracts.'

VARIABILITY OF QUARTERLY OPERATING RESULTS

The Company's results of operations have been subject to quarterly fluctuations. In the future, quarterly operating results may fluctuate as a result of a number of factors, including the commencement, delay, cancellation or completion of programs; the mix of services provided; the timing of start-up expenses for new services; the accuracy of estimates of resources required for ongoing programs; the timing and integration of acquisitions; changes in regulations related to pharmaceutical companies; and general economic conditions. The Company believes that quarterly comparisons of its financial results are not necessarily meaningful and should not be relied upon as an indication of future performance. In addition, fluctuations in quarterly results could affect the market price of the Common Stock in a manner unrelated to the long term operating performance of the Company. See 'Management's Discussion and Analysis of Financial Condition and Results of Operations -- Quarterly Results.'

MANAGEMENT OF GROWTH

The Company has recently experienced rapid growth in the number of its employees, the size of its programs and the scope of its operations. This growth has placed and will continue to place a strain on operational, human and financial resources. The Company's ability to manage such growth effectively will depend upon its ability to enhance its management team and its ability to attract and retain skilled employees. The Company's success will also depend on the ability of its officers and key employees to continue to implement and improve its operational, management information and financial control systems, and to expand, train and manage its workforce. There can be no assurance that the Company will be able to manage its growth effectively. Failure to manage growth effectively could have a material adverse effect on the Company's business and results of operations. See 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and 'Business.'

POSSIBLE HEALTHCARE REFORM; IMPACT OF MANAGED HEALTHCARE PROGRAMS

Healthcare reform measures have been considered by Congress and other Federal and state bodies during recent years. The intent of the proposals generally has been to reduce healthcare costs and the growth of total healthcare expenditures and expand healthcare coverage for the uninsured. Although comprehensive healthcare reform has been considered, only limited proposals have

been enacted. Comprehensive healthcare reform may be considered again and efforts to enact reform bills are likely to continue. Implementation of government healthcare reform may adversely affect promotional and marketing expenditures by pharmaceutical companies, which could decrease the business opportunities available to the Company. The Company is unable to predict the likelihood of such legislation or similar legislation being enacted into law or the effects that any such legislation would have on its business, results of operations and financial condition.

The primary trend in the United States healthcare industry is toward cost containment. In recent years, managed care providers have been able to exercise greater influence through managed treatment and hospitalization patterns, a shift from reimbursement on a cost basis to per capita limits for patient treatment and

the use of formularies (lists of preapproved products that a physician may prescribe). The increasing use of managed care, centralized purchasing decisions, consolidations among and integration of healthcare providers are continuing to affect purchasing and usage patterns in the healthcare system. Decisions regarding the use of pharmaceutical products are increasingly being consolidated into group purchasing organizations, regional integrated delivery systems and similar organizations and are becoming more economically focused, with decision makers taking into account the cost of the product and whether a product reduces the cost of treatment. There can be no assurance the Company will not be adversely affected by cost containment measures. Government or private initiatives to further contain pharmaceutical pricing could have a material adverse effect on the pharmaceutical industry, and thus on the Company. See 'Business -- The CSO Industry.'

GOVERNMENT 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 distribution of healthcare services and products, including pharmaceutical products. In addition, the Company is subject to the rules and regulations promulgated by the Equal Employment Opportunity Commission and similar state entities, which govern its recruiting and hiring practices and its relationship with its employees. It is possible that additional laws, regulations and guidelines or changes in current laws, regulations or guidelines may be adopted in the future. The failure of the Company or its clients to comply with such laws, regulations and guidelines, or any change in applicable laws, regulations and guidelines could, among other things, limit or prohibit certain business activities of the Company or its clients, subject the Company or its clients to adverse publicity, increase the cost of regulatory compliance or subject the Company or its clients to monetary fines or other penalties. Such actions could have a material adverse effect on the Company's business, results of operations, and financial condition. See 'Business -- Government and Industry Regulation.'

FRAUD AND ABUSE LAWS

The healthcare industry is subject to various Federal and state laws pertaining to healthcare fraud and abuse including prohibitions on the payment or acceptance of kickbacks or other remuneration in return for the purchase or lease of products which are paid for by Medicare or Medicaid. Sanctions for violating these laws include criminal penalties and civil sanctions, including fines and penalties, and possible exclusion from Medicare, Medicaid and other Federal healthcare programs. Although the Company believes its business arrangements are outside the scope of such Federal and state fraud and abuse laws, there can be no assurance that the Company's practices will not be challenged under these laws in the future or that such a challenge would not have a material adverse effect on the Company's business, financial condition and results of operations. See 'Business -- Government Regulation.'

ABILITY TO ATTRACT AND RETAIN EXPERIENCED SALES REPRESENTATIVES

The success and growth of the Company's business depends upon its ability to attract and retain qualified and experienced sales representatives. There is intense competition for experienced pharmaceutical sales representatives and there can be no assurance the Company will be able to continue to attract and

retain such qualified personnel. The Company's inability to attract and retain qualified sales representatives would have a material adverse effect on the Company's business and results of operations. See 'Business -- Program Description.'

COMPETITION; INDUSTRY CONSOLIDATION

The Company primarily competes with in-house sales and marketing departments of pharmaceutical companies, other CSOs and other third party providers to the pharmaceutical industry, many of which possess substantially greater capital, personnel and other resources than the Company. In addition to the in-house sales forces of pharmaceutical companies, the Company's current major competitors include CSOs such as Innovex Limited, a subsidiary of Quintiles Transnational Corp., and the various sales and marketing affiliates of Snyder Communications, Inc. As a result of competitive pressures, various sales and marketing organizations providing services to the pharmaceutical industry are consolidating and are becoming targets of global organizations. This trend is likely to produce increased competition among CSOs for both clients and acquisition candidates and increased competitive pressures on smaller providers. If the trend in the pharmaceutical industry towards consolidation continues, pharmaceutical companies may have excess in-house sales force capacity and may, as a result, reduce or eliminate their use of CSOs. There are relatively few barriers to entry into the CSO industry and

there can be no assurance that, as the CSO industry continues to evolve, additional competitors with greater resources than the Company will not enter the industry or that the Company's customers will not choose to conduct more of their sales services internally, with other CSOs or with organizations that can provide a broader range of sales and marketing services. Although the Company intends to monitor industry trends and respond accordingly, there can be no assurance that the Company will be able to anticipate and successfully respond to such trends. Increased competition may lead to price and other forms of competition that may have a material adverse effect on the Company's business and results of operations. See 'Business -- Competition.'

POTENTIAL LIABILITY

The Company is engaged in the business of detailing pharmaceutical products. Such activities could expose the Company to risk of liability for personal injury or death to persons using such products, although the Company does not commercially market or sell the products to end-users. While the Company has not been subject to any claims or incurred any liabilities due to such claims, there can be no assurance that substantial claims or liabilities will not arise in the future. The Company seeks to reduce its potential liability through measures such as contractual indemnification provisions with clients (the scope of which may vary from client to client, and the performances of which are not secured) and reliance on insurance maintained by clients. The Company, however, could also be held liable for errors and omissions of its employees in connection with the services it performs that are outside the scope of any indemnity. The Company could be materially and adversely affected if it were required to pay damages or incur defense costs in connection with a claim that is outside the scope of the indemnification agreements; if the indemnity, although applicable, is not performed in accordance with its terms; or if the Company's liability exceeds the amount of applicable insurance or indemnity. The Company currently does not carry product liability insurance and is not insured against the errors and omissions of its employees. See 'Business--Liability and Insurance.'

POTENTIAL EMPLOYEE CLAIMS

The success of the Company's business is dependent on its ability to field a high-quality sales force relatively quickly. As part of its recruiting and hiring process, the Company conducts a thorough screening process, drug testing and rigorous interviews. In addition, the Company must continually evaluate its personnel and, when necessary, terminate some of its employees with or without cause. Accordingly, the Company is subject to lawsuits relating to wrongful termination, discrimination and harassment. The Company maintains employment practice liability insurance, which insures it against claims made by its employees with respect to matters relating to their employment. There can be no assurance, however, that the Company will continue to maintain such policy or that the scope or limits of such policy will cover asserted claims. The Company

could be materially and adversely affected if it were required to pay damages or incur defense costs in connection with a claim by an employee that is outside the scope of coverage of such policy. See 'Business -- Liability and Insurance.'

DEPENDENCE ON KEY PERSONNEL

The Company depends on a number of key executives, including Charles T. Saldarini, its President and Chief Executive Officer, and Steven K. Budd, its Chief Operating Officer. The loss of the services of any of the Company's key executives could have a material adverse effect on the Company's business, financial condition and results of operations. The Company does not maintain 'key man' life insurance policies on any of its executives although it intends to obtain a $5 million policy on the life of Charles T. Saldarini. There can be no assurance that the Company will be able to obtain such insurance on terms acceptable to the Company, if at all. See 'Management.'

CONTROL BY EXISTING SHAREHOLDER

Following completion of this Offering, assuming the Underwriters' over-allotment option is not exercised, John P. Dugan, Chairman of the Board of Directors of the Company, will beneficially own approximately ___% (or ___% if the over-allotment option is exercised in full) of the Company's outstanding Common Stock (excluding shares issuable upon the exercise of options). As a result, Mr. Dugan will have the ability to determine the election of all of the Company's directors, and to determine the outcome of most corporate actions requiring shareholder approval, including the merger of the Company with or into another company, the sale of all or substantially all of the Company's assets and amendments to the Company's Certificate of Incorporation (the 'Certificate of Incorporation'). In addition, Mr. Dugan will have the power to delay, defer or prevent a change in control of the Company. See 'Principal Shareholders.'

ACQUISITION RISKS

As part of its business strategy, the Company will evaluate new acquisition opportunities. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations and products or services of the acquired companies, the expenses incurred in connection with the acquisition and subsequent assimilation of operations and products or services, the diversion of management's attention from other business concerns and the potential loss of key employees of the acquired company. Acquisitions of companies outside the United States also may involve the additional risks of assimilating differences in international business practices and overcoming language differences as well as the risks inherent in conducting international business, including exposure to currency fluctuations, difficulties in complying with a variety of foreign laws, unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations and potentially adverse tax consequences. There can be no assurance that the Company will successfully identify, complete or integrate any future acquisitions, or that acquisitions, if completed, will contribute favorably to the Company's operations and future financial condition. The Company may also face increased competition for acquisition opportunities, which may inhibit the Company's ability to consummate suitable acquisitions on terms favorable to the Company. See 'Use of Proceeds' and 'Business -- Growth Strategy.'

UNSPECIFIED USE OF PROCEEDS

None of the net proceeds that the Company will receive from this Offering have been designated for any specific purpose. As a consequence, the Company's management will have broad discretion with respect to the use of such proceeds. The principal purposes of the Offering are to obtain additional working capital for business expansion purposes, investment in infrastructure, to facilitate the Company's access to public equity markets and to enhance the Company's ability to use its Common Stock as consideration for possible acquisitions and as a means of attracting and retaining key employees. Net proceeds from this Offering will also be available for general corporate purposes, including replenishment of working capital used to make the final distribution to the Company's existing shareholders. A portion of the net proceeds may also be used to acquire or invest in complementary businesses, products or services; however, there are no commitments or agreements with respect to any such transaction at the present time. See 'Use of Proceeds,' 'Dividend Policy' and 'S Corporation Termination.'

NO PRIOR TRADING MARKET; POTENTIAL VOLATILITY OF STOCK PRICE

Prior to the Offering, there has been no public market for the Common Stock, and there can be no assurance that an active trading market for the Common Stock will develop or, if one does develop, that it will be maintained. The initial public offering price, which will be established by negotiations between the Company and representatives of the Underwriters, may not be indicative of prices that will prevail in the trading market for the Common Stock. The market price of the Common Stock could be subject to wide fluctuations in response to variations in operating results from quarter to quarter, changes in earnings estimates by analysts, market conditions in the industry and general economic conditions. Furthermore, the stock market has experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These market fluctuations may have an adverse effect on the market price of the Common Stock. See 'Underwriters.'

SHARES ELIGIBLE FOR FUTURE SALE

Sales of substantial amounts of the Common Stock of the Company in the public market, or the prospect of such sales, could have a material adverse effect on the market price of the Common Stock. Immediately following the Offering, the Company will have outstanding _____ shares of Common Stock (excluding _____ shares reserved for issuance upon the exercise of outstanding stock options). The _____ shares of Common Stock offered hereby (_____ if the Underwriters' over-allotment option is exercised in full) will be eligible for public sale without restriction under the Securities Act of 1933, as amended (the 'Securities Act') by persons other than 'affiliates' (as that term is defined in Rule 144 under the Securities Act) of the Company. All of the remaining _____ shares of Common Stock outstanding will be 'restricted securities' within the meaning of Rule 144 and may not be resold in the absence of registration under the Securities Act or pursuant to exemptions from such registration including, among others, the exemption provided by Rule 144 under the Securities Act. Taking into consideration the effect of the 180-day 'lock-up' agreements covering all of the restricted shares and options to purchase an additional _____shares held by executive officers, such restricted shares will be eligible for sale upon the expiration of the lock-up agreements, subject to the provisions of Rule 144 or Rule 701 under the Securities Act.

The Company intends to register on Form S-8 under the Securities Act as soon as practicable after the effective date of the Offering, _____ shares of Common Stock issued or reserved for issuance under the Company's 1998 Stock Option Plan. This registration will be effective upon filing. As of December 31, 1997, there were outstanding options for the purchase of _____ shares of Common Stock. Shares registered and issued pursuant to such registration statement will be freely tradable except to the extent that the holders thereof are deemed to be 'affiliates' of the Company, in which case the transferability of such shares will be subject to the volume limitations set forth in Rule 144 under the Securities Act. See 'Management -- 1998 Stock Option Plan,' 'Description of Capital Stock,' 'Shares Eligible for Future Sale' and 'Underwriting.'

IMMEDIATE AND SUBSTANTIAL DILUTION

The purchasers of shares of Common Stock pursuant to the Offering will experience immediate and substantial dilution of the net tangible book value per share of Common Stock from the initial public offering price. At the initial public offering price of $____ per share, purchasers in the Offering will incur dilution of $____ per share. Additional dilution is also likely to occur upon exercise of options granted by the Company. See 'Dilution.'

NO DIVIDENDS

Except for a final distribution to its shareholders immediately prior to the Offering, the Company does not expect to declare or pay any dividends in the foreseeable future. Instead, the Company intends to retain all earnings, if any, in order to expand its operations. The payment of dividends, if any, in the future is within the discretion of the Company's Board of Directors and will depend upon the Company's earnings, if any, its capital requirements and financial condition and other relevant factors. See 'Dividend Policy' and 'S Corporation Termination.'

ANTI-TAKEOVER EFFECTS OF CERTAIN CHARTER, BYLAW AND OTHER PROVISIONS

The Company's Board of Directors is authorized to issue up to 5,000,000 shares of Preferred Stock and to determine the price, rights, preferences and privileges of those shares without any further vote or action by the Company's shareholders. The rights of the holders of Common Stock will be subject to, and may be adversely affected by, the rights of the holders of any shares of Preferred Stock that may be issued in the future. While the Company has no present intention to issue shares of Preferred Stock, such issuance, while providing desirable flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of making it more difficult for a third party to acquire a majority of the outstanding voting stock of the Company. In addition, such Preferred Stock may have other rights, including economic rights senior to the Common Stock, and, as a result, the issuance thereof could have a material adverse effect on the market value of the Common Stock. The Certificate of Incorporation provides for a classified Board of Directors and members of the Board of Directors may be removed only for cause upon the affirmative vote of holders of at least a majority of the shares of capital stock of the Company entitled to vote. Furthermore, the Company is subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law (the 'DGCL'), which prohibits the Company from engaging in a 'business combination' with an 'interested stockholder' for a period of three years after the date of the transaction in which such person first becomes an 'interested stockholder,' unless the business combination is approved in a prescribed manner. The application of these provisions could have the effect of delaying or preventing a change of control of the Company. Certain other provisions of the Certificate of Incorporation could also have the effect of delaying or preventing changes of control or management of the Company, which could adversely affect the market price of the Company's Common Stock. See 'Description of Capital Stock. '

USE OF PROCEEDS

The net proceeds to the Company from the sale of the _____ shares of Common Stock being offered by the Company hereby are estimated to be $___ million ($____ million if the Underwriters' over-allotment option is exercised in full), after deducting the underwriting discount and commissions and estimated offering expenses payable by the Company. The principal purposes of the offering of shares by the Company are to obtain additional working capital for business expansion purposes investment in infrastructure, to facilitate the Company's access to the public equity markets and to enhance the Company's ability to use its Common Stock as consideration for possible acquisitions and as a means of attracting and retaining key employees. Net proceeds from this Offering will also be available for general corporate purposes, including replenishment of working capital used to make the final distribution to the Company's existing shareholders immediately prior to this Offering. A portion of the net proceeds may also be used to acquire or invest in complementary businesses, products or services; however, there are no commitments or agreements with respect to any such transaction at the present time. Pending use of the net proceeds for the above purposes, the Company intends to invest such funds in short-term, interest-bearing, investment-grade obligations. See 'Dividend Policy.'

DIVIDEND POLICY

The Company does not expect to declare or pay any cash or stock dividends on its Common Stock in the foreseeable future and intends to retain future earnings for the expansion of its business. Any future determination to pay cash dividends will be at the discretion of the Company's Board of Directors and will depend upon, among other things, the Company's results of operations, financial condition, contractual restrictions and such other factors deemed relevant by the Board.

Historically, as an S Corporation, the Company has made special bonus compensation payments to its shareholders based on its estimated profitability and working capital requirements. Immediately prior to this Offering, the Company will declare a final distribution estimated to be $_____ million to its existing shareholders reflecting the aggregate shareholders' equity as of the date of such distribution. Investors purchasing Common Stock in this Offering will not receive any portion of such distribution and the Company will not make any additional distributions of this kind in the future. See 'Use of Proceeds' and 'S Corporation Termination.'

S CORPORATION TERMINATION

The Company has been treated as an S Corporation for Federal income tax purposes since January 1, 1991 and for purposes of the tax laws of the State of New Jersey since January 1, 1994. As a result, the income of the Company has been taxed at the shareholder level. Concurrent with the completion of this Offering, the Company's S Corporation election will be terminated and the Company will be subject to Federal and state corporate income taxation as a C Corporation.

CAPITALIZATION

The following table sets forth the capitalization of the Company at December 31, 1997 and as adjusted to reflect (i) the sale by the Company of _____ shares of Common Stock in the Offering at the initial public offering price of $_____ per share, after deducting underwriting discounts and commissions and estimated expenses, and application of the estimated net proceeds thereof and (ii) the final distribution to the Company's shareholders immediately prior to the Offering. This table should be read in conjunction with the Company's audited Financial Statements, including the notes thereto, which appear elsewhere in this Prospectus.

<TABLE>
<CAPTION>

	AS OF DECEMBER 31, 1997	
	ACTUAL	AS ADJUSTED
	(IN THOUSANDS)	
<S>	<C>	<C>
Long-term obligations, less current portion	$ --	$ --
Shareholders' equity		
Preferred shares, $.01 par value, 5,000,000 shares authorized; no shares issued and outstanding	--	--
Common shares, $.01 par value, 30,000,000 shares authorized; _____ issued and outstanding actual; _____ issued and outstanding, as adjusted(1)		
Additional paid-in capital	4,194	
Retained earnings	(3,416)	
Deferred Compensation	(102)	
Total shareholders' equity		
Total capitalization	$	$

</TABLE>

- ----------

(1) Excludes (i) _____ shares of Common Stock issuable upon exercise of stock options outstanding on December 31, 1997 at a weighted average exercise price of $_____ per share and (ii) _____ additional shares of Common Stock reserved for future grants under the Company's 1998 Stock Option Plan. See 'Management -- 1998 Stock Option Plan.'

DILUTION

At December 31, 1997, the net tangible book value of the Company was $__ million, and the pro forma net tangible book value per share of Common Stock was $_____ (after giving effect to the final distribution estimated to be $_____ million and the estimated $_____ of deferred income tax benefits arising upon termination of the Company's S Corporation status). See 'Dividend Policy' and 'S Corporation Termination' and note 14 to the Company's Financial Statements. After giving effect to the sale by the Company of _____ shares of Common Stock in the Offering at the initial public offering price of $_____ per share and after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company, the pro forma net tangible book value of the

Company at December 31, 1997 would have been $___ million or $____ per share. This represents an immediate increase in net tangible book value of $____ per share to existing shareholders of the Company and an immediate dilution of $_____ per share to new investors purchasing shares in this Offering.

The following table illustrates such per share dilution:

<TABLE>
<S> <C> <C>
The initial public offering price per share..... $
Pro forma net tangible book value per share before the Offering (1)..... $
Increase per share attributable to new investors..... $
Pro forma net tangible book value per share after the Offering..... $
Dilution per share to new investors (2)..... $
</TABLE>

- ----------

(1) Pro forma net tangible book value per share of Common Stock is determined by dividing the Company's net tangible book value at December 31, 1997 of $_____ million by the pro forma number of shares of Common Stock outstanding.

(2) Dilution per share to new investors is determined by subtracting pro forma net tangible book value per share after the Offering from the initial public offering price per share.

The computations in the table above exclude: (i) _____ shares of Common Stock issuable upon the exercise of stock options outstanding at December 31, 1997 at a weighted average exercise price of $_____ per share and (ii) _____ additional shares of Common Stock reserved for future grants under the Company's 1998 Stock Option Plan. See 'Management -- 1998 Stock Option Plan.'

SELECTED FINANCIAL DATA

The selected financial data set forth below for the five years ended December 31, 1993, 1994, 1995, 1996 and 1997 have been derived from the Company's Financial Statements and the notes thereto. Balance sheets at December 31, 1996 and 1997 and the statements of income, of shareholders' equity and of cash flows for the three years ended December 31, 1995, 1996 and 1997 and notes thereto appear elsewhere in this Prospectus and have been audited by Coopers & Lybrand L.L.P., independent accountants. The selected financial data for the years ended December 31, 1993 and 1994 have been derived from the Company's unaudited Financial Statements which have been prepared by the Company in accordance with generally accepted accounting principles and includes all adjustments that management considers necessary for a fair presentation of the data for such periods. The Company's unaudited Financial Statements for the years ended December 31, 1993 and 1994 have not been included in this Prospectus. The selected financial data set forth below should be read in conjunction with, and are qualified by reference to 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and the Company's audited Financial Statements and related notes appearing elsewhere in this Prospectus.

STATEMENT OF OPERATIONS DATA:

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,				
	1993	1994	1995	1996	1997
	(IN THOUSANDS, EXCEPT PER SHARE AND STATISTICAL DATA)				
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$8,226	$8,250	$18,398	$33,015	$54,542
Program expenses	4,886	5,339	15,427	26,886	43,057
Gross profit	3,340	2,911	2,971	6,129	11,485
Compensation expense	1,945	1,673	2,124	3,191	5,121(1)
Bonus to majority shareholder(2)	440	200	425	1,500	2,243

Stock grant expense(3)	--	--	--	--	4,470
Other general, selling and administrative expenses	844	826	1,159	1,650	2,755
Total general, selling and administrative expenses	3,229	2,699	3,708	6,341	14,589
Operating income (loss)	111	212	(737)	(212)	(3,104)
Other income, net	17	16	70	98	155
Income (loss) before provision for taxes	128	228	(667)	(114)	(2,949)
Pro forma provision for (benefit from) income taxes(4)	51	91	(121)	--	--
Pro forma net income (loss)(4)	$ 77	$ 137	$ (546)	$ (114)	$(2,949)
Pro forma net income (loss) per share(4)					
Pro forma weighted average number of shares outstanding					

OTHER FINANCIAL DATA:

Adjusted operating income (loss)(5)	$ 551	$ 412	$ (312)	$ 1,288	$ 3,609
Adjusted net income (loss)(4)(5)	341	257	(145)	832	2,258

OTHER OPERATING DATA:

Number of detail programs	8	9	10	13	15
Number of clients	6	7	7	8	12
Average size of detail program	$1,028	$ 917	$ 1,840	$ 2,540	$ 3,636
Number of sales representatives at end of period:					
Full-time	--	--	--	29	633
Part-time	107	107	393	709	362
Total	107	107	393	738	995

See footnotes on following page

BALANCE SHEET DATA:

	AS OF DECEMBER 31,				
	1993	1994	1995	1996	1997
	(IN THOUSANDS)				
Cash and cash equivalents	$1,701	$ 611	$ 240	$2,403	$ 5,760
Working capital	(63)	130	(591)	(873)	129
Total assets	2,243	6,975	5,881	8,322	13,691
Total long-term debt	--	--	--	--	--
Shareholders' equity (deficit)	76	304	(363)	(478)	676

- ----------

(1) Includes bonus compensation of $237,000 paid to Charles T. Saldarini, the Company's President, Chief Executive Officer and a minority shareholder. It

is expected that, in addition to his base salary, Mr. Saldarini may receive cash bonuses in future periods as determined by the Compensation Committee. See 'Management -- Executive Compensation.'

(2) The Company has been treated as an S Corporation under subchapter S of the Code since January 1, 1991 and under the corresponding provisions of the tax laws of the State of New Jersey since January 1, 1994. Historically, as an S Corporation, the Company made annual bonus payments to its majority shareholder based on the Company's estimated profitability and working capital requirements. With the exception of the distribution to be declared immediately prior to the Offering, the Company does not expect to pay such bonuses in future periods. See 'Dividend Policy.'

(3) On January 1, 1997, the Company issued shares of its Common Stock to Charles T. Saldarini, its current President and Chief Executive Officer. As a result, prior to the Offering, Mr. Saldarini owns 15.0% of the Common Stock outstanding. For financial accounting purposes, a non-recurring, non-cash compensation expense was charged in the first quarter of 1997. See 'Principal Shareholders,' 'Management,' 'Certain Transactions' and note 12 to the Company's Financial Statements.

(4) As an S Corporation, the Company has not been subject to Federal or New Jersey corporate income taxes, other than a New Jersey state corporate income tax of approximately 2%. Rather, the income of the Company has been taxed at the shareholder level. Upon consummation of this Offering, the Company will no longer be treated as an S Corporation, and, accordingly, will be subject to Federal and state corporate income taxes. Pro forma provision for income taxes, net income, net income per share and adjusted net income for all periods presented reflect a provision for income taxes as if the Company had been taxed as a C Corporation for all periods.

(5) Adjusted to eliminate bonus to majority shareholder and stock grant expense. This presentation illustrates the Company's results of operations on an adjusted basis to reflect that the Company does not intend to pay bonuses to its majority shareholder or incur stock grant expense in future periods. These presentations should not be construed as an alternative to operating income or net income/(loss) (as determined in accordance with generally accepted accounting principles) as presented herein.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Company's Financial Statements and the notes thereto appearing elsewhere in this Prospectus and contains trend analysis and other forward-looking statements that involve substantial risks and uncertainties. The Company's actual results could differ materially from those expressed or implied in the forward-looking statements as a result of certain factors, including those set forth under 'Risk Factors' and elsewhere in this Prospectus.

OVERVIEW

The Company is a leading provider of comprehensive customized solutions on an outsourced basis to the United States pharmaceutical industry. The Company believes it has achieved this leadership position based on its 10 years of industry experience and its relationships with many of the pharmaceutical industry's largest companies. Since inception, the Company has designed customized product detailing programs for approximately 25 clients, including Pfizer, Inc., Astra Merck Inc., Glaxo Wellcome Inc. and Johnson & Johnson, Inc. Such programs have been designed to promote more than 70 different products, including such leading prescription medications as Prilosec(Registered), Wellbutrin(Registered) and Cardura(Registered), as well as a number of well-known OTC products such as Bayer(Registered) Aspirin, Pepcid AC(Registered) and Monistat 5(Registered), to hospitals, pharmacies and physicians in approximately 20 different specialties. The Company's primary objective is to enhance its leadership position in the growing CSO industry and to become the premier supplier of comprehensive sales solutions to the pharmaceutical industry and other segments of the healthcare market.

The Company has demonstrated strong internal growth generated by securing

new business from leading pharmaceutical companies and by renewing and expanding programs with existing clients. The Company believes that it is one of the largest CSOs operating in the United States measured both by revenue and number of sales representatives used in programs. Revenue increased from $8.3 million in 1994 to $54.5 million in 1997, a compounded annual growth rate of approximately 87.7%. Gross profit increased from $2.9 million in 1994 to $11.5 million in 1997, a compounded annual growth rate of 58.0%. In addition, the number of sales representatives (part-time and full-time) employed by the Company has increased from approximately 100, as of December 31, 1993 to approximately 1,000 as of December 31, 1997. Over that same period, the Company's mix between part-time and full-time representatives shifted from 100% part-time to 45% part-time. At December 31, 1997 the Company was in the process of hiring in excess of 150 new sales representatives to meet its obligations under new and existing programs.

Historically, the Company has derived a significant portion of program revenue from a limited number of major clients. In 1995, the Company's four largest clients accounted for approximately 42%, 17%, 15% and 10%, respectively, or a total 84%, of its revenue. In 1996, the Company's four largest clients accounted for approximately 30%, 21%, 17% and 16%, respectively, or a total 84%, of its revenue. In 1997, the Company's four largest clients accounted for approximately 25%, 22%, 19% and 10%, respectively, or a total 76%, of its revenue. Concentrations of business in the CSO industry are not uncommon and the Company believes that pharmaceutical companies will continue to outsource larger projects as the CSO industry grows and continues to demonstrate an ability to successfully implement large programs. Accordingly, the Company is likely to continue to experience significant client concentration in future periods.

The Company is engaged by its clients to design and implement product detailing programs for both prescription and OTC pharmaceutical products. Given the customized nature of the Company's business, it utilizes a variety of contract structures with its clients. Generally, contracts provide for a fee to be paid based on the Company delivering a specified package of services. Contracts typically include performance benchmarks, such as a minimum number of sales representatives or a minimum number of calls. Under certain contracts, the Company may be entitled to additional compensation based upon the success of the program and/or subject to penalties for failing to meet stated performance benchmarks. The Company typically receives a portion of its fee upon commencement of the program to reflect the costs of implementing such program. In addition, contracts typically provide that the Company is entitled to a fee for each sales representative hired by the client during or at the conclusion of a program.

The Company's contracts generally are for terms of six months to one year and are subject to renewal upon expiration. These contracts are terminable by the client for any reason upon 30 to 90 days notice. The Company's contracts typically provide for termination payments by the client upon a termination without cause. While the

cancellation of certain of the Company's contracts by a client without cause may result in the imposition of penalties on such client, such penalties may not act as an adequate deterrent to the termination of any such contracts. In addition, there can be no assurance that such penalties will offset the lost revenue or the costs incurred by the Company as a result of the termination of such contracts. Despite such payments, the loss or termination of one or more contracts could adversely affect the Company's future revenue and profitability. Contracts may also be terminated for cause based on, among other things, the Company's failure to meet stated performance benchmarks. In such event, the Company may be obligated to pay penalties. To date, no programs have been terminated for cause.

Generally, the Company recognizes revenue under the percentage of completion method pursuant to which revenue is recorded as costs are incurred. Revenue includes estimated earned fees or profits and is calculated based on the relationship between direct program costs actually incurred, other than initial direct program costs (as described below), and the estimated total of such costs. Program costs consist of costs associated with the execution of a detailing program. There are two significant categories of program costs: personnel costs and initial direct program costs. Personnel costs, which consititute the largest portion of program expenses, include all labor related costs, such as salaries, bonuses, fringe benefits and payroll taxes for the

sales representatives and managers who are directly responsible for the rendering of services in connection with a particular program. Initial direct program costs are those costs associated with the recruitment and training of the sales representatives in connection with a particular program, and are deferred and recognized over the life of such program.

Estimated revenue and program costs are reviewed and revised periodically throughout the life of each program. Any adjustment to a program's revenue resulting from such revisions is recorded on a cumulative basis in the period in which the revisions are made. In the period in which it is determined that a loss will result from the performance of a program, or that the Company will incur a penalty in connection with such program, the entire amount of the estimated ultimate loss or penalty is charged against such program's revenue. The Company manages program expenses by carefully establishing and monitoring program budgets and timetables and by closely tracking staffing requirements for programs in progress and anticipated programs. The status of each program in progress is reviewed regularly by program managers and senior management to ensure client satisfaction and to monitor performance relative to internal financial and operating expectations. The number of sales representatives assigned to a program varies according to the size, complexity, duration and demands of the program.

General, selling and administrative expense include compensation expense, bonus to majority shareholder, stock grant expense and other general, selling and administrative expenses. Compensation expense consists primarily of salaries and related fringe benefits for senior management and other administrative, marketing, finance, information technology and human resources personnel who are not directly involved with the execution of a particular program. Bonus to majority shareholder reflects the cash bonus paid to the Company's majority shareholder and Chairman of the Board, John P. Dugan. With the exception of the final distribution declared immediately prior to the Offering, it is not expected that the Company will pay bonuses to Mr. Dugan in any future periods. See 'Dividend Policy.' Stock grant expense reflects the non-cash, non-recurring charges related to the grant of _____ shares of Common Stock to the Company's President and Chief Executive Officer, Charles T. Saldarini. As a result, prior to the Offering, Mr. Saldarini owns 15.0% of the issued and outstanding Common Stock of the Company. Finally, other general, selling and administrative expenses include corporate overhead such as facilities costs, depreciation and amortization expenses and professional services fees. The Company plans to relocate to a new leased facility by the end of the second quarter of 1998 to accommodate its growth. The Company anticipates increased rent and certain one-time costs associated with such relocation. General, selling and administrative expenses (excluding bonus to majority shareholder and stock grant expense) as a percentage of revenue have generally declined as the Company has spread its overhead expenses across its expanding revenue base. The Company anticipates that general, selling and administrative expenses will continue to decline as a percentage of revenue as its business grows, although such expenses are expected to increase on an absolute basis.

Prior to 1995, no single program implemented by the Company required more than 60 sales representatives. At the end of 1994, the Company entered into an agreement for a program that required in excess of 150 sales representatives. The Company believes that this represented the beginning of a trend in the industry towards larger programs. In order to meet the demands of this program and future programs, both in terms of increased number of sales representatives and the additional administrative requirements attendant thereto, the Company

made a significant investment in hiring additional administrative and management personnel for recruiting, hiring and improving its management information systems. As a result of these additional expenditures, the Company recorded an operating loss in 1995. However, the additional investment in infrastructure and information technology has enabled the Company to continue to pursue larger contracts, which has accounted for a substantial portion of the Company's growth beginning in 1995. The Company will continue to make such investments in future years to maintain its high standards of quality and operating efficiency.

The Company has been treated as an S Corporation for Federal income tax purposes since January 1, 1991 and for New Jersey state income tax purposes since January 1, 1994. Accordingly, the Company's income has been taxed directly at the shareholder level rather than at the corporate level. Concurrent with the completion of this Offering, the Company's S Corporation election will terminate

and the Company will be subject to corporate income taxation as a C Corporation. For each of the periods in which the Company was an S Corporation, the statement of income data in the 'Selected Financial Data' table reflects a provision for income taxes on a pro forma basis as if the Company had been taxed as a C Corporation during such periods.

RESULTS OF OPERATIONS

The following table sets forth for the periods indicated, certain statement of operations data as a percentage of revenue. The trends illustrated in this table may not be indicative of future results.

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,			
	1994	1995	1996	1997
<S>	<C>	<C>	<C>	<C>
Revenue	100.0%	100.0%	100.0%	100.0%
Program expenses	64.7	83.9	81.4	78.9
Gross profit	35.3	16.1	18.6	21.1
Compensation expense	20.3	11.5	9.7	9.4
Bonus to majority shareholder	2.4	2.3	4.5	4.1
Stock grant expense	0.0	0.0	0.0	8.2
Other general, selling and administrative expenses	10.0	6.3	5.0	5.0
Total general, selling and administrative expenses	32.7	20.1	19.2	26.7
Operating income (loss)	2.6	(4.0)	(0.6)	(5.6)
Other income, net	0.2	0.4	0.3	0.3
Income (loss) before provision for taxes	2.8	(3.6)	(0.3)	(5.3)
Pro forma provision for (benefit from) income taxes	1.1	(0.6)	0.0	0.0
Pro forma net income (loss)	1.7%	(3.0)%	(0.3)%	(5.3)%

</TABLE>

YEARS ENDED DECEMBER 31, 1997 AND 1996

Revenue. Revenue for 1997 was $54.5 million, an increase of 65.2% over 1996 revenue of $33.0 million. Revenue in 1997 was generated from 15 programs for 12 clients while 1996 revenue was generated from 13 programs for eight clients. Average program size increased to $3.6 in 1997 from $2.5 in 1996. Approximately $46.9 million, or 85.9% of 1997 revenue, was derived from seven clients; those seven clients generated $31.0 million, or approximately 93.8% of 1996 revenue.

Program expenses. Program expenses for 1997 were $43.1 million, an increase of 60.1% over program expenses of $26.9 million for 1996. As a percentage of revenue, program expenses decreased to 78.9% for 1997 from 81.4% for 1996. This decrease was primarily attributable to the Company continuing to realize efficiencies as a result of the investments in infrastructure and process improvements which were implemented in 1995 and 1996.

Compensation expense. Compensation expense for 1997 was $5.1 million compared to $3.2 million for 1996. This increase was due to an increase in the number of management and administrative personnel in 1997 over the 1996 number necessitated by the expansion of the Company's business. As a percentage of revenue, compensation expense was 9.4% for 1997 compared to 9.7% for 1996.

Bonus to majority shareholder. Bonus to majority shareholder for 1997 was $2.2 million compared to $1.5 million for 1996.

Stock grant expense. In the first quarter of 1997, the Company incurred non-recurring, non-cash charges of $4.5 million related to stock issued to Charles T. Saldarini, the Company's President and Chief Executive Officer.

Other general, selling and administrative expenses. Other general, selling and administrative expenses were $2.8 million for 1997, an increase of 67.0% over other general, selling and administrative expenses of $1.7 million for 1996. As a percentage of revenue, other general, selling and administrative expenses were 5.0% for 1997 and 1996.

Operating loss. Loss from operations for 1997 was $3.1 million compared to $212,000 for 1996. Before bonus to majority shareholder and stock grant expense, operating income for 1997 was $3.6 million or 6.6% of revenue, compared to $1.3 million, or 3.9% of revenue, for 1996.

Other income, net. Other income, primarily net interest income, for 1997 was $155,000, an increase of 58.2% over net other income of $98,000 for 1996, due to the greater availability of funds for investment.

Pro forma net loss. Pro forma net loss for 1997 was $2.9 million compared to a pro forma net loss of $114,000 for 1996. Pro forma net loss for both periods assumes the Company was taxed for Federal and state income tax purposes as a C Corporation, with no tax benefits assumed for the net operating losses in 1997 and 1996.

YEARS ENDED DECEMBER 31, 1996 AND 1995

Revenue. Revenue for 1996 was $33.0 million, an increase of 79.4% over 1995 revenue of $18.4 million. Revenue in 1996 was generated from 13 programs for eight clients while 1995 revenue was generated from 10 programs for seven clients. Average program size increased to $2.5 million in 1996 from $1.8 million in 1995. Substantially all of 1996 revenue, or 99.3%, was derived from clients that accounted for $17.8 million, or 97.0%, of 1995 revenue.

Program expenses. Program expenses for 1996 were $26.9 million, an increase of 74.3% over program expenses of $15.4 million for 1995. As a percentage of revenue, however, program expenses decreased to 81.4% in 1996 from 83.9% in 1995. This decrease was primarily attributable to the Company beginning to realize operating efficiencies as a result of the investments in infrastructure and process improvement begun in 1995.

Compensation expense. Compensation expense in 1996 was $3.2 million compared to $2.1 million in 1995. This increase was attributable to an increase in the number of management and administrative personnel employed by the Company in 1996 as compared to 1995 necessitated by the expansion of the Company's business. As a percentage of revenue, compensation expense was 9.7% for 1996 compared to 11.5% for 1995.

Bonus to majority shareholder. Bonus to majority shareholder for 1996 was $1.5 million compared to $425,000 for 1995.

Stock grant expense. There were no compensatory stock grants in either period.

Other general, selling and administrative expenses. Other general, selling and administrative expenses were $1.7 million in 1996 compared to $1.2 million in 1995, an increase of 42.4%. As a percentage of revenue, other general, selling and administrative expenses were 5.0% in 1996 compared to 6.3% in 1995.

Operating loss. Operating loss decreased to $212,000 in 1996 from $737,000 in 1995. Before bonus to majority shareholder, operating income in 1996 was $1.3 million compared to an operating loss of $312,000 in 1995.

Other income, net. Other income, primarily net interest income, was $98,000 in 1996, an increase of 40.1% over other income of $70,000 in 1995, due to the greater availability of funds for investment.

Pro forma net loss. Pro forma net loss for the year ended December 31, 1996 was $114,000 compared to $546,000 for the prior year. Pro forma net loss for both periods assumes the Company was taxed for Federal and state income tax purposes as a C Corporation, with no tax benefits assumed for the net operating loss in 1996.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal source of funds has been cash flow from operations. Contracts generally provide for advance payments which typically fund the

initial costs of a program. To date, the Company's cash flow has been sufficient to provide funds for working capital and capital expenditures.

The Company has a $500,000 line of credit (the 'Credit Line') from a commercial bank under which interest only is payable monthly on the outstanding balance at a floating rate equal to 1% above the prime rate of

interest as published from time to time by The Wall Street Journal. In addition, the Company has obtained a commitment from the bank for a $1 million line of credit, the proceeds of which are to be used exclusively for capital expenditures (the 'CAPEX Line'). The CAPEX Line would be for a term of nine months and would bear interest payable monthly at a floating rate of interest equal to 0.75% above the prime rate of interest. At the end of the nine months, any outstanding balance is payable in 60 equal monthly installments of principal and interest computed at the rate of 0.75% above the prime rate on the date of conversion. The Credit Line and the CAPEX Line will be secured by a lien on all of the assets of the Company and will be personally guaranteed by John P. Dugan, the Company's majority shareholder and Chairman of the Board. The notes evidencing the Credit Line and the CAPEX Line and the related security agreements will contain covenants, representations and other provisions customarily found in commercial loan documentation.

As of December 31, 1997, the Company had cash and cash equivalents of $5.8 million and working capital of $129,000. In addition, the Company paid a cash bonus aggregating $2.2 million to its majority shareholder John P. Dugan in 1997. Immediately prior to this Offering, the Company anticipates that it will distribute approximately $____ million to its existing shareholders. See 'Dividend Policy.'

For the year ended December 31, 1997, the Company generated $3.4 million of net cash from operating activities as compared to $2.8 million of net cash generated during the prior year. The increase in cash flow occurred despite the loss generated from operations due to the positive effect of non-cash expenses for depreciation and the stock grant to Charles T. Saldarini. In January 1997, the Company issued shares of its Common Stock to its President and Chief Executive Officer, Charles T. Saldarini. As a result, prior to the Offering, Mr. Saldarini owns 15% of the outstanding shares of Common Stock. Such issuance resulted in non-recurring, non-cash charges for the first quarter of 1997 in the amount of $4.5 million.

For the years ended December 31, 1997 and 1996, net cash used in investing activities was $94,000 and $641,000, respectively. The primary use of cash in both years was for investment in computer equipment in connection with the expansion of the Company's business and in connection with advances to Boomer & Son, Inc., a corporation that prior to 1998 was wholly-owned by John P. Dugan, the Company's Chairman of the Board. See 'Certain Transactions.'

Net cash provided by financing activities was $79,000 in 1997 as a result of a $100,000 equipment loan provided by a commercial financial institution, net of repayments. The Company expects to repay the balance of this loan in 1998. There were no financing activities in 1996 or 1995.

The Company has budgeted approximately $1.2 million for capital expenditures in 1998, to be funded through cash generated from operations and the CAPEX Line. During 1997, the Company's capital expenditures were $290,000.

Where the Company bills clients for services before they have been completed, billed amounts are recorded as billings in excess of costs, or deferred revenue, and are recorded as income when earned. When services are performed in advance of billing, the value of such services is recorded as unbilled costs and accrued profits. As of December 31, 1997 and 1996, the Company had $6.1 million and $3.9 million, respectively, of deferred revenue and $5.0 million and $2.4 million, respectively, of unbilled costs and accrued profits. Substantially all deferred and unbilled costs and accrued profits are earned or billed, as the case may be, within 12 months of the end of the respective period.

The Company believes that the net proceeds from the sale of the Common Stock offered hereby, together with cash flows from operations and existing cash balances will be sufficient to meet its working capital and capital expenditure requirements for the foreseeable future.

QUARTERLY RESULTS

The Company's results of operations have been and are expected to be subject to quarterly revenue fluctuations. Such fluctuations result from a number of factors including, among other things, the timing of commencement, completion or cancellation of major programs. In the future, revenue may fluctuate as a result of such factors and a number of additional factors, including delays or costs associated with acquisitions, government regulatory initiatives and conditions in the healthcare industry generally. The Company believes that because of such fluctuations, quarterly comparisons of its financial results cannot be relied upon as an indication of future performance.

The following table sets forth unaudited quarterly operating results for the eight quarters ended December 31, 1997. The Company believes that this unaudited information has been prepared on the same basis

as the annual Financial Statements and includes all adjustments consisting only of normal, recurring adjustments, necessary for a fair presentation of the information for the quarters presented, when read in conjunction with the Company's Financial Statements and notes thereto included elsewhere in this Prospectus.

QUARTERLY STATEMENT OF OPERATIONS DATA:

<TABLE>
<CAPTION>

	QUARTER ENDED						
	MARCH 31, 1996	JUNE 30, 1996	SEPTEMBER 30, 1996	DECEMBER 31, 1996	MARCH 31, 1997	JUNE 30, 1997	SEPTEMBER 30, 1997
	(IN THOUSANDS)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue	$ 5,370	$7,289	$ 9,351	$ 11,005	$10,775	$ 12,501	$14,703
Program expenses	4,316	5,963	7,539	9,068	8,612	10,053	11,651
Gross profit	1,054	1,326	1,812	1,937	2,163	2,448	3,052
Compensation expense(1)	700	762	872	857	1,303	1,218	1,261
Bonus to majority shareholder(2)	375	375	375	375	561	561	561
Stock grant expense(3)	--	--	--	--	4,470	--	--
Other general, selling and administrative expenses	328	317	365	640	681	638	743
Total general, selling and administrative expenses	1,403	1,454	1,612	1,872	7,015	2,417	2,565
Operating income (loss)	(349)	(128)	200	65	(4,852)	31	487
Other income	--	9	16	73	11	38	61
Net income (loss)	$ (349)	$ (119)	$ 216	$ 138	$(4,841)	$ 69	$ 548

<CAPTION>

	DECEMBER 31, 1997
<S>	<C>
Revenue	$ 16,563
Program expenses	12,741
Gross profit	3,822
Compensation expense(1)	1,339
Bonus to majority shareholder(2)	560
Stock grant expense(3)	--
Other general, selling and administrative expenses	693

Total general, selling and administrative expenses.....	2,592
Operating income (loss).....	1,230
Other income.....	45
Net income (loss).....	$ 1,275

</TABLE>

- ----------

(1) Compensation expense for 1997 includes bonus compensation of $237,000 paid to Charles T. Saldarini, the Company's President, Chief Executive Officer and a minority shareholder. It is expected that, in addition to his base salary, Mr. Saldarini may receive cash bonuses in future periods as determined by the Compensation Committee. See 'Management -- Executive Compensation.'

(2) Historically, as an S Corporation, the Company has made annual bonus payments to its majority shareholder based on its estimated profitability and working capital requirements. With the exception of the distribution to be declared immediately prior to the Offering, the Company does not expect to pay such bonuses in future periods. See 'Dividend Policy.'

(3) On January 1, 1997, the Company issued shares of its Common Stock to Charles T. Saldarini, its current President and Chief Executive Officer. As a result, prior to the Offering, Mr. Saldarini owns 15.0% of the Common Stock outstanding. For financial accounting purposes, a non-recurring, non-cash compensation expense was charged in the first quarter of 1997. See 'Principal Shareholders,' 'Management,' 'Certain Transactions' and note 12 to the Company's Financial Statements.

EFFECT OF NEW ACCOUNTING PRONOUNCEMENTS

Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income, was issued in June 1997 and is effective for fiscal years beginning after December 15, 1997. This pronouncement establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. The Company will adopt this pronouncement in 1998 and does not expect its implementation will have a material effect on the Company's Financial Statements as currently presented.

Statement of Financial Accounting Standards No. 131, Disclosures About Segments of an Enterprise and Related Information, was also issued in June 1997 and is effective for fiscal periods beginning after December 15, 1997. This pronouncement establishes the way in which publicly held business enterprises report information about operating segments in annual financial statements and interim reports to shareholders. As the Company operates in a single business segment the implementation of this standard is not expected to significantly impact the Company's Financial Statements as currently presented.

BUSINESS

INTRODUCTION

The Company is a leading provider of comprehensive customized sales solutions on an outsourced basis to the United States pharmaceutical industry. The Company believes it has achieved this leadership position based on its 10 years of industry experience and its relationships with many of the pharmaceutical industry's largest companies. Since inception, the Company has designed customized product detailing programs for approximately 25 clients, including Pfizer, Inc., Astra Merck Inc., Glaxo Wellcome Inc. and Johnson & Johnson, Inc. These programs have been designed to promote more than 70 different products, including such leading prescription medications as Prilosec(Registered), Wellbutrin(Registered) and Cardura(Registered), as well as a number of OTC products such as Bayer(Registered) Aspirin, Pepcid AC(Registered) and Monistat 5(Registered), to hospitals, pharmacies and physicians in approximately 20 different specialties. The Company's primary objective is to enhance its leadership position in the growing CSO industry and

to become the premier supplier of comprehensive sales solutions to the pharmaceutical industry and other segments of the healthcare market.

The Company is engaged by its clients on a contractual basis to design and implement product detailing programs for both prescription and OTC pharmaceutical products. Such programs typically include three phases: design, execution and assessment. In the program design phase, the Company works with the client to understand needs, define objectives, select targets and determine appropriate staffing. Program execution involves recruiting, hiring, training and managing a sales force, which performs detail calls promoting the particular client's pharmaceutical products. Assessment, the last phase of the program, involves measurement of sales force performance and program success relative to the goals and objectives outlined in the program design phase.

The Company has demonstrated strong internal growth generated by securing new business from leading pharmaceutical companies and renewing and expanding programs with existing clients. The Company believes that it is one of the largest CSOs operating in the United States measured both by revenue and total number of sales representatives used in programs. Revenue and gross profit grew at compound annual rates of 87.7% and 58.0% respectively, between 1994 and 1997. The number of sales representatives (both full-time and part-time) employed by the Company has increased from approximately 100 as of December 31, 1993 to approximately 1,000 as of December 31, 1997. Over that same period, the Company's mix between part-time and full-time representatives shifted from 100% part-time to 45% part-time. The Company has also experienced a consistently high renewal rate among its clients. For example, for 1997, approximately 86% of the Company's revenue was generated from clients that had contributed to the Company's 1996 revenue.

The Company believes that because of the benefits of outsourcing, pharmaceutical companies have made a strategic decision to continue to outsource a significant portion of their sales and marketing activities. The Company believes that the trend toward the increased use of CSOs by pharmaceutical companies will continue due to the following industry dynamics: (i) pharmaceutical companies will continue to expand their product portfolios and as a result will need to add sales force capacity, (ii) pharmaceutical companies will continue to face margin pressures and will seek to maintain flexibility by converting fixed costs to variable costs, and (iii) the availability of qualified CSOs will provide an incentive to pharmaceutical companies to continue to outsource this function.

The Company believes that it is well positioned to benefit from these growth opportunities. Through its 10 years of providing service to the United States pharmaceutical industry, the Company has demonstrated that it is a high-quality, results-oriented provider of detailing services. In addition, the Company maintains a highly qualified sales force as a result of a rigorous recruiting process and training programs that are comparable to those of the pharmaceutical companies. The Company believes that one of its biggest competitive advantages is its ability to provide customized solutions to its clients. Finally, as one of the largest CSOs, the Company has achieved the size and demonstrated the ability to perform large detailing programs and execute several programs simultaneously.

In order to leverage its competitive advantages, PDI's growth strategy emphasizes: (i) enhancing its leadership position in the growing CSO market by maintaining its historic focus on high-quality contract sales services and by continuing to build and invest in the Company's core competencies and operations; (ii) expanding both its relationship with existing clients and its selling efforts to capture new clients; (iii) offering

additional promotional, marketing and educational services and further developing its existing detailing services; (iv) entering new geographic markets; and (v) investigating and pursuing appropriate acquisitions of detailing or detailing-related companies.

PRODUCT DETAILING

Pharmaceutical companies incur substantial expenses in connection with their sales and marketing activities. The Company estimates, based on industry data, that in 1996 pharmaceutical companies in the United States expended approximately $6.7 billion on promotional spending, including product detailing,

event spending, journal advertising, and, more recently, direct-to-consumer advertising. The primary targets of this promotional activity are persons making product selection decisions, including physicians and others legally authorized to prescribe or dispense drug therapies. The Company estimates that, on average, product detailing represents approximately 60% of a pharmaceutical company's total promotional spending. According to Scott-Levin, pharmaceutical companies in the United States spent approximately $4.5 billion on product detailing in 1996.

The Company believes that product detailing is a highly effective means of influencing the prescribing patterns of the targeted prescribers and, therefore, it is the most commonly employed strategy to promote pharmaceutical products. Product detailing involves face-to-face meetings between a sales representative and a targeted prescriber. The target of a product detail is usually a physician identified because of his or her specialty or prescribing patterns. However, other legally authorized prescribers -- such as nurse practitioners, physician assistants or pharmacists -- may also be targets for detailing. Detailing generally occurs in physician offices and hospitals, although conventions and trade association meetings may also provide an appropriate forum. The sales representative is required to possess a high level of product knowledge, as well as other technical and therapeutic expertise. The interaction itself involves a technical review of the product's legally authorized indications and usage, role in disease treatment, mechanism of action, side effects, dosing, drug interactions, cost and availability (i.e., the 'details'). The sales representative and the targeted prescriber will also typically discuss the types of patients best suited for the particular product and how and when such patients will best benefit from the product's use. Competitive products and their relative strengths and weaknesses in contrast to the product being detailed may also be discussed.

Product detailing takes place in the context of a personal sales call during which a sales representative typically will detail one to three products. The amount of time devoted to each product detailed during a call depends upon that product's detail position ('slot') within the call. A call may last as long as eight to ten minutes or may be as short as one to two minutes, depending upon a number of factors, principally the target prescriber's availability. Product detailing typically takes place in selling cycles of four to eight weeks, during which period the sales representative will attempt to call each targeted prescriber in his or her geographic territory at least once. A single program may have three to 12 cycles. The repeat interactions between the sales representative and the targeted prescriber are intended to establish trust between the sales representative and the targeted prescriber, influence the prescribing pattern of the physician, obtain market share for new products, maintain market share for existing products and build barriers to entry against competing products.

THE CSO INDUSTRY

OVERVIEW

The CSO industry provides outsourced physician detailing programs to pharmaceutical, medical device and diagnostic companies. CSOs have evolved from providing detailing support for OTC products into a full-service industry handling some of the leading ethical pharmaceutical compounds. Since the early 1990's, the pharmaceutical industry in the United States has increasingly used CSOs to provide the detailing service required to introduce new products, reintroduce older products, supplement existing sales efforts, raise promotional barriers to entry for competitors and demonstrate the incremental sales impact of detailing a particular product. While there is little available data regarding the CSO industry, the Company believes that there are approximately eight CSOs currently operating in the United States. The Company also believes that only 17 of the 50 largest pharmaceutical companies in the United States, measured by healthcare revenue, currently use CSOs. Finally, the Company estimates that contract revenues for the CSO industry in the United States increased from approximately $80 million in 1995 to $185 million in 1996 and $325 million in 1997.

The CSO industry emerged in the 1980's in the United Kingdom, where regulatory and cost containment pressure, the Company believes, led pharmaceutical companies to search for a more efficient method of promoting new and existing products. Pharmaceutical companies discovered that CSOs were an

effective tool for shifting high fixed costs to variable costs by enabling them to outsource their sales and marketing activities as a supplement to their own internal sales efforts. The Company believes that similar regulatory and cost containment dynamics have, and will continue, to shape the demand for contract sales services in the United States. In response to cost and margin pressures brought on by managed care in the early 1990's, the pharmaceutical companies in the United States reduced the size of their internal sales forces. According to Med Ad News, a leading medical advertising and communications trade publication, since 1994 pharmaceutical companies have expanded their internal sales forces. The Company estimates that at the end of 1997, the largest 50 pharmaceutical companies in the United States employed approximately 50,000 full-time sales representatives, a 19% increase since 1994. During this period the number of sales representatives utilized by CSOs in the United States has also increased from approximately 1,100 as of December 31, 1994 to approximately 6,300 at the end of 1997. At the end of 1994, 1995, 1996 and 1997 the Company estimates that the number of sales representatives utilized by the CSO industry in the United States represented approximately 2.6%, 4.3%, 7.6% and 11.2%, respectively, of the combined number of CSO and in-house pharmaceutical sales representatives utilized by such pharmaceutical companies in those years. In addition, during this period, the Company believes that the portion of full-time sales representatives employed or used by the CSO industry has increased.

TRENDS AFFECTING GROWTH

The Company believes that because of the benefits of outsourcing, pharmaceutical companies have made a strategic decision to continue to outsource a significant portion of their sales and marketing activities. The Company believes that the trend toward the increased use of CSOs by pharmaceutical companies will continue because of the following industry dynamics:

Expanding product portfolios. The Company believes that the ability of pharmaceutical companies to remain competitive and profitable depends upon their ability to introduce new drugs. According to Pharmaceutical Research and Manufacturers of America, an industry trade group ('PhRMA'), the pharmaceutical industry spent $18.9 billion on research and development in 1997, an increase of 11.8% over 1996 research and development expenditure of $16.9 billion. In addition, in 1996, the United States Food and Drug Administration (the 'FDA') approved for sale 131 new drugs and drug indications. In 1994, 1995, 1996 and 1997, the FDA approved 22, 28, 53 and 39 new molecular entities, respectively, as a result of its expedited review and approval procedures. As a result, the pharmaceutical industry will require additional sales force capacity that, the Company believes, will increase the demand for CSO services.

Margin pressures. The potential for implementation of national healthcare reform in the early 1990s and the growing influence of managed care and healthcare cost containment initiatives throughout the 1990s has created pressure to reduce the rate of price increases for pharmaceutical products. According to IMS America, a healthcare marketing information company ('IMS'), prices for prescription products rose, on average, only 1.6% in 1996, and 1.9% in 1995. These pressures have forced the pharmaceutical industry to focus on increasing unit growth while reducing fixed operating costs. CSOs provide the support necessary to increase unit growth while converting high fixed costs to variable costs.

Increased use of drug therapies. The amount spent on prescription drugs and the number of prescriptions filled has been steadily increasing. According to IMS, in 1996 over $85.3 billion was spent on prescription drugs compared to $77.4 billion in 1995. In addition, according to IMS, approximately 2.4 billion prescriptions were filled in 1996 compared to 2.3 billion prescriptions in 1995. The Company believes that this trend toward increased use of drug therapies will continue as it is attributable to a number of factors that are not expected to change over the near term, including the expedited FDA review process, an aging population, an expanded portfolio of pharmaceutical products, the efficacy of drug therapy and the lower cost of drug therapy relative to hospitalization and medical procedures. As managed care programs have proliferated, an increasing number of consumers benefit from low co-pay arrangements with respect to prescription drugs. As a result, consumers consider prescription medication a less expensive, relatively non-invasive alternative for treating illness and are

increasingly likely to comply with their drug therapies. As the use of drug therapies increases, so does the importance of product detailing.

Importance of flexibility. Pharmaceutical companies are outsourcing a variety of their activities in order to maximize flexibility and reduce fixed costs. The desire to maximize flexibility and reduce fixed costs is a major factor in the increasing utilization of CSOs. Flexibility and adaptability in sales and marketing are crucial for balancing cost containment pressures against pricing pressure and expanded research and development expenditures. CSOs enhance flexibility by maximizing the ability of pharmaceutical companies to deploy their human resources more efficiently. Similarly, by using CSOs, it is possible to convert the high fixed cost of building, training, deploying and maintaining a sales force (i.e., salaries and other employee-related costs) into a variable cost.

Availability of qualified CSOs; ability to demonstrate success. The Company believes that the pharmaceutical industry will continue to utilize CSOs as the CSO industry further demonstrates its ability to quickly mobilize trained professional sales forces capable of supplementing the work and replicating the results of the internal sales forces of the pharmaceutical companies. In addition, the recent development of sophisticated prescription tracking systems and advances in information technology have enabled pharmaceutical companies to measure the impact of product detailing on sales and to assess the efficacy of both internal and third party sales forces in ways that were not possible a few years ago. Consequently, the Company believes that CSOs are becoming an increasingly important resource advantage in the overall marketing and sales efforts of pharmaceutical companies.

Need to maximize return on investment. The pharmaceutical industry is characterized by intense competition, due, in part, to an increasing number of products. In addition, as a result of managed care, government initiatives to reduce healthcare costs and market forces, the pharmaceutical industry is experiencing lower margins and increased pressure to contain price increases. To maximize and deliver acceptable returns on investment (mostly in the form of research and development expenditures), pharmaceutical companies must ensure that their products are fully supported by sales and marketing efforts during their entire life cycles. As the effective lives of drugs are threatened by patent expirations and competition from new compounds, pharmaceutical companies employ various strategies, including outsourcing sales efforts, to enable products to achieve their maximum sales potential.

In addition, the Company believes that other sectors of the healthcare industry will contribute to the growth of CSOs. For example, the United States biotechnology industry has grown rapidly in the last decade and is developing significant numbers of new therapies that are now entering clinical trials. Generally, these companies do not have the internal resources to market and sell their products. Accordingly, the Company believes that, as biotechnology products receive the necessary regulatory approvals, this industry will be looking to outsource various functions, particularly sales and marketing.

COMPANY'S COMPETITIVE ADVANTAGES

The Company believes that a significant market opportunity exists for CSOs that can provide high-quality sales solutions across a variety of sales, marketing and therapeutic applications and that have demonstrated a willingness and ability to respond to the particular needs of clients.

Reputation for quality. Virtually every program designed by the Company has met or exceeded the goals established at the beginning of the program. The Company believes that these results have earned it a reputation in the industry as a high-quality, results-oriented provider of detailing services. The Company's success is illustrated by its long-standing relationship with such 'blue chip' clients as Pfizer, Astra Merck, Glaxo Wellcome and Johnson & Johnson.

High-quality sales force. The Company's overall commitment to quality is evidenced by its recruiting, hiring and training processes. The Company believes that its recruiting and hiring process is one of the most comprehensive, challenging, rigorous, selective and professional processes in the industry and that its training programs are comparable to those designed by pharmaceutical companies to train their internal sales forces. The Company offers its sales representatives a compensation package that it believes is competitive with compensation packages that the major pharmaceutical companies offer to their own sales forces. Many of the Company's competitors use independent contractors as sales representatives who are compensated based on the

number of calls or on an hourly basis. All of the Company's personnel, including sales representatives, managers and recruiting coordinators, are employees rather than independent contractors. The Company believes that its treatment of its sales representatives as employees and its compensation system are important factors in its ability to attract and retain talented sales personnel. The Company has found that a base salary and incentive bonus compensation package is best suited for a results-oriented program and for achieving program objectives, while a per call or hourly compensation structure emphasizes the number of details rather than the quality of the detailing effort.

Ability to design customized solutions. The Company believes that its ability to innovate and to provide a dedicated, vertically integrated sales force custom-designed to meet the specific needs of a client is a principal competitive advantage. Such customization includes the size, profile (i.e., part-time versus full-time), experience, training, geographic deployment and allocation of the sales force against the targeted prescribers and the number of calls for each targeted prescriber, the particular compensation package for the sales force and field and database management support, such as in-house territory mapping, physician satisfaction surveys, call reporting services and regulatory compliance services. In particular, the Company believes that its ability to provide full-time, part-time or a combination of full-time and part-time sales representatives, constitutes a competitive advantage. Finally, the Company's management and data information systems enable it to provide its clients with information and services most of its competitors cannot, and thus reduces the time and expense its clients would otherwise have to devote to a product detailing program.

Size and infrastructure. The Company believes that its size, organizational structure and overall resources enable it to implement multiple programs simultaneously and to implement large programs that smaller CSOs may be precluded from executing. The Company has made substantial investments in all of its personnel and management information systems in order to be able to successfully implement a variety of large and small programs simultaneously.

GROWTH STRATEGY

The Company's objective is to enhance its leadership position in the growing CSO industry and to become the premier supplier of comprehensive customized sales solutions to the pharmaceutical industry and other segments of the healthcare market. The following are the principal elements of the Company's growth strategy:

Enhance leadership position in growing CSO industry. The Company believes that its leadership position in the growing CSO industry is a result of its competitive advantages. The Company is committed to maintaining its position as a leader and innovator in the growing CSO industry by further developing its core competencies -- recruiting, hiring and training, sales management, information and data management, human resources and financial management. As the CSO market expands, the Company is well positioned to sustain its growth.

Strengthen relationships with existing clients. Leveraging the past success of its programs, the Company will actively seek to expand and renew existing programs with existing clients and seek to capture new programs from its existing clients by identifying new opportunities with such clients.

Expand client base. The Company believes that a significant opportunity exists among pharmaceutical companies that do not currently utilize CSOs. The Company has provided services to 11 of the 50 largest pharmaceutical companies in the United States, measured by healthcare revenues. The Company believes that 33 of such companies do not currently use any CSOs. The Company will seek to expand its client base by targeting pharmaceutical companies that are not currently clients and which have attractive product portfolios. In addition, future initiatives may focus on other sectors of the healthcare market that could benefit from the Company's services, such as biotechnology companies and medical device manufacturers.

Provide additional services. As a leading provider of physician detailing programs, the Company believes that it has an established platform from which to offer complementary promotional and marketing services to its clients. The Company will leverage its core competencies to further develop its specialized

sales forces to meet the needs of its clients.

Enter new geographic markets. The Company will look for opportunities to provide promotional services in markets outside the United States. This expansion may be in the form of strategic joint ventures or acquisitions or by building a presence using the Company's own internal resources.

Pursue strategic acquisitions. The Company intends to explore strategic acquisitions in complementary and existing business areas. The Company believes that by acquiring other CSOs and/or sales and marketing companies it may be able to accelerate the development of a broader array of services or expand existing services more efficiently and rapidly than developing these service capabilities internally. In addition, the Company may pursue acquisitions in order to enter new markets, where it currently has no presence.

PROGRAM DESCRIPTION

The Company's customized detailing programs typically contain three basic elements: design, execution and assessment. In the program design phase, the Company undertakes to understand the needs and objectives of the client, identifies, defines and ranks the proposed target audience and determines appropriate staffing. In the program execution phase, the Company recruits, hires, trains and manages the sales force. Finally, in the program assessment phase, the Company measures the performance of the sales force and the success of the program relative to the goals and objectives of the program. While each program relies on the same basic core competencies, programs are custom-designed to provide significant strategic advantages to the client by taking into account the geographic, marketing and scheduling needs of the client, the product itself and the profile of the target audience.

PROGRAM DESIGN

Prior to entering into a contract and usually in response to a request for a proposal, the Company sets forth the details of a program in a comprehensive proposal. The purpose of the proposal is to create an overall approach to the program, which helps the Company establish a 'plan of action' for launch and subsequent implementation. Among other things, the Company will use the proposal to clarify the goals of the program and to analyze any data supplied by the client in connection with its request. For example, as part of its pre-program assessment, the Company will analyze the target physician list provided by the client, which can include the names of 100,000 or more physicians, for the purpose of targeting the most productive physicians in the most efficient manner. The Company ranks the targeted prescribers based on statistical data such as number of prescriptions written, prior coverage for the product and for the general pharmaceutical class to which such product belongs, as well as the product and class history among the proposed audience. The proposal incorporates the Company's recommendations regarding territory mapping and the allocation of sales representatives and sales managers within such territories. This results in more efficient use of sales representatives, better target audience penetration, reduced sales force turnover and, ultimately, maximum impact on sales. This process is also instrumental in structuring compensatory arrangements and payment terms.

Staffing requirements. In the program design phase, the Company identifies the assets to be committed to the program (i.e., divisional managers, district managers, field managers and sales representatives), the profile of the sales representatives (i.e., part-time and full-time), training requirements, the deployment of the sales force in terms of geography, the number of details per call and the number of times each target will be called over a defined period of time ('call-back frequency'). In determining staffing requirements, the Company takes into account a number of considerations, including the preferences of the client, the size of the individual territories, the number of targeted physicians in a given territory, the call-back frequency and the cost effectiveness of a full-time or part-time representative. The Company believes that its ability to provide both full-time and part-time sales representatives is important to providing its clients with a customized sales force able to meet the goals of the sales program in a cost effective manner.

Deployment strategy. In the program design phase, the Company performs 'territory mapping'-- i.e., a plan to deploy the sales force over the geographic region in which the targeted prescribers are located. The Company analyzes the

physician target list for the purpose of grouping the targets according to selected criteria. The Company believes that its mapping and territory deployment analysis gives it a competitive advantage over other CSOs in pricing contracts and ensuring the success of the program.

Return on investment models. The goal of any program is to maximize results from the promotional dollars spent by the client. Accordingly, in connection with its pre-program assessment and analysis, the Company develops a Return on Investment ('ROI') model for the program. The model can be used to establish goals for the program and enables clients to clearly quantify the value of the services provided by the Company. The ROI model has the ability to project program effectiveness in incremental net sales, and may ultimately be a key factor in demonstrating why a program should be renewed or expanded. The ROI model is based on a confidential set of data and is considered proprietary by the Company.

PROGRAM EXECUTION

The Company believes that its ability to recruit quickly on a national basis, the quality of its training programs, the experience of its management and its data and management information systems provide clients with a highly effective sales force designed to meet a program's needs.

Recruiting and hiring. Recruiting and hiring the best qualified sales personnel quickly is vital to ensure positive program results and minimize turnover. The Company maintains a disciplined and efficient recruiting process that is managed by a National Manager of Recruiting overseeing a staff of 10, including five regional Recruiting Managers. This structure facilitates recruiting on a region by region basis, thus saving time and money.

The Company has developed a multi-step recruiting and hiring process that it believes is comprehensive, rigorous, selective and professional. The Company maintains a database of resumes of qualified, potential sales representatives. The Company has also developed a relationship with a national recruiting firm in the healthcare field and maintains an extensive referral system. Placing advertisements in local publications through the services of a single source provides cost and process control over the Company's recruitment efforts. The recruiting and hiring process includes preliminary screening procedures, background checks where required by the client, reference checks, drug testing and a rigorous interview process during which candidates are required to sit for multiple interviews with different sales managers. Typically, one to three percent of the initial applicants screened in connection with a program are hired. The result is an experienced, highly-qualified and motivated sales force.

All of the Company's field sales personnel, including sales representatives, managers and recruiting coordinators, are employees rather than independent contractors. In addition, the Company offers its sales representatives a compensation package that it believes is competitive with compensation packages offered by the major pharmaceutical companies. The compensation package offered by the Company includes a base salary and performance-based incentives that relate to the specific goals of the program, as well as fringe benefits, including a car allowance and, for full-time sales representatives, health insurance coverage. The Company believes that its treatment of its sales representatives as employees and its compensation system are important factors in its ability to attract and retain talented sales personnel. The Company has found that a base salary and incentive bonus compensation package is best suited for a results-oriented program and for achieving program objectives, while a per call or hourly compensation structure emphasizes the number of details rather than the quality of the detailing effort. In addition, treating its sales representatives as employees enhances the Company's ability to direct and manage the daily activities of its field force and integrate with its clients' sales teams. It also allows the Company to provide career advancement opportunities -- a powerful motivational tool.

Training. The Company's Training and Development Department consists of a National Training and Development Manager, a Director of Sales, Training and Development and six dedicated Training Managers. In connection with each program, the Company undertakes the training of the district managers and the sales representatives with respect to the products being detailed. The training programs are designed jointly by the Company and the client and are comparable to the training programs employed by the client for its own internal sales

force. The client will either participate with the Company in the training, or train the Company's managers who will then implement the training program. Each sales representative is required to complete one to two weeks of home study and attend a three day to three week training seminar. Typically, training involves written material as well as seminars and other presentations which all sales representatives are required to attend. All training programs dedicate time to workshops and interactive role playing. The Company's sales representatives use the same manuals and materials and must pass the same product knowledge tests as the client's in-house sales

representatives. In-field training continues at the local level as determined by the National Sales Manager of the program.

Sales management. The Company's sales programs are supervised by two Vice Presidents who report to the Chief Operating Officer. Each Vice President manages four to six programs and is responsible for the overall execution of each program, including the performance of the entire sales force (representatives and managers), monitoring the product sales generated and client satisfaction. Each program has a dedicated National Sales Manager, field managers (Division and District Managers) and sales representatives. A National Sales Manager may also have several Regional Managers reporting to him. Programs may also have one or more dedicated program trainers. Division Managers (full-time) and District Managers (part-time) are responsible for the direct supervision of the field sales representatives. A Division Manager normally manages ten to twelve representatives, while a District Manager usually manages six to eight.

PROGRAM ASSESSMENT

Data and information management and reporting. The Company's database management group and call reporting center monitor each program. The operations area handles hundreds of thousands of detail call reports per year, producing all related reports for the sales teams, management and the client. This comprehensive operations support frees up client and management resources that would otherwise be burdened. Each sales representative is required to file call activity reports on a daily basis. The reports reflect the sales representative's activities since his last report including the number of calls, the number of details as well as a confirmation signature from the target prescriber. To date, the Company's call reporting system has been a paper based system. However, the Company has recently instituted a program whereby certain sales representatives will be given palm top computers. This program will facilitate the submission of call activity reports and reduce the time required to produce management reports.

The Company has developed several management tools to maximize the effectiveness of its sales forces. These management tools can be used to track the overall effectiveness of the program as well as the performance of individual sales representatives. One such tool is the Integrated Sales and Activity Report ('ISA'), which allows the sales representatives to tailor strategies and to evaluate the effectiveness of their sales efforts. The ISA is generally produced bi-monthly and compares the current period to the prior period. The report can be customized to reflect progress made toward a specific goal or target for purposes of evaluating a program.

Physician satisfaction surveys. In connection with each program, the Company develops a program-specific physician satisfaction survey ('PSS'). The PSS is periodically sent out to selected members of the target audience, depending on the size of the program. The PSS solicits comments on a variety of topics relating to the call, including the professionalism of the sales representative and current prescribing patterns. Finally, the survey asks the physician to confirm his signature. These surveys are an indispensable tool, both for determining the effectiveness of the program designed by the Company and assessing the performance of the Company's sales force.

Product sample tracking. Federal laws and regulations require that detailed records be kept concerning the distribution of pharmaceutical product samples. These record keeping requirements are the responsibility of the manufacturer. The Company has developed a sample tracking system that it believes complies with such laws and regulations. As part of its services, the Company performs this function on the client's behalf.

Quantitative analysis. At the conclusion of each program the Company prepares a case study for the client that documents the results of the program relative to the goals established at the outset of the program as well as the ROI.

SPECIALIZED DETAILING FORCES AND SERVICES

In addition to the traditional, custom-designed, client-dedicated, long-term (one year or longer) detailing sales force program, the Company has developed specialized detailing forces and services, described below, to address varying needs of the pharmaceutical industry. While these services do not currently represent a material portion of the Company's business, they are considered important to the Company's future growth.

Strike Force. Strike Force is a sales force designed for fast roll-out and short time frames (six months or less). Strike Force is generally used in situations where the client requires short-term detailing support and faster penetration of the target audience. Examples of applications for Strike Force include seasonal brands, new product launches, conversion from prescription to OTC and gaps in product coverage. For example, Strike Force was used by one client to launch a new formulation of its children's cough and cold product. The main objective was to increase pediatrician awareness and recommendations during the cough and cold season.

Share Force. Share Force is a sales force designed to detail up to three products from the same or different manufacturers to the same target audience. The Share Force program offers clients flexibility in terms of pricing (depending on the slotting) and program length, as well as access to pre-targeted high volume prescribers. The Company assembles a sales team targeted at a fixed list of physicians within a specialty that it believes to represent a high volume prescribing audience. These physicians are selected and profiled through the use of prescription data to ensure that they represent the most productive physicians (in terms of prescriptions written) within multiple therapeutic categories. Fees are determined by the detail position, or priority, given to a particular product (known as 'slotting'). The Company has commenced marketing Share Force but has not yet deployed any such force.

Staffing Services. The Company acts as a recruiting and placement agency, using its skills in recruiting and hiring to help a client build its own internal sales force. The Company performs all screening, checking, testing and interviewing functions and then refers the most qualified candidates to the client for final approval. The Company typically receives a fee for each sales representative hired by the client.

Sales Force Build. Sales Force Build is a variation on Staffing Services. The Company assembles a customized, client-dedicated sales force, designed at the outset of a program with the specific intent that the client will hire the sales representatives either at the conclusion of the program or at a pre-determined time. In addition to the program fees, the Company receives a placement fee for those sales representatives hired by the client.

Convention Plus. The Company provides custom-designed teams for trade show and convention management support. Instead of staffing conventions with its own sales representatives, which results in lost sales calls, the client engages the Company to manage every aspect of the convention including registration, set-up, staffing and reporting. The team can be built exclusively for one client or shared by several clients.

CLIENTS AND CONTRACTS

CLIENTS

The Company believes that its relationships with its clients, which include many of the largest pharmaceutical companies in the United States, are among its most important strategic assets and competitive advantages. The Company has enjoyed long-standing relationships with many of these clients, and a high percentage of its clients either renew their programs or enter into new contracts with the Company for new programs. The Company believes that the quality and stability of its client base promotes the consistency of its core business and that the scope and complexity of its clients' marketing needs present opportunities for expansion into new areas. There can be no assurance,

however, that the Company's clients will continue to renew or expand their relationship with the Company.

During 1997, the Company executed 15 detailing programs for 12 clients. In 1997, Pfizer, Glaxo Wellcome, Astra Merck and Novartis accounted for 25%, 22%, 19% and 10%, respectively, of the Company's revenue. Collectively, these four clients accounted for approximately 76% of the Company's revenue. The loss of any one of the foregoing clients could have a material adverse impact on the Company's business. In 1996, Pfizer, Astra Merck, Novartis and Johnson & Johnson each accounted for 10% or more of the Company's revenue. Collectively, these clients accounted for approximately 84% of the Company's revenue. In 1995, one program accounted for more than 42% of the Company's revenue and three other programs each accounted for 10% or more of the Company's revenue. Collectively, these four programs represented approximately 84% of the Company's revenue. In 1994, two programs each accounted for more than 30% of the Company's revenue and another program accounted for 10% or more of the Company's revenue. Together, the three programs represented approximately 83% of the Company's revenue.

CONTRACTS

Given the customized nature of the Company's business, it utilizes a variety of contract structures with its clients. Generally, contracts provide for a fee to be paid based on the Company delivering a specified package of services. Contracts typically include performance benchmarks, such as a minimum number of sales representatives or a minimum number of calls. In certain instances, the Company may be entitled to additional compensation based upon the success of the program and/or subject to penalties for failing to meet stated performance benchmarks. The Company typically receives a portion of its fee upon commencement of the program to reflect the costs of implementing such program. In addition, contracts typically provide that the Company is entitled to a fee for each sales representative hired by the client during or at the conclusion of a program.

The Company's contracts generally are for terms of six months to one year and are subject to renewal upon expiration. However, the Company's contracts are terminable by the client for any reason upon 30 to 90 days notice. The Company's contracts typically provide for termination payments by the client upon a termination without cause. While the cancellation of certain of the Company's contracts by a client without cause may result in the imposition of penalties on such client, such penalties may not act as an adequate deterrent to the termination of any such contracts. In addition, there can be no assurance that such penalties will offset the lost revenue or the costs incurred by the Company as a result of such termination. The loss or termination of a large contract or the loss of multiple contracts could adversely affect the Company's future revenue and profitability. Contracts may also be terminated for cause if the Company fails to meet stated performance benchmarks. To date, no programs have been terminated for cause.

The Company's contracts typically contain cross-indemnification provisions between the Company and its client. Typically, the client will indemnify the Company against product liability and related claims arising from the sale of the product and the Company indemnifies the clients with respect to the errors and omissions of the Company's sales representatives in the course of their detailing activities. To date, the Company has not asserted, nor has there been asserted against the Company, any claim for indemnification pursuant to a contract.

MARKETING AND BUSINESS DEVELOPMENT

Most of the Company's revenue is derived from renewals and extensions of existing programs and new programs with existing clients. The Company derives new business from responses to 'requests for proposals' from pharmaceutical companies that the Company believes are the result of its promotional and advertising efforts. Recently, the Company has increasingly engaged in proactive efforts to generate more business from new and prospective clients. The Company has implemented a sales process that is designed to leverage its results-oriented image through case studies, references, ROI models and comprehensive proposals. The Company also has implemented an enhanced marketing and new business development process for the purpose of improving its ability to secure more contracts both within the pharmaceutical industry and in other healthcare markets. This new business development process relies on the use of a dedicated

sales and marketing team.

The Company seeks to promote awareness of its capabilities to senior level executives, product managers and sales managers of both its existing and potential clients so that when situations arise where additional product detailing services are needed, those prospects are already aware of the Company and its image as a high-quality, results-oriented firm. In order to build and sustain awareness of its services, a combination of trade journal advertising, mailings, and a public relations campaign are utilized. The Company advertises in publications such as Pharmaceutical Executive and Med Ad News. The marketing department maintains a proprietary mailing list of over 3,000 pharmaceutical industry personnel including CEOs, vice presidents and marketing, sales and product managers. In addition to its ongoing monthly mailings, the Company also conducts specialized mailings in response to contacts received from specific companies or about specific developments within the industry. The public relations campaign also involves interviews in trade journals and other publications and speaking engagements for the Company's executives.

COMPETITION

The primary competitive factor affecting contract sales services is the ability to quickly hire, train, deploy and manage qualified sales representatives to implement simultaneously several large product detailing programs. The Company also competes with other CSOs on the basis of such factors as its reputation, quality of its services, experience of management, performance record, customer satisfaction, ability to respond to specific client needs, integration skills and price. The Company believes it competes favorably with respect to each of these factors.

The Company primarily competes with in-house sales and marketing departments of pharmaceutical companies, other CSOs and other third party providers to the pharmaceutical industry, many of which possess substantially greater capital, personnel and other resources than the Company. In addition to the in-house sales forces of pharmaceutical companies, the Company's current major competitors include CSOs such as Innovex Limited, a subsidiary of Quintiles Transnational Corp., and the various sales and marketing affiliates of Snyder Communications, Inc. As a result of competitive pressures, various sales and marketing organizations providing services to the pharmaceutical industry are consolidating and are becoming targets of global organizations. This trend is likely to produce increased competition among CSOs for both clients and acquisition candidates and increased competitive pressures on smaller providers. If the trend in the pharmaceutical industry towards consolidation continues, pharmaceutical companies may have excess in-house sales force capacity and may, as a result, reduce or eliminate their use of CSOs. There are relatively few barriers to entry into the CSO industry and there can be no assurance that, as the CSO industry continues to evolve, additional competitors with greater resources than the Company will not enter the industry or that the Company's customers will not choose to conduct more of their sales services internally, with other CSOs or with organizations that can provide a broader range of sales and marketing services. Although the Company intends to monitor industry trends and respond accordingly, there can be no assurance that the Company will be able to anticipate and successfully respond to such trends. Increased competition may lead to price and other forms of competition that may have a material adverse effect on the Company's business and results of operations.

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. It is also possible that additional or amended laws, regulations or guidelines could be adopted in the future.

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. In addition, the sale or distribution of

pharmaceuticals may also be subject to the Federal Trade Commission Act ('FTCA'). Finally, the Prescription Drug Marketing Act ('PDMA') regulates the ability of pharmaceutical companies to provide physicians with free samples of their products. Essentially, the PDMA requires extensive record keeping and labeling of such samples for tracing purposes. Accordingly, the business of the Company and its clients, 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.

In addition, some of the services that the Company may provide in the future are affected by various guidelines promulgated by industry and professional organizations. For example, certain ethical guidelines promulgated by the American Medical Association ('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, directly or indirectly, from pharmaceutical companies. Similar guidelines and policies have been adopted by other professional and industry organizations, such as PhRMA.

The healthcare industry is subject to federal and state laws pertaining to healthcare fraud and abuse. In particular, certain federal and state laws prohibit manufacturers, suppliers and providers from offering or giving or receiving kickbacks or other remuneration in connection with ordering or recommending purchase or rental of healthcare items and services. The federal anti-kickback statute provides both civil and criminal penalties for, among other things, offering or paying any remuneration to induce someone to refer patients to, or to purchase, lease, or order (or arrange for or recommend the purchase, lease, or order of), any item or service for which payment may be made by Medicare or certain federally-funded state healthcare programs (e.g., Medicaid). This statute also prohibits soliciting or receiving any remuneration in exchange for engaging in any of these activities. The prohibition applies whether the remuneration is provided directly or indirectly, overtly or covertly, in cash or in kind. Violations of the law can result in numerous sanctions, including criminal fines, imprisonment, and exclusion from participation in the Medicare and Medicaid programs.

Several states also have referral, fee splitting and other similar laws that may restrict the payment or receipt of remuneration in connection with the purchase or rental of medical equipment and supplies. State laws vary in scope and have been infrequently interpreted by courts and regulatory agencies, but may apply to all healthcare items or services, regardless of whether Medicare or Medicaid funds are involved.

The failure of the Company or its clients 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 clients from conducting certain business activities, subject the Company or its clients to adverse publicity, increase the costs of regulatory compliance or subject the Company or its clients to monetary fines or other penalties. Any such actions could have a material adverse affect on the Company.

LIABILITY AND INSURANCE

Liability Insurance. Participants in the healthcare industry are subject to lawsuits alleging malpractice, product liability and other legal theories, many of which can involve large claims and significant legal costs. As a provider of product detailing services to the pharmaceutical industry, the Company is subject to the risk of being named as a party in such lawsuits. As a result of its contract sales services, the Company believes that it may become involved in litigation regarding the products distributed by its personnel, with the attendant risks of significant legal costs, substantial damage awards and adverse publicity. Even if 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.

The Company maintains general liability insurance, which it believes to be adequate in amount and coverage for the current size and scope of its operations although there can be no assurance of that fact. However, the policies maintained by the Company do not insure it against the errors and omissions of

its employees. The Company may seek increased insurance coverage as well as insurance for the errors and omissions of its employees in connection with expanding its service offerings, although the Company has not experienced difficulty in obtaining insurance coverage in the past, there can be no assurance that the Company will obtain increased or additional insurance coverage on acceptable terms or at all. In addition, although the Company's clients may indemnify the Company for the client's negligent conduct, such indemnification may not be adequate in light of all of the potential litigation risks facing the Company. In addition, the Company is often required to indemnify its clients in the event of the Company's negligence. The Company, therefore, could be held responsible for losses incurred in connection with the performance of its services or otherwise and could incur substantial costs in connection with legal proceedings associated with the performance of its services or the pharmaceutical products with respect to which it provides services.

Employment Practice Liability Insurance. Because the nature of the Company's business is heavily dependent on its sales force, the Company has obtained employment practice liability insurance, which insures the Company against claims made by employees or former employees relating to their employment, i.e., wrongful termination, sexual harassment, etc. To date, the Company has not made any claims under this policy. 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.

LEGAL PROCEEDINGS

From time to time the Company is involved in litigation incidental to its business. The Company is not currently a party to any pending litigation which, if decided adversely to the Company, would have a material adverse effect on the business, financial condition or results of operations of the Company and the Company is not aware of any material threatened litigation.

FACILITIES AND EMPLOYEES

The Company's corporate headquarters are currently located in Mahwah, New Jersey, in approximately 11,000 square feet of space occupied under a lease which expires on April 29, 1998. The Company has entered into a new lease for approximately 27,000 square feet in Upper Saddle River, New Jersey. The new lease is to take effect on May 1, 1998 and is for a term of 66 months with an option to extend for an additional five years. In addition, the Company has a right of first offer with respect to additional space as it becomes available. Total base rent payable during the term of the new lease is approximately $3.0 million. Additional rent is payable with respect to increases in certain operating costs over base year amounts.

As of December 31, 1997, the Company had approximately 1,165 employees. The Company has approximately 70 people working at its headquarters in Mahwah, New Jersey, 995 sales representatives, and 100 field sales managers. The Company is not party to a collective bargaining agreement with a labor union and considers its relations with its employees to be good.

MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the names, ages and principal position, of the Directors, Director Nominees, executive officers and key employees of the Company:

<TABLE>
<CAPTION>

NAME	AGE	POSITION
<S>	<C>	<C>
John P. Dugan(1)(2).....	62	Chairman of the Board of Directors and Director of Strategic Planning
Charles T. Saldarini.....	34	President, Chief Executive Officer and Director
Bernard C. Boyle.....	53	Chief Financial Officer, Executive Vice President, Secretary and

Treasurer
Steven K. Budd..... 41 Chief Operating Officer and Executive Vice President
Robert Wynne..... 47 Vice President -- Account Sales
Cherie Aldana..... 50 Vice President -- Human Resources
John M. Pietruski ( )..... 64 Director Nominee
Jan Martens Vecsi( )..... 53 Director Nominee
Gerald J. Mossinghoff( )..... 62 Director Nominee
</TABLE>

- ----------
(1) Member of Audit Committee

(2) Member of Compensation Committee

John P. Dugan is the founder and Chairman of the Board of Directors of the Company and Director of Strategic Planning. He served as its President from inception until January 1995 and as its Chief Executive Officer from inception until November 1997. In 1972, Mr. Dugan founded Dugan Communications, a medical advertising agency that later became known as Dugan Farley Communications Associates Inc. ('DFC') and served as its President until 1990. In 1990 Mr. Dugan acquired sole control of the Company, which was then a wholly-owned subsidiary of DFC. Mr. Dugan was a founder and served as the President of the Medical Advertising Agency Association from 1983 to 1984. Mr. Dugan also served on the Board of Directors of the Pharmaceutical Advertising Council (now known as the Healthcare Marketing Communications Council, Inc.) and was its President from 1985 to 1986. Mr. Dugan received an M.B.A. from Boston University in 1964.

Charles T. Saldarini is the President and Chief Executive Officer of the Company and a Director. Mr. Saldarini became President in January 1995 and Chief Executive Officer in November 1997. Prior to January 1995 Mr. Saldarini was Chief Operating Officer of the Company. Mr. Saldarini joined the Company in 1987 as a sales manager. Mr. Saldarini received an A.B. in political science from Syracuse University in 1985.

Bernard C. Boyle has served as the Company's Executive Vice President and Chief Financial Officer since March 1997 when he joined the Company. In 1990, Mr. Boyle founded BCB Awareness, Inc., a firm that provided management advisory services to the Company, among others, and served as its President until March 1997. During that period he was also a partner in Boyle & Palazzolo, Partners, an accounting firm that also provided services to the Company. From 1982 through 1990 he served as Controller and then Chief Financial Officer and Treasurer of William Douglas McAdams, Inc., an advertising agency. From 1966 through 1971, Mr. Boyle was employed by the national accounting firm of Coopers & Lybrand L.L.P. as supervisor/senior audit staff. Mr. Boyle received a B.B.A. in Accounting from Manhattan College in 1965 and an M.B.A. in Corporate Finance from New York University in 1972.

Steven K. Budd served the Company as a consultant from December 1995 to April 1996 when he joined as Vice President -- Account Group Sales. He became Executive Vice-President in July 1997 and Chief Operating Officer in January 1998. Prior to joining the Company, from April through December 1995, Mr. Budd was an independent consultant. From January 1994 through April 1995, Mr. Budd was employed by Innovex, Inc., a competing CSO, as a Director of New Business Development. From 1989 through December 1993, Mr. Budd was employed by Professional Detailing Network ('PDN'), a competing CSO, as a Vice President with responsibility for building sales teams and developing marketing strategies. Mr. Budd received a B.A. in History and Education from Susquehanna University in 1978.

Robert Wynne joined the Company in August 1990 as a Regional Sales Manager based in Chicago, Illinois. He currently serves as Vice President -- Account Sales, a position he has held since December 1994. From 1984 through 1990, Mr. Wynne was employed by Carnation Nutritional Products Co. and the McNeil Consumer Products Company, Professional Division, an affiliate of Johnson & Johnson, as a sales representative and trainer. Mr. Wynne received a B.S. in Secondary Education from the University of Minnesota in 1972 and an M.S. in Management of Human Resources from National College of Education in 1985.

Cherie Aldana joined the Company in 1988. Initially, she was employed as Accounting Manager responsible for financial, payroll, benefits and personnel. In 1990 she was promoted to Director of Human Resources and in January 1996 to

Vice President -- Human Resources. Ms. Aldana received a B.S. in Accounting from York College in 1972 and has received certification as a Professional of Human Resources from the Human Resources Certification Institute, a division of the Society of Human Resource Management.

Gerald J. Mossinghoff has been nominated to become a director of the Company immediately upon consummation of this Offering. Mr. Mossinghoff is a former Assistant Secretary of Commerce and Commissioner of Patents and Trademarks of the Department of Commerce (1981 to 1985) and served as President of Pharmaceutical Research and Manufacturers of America from 1985 to 1996. Since 1997 he has been Senior Counsel to the law firm of Oblon, Spivak, McClelland, Maier and Newstadt of Arlington, Virginia. Mr. Mossinghoff has been a visiting professor of Intellectual Property Law at the George Washington University Law School since 1997 and Adjunct Professor of Law at George Mason University School of Law since 1997. Mr. Mossinghoff served as United States Ambassador to the Diplomatic Conference on the Revision of the Paris Convention from 1982 to 1985 and as Chairman of the General Assembly of the United Nations World Intellectual Property Organization from 1983 to 1985. He is also a former Deputy General Counsel of the National Aeronautics and Space Administration (1976 to 1981). Mr. Mossinghoff received an Electrical Engineering degree from St. Louis University in 1957 and a Juris Doctor degree with Honors from the George Washington University Law School in 1961. He is a member of the Order of the Coif and is a Fellow in the National Academy of Public Administration. He is the recipient of many honors, including NASA's Distinguished Service Medal and the Secretary of Commerce Award for Distinguished Public Service.

John M. Pietruski has been nominated to become a director of the Company immediately upon consummation of this Offering. Since 1990 Mr. Pietruski has been the Chairman of the Board of Texas Biotechnology Corp., a pharmaceutical research and development company. He is a retired Chairman of the Board and Chief Executive Officer of Sterling Drug Inc. With Sterling Drug Inc. from 1977 to his retirement in 1988, he also held the positions of Executive Vice President, President and Chief Operating Officer. Mr. Pietruski is a member of the Boards of Directors of Hershey Foods Corporation, GPU, Inc., Lincoln National Corporation and McKesson Corporation. Mr. Pietruski graduated Phi Beta Kappa with a B.S. in Business Administration with honors from Rutgers University in 1954 and currently serves as a regent of Concordia College.

Jan Martens Vecsi has been nominated to become a director of the Company immediately upon consummation of this Offering. Ms. Vecsi is the sister-in-law of John P. Dugan, the Chairman of the Board of the Company. Ms. Vecsi was employed by Citibank, N.A. from 1967 through 1996 when she retired. Starting in 1986 she served as the Senior Human Resources Officer and Vice President of the Citibank Private Bank. Ms. Vecsi received a B.A. in Psychology and Elementary Education from Immaculata College in 1965.

The Board of Directors of the Company is divided into three classes as nearly equal in number as possible. Each year the shareholders will elect the members of one of the three classes to a three-year term of office. Ms. Vecsi serves in the class whose term expires in 1999; Messrs. Saldarini and Pietruski serve in the class whose term expires in 2000; and Messrs. Dugan and Mossinghoff serve in the class whose term expires in 2001.

The Board of Directors has an Audit Committee and a Compensation Committee. The Audit Committee reviews the scope and results of the audit and other services provided by the Company's independent accountants and internal controls of the Company. The Compensation Committee is responsible for the approval of compensation arrangements for officers of the Company and the review of the Company's compensation plans and policies.

EXECUTIVE COMPENSATION

Summary Compensation. The following table presents certain information concerning compensation paid or accrued for services rendered to the Company in all capacities during the year ended December 31, 1997, for the Chief Executive Officer and the other four executive officers of the Company whose aggregate annual base salary and bonus for 1997 exceeded $100,000 (collectively, the 'Named Executive Officers').

<TABLE>
<CAPTION>

NAME AND PRINCIPAL POSITION	ANNUAL COMPENSATION SALARY	BONUS	OTHER ANNUAL COMPENSATION	LONG-TERM COMPENSATION: SHARES OF COMMON STOCK UNDERLYING OPTIONS	ALL OTHER COMPENSATION
John P. Dugan Chairman of the Board and Former Chief Executive Officer(1)	$125,000	--	$ 26,441	--	$2,243,000(1)
Charles T. Saldarini President and Chief Executive Officer	$120,000	$237,000(2)	$ 9,724	--	$4,050,000(3)
Steven K. Budd Chief Operating Officer and Executive Vice President	$112,613	$ 48,000	$ 8,396	--	
Bernard C. Boyle Chief Financial Officer, Executive Vice President, Secretary and Treasurer	$105,000(4)	$ 18,000	$ 1,155	--	
Robert Wynne Vice President--Account Sales	$102,000	$ 18,000	$ 1,155	--	--

(1) Mr. Dugan was the Chief Executive Officer of the Company until November 1997. All other compensation represents the bonus payment to Mr. Dugan as the majority shareholder of the Company. Such compensation was based on the Company's estimated profitability and working capital requirements. As the Company will no longer qualify as an S Corporation after the Offering, it is not expected that Mr. Dugan will receive bonus payments after the Offering in future periods.

(2) Reflects a bonus paid to Mr. Saldarini, President and Chief Executive Officer and a minority shareholder of the Company. In addition to the final distribution in connection with the termination of the Company's S Corporation status, in the future Mr. Saldarini, as President and Chief Executive Officer, may receive cash bonuses as determined by the Compensation Committee.

(3) Represents the value of Common Stock issued to Mr. Saldarini in January 1997 as reported by the Company for financial accounting purposes.

(4) Mr. Boyle joined the Company in March 1997. $15,000 of his salary represents amounts paid to Mr. Boyle's consulting company prior to the commencement of his employment.

Option Grants. The following table sets forth certain information regarding options granted by the Company to the Named Executive Officers during 1997.

OPTION GRANTS IN LAST FISCAL YEAR

NAME	INDIVIDUAL GRANTS: NUMBER OF SHARES UNDERLYING OPTIONS GRANTED (#)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE PRICE ($/SHARE)	EXPIRATION DATE	POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM: 5% ($)	10% ($)
John P. Dugan	--	--	--	--	--	--
Charles T. Saldarini	--	--	--	--	--	--
Steven K. Budd		58.3%	$	12/31/05	$	$
Bernard C. Boyle		41.7%	$	12/31/05	$	$
Robert Wynne	--	--	--	--	--	--

Option Exercises and Year-End Option Values. The following table provides information with respect to options exercised by the Named Executive Officers during 1997 and the number and value of unexercised options held by the Named Executive Officers as of December 31, 1997.

AGGREGATED OPTION EXERCISE IN LAST FISCAL YEAR AND YEAR-END OPTION VALUES

<TABLE>
<CAPTION>

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ($)(1)	NUMBER OF SHARES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END (#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR-END ($)(1)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
John P. Dugan.....	--	--	--	--	--	--
Charles T. Saldarini.....	--	--	--	--	--	--
Steven K. Budd.....	--	--				
Bernard C. Boyle.....	--	--				
Robert Wynne.....	--	--	--	--	--	--

</TABLE>

- ---

(1) For the purposes of this calculation, value is based upon the difference between the exercise price and $_____ per share, the fair market value of the Common Stock as determined by the Board of Directors.

EMPLOYMENT CONTRACTS

In January 1998, the Company entered into an employment agreement with John P. Dugan providing for his employment as Chairman of the Board and Director of Strategic Planning. The Agreement provides for an annual salary of $125,000 and no cash bonuses and for participation in all executive benefit plans.

In _____ 199__, the Company entered into an employment agreement with Charles T. Saldarini providing for his employment, effective upon the closing of this Offering, as President and Chief Executive Officer for a term expiring on _____ _____, 200_. The Agreement provides for an annual base salary of $_____ and for participation in all executive benefit plans. The agreement also provides, among other things, that, if his employment is terminated without cause (as defined in the agreement), the Company will pay him an amount equal to the salary which would have been payable to him over the unexpired term of his employment agreement.

The Company has also entered into employment agreements with each of Messrs. Boyle and Budd, providing for their respective employment, effective upon the closing of this Offering, as Chief Financial Officer and Chief Operating Officer, for terms expiring on _____ __, 200_. The agreements provide for an annual base salary of $_____ for Mr. Boyle and $_____ for Mr. Budd and for their participation in all executive benefit plans. Each agreement also provides, among other things, that, if employment is terminated by the Company without cause (as defined), the Company will pay the employee an amount equal to the salary which would have been payable over the unexpired term of the employment agreement.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION IN COMPENSATION DECISIONS

Prior to this Offering, the Company has had no separate Compensation Committee or other committee performing equivalent functions. As a result, compensation matters were performed by the Board of Directors or senior management. None of the Directors expected to serve on the Compensation Committee is an employee of the Company, and neither the Chief Executive Officer nor any other executive officer will serve on the Compensation Committee. No Director or executive officer of the company is a Director or executive officer of any other corporation that has a director or executive officer who is also a Director of the Company.

1998 STOCK OPTION PLAN

In _____, 1998, in order to attract and retain persons necessary for the success of the Company, the Company adopted its 1998 Stock Option Plan (the

'Plan') covering up to _____ of its Common Shares, pursuant to which officers, directors and key employees of the Company and consultants to the Company are eligible to receive incentive and/or non-qualified stock options. The Plan, which expires in October 2008, will be administered by the Board of Directors or a committee designated by the Board of Directors. The selection of participants, allotment of shares, determination of price and other conditions relating to the purchase of options will be determined by the Board of Directors, or a committee thereof, in its sole discretion. Incentive stock options granted under the Plan are exercisable for a period of up to 10 years from the date of grant at an exercise price which is not less than the fair market value of the Common Stock on the date of the grant, except that the term of an incentive stock option granted under the Plan to a shareholder owning more than 10% of the

outstanding Common Stock may not exceed five years and its exercise price may not be less than 110% of the fair market value of the Common Stock on the date of the grant. At February 1, 1998 options for an aggregate of _____ shares, exercisable at a price of $_____ per share during a ten-year period had been granted to Bernard C. Boyle and Steven K. Budd, and were outstanding under the Plan. These options are exercisable for one-third of the shares covered thereby as of the earlier of June 30, 1998 or the completion of this Offering and for an additional one-third of the shares covered thereby each year thereafter. No other options have been granted or exercised under the Plan. However, immediately after the consummation of the Offering, the Company intends to grant approximately _____ incentive stock options to approximately _____ employees. Such options will, generally, vest over three years and will be exercisable at the public offering price. Options for _____ shares will be granted to each of the Company's three outside directors upon their taking office immediately following the closing of the Offering.

COMPENSATION OF DIRECTORS

Each non-employee member of the Board of Directors will receive an annual director's fee of $_____ plus $_____ for each meeting attended and reimbursement for travel costs and other out-of-pocket expenses incurred in attending each Directors' meeting. In addition, committee members will receive $_____ for each committee meeting attended. Additionally, pursuant to the 1998 Stock Option Plan each non-employee Director upon election to the Board will receive options to purchase _____ shares of Common Stock exercisable at the fair market value on the date of grant and additionally will receive automatic grants of options to purchase _____ shares of Common Stock at the beginning of each calendar year. See '-- 1998 Stock Option Plan.'

401(K) PLAN

The Company maintains a retirement plan (the '401(k) Plan') intended to qualify under Sections 401(a) and 401(k) of the Code. The 401(k) Plan is a defined contribution plan that covers employees of the Company at least 21 years of age, who have been employed by the Company for at least one year. Employees may contribute up to 15% of their annual wages (subject to an annual limit prescribed by the Code) as pre-tax salary deferral contributions. Effective January 1, 1997, the Company committed to make mandatory contributions to the 401(k) Plan to match employee contributions up to a maximum of 2% of each participating employee's annual wages. The Company's contribution to the 401(k) Plan for 1997 was approximately $172,000.

LIMITATION OF DIRECTORS' LIABILITY AND INDEMNIFICATION

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their shareholders for monetary damages for breach of directors' fiduciary duty of care. The Company's Certificate of Incorporation limits the liability of directors of the Company to the Company or its shareholders to the fullest extent permitted by Delaware law. See 'Description of Capital Stock -- Certain Provisions of the Company's Certificate of Incorporation and Bylaws.'

The Company's Certificate of Incorporation provides mandatory indemnification rights to any officer or Director of the Company who, by reason of the fact that he or she is an officer or Director of the Company, is involved in a legal proceeding of any nature. Such indemnification rights include reimbursement for expenses incurred by such officer or Director in advance of

the final disposition of such proceeding in accordance with the applicable provisions of the DGCL. Insofar as indemnification for liabilities under the Securities Act may be provided to officers and Directors or persons controlling the Company, the Company has been informed that in the opinion of the Securities and Exchange Commission (the 'Commission'), such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

There is no pending litigation or proceeding involving a Director, officer, employee or agent of the Company in which indemnification by the Company will be required or permitted. The Company is not aware of any threatened litigation or proceeding that may result in a claim for such indemnification.

CERTAIN TRANSACTIONS

During 1997, Boomer & Son, Inc. ('B&S'), a corporation which prior to 1998 was wholly-owned by John P. Dugan, the Company's Chairman of the Board, provided advertisement production and placement services to the Company. Mr. Dugan is not actively involved in B&S's business. The Company purchased advertising in the amount of $1.6 million through B&S at stated advertising rates set by the periodicals and publications in which advertisements were placed. B&S received a commission from the publications for its placement services. In addition, in 1997 B&S repaid approximately $196,000 of advances made to it by the Company in 1996. At December 31, 1997 the net amount due from B&S was approximately $27,000. See note 8 to the Company's Financial Statements. The Company anticipates that this amount will be repaid prior to the Offering.

At the end of 1997 Mr. Dugan transferred his interest in B&S to his son and daughter-in-law. The Company and B&S propose to enter into an agreement pursuant to which B&S will continue to place advertising on behalf of the Company with various media. As of February 1, 1998 the total amount of advertising placed by B&S on behalf of the Company in 1998 was approximately $180,000. The Company believes that the amounts paid to B&S were no less favorable than would be available in an arms-length negotiated transaction with an unaffiliated entity. See note 8 to the Company's Financial Statements.

The Company and Charles T. Saldarini entered into an employment agreement as of January 1, 1997, which provided for, among other things, an outright grant of shares of Common Stock to Mr. Saldarini. As a result of such grant, Mr. Saldarini owns 15.0% of the outstanding shares of Common Stock immediately prior to the Offering. In connection with such grant, the Company incurred a non-cash, non-recurring expense of $4.5 million for financial reporting purposes.

The Company has been subject to taxation under Subchapter S of the Code since January 1, 1991 and under the corresponding provisions of the tax laws of the State of New Jersey since January 1, 1994. As a result, the net income of the Company, for Federal and New Jersey state income tax purposes, has been reported by and taxable directly to the Company's shareholders rather than to the Company. In 1996, the Company paid approximately $1.5 million to Mr. Dugan, its Chief Executive Officer and sole shareholder as bonus compensation. In 1997, the Company paid an aggregate of approximately $2.48 million of bonus compensation to its shareholder-employees, Mr. Dugan and Charles T. Saldarini, its President. The Company's S Corporation tax status will terminate upon the consummation of this Offering. Immediately prior to this Offering, the Company will make a final distribution (consisting of an aggregate of approximately $_____ million in cash payments) to its shareholders. This payment represents the shareholders' equity in the Company prior to the conversion date.

PRINCIPAL SHAREHOLDERS

The following table sets forth certain information known to the Company regarding the beneficial ownership of Common Stock as of December 31, 1997 and as adjusted to reflect the sale of the shares offered hereby, by (i) each person known to the Company to be the beneficial owner of more than 5% of its outstanding shares of Common Stock, (ii) each Director and Director Nominee of the Company, (iii) each Named Executive Officer and (iv) all Directors, Director Nominees and Named Executive Officers of the Company as a group. Except as otherwise indicated, the persons or entities listed below have sole voting and investment power with respect to all shares of Common Stock owned by them.

<TABLE>
<CAPTION>

NAME AND ADDRESS(1)	NUMBER OF SHARES BENEFICIALLY OWNED(2)	PERCENTAGE OF SHARES BENEFICIALLY OWNED(2) BEFORE OFFERING	AFTER OFFERING
<S>	<C>	<C>	<C>
John P. Dugan.....		85.0%	
Charles T. Saldarini.....		15.0%	
Steven K. Budd.....	(3)	*	*
Bernard C. Boyle.....	(4)	*	*
John M. Pietruski.....	(5)	--	*
Jan Martens Vecsi.....	(5)	--	*
Gerald J. Mossinghoff.....	(5)	--	*
All Officers, Directors and Director Nominees as a group (9 persons).....	(6)	100.0%	

</TABLE>

<TABLE>
<S> <C>
* Less than 1%.
(1) The addresses of Messrs. Dugan and Saldarini are c/o the Company, 599 MacArthur Boulevard, Mahwah, New Jersey 07430-2326.
(2) Pursuant to the rules of the Commission, shares of the Company's Common Stock that a person has the right to acquire within 60 days of the date hereof pursuant to the exercise of stock options are deemed to be outstanding for the purpose of computing the percentage ownership of such person but are not deemed outstanding for the purpose of computing the percentage ownership of any other person.
(3) Represents ____ shares issuable pursuant to options exercisable within 60 days of the date hereof.
(4) Represents ____ shares issuable pursuant to options exercisable within 60 days of the date hereof.
(5) Represents ____ shares issuable pursuant to options exercisable within 60 days of the date hereof.
(6) Includes ____ shares issuable pursuant to options exercisable within 60 days of the date hereof.
</TABLE>

All of the shares of Common Stock set forth in the above table are subject to agreements prohibiting the sale, assignment or transfer for 180 days from the date of this Prospectus without the prior written consent of Morgan Stanley & Co. Incorporated. See 'Underwriting.'

DESCRIPTION OF CAPITAL STOCK

The Company's authorized capital stock consists of 30,000,000 shares of Common Stock, par value of $.01 per share ('Common Stock'), and 5,000,000 shares of Preferred Stock, par value of $.01 per share ('Preferred Stock'). Upon completion of the Offering, there will be _____ shares of Common Stock outstanding and no shares of Preferred Stock outstanding. As of December 31, 1997, there were outstanding _____ shares of Common Stock held of record by two stockholders. In addition, at December 31, 1997, there were outstanding options to purchase _____ shares of Common Stock.

COMMON STOCK

The holders of Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Subject to the preferences that may be applicable to any outstanding Preferred Stock, the holders of Common Stock are entitled to receive dividends as and when declared by the Board of Directors out of funds legally available for dividends, and, in the event of liquidation, dissolution or winding up of the Company, to share ratably in all assets remaining after the payment of liabilities. The Common Stock has no preemptive, conversion or other subscription rights. All outstanding shares of Common Stock are fully paid and nonassessable.

PREFERRED STOCK

The Board of Directors is authorized to issue the undesignated Preferred Stock in one or more series, to determine the powers, preferences and rights, and the qualifications, limitations or restrictions, granted to or imposed upon

any wholly unissued series of undesignated Preferred Stock, and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by the shareholders. The issuance of Preferred Stock may have the effect of delaying, deferring or preventing a change in control of the Company and may adversely affect the voting and other rights of the holders of Common Stock.

CERTAIN PROVISIONS OF THE COMPANY'S CERTIFICATE OF INCORPORATION AND BYLAWS

The Company's Certificate of Incorporation limits the liability of directors of the Company to the fullest extent permitted under Section 102(b)(7) of the DGCL. To this end, no director of the Company will be liable to the Company or to its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability for (i) any breach of the director's duty of loyalty to the Company or its shareholders, (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (iii) any willful or negligent payment of an unlawful dividend, stock purchase, or redemption or (iv) any transaction from which the director derived an improper personal benefit.

The Certificate of Incorporation provides that the Board of Directors consist of three classes of directors serving for staggered three-year terms. As a result, one-third of the Company's Board of Directors will be elected each year. In accordance with the DGCL, directors serving on classified boards of directors may only be removed from office for cause. The Certificate of Incorporation provides that shareholders may take such action only by the affirmative vote of at least 66 2/3% of the voting stock outstanding.

The Company's Bylaws provide that only the Board of Directors may call a special meeting of shareholders and that shareholders must follow an advance notification procedure for certain shareholder nominations of candidates and for certain other shareholder business to be conducted at the annual meeting. These provisions could, under certain circumstances, operate to delay, defer or prevent a change in control of the Company.

These provisions could delay or frustrate the removal of incumbent directors or a change in control of the Company. The provisions also could discourage, impede or prevent a merger, tender offer or proxy contest, even if such event would be favorable to the interests of shareholders.

SECTION 203 OF THE DGCL

As a corporation organized under the laws of the State of Delaware, the Company is subject to Section 203 of the DGCL which restricts certain business combinations between the Company and an 'interested stockholder' (in general, a shareholder owning 15% or more of the Company's outstanding voting stock) or its

affiliates or associates for a period of three years following the date on which the shareholder becomes an 'interested stockholder.' The restrictions do not apply if (i) the corporation has elected in its certificate of incorporation not to be governed by the Delaware anti-takeover law (the Company has not made such an election), (ii) prior to a person qualifying as an 'interested stockholder,' the Board of Directors approves either the business combination or the transaction which would cause such individual to become an 'interested stockholder,' (iii) upon consummation of the transaction in which any person becomes an 'interested stockholder,' such person owns at least 85% of the voting stock of the Company outstanding at the time the transaction commences (excluding shares owned by certain employee stock ownership plans and persons who are both directors and officers of the Company) or (iv) on or subsequent to the date on which a person becomes an 'interested stockholder,' the business combination is both approved by the Board of Directors and authorized at an annual or special meeting of the Company's shareholders, without written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock not owned by the 'interested stockholder.'

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Company's Common Stock is American Stock Transfer & Trust Company.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to the offering there has been no market for the Common Stock of the Company. The Company can make no prediction as to the effect, if any, that sales of shares or the availability of shares for sale will have on the market price prevailing from time to time. Nevertheless, sales of significant amounts of the Common Stock in the public market, or the perception that such sales may occur, could adversely affect prevailing market prices. See 'Risk Factors -- Shares Eligible for Future Sale.'

Upon completion of the Offering, the Company will have _____ shares of Common Stock outstanding (excluding _____ shares reserved for issuance upon the exercise of outstanding stock options) (_____ shares of Common Stock outstanding if the Underwriters' over-allotment option is exercised in full). Of these shares, the _____ shares offered hereby will be freely tradable without restrictions or further registration under the Securities Act, except for any shares purchased by 'affiliates' of the Company, as that term is defined in Rule 144 under the Securities Act ('Affiliates'), which will be subject to the resale limitations imposed by Rule 144, as described below. The remaining _____ shares of Common Stock held by existing shareholders are 'restricted securities' within the meaning of Rule 144 and may not be resold in the absence of registration under the Securities Act or pursuant to exemptions from such registration including, among others, the exemption provided by Rule 144 under the Securities Act ('Restricted Shares'). Restricted Shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or 701 promulgated under the Securities Act, which rules are summarized below. All officers, directors, shareholders and option holders of the Company have agreed not to offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly (or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of), any shares of Common Stock or any securities convertible into or exercisable or exchangeable for shares of Common Stock, for a period of 180 days after the date of this Prospectus, without the prior written consent of Morgan Stanley & Co. Incorporated. Morgan Stanley & Co. Incorporated may in its sole discretion choose to release a certain number of these shares from such restrictions prior to the expiration of such 180 day period. As a result of such contractual restrictions and the provisions of Rule 144 and 701, the Restricted Shares will be available for sale in the public market as follows: (i) no such shares will be eligible for immediate sale on the date of this Prospectus; and (ii) all of such shares will be eligible for sale upon expiration of the lock-up agreements 180 days after the date of this Prospectus, subject to the volume limitations and other conditions of Rule 144 described below.

In general, under Rule 144 as currently in effect, beginning 90 days after the date of this Prospectus, a person (or persons whose shares are required to be aggregated) whose restricted securities have been outstanding for at least one year, including a person who may be deemed an 'affiliate' of the Company, may only sell a number of shares within any three-month period which does not exceed the greater of (i) one percent of the then outstanding shares of the Company's Common Stock (approximately _____ shares after the Offering, _____ if the over-allotment option is exercised in full) or (ii) the average weekly trading volume in the Company's Common Stock in the four calendar weeks immediately preceding such sale. Sales under Rule 144 are also subject to certain requirements as to the manner of sale, notice and the availability of current public information about the Company. A person who is not an affiliate of the issuer, has not been an affiliate within three months prior to the sale and has owned the restricted securities for at least two years is entitled to sell such shares under Rule 144(k) without regard to any of the limitations described above.

Beginning 90 days after the date of this Prospectus, certain shares issued or issuable upon the exercise of options granted by the Company prior to the date of this Prospectus will also be eligible for sale in the public market pursuant to Rule 701 under the Act. In general, Rule 701 permits resales of shares issued pursuant to certain compensatory benefit plans and contracts commencing 90 days after the issuer becomes subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, in reliance upon Rule 144, but without compliance with certain restrictions of Rule 144, including the holding period requirements. As of December 31, 1997, the Company has granted options covering _____ shares of Common Stock which have not been

exercised and which become exercisable at various times in the future. Any shares of Common Stock issued upon the exercise of these options will be eligible for sale pursuant to Rule 701.

The Company intends to file a registration statement under the Securities Act covering _____ shares of Common Stock reserved for issuance under the 1998 Stock Option Plan. Such registration statement is expected to be filed and become effective as soon as practicable after the effective date of this Offering. Accordingly, shares registered under such registration statement will, subject to Rule 144 volume limitations applicable to Affiliates, be available for sale in the open market unless such shares are subject to vesting restrictions with the Company.

UNDERWRITERS

Under the terms and subject to the conditions in the Underwriting Agreement dated the date hereof (the 'Underwriting Agreement'), the Underwriters named below (the 'Underwriters'), for whom Morgan Stanley & Co. Incorporated, William Blair & Company, L.L.C. and Hambrecht & Quist LLC are serving as Representatives (the 'Representatives'), have severally agreed to purchase, and the Company has agreed to sell to the Underwriters, severally, the respective number of shares of Common Stock set forth opposite the names of such Underwriters below:

<TABLE>
<CAPTION>

NAME	NUMBER OF SHARES
<S>	<C>
Morgan Stanley & Co. Incorporated.....	
William Blair & Company, L.L.C.....	
Hambrecht & Quist LLC.....	
Total.....	

</TABLE>

The Underwriting Agreement provides that the obligations of the several Underwriters to pay for and accept delivery of the shares of Common Stock offered hereby are subject to the approval of certain legal matters by their counsel and to certain other conditions. The Underwriters are obligated to take and pay for all the shares of Common Stock offered hereby (other than those covered by the over-allotment option described below) if any such shares are taken.

The Underwriters initially propose to offer part of the shares of Common Stock directly to the public at the public offering price set forth on the cover page hereof and part to certain dealers at a price which represents a concession not in excess of $ a share under the public offering price. Any Underwriter may allow, and such dealers may reallow, a concession not in excess of $ a share to other Underwriters or to certain other dealers. After the initial offering of the shares of Common Stock, the offering price and other selling terms may from time to time be varied by the Underwriters.

The Company has granted the Underwriters an option, exercisable for 30 days from the date of the Prospectus, to purchase up to _____ additional shares of Common Stock at the public offering price set forth on the cover page hereof, less underwriting discounts and commissions. The Underwriters may exercise such option to purchase solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of Common Stock offered hereby. To the extent such option is exercised, each Underwriter will become obligated, subject to certain conditions, to purchase approximately the same percentage of such additional shares as the number set forth next to such Underwriter's name in the preceding table bears to the total number of shares of Common Stock offered by the Underwriters hereby.

See 'Shares Eligible for Future Sale' for a description of certain

arrangements by which all of the Company's executive officers and directors and certain other existing shareholders have agreed not to sell or otherwise dispose of Common Stock or convertible securities of the Company for up to 180 days after the date of this Prospectus without the prior written consent of Morgan Stanley & Co. Incorporated. The Company has agreed in the Underwriting Agreement that it will not, directly or indirectly, without the prior written consent of Morgan Stanley & Co. Incorporated, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any shares of Common Stock or any securities convertible into or exchangeable for Common Stock, for a period of 180 days after the date of this Prospectus, except under certain circumstances.

At the request of the Company, the Underwriters have reserved for sale at the initial public offering price up to _____ shares offered hereby for officers, directors, employees and certain other persons associated with the Company. The number of shares available for sale to the general public will be reduced to the extent such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the Underwriters to the general public on the same basis as the other shares offered hereby.

The Representatives have informed the Company that the Underwriters do not intend to confirm sales in excess of five percent of the total number of shares of Common Stock offered hereby to accounts over which they exercise discretionary authority.

The Company and the Underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

Application has been made to list the Common Stock for quotation on the Nasdaq National Market under the symbol 'PDII.'

In order to facilitate the offering of the Common Stock, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Common Stock. Specifically, the Underwriters may overallot in connection with the Offering, creating a short position in the Common Stock for their own account. In addition, to cover over-allotments or to stabilize the price of the Common Stock, the Underwriters may bid for, and purchase, shares of Common Stock in the open market. Finally, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the Common Stock in the offering, if the syndicate repurchases previously distributed Common Stock in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the Common Stock above independent market levels. The Underwriters are not required to engage in these activities, and may cease any of these activities at any time.

PRICE OF THE OFFERING

Prior to the Offering, there has been no public market for the Common Stock. The initial public offering price for the Common Stock will be determined by negotiations between the Company and the Representatives. Among the factors considered in determining the initial public offering price will be the future prospects of the Company and its industry in general; revenue, earnings and certain other financial and operating information of the Company in recent periods; and certain ratios, market prices of securities and certain financial operating information of companies engaged in activities similar to those of the Company. The estimated initial public offering price range set forth on the cover page of this Prospectus is subject to change as a result of market conditions or other factors.

LEGAL MATTERS

The validity of the Common Stock offered hereby will be passed upon for the Company by Morse, Zelnick, Rose & Lander, LLP, 450 Park Avenue, New York, New York 10022 and for the Underwriters by Ropes & Gray, One International Place, Boston, Massachusetts 02110. Certain matters relating to rules and regulations promulgated by the FDA and other regulatory matters will be passed upon for the Company by Farkas & Manelli, P.L.L.C., 1233 20th Street, N.W. Suite 700, Washington, D.C. 20036-2396.

EXPERTS

The balance sheets as of December 31, 1997 and 1996 and the statements of operations, cash flows and shareholders' equity for each of the three years in the period ended December 31, 1997 included in this Prospectus, have been included herein in reliance on the report of Coopers & Lybrand L.L.P., independent accountants, given on the authority of that firm as experts in accounting and auditing.

ADDITIONAL INFORMATION

The Company has filed with the Securities and Exchange Commission (the 'Commission') a Registration Statement on Form S-1 under the Securities Act, with respect to the Common Stock offered hereby. As permitted by the rules and regulations of the Commission, this Prospectus, which is part of the Registration Statement, omits certain information, exhibits, schedules and undertakings set forth in the Registration Statement. For further information pertaining to the Company and the Common Stock, reference is made to such Registration Statement and the exhibits and schedules thereto. Statements contained in this Prospectus as to the contents or provisions of any documents referred to herein are not necessarily complete, and in each instance where a copy of the document has been filed as an exhibit to the Registration Statement, reference is made to the exhibit so filed. The Registration Statement may be inspected without charge at the office of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the Registration Statement may be obtained from the Commission at prescribed rates from the Public Reference Section of the Commission at such address, and at the Commission's regional offices located at 7 World Trade Center, 13th Floor, New York, New York 10048, and at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. In addition, registration statements and certain other filings made with the Commission through its Electronic Data Gathering, Analysis and Retrieval ('EDGAR') system are publicly available through the Commission's site on the Internet's World Wide Web, located at http://www.sec.gov. The Registration Statement, including all exhibits thereto and amendments thereof, has been filed with the Commission through EDGAR.

INDEX TO FINANCIAL STATEMENTS

<TABLE>
<CAPTION>

</TABLE>

After the merger discussed in Note 2 to the Financial Statements is effected, we will be in a position to render the following report.

/s/ Coopers & Lybrand L.L.P.

Parsippany, New Jersey
February 3, 1998

REPORT OF INDEPENDENT ACCOUNTANTS

To the Stockholders and
Board of Directors of Professional Detailing, Inc.:

We have audited the accompanying balance sheets of Professional Detailing, Inc. as of December 31, 1997 and 1996, and the related statements of operations, cash flows and shareholders' equity for each of the three years in the period ended December 31, 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements 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 finanicial 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 Professional Detailing, Inc. as of December 31, 1997 and 1996, and the results of their operations and their cash flows for the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

Parsippany, New Jersey
February 3, 1998, except as
to the information presented
in Note 2, for which the date
is .

PROFESSIONAL DETAILING, INC.
BALANCE SHEETS

<TABLE>
<CAPTION>

	DECEMBER 31,		
			PRO FORMA
	1996	1997	1997
			(UNAUDITED)
<S>	<C>	<C>	<C>
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$2,403,011	$ 5,759,918	$ 5,084,197
Contract Payments Receivable	3,037,566	2,073,356	2,073,356
Unbilled Costs and Accrued Profits on Contracts in Progress	2,372,518	4,986,454	4,986,454
Receivable from Affiliates, net	84,327	27,161	27,161
Other Current Assets	30,000	297,032	297,032
Total Current Assets	7,927,422	13,143,921	12,468,200
Net Property, Plant & Equipment:	395,062	547,377	547,377
Total Assets	$8,322,484	$13,691,298	$13,015,577
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Accounts Payable	$ 608,895	$ 473,832	$ 473,832
Notes Payable	--	68,365	68,365
Accrued Incentives	2,905,506	2,806,839	2,806,839
Accrued Salaries and Wages	896,202	1,417,789	1,417,789
Unearned Contract Revenue	3,925,853	6,131,322	6,131,322
Other Accrued Expenses	463,754	2,117,330	2,117,330
Total Current Liabilities	8,800,210	13,015,477	13,015,477
Commitments and Contingencies			
Shareholders' Equity:			

Capital Stock, no par value; 2,500 shares authorized; shares issued and outstanding, 1996 -- 100; 1997 -- 100	100	100	100
Additional Paid-In Capital	--	4,193,852	101,822
Retained Deficit	(467,486)	(3,416,309)	--
Deferred Compensation	--	(101,822)	(101,822)
Shareholder Loan	(10,340)	--	--
Total Shareholders' Equity	(477,726)	675,821	100
Total Liabilities & Equity	$8,322,484	$13,691,298	$13,015,577

</TABLE>

The accompanying notes are an integral part of these financial statements

PROFESSIONAL DETAILING, INC.

STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	FOR THE YEAR ENDED DECEMBER 31,		
	1995	1996	1997
<S>	<C>	<C>	<C>
Revenue	$18,398,554	$33,014,960	$54,541,818
Less: Program Expenses, including related party amounts of $0, $671,810 and $1,564,606 for the periods ended December 31, 1995, 1996 and 1997, respectively	15,427,428	26,886,445	43,057,196
Gross Profit	2,971,126	6,128,515	11,484,622
Compensation Expense	2,124,470	3,190,984	5,120,969
Bonus to Majority Shareholder	425,000	1,500,000	2,243,000
Stock Grant Expense	--	--	4,470,000
Other General, Selling & Administrative Expenses	1,158,475	1,650,049	2,754,522
Total General, Selling & Administrative Expenses	3,707,945	6,341,033	14,588,491
Operating Loss	(736,819)	(212,518)	(3,103,869)
Other Income, Net	69,981	98,072	155,046
Net Loss	$ (666,838)	$ (114,446)	$(2,948,823)
Pro Forma Data (unaudited) (see note 3)			
Net Loss, as reported	(666,838)	(114,446)	(2,948,823)
Pro Forma Income Tax Benefit	120,969	--	--
Pro Forma Net Loss	$ (545,869)	$ (114,446)	$(2,948,823)
Pro Forma Net Income (Loss) Per Share			
Pro Forma Weighted Average Shares Outstanding			

</TABLE>

The accompanying notes are an integral part of these financial statements

PROFESSIONAL DETAILING, INC.

STATEMENTS OF CASH FLOWS

<TABLE>

<CAPTION>

	FOR THE YEAR ENDED DECEMBER 31,		
	1995	1996	1997
<S>	<C>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Loss From Operations	$ (666,838)	$ (114,446)	$(2,948,823)
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities:			
Depreciation	85,040	104,531	137,852
Non-Cash Compensation Expense -- Stock Grant to Officer	--	--	4,050,000
Non-Cash Compensation Expense -- Stock Options	--	--	42,030
Other changes in assets and liabilities:			
(Increase) decrease in contract payments receivable	2,779,325	(188,033)	964,210
(Increase) decrease in unbilled costs	(2,138,421)	138,271	(2,613,936)
(Increase) decrease in other current assets	136,354	22,253	(267,032)
Increase (decrease) in trade accounts payable	538,152	55,743	(135,063)
Increase in accrued liabilities	825,228	2,522,659	422,920
Increase (decrease) in unearned contract revenue	(1,721,519)	(382,536)	2,205,469
Increase (decrease) in payable to affiliate	--	284,877	(138,859)
Increase (decrease) in other current liabilities	(68,947)	360,107	1,653,576
Net Cash Provided By/(Used In) Operating Activities	(231,626)	2,803,426	3,372,344
CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES			
Purchase of equipment	(139,415)	(271,503)	(290,167)
Advances to affiliate	--	(369,204)	--
Repayments of advances from affiliate	--	--	196,025
Net Cash Provided By/(Used In) Investing Activities	(139,415)	(640,707)	(94,142)
CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES			
Proceeds from issuance of note payable	--	--	100,000
Payments on note payable	--	--	(31,635)
Repayment of shareholder loan	--	--	10,340
Net Cash Provided By/(Used In) Financing Activities	--	--	78,705
Net Increase/(Decrease) In Cash And Cash Equivalents	(371,041)	2,162,719	3,356,907
Cash And Cash Equivalents -- Beginning	611,333	240,292	2,403,011
Cash And Cash Equivalents -- Ending	$ 240,292	$2,403,011	$ 5,759,918
Cash Paid for Interest	--	--	$ 7,179

</TABLE>

The accompanying notes are an integral part of these financial statements

PROFESSIONAL DETAILING, INC.

STATEMENT OF SHAREHOLDERS' EQUITY

<TABLE>
<CAPTION>

	COMMON STOCK					
	OUTSTANDING SHARES	AMOUNT	DEFERRED COMPENSATION	ADDITIONAL SHAREHOLDER LOAN	PAID IN CAPITAL	RETAINED EARNINGS/(DEFICIT)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance -- December 31, 1994	100	$100	--	(10,340)	--	313,798
Net loss for the year ended December 31, 1995	--	--	--	--	--	(666,838)
Balance -- December 31, 1995	100	$100	$ --	$ (10,340)	$ --	$ (353,040)

Net loss for the year ended December 31, 1996.....	--	--	--	--	--	(114,446)	
Balance -- December 31, 1996.....	100	100	--	(10,340)	--	(467,486)	
Stock Grant.....	--	--	--	--	4,050,000	--	
Deferred Compensation-Stock Options.....	--	--	(101,822)	--	143,852	--	
Repayment of shareholder loan.....	--	--	--	10,340	--	--	
Net income for the year ended December 31, 1997.....	--	--	--	--	--	(2,948,823)	
Balance -- December 31, 1997.....	100	$100	$ (101,822)	$ 0	$4,193,852	$ (3,416,309)	

</TABLE>

The accompanying notes are an integral part of these financial statements

PROFESSIONAL DETAILING, INC.

NOTES TO FINANCIAL STATEMENTS

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Professional Detailing, Inc. (the 'Company') is a leading provider of comprehensive customized sales solutions on an outsourced basis to the United States pharmaceutical industry.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates. Significant estimates include revenues and costs associated with the contracts, which are used for purposes of applying the percentage-of-completion method.

Revenue Recognition

Revenue is earned primarily by performing services under contracts with clients and is recognized under the percentage of completion method. Revenue includes estimated fees or profits to be earned pursuant to contracts calculated on the basis of the relationship between program costs, excluding initial direct program costs, and total estimated program costs, excluding initial direct program costs. There are two significant categories of program costs: (i) initial direct program costs, which are associated with the recruitment and formal training of the sales representatives and managers so that they are qualified to properly render the services specified in the contracts and (ii) personnel costs, which are salaries and related fringe benefits for the representatives and managers who are responsible for the direct performance of the activities specified in the contracts. Initial direct costs associated with the recruitment and training of representatives are deferred and recognized over the life of the corresponding contracts.

Estimated revenue and costs are reviewed and revised periodically throughout the lives of the contracts, with adjustment to profits resulting from such revisions being recorded on a cumulative basis in the period in which the revisions are made. In the period in which it is determined that a loss results from the performance of a contract, the entire amount of the estimated ultimate loss is charged against income.

The Company must continually replace its contracts with new contracts to sustain its revenue. In addition, many of the Company's contracts may be canceled or delayed by clients upon notice. Contracts generally may be terminated for a variety of reasons, including failure to meet certain performance standards. Finally, the Company's contracts typically contain onerous penalties if the Company fails to meet certain performance standards. The failure to obtain new contracts or the cancellation or delay of existing contracts or the failure to satisfy the minimum performance standards set forth

in contracts could have a material adverse effect on the Company's business and results of operations.

Fair Value of Financial Instruments

The book values of cash and cash equivalents, contract payments receivable, accounts payable and other financial instruments approximate their fair values principally because of the short-term maturities of these instruments. The fair value of the Company's note payable is estimated based on the current rates offered to the Company for debt of similar terms and maturities. Under this method, the fair value of the Company's note payable was not significantly different than the book value of December 31, 1997.

Unbilled Costs and Accrued Profits and Unearned Contract Revenue

In general, contractual provisions including predetermined payment schedules, the achievement of contract milestones or submission of appropriate billing detail establish prerequisites for billings. Unbilled costs and accrued profits arise when services have been rendered but clients have not been billed. These amounts are classified as a current asset. Normally, the clients agree to pay the Company a portion of the fee due under a

1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES--(CONTINUED)
contract in advance of performance of services because of large recruiting and employee development costs associated with the beginning of a contract. The excess of amounts billed over revenue recognized represents unearned contract revenue, which is classified as a current liability.

Cash and Cash Equivalents

Cash and cash equivalents consist of unrestricted cash accounts and Certificates of Deposit with a maturity of three months or less at the date of purchase.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. The estimated useful lives of asset classifications are seven years for furniture and fixtures and five years for office equipment and computer equipment. Depreciation is computed using the straight-line method, and the cost of leasehold improvements is amortized over the shorter of the estimated service lives or the terms of the related leases. Repairs and maintenance are charged to expense as incurred. Upon disposition, the asset and related accumulated depreciation are relieved and any gains or losses are reflected in operations.

Stock Based Compensation

Statement of Financial Accounting Standard No. 123, 'Accounting for Stock-Based Compensation' allows companies a choice of measuring employee stock-based compensation expense based on the fair value method of accounting or based upon the intrinsic value approach under APB Opinion No. 25. The Company has elected to measure compensation expense based upon the intrinsic value approach under APB Opinion No. 25.

Advertising

The Company recognizes advertising costs as incurred. The total amounts charged to advertising expense were $242,408, $87,104 and $159,206 for the years ended December 31, 1995, 1996 and 1997, respectively.

Income Taxes

The Company elected to be taxed under Subchapter S of the Internal Revenue Code of 1986, as amended effective January 1, 1991 and under the corresponding provisions of the laws of the State of New Jersey effective January 1, 1994. Consequently, the Company has not been subject to Federal or New Jersey state income taxes, other than a New Jersey corporate income tax of approximately 2%.

2. ANTICIPATED MERGER (UNAUDITED)

In connection with a contemplated initial public offering, Professional Detailing, Inc., a New Jersey corporation (the 'New Jersey Entity') will merge with and into Professional Detailing, Inc., a Delaware corporation (the 'Delaware Entity'). As a result of the merger, each outstanding share of the New Jersey Entity's Common Stock will convert into shares of the Delaware Entity's Common Stock. In addition, each outstanding option to purchase Common Stock of the New Jersey Entity will convert into an option to purchase Common Stock of the Delaware Entity at a for ratio.

3. PRO FORMA NET INCOME (LOSS) PER SHARE (UNAUDITED)

Pro forma net income (loss) per share was calculated using the pro forma weighted average number of shares of common stock and dilutive common stock equivalent shares ('CSEs') from stock options using the treasury stock method assuming a price of $__ per share. Pursuant to the Securities and Exchange Commission SAB Topic 4-D, common stock and CSEs issued at prices below the expected public offering price during the

3. PRO FORMA NET INCOME (LOSS) PER SHARE (UNAUDITED)--(CONTINUED)
period prior to the Company's planned offering have been included in the computation of pro forma weighted average number of shares regardless of whether they are dilutive and as if they were outstanding from the beginning of the period.

The following unaudited table shows the calculation of pro forma weighted average shares outstanding as of December 31, 1997:

<TABLE>
<CAPTION>

	# OF SHARES
<S>	<C>
Common Stock.....	
Stock Options.....	
Pro Forma Weighted Average Shares Outstanding.....	

</TABLE>

Under the requirements of Statement of Financial Accounting Standards ('SFAS') No. 128, 'Earnings Per Share', basic net income (loss) per share is computed using the weighted average number of shares of common stock outstanding during the period and diluted net income (loss) per share is computed in a manner similar to which pro forma weighted average shares outstanding as of December 31, 1997 is calculated above with the exception that common stock equivalents would be included from the date of issuance and, in any event, only if they were dilutive.

Had the Company calculated basic and diluted earnings per share pursuant to the requirements of SFAS No. 128, basic and diluted earnings per share would have been the following for the period ended December 31, 1997:

<TABLE>
<CAPTION>

	DECEMBER 31, 1997
<S>	<C>
Basic earnings per share.....	
Diluted earnings per share.....	

</TABLE>

4. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment consists of the following:

<TABLE>
<CAPTION>

	DECEMBER 31,	
	1996	1997
<S>	<C>	<C>
Furniture and fixtures	$ 38,175	$ 81,759
Office equipment	176,366	217,796
Computer equipment	600,200	805,353
Leasehold improvements	18,693	18,693
Total Property, Plant and Equipment	833,434	1,123,601
Less accumulated depreciation and amortization	438,372	576,224
Property, Plant and Equipment, net	$395,062	$ 547,377

</TABLE>

5. OPERATING LEASES

The Company leases facilities and certain equipment under agreements classified as operating leases. Lease expense under these agreements for the twelve months ended December 31, 1995, 1996 and 1997 were $139,070, $165,020 and $182,353, respectively. The Company's facilities lease expires on April 29, 1998. The Company has entered into a new lease to take effect May 1, 1998 for a term of 66 months with an option to extend for an additional five years.

5. OPERATING LEASES--(CONTINUED)

The following is a schedule by year of the future minimum lease payments as of December 31, 1997 required under these agreements:

<TABLE>

<S>	<C>
1998	$ 368,506
1999	581,954
2000	558,075
2001	550,688
2002	550,687
Thereafter	525,656
Total	$ 3,135,566

</TABLE>

6. SIGNIFICANT CUSTOMERS

During 1995, 1996 and 1997, the Company had several significant customers for which it provided services under specific contractual arrangements. The following sets forth the revenue generated by customers who accounted for more than 10% of the Company's revenue during each of the periods presented.

<TABLE>
<CAPTION>

	YEARS ENDED DECEMBER 31,		
CUSTOMERS	1995	1996	1997
<S>	<C>	<C>	<C>
A	$7,736,949	$9,878,375	$13,501,927
B	*	*	12,253,147
C	3,073,356	5,456,868	10,543,052

D	1,861,630	5,389,530	*
E	*	6,925,230	*
F	2,758,620	*	*

- ----------
* Less than 10% of revenue.

At December 31, 1996 and 1997, these customers represented 98.3% and 79.5%, respectively, of outstanding receivables and unbilled services. The loss of any one of the foregoing customers could have a material adverse effect on the Company's financial position, results of operations or cash flows.

7. BORROWINGS

On January 7, 1997, the Company entered into a $100,000 note payable agreement with a commercial bank with an interest rate of 8.25% maturing on January 7, 2000. The note is collateralized by all present and future assets of the Company and a personal guarantee by the majority shareholder. Payments of $3,145, including principal and interest, are payable monthly. In addition the Company has a $500,000 line of credit from the bank under which interest would be payable monthly on the outstanding balance at a floating rate equal to 1% above the prime rate. The Company has also obtained a commitment from the bank for a $1 million line of credit, the proceeds of which are to be used exclusively for capital expenditures. This line would be for a term of nine months and would bear interest payable monthly at a floating rate equal to 0.75% above the prime rate. At the end of the nine months, any outstanding balance would be payable in 60 equal monthly installments of principal and interest computed at a rate of 0.75% above the prime rate on the date of conversion.

As of December 31, 1997, the Company has not drawn on either line. Both lines are secured collateralized by a lien on all of the assets of the Company and the personal guaranty of the Company's majority shareholder. In addition, if the Company were to draw on such lines, it could be subject to certain restrictive financial covenants and other customary provisions found in commercial loan documentation. Committment fees associated with the lines are immaterial.

8. RELATED PARTY TRANSACTIONS

In 1996 and 1997, the Company purchased certain print advertising for initial recruitment of representatives through a company that was wholly owned by the Company's majority shareholder. Additionally, the Company also provided administrative services to this affiliate. The net amounts charged to the Company for these purchases amounted to $671,810 and $1,564,606 for the years ended December 31, 1996 and 1997. As of December 31, 1996 and 1997, the amounts payable to affiliate totaled $284,877 and $146,018, respectively. The Company also made advances to this affiliate in 1996. As of December 31, 1996 and 1997, the amounts due the Company as a result of these advances were $369,204 and $173,179, respectively.

9. LOAN TO SHAREHOLDER

As of December 31, 1996 and 1995, the Company had loans of $10,340 to its then sole shareholder. Such loans were repaid in 1997.

10. RETIREMENT PLANS

In 1995, 1996 and 1997, the Company provided its employees with a qualified profit sharing plan with 401(k) features. The Company made contributions of $58,667, $99,917 and $172,310 to this plan for the years ended December 31, 1995, 1996 and 1997, respectively.

Effective January 1, 1997, the Company has committed to make mandatory contributions to the 401(k) plan. This commitment requires contributions from the Company each year equal to 100% of the amount contributed by each employee up to 2% of the employee's wages. Any additional contribution to the plan is at

the discretion of the Company.

11. COMMITTMENTS AND CONTINGENCIES

The Company is engaged in the business of detailing pharmaceutical products. Such activities could expose the Company to risk of liability for personal injury or death to persons using such products, although the Company does not commercially market or sell the products to end users. While the Company has not been subject to any claims or incurred any liabilities due to such claims, there can be no assurance that substantial claims or liabilities will not arise in the future. The Company seeks to reduce its potential liability through measures such as contractual indemnification provisions with clients (the scope of which may vary from client to client, and the performances of which are not secured) and reliance on insurance maintained by clients. The Company could, however, also be held liable for errors and omissions of its employees in connection with the services it performs that are outside the scope of any indemnity. The Company could be materially and adversely affected if it were required to pay damages or incur defense costs in connection with a claim that is outside the scope of the indemnification agreements; if the indemnity, although applicable, is not performed in accordance with its terms; or if the Company's liability exceeds the amount of applicable insurance or indemnity. The Company currently does not carry product liability insurance and is not insured against the errors and omissions of its employees.

From time to time the Company is involved in litigation incidental to its business. The Company is not currently a party to any pending litigation which, if decided adversely to the Company, would have a material adverse effect on the business, financial condition or results of operations of the Company and the Company is not aware of any material threatened litigation.

12. STOCK GRANT

In January of 1997, the Company issued 15 shares of its Common Stock to its President and Chief Operating Officer. As a result, he owned 15.0% of the Company's outstanding shares of common stock at that time (taking into account the issuance of such shares).

12. STOCK GRANT--(CONTINUED)

This grant of stock was in consideration of services performed on behalf of the Company. The value of the shares was determined by an independent appraiser to be $4,050,000 utilizing standard valuation techniques used to value businesses including discounted cash flow and comparable transactions. The Company has recognized $4,470,000 in compensation and related expenses in the first quarter of 1997.

13. STOCK OPTION PLAN

Effective in January of 1997, the Company adopted its 1997 Stock Option Plan (the 'Plan'). A total of 1 share of common stock has been reserved for issuance under the Plan. Pursuant to the Plan, the Company may grant incentive stock options and nonqualified options to eligible officers, directors and key employees and consultants of the Company. The selection of participants, allotment of shares, determination of price and other conditions relating to the granting of options is currently determined by the Company's shareholders. As of December 31, 1997 there were .1 shares remaining in the Plan which were available for future grant.

Options granted under the Plan, once vested, are exercisable for a period of up to 10 years from the date of grant at an exercise price which is not less than 100% of the fair market value of the Common Stock on the date of grant, unless otherwise determined by the Company's shareholders.

During 1997, there were two grants of stock options to officers of the Company, one in January for .525 shares at an exercise price of $63,000 and one in March for .375 shares at an exercise price of $45,000. Both grants expire on December 31, 2005. In connection with the grant of such options, the Company will amortize $143,852 of compensation expense over the expected vesting period.

The options are expected to vest as follows: one-third shall be exercisable on the earlier of June 30, 1998 or the date of the initial public offering (the 'Initial Exercise Date'), another third shall become exercisable on the first anniversary of the Initial Exercise Date and the final third become exercisable on the second anniversary of the Initial Exercise Date. As of December 31, 1997, none of the options were exercisable as the public offering had not yet taken place and $42,030 of compensation expense has been recognized. The weighted-average remaining contractual life of the outstanding options was 6.9 years. There were no options granted for any period prior to December 31, 1996.

Had compensation cost for the Company's stock option grants been determined for awards consistent with the fair value approach of Statement of Financial Accounting Standard No. 123, 'Accounting for Stock Based Compensation,' which requires recognition of compensation cost ratably over the vesting period of the underlying instruments, the Company's net loss would have been increased to the pro forma amounts indicated below:

<TABLE>
<CAPTION>

	1997
<S>	<C>
Net loss--As reported	(2,948,823)
Net loss--Pro forma	(2,957,075)
Basic Earnings Per Share--as reported	
Basic Earnings Per Share--Pro forma	
Diluted Earnings per share--as reported	
Diluted Earnings per share--Pro forma	

</TABLE>

Compensation cost for the determination of Net income--Pro forma and related per share amounts were estimated using a minimum value approach with an option pricing model and the following assumptions (i) risk free interest rate 6.27%, (ii) expected life 5 years, (iii) expected dividends--0. The fair value of options granted during 1997 was $172,169.

14. PRO FORMA INFORMATION (UNAUDITED)

Pro Forma Provision For (Benefit From) Income Tax

The accompanying financial statements reflect a provision/benefit for income taxes on a pro forma basis as if the Company were subject to Federal and New Jersey state income taxes as a taxable corporate entity throughout the years presented. The pro forma income tax provision is based upon the statutory rates in effect for C Corporations during the periods presented.

Certain events, including the public offering of the Company's common stock, will automatically terminate the Company's S Corporation status, thereby subjecting future income to Federal and New Jersey state income taxes. Due to temporary differences in the recognition of revenue and expenses, income for financial reporting purposes has exceeded income for income tax purposes. Accordingly, the application of the provisions of SFAS No. 109, 'Accounting for Income Taxes' will result in the recognition of a net deferred tax liability (and a corresponding one-time charge to expense) in the period in which the initial public offering occurs. If the S Corporation status had been terminated as of December 31, 1997, this amount would have been immaterial.

Pro Forma Balance Sheet

The December 31, 1997 pro forma balance sheet as set forth herein reflects the estimated distribution as of December 31, 1997 of $675,721 to the Company's shareholders immediately prior to the public offering. Such distribution is assumed to be funded by the Company's cash on hand as if distribution was made on December 31, 1997.

15. NEW ACCOUNTING PRONOUNCEMENTS

Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income, was issued in June 1997 and is effective for fiscal years beginning after December 15, 1997. This pronouncement establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. The Company will adopt this pronouncement in 1998 and does not expect its implementation will have a material effect on the Company's financial statements as currently presented.

Statement of Financial Accounting Standards No. 131, Disclosures About Segments of an Enterprise and Related Information, was also issued in June 1997 and is effective for fiscal periods beginning after December 15, 1997. This pronouncement establishes the way in which publicly held business enterprises report information about operating segments in annual financial statements and interim reports to stockholders. As the Company operates in a single business segment the implementation of this standard is not expected to significantly impact the Company's financial statements as currently presented.

[LOGO]

PROFESSIONAL DETAILING, INC.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Expenses in connection with the issuance and distribution of the Securities being registered hereunder, other than underwriting discounts and commissions, are estimated below.

<TABLE>
<S> <C>
SEC registration fee..... $13,570
NASD filing fee..... *
Nasdaq National Market listing fee..... *
Printing and engraving costs..... *
Accounting fees and expenses..... *
Legal fees and expenses..... *
State securities law fees and expenses including fees of counsel..... *
Transfer Agent and Registrar fees and expenses..... 3,500
Miscellaneous..... *
Total..... $ *
</TABLE>

- ----------

* To be provided by amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Underwriting Agreement provides for reciprocal indemnification between the Company and its controlling persons, on the one hand, and the Underwriters and their respective controlling persons, on the other hand, against certain liabilities in connection with this Offering, including liabilities under the Securities Act of 1933, as amended (the 'Securities Act').

The Registrant's Certificate of Incorporation and By-Laws provide that the Registrant shall indemnify its directors to the full extent permitted by the General corporation Law of the State of Delaware (the 'DGCL') and may indemnify its officers and employees to such extent, except that the Registrant shall not be obligated to indemnify any such person with respect to proceedings, claims or actions initiated or brought voluntarily by any such person and not by way of defense, or for any amounts paid in settlement of an action indemnified against by the Registrant without the prior written consent of the Registrant. The Registrant intends to enter into indemnity agreements with each of its directors. These agreements may require the Registrant, among other things, to

indemnify such directors against certain liabilities that may arise by reason of their status or service as directors, and to advance expenses to them as they are incurred, provided that they undertake to repay the amount advanced if it is ultimately determined by a court that they are not entitled to indemnification, and to obtain directors' liability insurance if available on reasonable terms.

In addition, the Registrant's Certificate of Incorporation provides that a director of the Registrant shall not be personally liable to the Registrant or its stockholders for monetary damages for breach of his or her fiduciary duty as director, except for liability (i) for any breach of the directors' duty or loyalty to the Registrant or its stockholders, (ii) for acts or omissions not in good faith or which are intentional misconduct or a knowing violation of law, (iii) for willful or negligent conduct in paying dividends or repurchasing stock out of any other lawfully available funds or (iv) for any transaction from which the director derives an improper personal benefit.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

During the past three years the Company issued the following unregistered securities:

On January 1, 1997 the Company issued shares of its Common Stock representing 15% of the total number of shares then outstanding to its then President and Chief Operating Officer, Charles T. Saldarini. The transaction described above did not involve a public offering of the Registrant's securities and was exempt from the registration requirements of the Securities Act pursuant to Section 4(2) thereof and by reason of Regulation D under the Securities Act.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits:

<TABLE>
<CAPTION>

EXHIBIT NO.	DESCRIPTION
1.1	Form of Underwriting Agreement
2.1	Merger Agreement between Professional Detailing, Inc., a New Jersey corporation, and Professional Detailing Inc., a Delaware corporation*
3.1	Certificate of Incorporation of Professional Detailing, Inc.
3.2	By-Laws of Professional Detailing, Inc.
4.1	Specimen Certificate Representing the Common Stock*
5.1	Form of Opinion of Morse, Zelnick, Rose & Lander, LLP*
10.1	1998 Stock Option Plan*
10.2	Office Lease between IB Brell, L.P. (Landlord) and Professional Detailing, Inc. (Tenant) and amendment thereto
10.3	Employment Agreement between the Company and Charles T. Saldarini*
10.4	Employment Agreement between the Company and John P. Dugan*
10.5	Employment Agreement between the Company and Steven K. Budd*
10.6.	Employment Agreement between the Company and Bernard C. Boyle*
23.1	Consent of Coopers & Lybrand L.L.P.
23.2	Consent of Morse, Zelnick, Rose & Lander, LLP (included in Exhibit 5.1)*
23.3	Consent of Farkas & Manelli, P.L.L.C.

24 Power of Attorney (included in signature page)

27 Financial Data Schedule

99.1 Consent of Director Nominee (John M. Pietruski)

99.2 Consent of Director Nominee (Jan Martens Vecsi)

99.3 Consent of Director Nominee (Gerald J. Mossinghoff)
</TABLE>

- ----------
* To be filed by amendment

ITEM 17. CERTAIN UNDERTAKINGS

A. The undersigned Registrant hereby undertakes to provide to the Underwriters at the closing specified in the Underwriting Agreement, certificates in such denominations and registered in such names as required by the Underwriters to permit prompt delivery to each purchaser.

B. The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the Offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Mahwah, State of New Jersey, on the 13th day of February, 1998.

PROFESSIONAL DETAILING, INC.

By: /s/ Charles T. Saldarini

Charles T. Saldarini,
President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears

below constitutes and appoints Charles T. Saldarini, and Kenneth S. Rose, or any one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all pre- or post- effective amendments to this Registration Statement, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any one of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated and on the 13th day of February, 1998.

<TABLE>
<CAPTION>

SIGNATURE	TITLE
<S>	<C>
/s/ JOHN P. DUGAN John P. Dugan	Chairman of the Board of Directors
/s/ CHARLES T. SALDARINI Charles T. Saldarini	President, Chief Executive Officer and Director
/s/ BERNARD C. BOYLE Bernard C. Boyle	Chief Financial Officer (Principal Accounting Officer)

</TABLE>

EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NO.	DESCRIPTION
<S>	<C>
1.1	Form of Underwriting Agreement
2.1	Merger Agreement between Professional Detailing, Inc., a New Jersey corporation, and Professional Detailing Inc., a Delaware corporation*
3.1	Certificate of Incorporation of Professional Detailing, Inc.
3.2	By-Laws of Professional Detailing, Inc.
4.1	Specimen Certificate Representing the Common Stock*
5.1	Form of Opinion of Morse, Zelnick, Rose & Lander, LLP*
10.1	1998 Stock Option Plan*
10.2	Office Lease between IB Brell, L.P. (Landlord) and Professional Detailing, Inc. (Tenant) and amendment thereto
10.3	Employment Agreement between the Company and Charles T. Saldarini*
10.4	Employment Agreement between the Company and John P. Dugan*
10.5	Employment Agreement between the Company and Steven K. Budd*
10.6.	Employment Agreement between the Company and Bernard C. Boyle*

23.1 Consent of Coopers & Lybrand L.L.P.

23.2 Consent of Morse, Zelnick, Rose & Lander, LLP (included in Exhibit 5.1)*

23.3 Consent of Farkas & Manelli, P.L.L.C.

24 Power of Attorney (included in signature page)

27 Financial Data Schedule

99.1 Consent of Director Nominee (John M. Pietruski)

99.2 Consent of Director Nominee (Jan Martens Vecsi)

99.3 Consent of Director Nominee (Gerald J. Mossinghoff)
</TABLE>

- ----------
* To be filed by amendment

_____ Shares

PROFESSIONAL DETAILING, INC.

COMMON STOCK, $.01 PAR VALUE

UNDERWRITING AGREEMENT

_____, 1998

_____, 1998

Morgan Stanley & Co. Incorporated
William Blair & Company, L.L.C.
Hambrecht & Quist L.L.C.
c/o Morgan Stanley & Co. Incorporated
1585 Broadway
New York, New York 10036

Dear Sirs and Mesdames:

PROFESSIONAL DETAILING, INC., a Delaware corporation (the "Company"), proposes to issue and sell to the several Underwriters named in Schedule I hereto (the "Underwriters") _____ shares of its Common Stock, $.01 par value (the "Firm Shares"). The Company also proposes to issue and sell to the several Underwriters not more than an additional _____ shares of its Common Stock, $.01 par value (the "Additional Shares") if and to the extent that you, shall have determined to exercise, on behalf of the Underwriters, the right to purchase such shares of common stock granted to the Underwriters in Section 2 hereof. The Firm Shares and the Additional Shares are hereinafter collectively referred to as the "Shares". The shares of Common Stock, $.01 par value of the Company to be outstanding after giving effect to the sales contemplated hereby are hereinafter referred to as the "Common Stock."

As part of the offering contemplated by this Agreement, Morgan Stanley & Co. Incorporated ("Morgan Stanley") has agreed to reserve out of the Shares set forth opposite its name on Schedule II to this Agreement, up to _____ shares, for sale to the Company's employees, officers, and

directors and other parties associated with the Company (collectively, "Participants"), as set forth in the Prospectus under the heading "Underwriting" (the "Directed Share Program"). The Shares to be sold by Morgan Stanley pursuant to the Directed Share Program (the "Directed Shares") will be sold by Morgan Stanley pursuant to this Agreement at the public offering price. Any Directed Shares not orally confirmed for purchase by any Participants by the end of the first business day after the date on which this Agreement is executed will be offered to the public by Morgan Stanley as set forth in the Prospectus.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement, including a Prospectus, relating to the Shares. The registration statement as amended at the time it becomes effective, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A under the Securities Act of 1933, as amended (the "Securities Act"), is hereinafter referred to as the "Registration Statement"; the prospectus in the form first used

to confirm sales of Shares is hereinafter referred to as the "Prospectus." If the Company has filed an abbreviated registration statement to register additional shares of Common Stock pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement.

1. Representations and Warranties. The Company represents and warrants to and agrees with each of the Underwriters that:

(a) The Registration Statement has become effective; no stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose are pending before or threatened by the Commission.

(b) (i) The Registration Statement, when it became effective, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder and (iii) the Prospectus does not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph 1(b) do not apply to statements or omissions in the Registration Statement or the Prospectus based upon information

relating to any Underwriter furnished to the Company in writing by such Underwriter through you expressly for use therein.

(c) The merger of Professional Detailing Inc., a New Jersey corporation (the "Predecessor Corporation"), with and into the Company has become effective and the Company is the successor by merger to all property, rights, privileges, powers and franchises of the Predecessor Corporation.

(d) The Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its property and to conduct its business as described in the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company.

(e) This Agreement has been duly authorized, executed and delivered by the Company.

(f) The authorized capital stock of the Company conforms as to legal matters to the description thereof contained in the Prospectus.

(g) The shares of Common Stock outstanding prior to the issuance of the Shares have been duly authorized and are validly issued, fully paid and non-assessable.

(h) The Shares have been duly authorized and, when issued and

delivered in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares will not be subject to any preemptive or similar rights.

(i) The execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or by-laws of the Company or any agreement or other instrument binding upon the Company that is material to the Company, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by the Company of its obligations under this Agreement, except such as may be required by the securities or Blue Sky laws of the various states in connection with the offer and sale of the Shares.

(j) There has not occurred any material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company from that set forth in the Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement).

(k) There are no legal or governmental proceedings pending or threatened to which the Company is a party or to which any of the properties of the Company is subject that are required to be described in the Registration Statement or the Prospectus and are not so described or any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(l) Each preliminary prospectus filed as part of the registration statement as originally filed or as part of any amendment thereto, or filed pursuant to Rule 424 under the Securities Act, complied when so filed in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder.

(m) The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Prospectus, will not be an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(n) The Company (i) is in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a material adverse effect on the Company.

(o) There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or

compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential

liabilities to third parties) which would, singly or in the aggregate, have a material adverse effect on the Company.

(p) Subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, (i) the Company has not incurred any material liability or obligation, direct or contingent, nor entered into any material transaction not in the ordinary course of business; (ii) the Company has not purchased any of its outstanding capital stock, nor declared, paid or otherwise made any dividend or distribution of any kind on its capital stock other than ordinary and customary dividends; and (iii) there has not been any material change in the capital stock, short-term debt or long-term debt of the Company, except in each case as described in or contemplated by the Prospectus.

(q) The Company has good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them which is material to the business of the Company, in each case free and clear of all liens, encumbrances and defects except such as are described in the Prospectus or such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company; and any real property and buildings held under lease by the Company is held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings

by the Company, in each case except as described in or contemplated by the Prospectus.

(r) The Company owns or possesses, or can acquire on reasonable terms, all material patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names currently employed by them in connection with the business now operated by them and necessary for the conduct of its business as described in the Prospectus, and the Company has not received any notice of, and has no knowledge of, any infringement of or conflict with asserted rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could have a material adverse effect on the Company.

(s) No material labor dispute with the employees of the Company exists, except as described in or contemplated by the

Prospectus, or, to the knowledge of the Company, is imminent; and the Company is not aware of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors that could result in any material adverse effect on the Company.

(t) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; the Company has not been refused any insurance coverage sought or applied for; and the Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that could not have a material adverse effect on the Company, except as described in the Prospectus.

(u) The Company possesses all certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, and the Company has not received any notice of proceedings relating to the

revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could have a material adverse effect on the Company, except as described in the Prospectus.

(v) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific

authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(w) The accountants who have certified or shall certify the financial statements filed or to be filed with the Commission as part of the Registration Statement and the Prospectus are independent accountants as required by the Securities Act. The consolidated financial statements of the Company (together with the related notes thereto) included in the Registration Statement present fairly the financial position and results of operations of the Company at the respective dates and for the respective periods to which they apply,

subject to normal year-end adjustments. Such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise stated therein. The pro forma financial information of the Company included in the Registration Statement has been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements, has been properly compiled on the bases described therein and, in the opinion of the Company, the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein.

(x) The Shares have been approved for quotation on the Nasdaq National Market, subject to official notice of issuance.

(y) Except as described in the Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company or to require the Company to include such securities with the Shares registered pursuant to the Registration Statement. All persons who possess such rights have effectively waived them with respect to the offering of the Shares.

(aa) The Predecessor Corporation made a timely and valid election to be treated as an "S corporation" for all federal and state law tax purposes on January 1, 1991, at all times the Predecessor Corporation has been duly qualified as an "S Corporation" for all federal and state law tax purposes since that date and will so qualify for all periods until the Closing Date, as hereinafter defined, and, prior to the Closing Date, such S corporation election has not and will not be terminated or revoked pursuant to Section 1362 of the Internal Revenue Code of 1986, as amended.

(bb) The Company has not and will not distribute to any of its stockholders any amount in excess of such stockholder's [Subchapter S Distribution] (as such term is defined in the Prospectus).

Furthermore, the Company represents and warrants to Morgan Stanley that (i) the Registration Statement, the Prospectus and any preliminary prospectus comply, and any further amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Prospectus or any preliminary prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program, and that (ii) no authorization, approval, consent, license, order, registration or qualification of or with any government, governmental instrumentality or court, other than

such as have been obtained, is necessary under the securities laws and regulations of foreign jurisdictions in which the Directed Shares are offered outside the United States.

2. Agreements to Sell and Purchase. The Company hereby agrees to sell to the several Underwriters, and each Underwriter, upon the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agrees, severally and not jointly, to purchase from the Company the respective numbers of Firm Shares set forth in Schedule I hereto opposite its names at U.S.$_____ a share ("Purchase Price").

On the basis of the representations and warranties contained in this Agreement, and subject to its terms and conditions, the Company agrees to sell to the Underwriters the Additional Shares, and the Underwriters shall have a one-time right to purchase, severally and not jointly, up to _____ Additional Shares at the Purchase Price. If you, on behalf of the Underwriters, elect to exercise such option, you shall so notify the Company in writing not later than 30 days after the date of this Agreement, which notice shall specify the number of Additional Shares to be purchased by the Underwriters and the date on which such shares are to be purchased. Such date may be the same as the Closing Date but not earlier than the Closing Date nor later than ten business days after the date of such notice. Additional Shares may be purchased as provided in Section 4 hereof solely for the purpose of covering over-allotments made in connection with the offering of the Firm Shares. If any Additional Shares are to be purchased, each Underwriter agrees, severally and not jointly, to purchase the number of Additional Shares (subject to such adjustments to eliminate fractional shares as you may determine) that bears the same proportion to the total number of Additional Shares to be purchased as the number of Firm Shares set forth in Schedule I hereto opposite the name of such Underwriter bears to the total number of Firm Shares.

The Company hereby agrees that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, during the period ending 180 days after the date of the Prospectus, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the Shares to be sold hereunder or (B) the issuance by the Company of shares of

Common Stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof of which the Underwriters have been advised in writing.

3. Terms of Public Offering. The Company is advised by you that the

Underwriters propose to make a public offering of their respective portions of the Shares as soon after the Registration Statement and this Agreement have become effective as in your judgment is advisable. The Company is further advised by you that the Shares are to be offered to the public initially at U.S.$_____ a share (the "Public Offering Price") and to certain dealers selected

by you at a price that represents a concession not in excess of U.S.$____ a share under the Public Offering Price, and that any Underwriter may allow, and such dealers may reallow, a concession, not in excess of U.S.$____ a share, to any Underwriter or to certain other dealers.

4. Payment and Delivery. Payment for the Firm Shares shall be made to the Company in Federal or other funds immediately available in New York City against delivery of such Firm Shares for the respective accounts of the several Underwriters at 10:00 a.m., New York City time, on _____, 1998, or at such other time on the same or such other date, not later than _____, 1998, as shall be designated in writing by you. The time and date of such payment are hereinafter referred to as the "Closing Date". The Closing of the offering and sale of the Firm Shares will be held at the Offices of Ropes & Gray, 885 Third Avenue, New York, NY 10022.

Payment for any Additional Shares shall be made to the Company in Federal or other funds immediately available in New York City against delivery of such Additional Shares for the respective accounts of the several Underwriters at 10:00 a.m., New York City time, on the date specified in the notice described in Section 2 or at such other time on the same or on such other date, in any event not later than _____, 1998, as shall be designated in writing by you. The time and date of such payment are hereinafter referred to as the "Option Closing Date." The Closing of the offering and sale of the Additional Shares will be held at the Offices of Ropes & Gray, 885 Third Avenue, New York, NY 10022.

Certificates for the Firm Shares and Additional Shares shall be in definitive form and registered in such names and in such denominations as you shall request in writing not later than one full business day prior to the Closing Date or the Option Closing Date, as the case may be. The certificates evidencing the Firm Shares and Additional Shares shall be delivered to you on the Closing Date or the Option Closing Date, as the case may be, for the respective accounts of the several Underwriters, with any transfer taxes payable in connection with the transfer of the Shares to the Underwriters duly paid, against payment of the Purchase Price therefor.

5. Conditions to the Underwriters' Obligations. The obligations of the Company to sell the Shares to the Underwriters and the several obligations of the Underwriters to purchase and pay for the Shares on the Closing Date are subject to the condition that the

Registration Statement shall have become effective not later than 5:30 p.m. (New York City time) on the date hereof.

The several obligations of the Underwriters are subject to the

following further conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date:

(i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the Company's securities by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) under the Securities Act; and

(ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company, from that set forth in the Prospectus (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement) that, in your judgment, is material and adverse and that makes it, in your judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

(b) The Underwriters shall have received on the Closing Date a certificate, dated the Closing Date and signed by an executive officer of the Company, to the effect set forth in clause 5(a)(i) above and to the effect that the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date and that the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) The Underwriters shall have received on the Closing Date an opinion of Morse, Zelnick, Rose & Lander, L.L.P., outside counsel for the Company, dated the Closing Date, to the effect that:

(i) the Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its property and to conduct its business as described in the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the

conduct of its business or its ownership or leasing of property requires such qualification, except to the extent

that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company and;

(ii) the merger of Professional Detailing Inc., a New Jersey corporation, with and into the Company has become effective in accordance with New Jersey and Delaware law.

(iii) the authorized capital stock of the Company conforms as to legal matters to the description thereof contained in the Prospectus;

(iv) the shares of Common Stock outstanding prior to the issuance of the Shares have been duly authorized and are validly issued, fully paid and non-assessable;

(v) the Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares will not be subject to any preemptive or similar rights;

(vi) this Agreement has been duly authorized, executed and delivered by the Company;

(vii) the execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement will not contravene the certificate of incorporation or by-laws of the Company or, to the best of such counsel's knowledge, any provision of applicable law, any agreement or other instrument binding upon the Company that is material to the Company, or, to the best of such counsel's knowledge, any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company, and no consent, approval, authorization or order of, or qualification with, any governmental body or agency is required for the performance by the Company of its obligations under this Agreement, except such as may be required by the securities or Blue Sky laws of the various states in connection with the offer and sale of the Shares by the Underwriters as to which such counsel need express no opinion;

(viii) the statements (A) in the Prospectus under the captions "Business - Contracts and Clients," "Shares Eligible

for Future Sale," "Description of Capital Stock" and "Underwriters" and (B) in the Registration Statement in Items 14 and 15, in each case insofar as such statements constitute summaries of the legal matters, documents or proceedings referred to therein, fairly present the information called for with respect to such legal matters,

documents and proceedings and fairly summarize the matters referred to therein;

(ix) after due inquiry, such counsel does not know of any legal or governmental proceedings pending or threatened to which the Company is a party or to which any of the properties of the Company is subject that are required to be described in the Registration Statement or the Prospectus and are not so described or of any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required;

(x) the Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Prospectus, will not be an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(xi) to the best of such counsel's knowledge, the Company (A) is in compliance with any and all applicable Environmental Laws, (B) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (C) is in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a material adverse effect on the Company; and

(xii) such counsel (A) is of the opinion that the Registration Statement and Prospectus (except for financial statements and schedules and other financial and statistical data included therein as to which such counsel need not express any opinion) comply as to form in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (B) has no reason to believe that (except for financial statements and schedules and other financial and statistical data as to which such counsel need not express any belief) the Registration Statement and the prospectus included therein at the time the Registration Statement became effective contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (C) has no reason to believe that (except for financial statements and schedules and other financial and statistical data as to which such counsel need not express any belief) the Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they

were made, not misleading.

(d) The Underwriters shall have received on the Closing Date an opinion of Farkas & Manelli, P.L.L.C., regulatory counsel to the

Company, dated the Closing Date to the effect that:

(i) The statements under the captions "Risk Factors-Government Regulation" and "Business--Government and Industry Regulation" in the Prospectus, insofar as such statements constitute a summary of documents referred to therein or matters of law, fairly summarize in all material respects the information called for with respect to such documents and matters.

(e) The Underwriters shall have received on the Closing Date an opinion of Ropes & Gray, counsel for the Underwriters, dated the Closing Date, covering the matters referred to in subparagraphs (v), (vi), (viii) (but only as to the statements in the Prospectus under "Description of Capital Stock" and "Underwriters") and (xii) of paragraph (c) above.

With respect to subparagraph (xii) of paragraph (c) above, Morse, Zelnick, Rose & Lander, L.L.P. and Ropes & Gray may state that their opinion and belief are based upon their participation in the preparation of the Registration Statement and Prospectus and any amendments or supplements thereto and review and discussion of the contents thereof, but are without independent check or verification, except as specified.

The opinion of Morse, Zelnick, Rose & Lander, L.L.P. and Farkas & Manelli, P.L.L.C. described in paragraphs 5(c) and 5(d), respectively, shall be rendered to the Underwriters at the request of the Company and shall so state therein.

(f) The Underwriters shall have received, on each of the date hereof and the Closing Date, a letter dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Underwriters, from Coopers & Lybrand, L.L.P. independent public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than the date hereof.

(g) The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between you and certain shareholders, officers and directors of the Company relating to sales and certain other dispositions of shares of Common Stock or certain other securities, delivered to you on or before the date hereof, shall be in full force and effect on the Closing Date.

(h) The several obligations of the Underwriters to purchase Additional Shares hereunder are subject to the delivery to you on the Option Closing Date of such

documents as you may reasonably request with respect to the good standing of the Company, the due authorization and issuance of the Additional Shares and other matters related to the issuance of the Additional Shares.

(i) The Shares shall have been approved for quotation through the Nasdaq National Market.

(j) The Company shall have entered into a Tax Indemnification Agreement with John P. Dugan and Charles T. Saldarini (each a "Stockholder" and collectively, the "Stockholders") in a form acceptable to the Underwriters and their counsel (the "Tax Indemnification Agreement").

6. Covenants of the Company. In further consideration of the agreements of the Underwriters herein contained, the Company covenants with each Underwriter as follows:

(a) To furnish to you, without charge, four signed copies of the Registration Statement (including exhibits thereto) and for delivery to each other Underwriter a conformed copy of the Registration Statement (without exhibits thereto) and to furnish to you in New York City, without charge, prior to 10:00 a.m. New York City time on the business day next succeeding the date of this Agreement and during the period mentioned in paragraph 6(c) below, as many copies of the Prospectus and any supplements and amendments thereto or to the Registration Statement as you may reasonably request.

(b) Before amending or supplementing the Registration Statement or the Prospectus, to furnish to you a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which you reasonably object, and to file with the Commission within the applicable period specified in Rule 424(b) under the Securities Act any prospectus required to be filed pursuant to such Rule.

(c) If, during such period after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters the Prospectus is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Prospectus to

comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to the dealers (whose names and addresses you will furnish to the Company) to which Shares may have been sold by you on behalf of the Underwriters and to any other dealers upon request, either amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not, in the light of the

circumstances when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus, as amended or supplemented, will comply with law.

(d) To endeavor to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as you shall reasonably request.

(e) To make generally available to the Company's security holders and to you as soon as practicable an earning statement covering the twelve-month period ending _____, 1998 that satisfies the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(f) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any preliminary prospectus, the Prospectus and amendments and supplements to any of the foregoing, including all printing costs associated therewith, and the mailing and delivering of copies thereof to the Underwriters and dealers, in the quantities hereinabove specified, (ii) all costs and expenses related to the transfer and delivery of the Shares to the Underwriters, including any transfer or other taxes payable thereon, (iii) the cost of printing or producing any Blue Sky or Legal Investment memorandum in connection with the offer and sale of the Shares under state securities laws and all expenses in connection with the qualification of the Shares for offer and sale under state securities laws as provided in paragraph 6(d) hereof, including filing fees and the reasonable fees and disbursements

of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky or Legal Investment memorandum, (iv) all filing fees and the reasonable fees and disbursements of counsel to the Underwriters incurred in connection with the review and qualification of the offering of the Shares by the National Association of Securities Dealers, Inc., (v) all fees and expenses in connection with the preparation and filing of the registration statement on Form 8-A relating to the Common Stock and all costs and expenses incident to

listing the Shares on the Nasdaq National Market, (vi) the cost of printing certificates representing the Shares, (vii) the costs and charges of any transfer agent, registrar or depositary, (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show, and (ix) all other costs and expenses incident to the performance of the obligations of

the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in this Section, Section 7 entitled "Indemnity and Contribution", and the last paragraph of Section 9 below, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, stock transfer taxes payable on resale of any of the Shares by them and any advertising expenses connected with any offers they may make.

(g) Not to amend, modify, terminate, waive or otherwise affect the rights or obligations of any party under, any provision of the Tax Indemnification Agreement (as defined in Section 5(j) above) without the prior written consent of Morgan Stanley.

(h) that in connection with the Directed Share Program, the Company will ensure that the Directed Shares will be restricted to the extent required by the National Association of Securities Dealers, Inc. (the "NASD") or the NASD rules from sale, transfer, assignment, pledge or hypothecation for a period of three months following the date of the effectiveness of the Registration Statement. Morgan Stanley will notify the Company as to which Participants will need to be so restricted. The Company will direct the transfer agent to place stop transfer restrictions upon such securities for such period of time.

(i) to pay all fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program.

Furthermore, the Company covenants with Morgan Stanley that the Company will comply with all applicable securities and other applicable laws, rules and regulations in each foreign jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

7. Indemnity and Contribution.

(a) The Company agrees to indemnify and hold harmless each

Underwriter and each person, if any, who controls any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, any preliminary prospectus or the Prospectus (as amended or supplemented if the Company

shall have furnished any amendments or supplements thereto), or caused by any omission or

alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information relating to any Underwriter furnished to the Company in writing by such Underwriter through you expressly for use therein;

(b) The Company agrees to indemnify and hold harmless Morgan Stanley and each person, if any, who controls Morgan Stanley within the meaning of either Section 15 of the Securities Act of Section 20 of the Exchange Act ("Morgan Stanley Entities"), from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) (i) caused by any untrue statement or alleged untrue statement of a material fact contained in the prospectus wrapper material prepared by or with the consent of the Company for distribution in foreign jurisdictions in connection with the Directed Share Program attached to the Prospectus or any preliminary prospectus, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statement therein, when considered in conjunction with the Prospectus or any applicable preliminary prospectus, not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of the shares which, immediately following the effectiveness of the Registration Statement, were subject to a properly confirmed agreement to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, provided that, the neither Company nor the Stockholders shall be responsible under this subparagraph (iii) for any losses, claim, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of Morgan Stanley Entities.

(c) Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors (including the

director nominees listed on Schedule II hereto), its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to such Underwriter, but only with reference to information relating to such Underwriter furnished to the Company in writing by such Underwriter through you expressly for use in the Registration Statement, any preliminary prospectus, the Prospectus or any amendments or supplements thereto.

(d) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to paragraph (a), (b) or (c) of this Section 7, such person (the "indemnified party") shall promptly notify the person against whom such indemnity may be sought (the "indemnifying party") in writing and the indemnifying party, upon request of the

indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the

retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by Morgan Stanley in the case of parties indemnified pursuant to paragraph (a) of this Section 7 and by the Company in the case of parties indemnified pursuant to paragraph (c) of this Section 7. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for

any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

Notwithstanding anything contained herein to the contrary, if indemnity may be sought pursuant to Section 7(b) hereof in respect of such action or proceeding, then in addition to such separate firm for the indemnified parties, the indemnifying party shall be liable for the reasonable fees and expenses of not more than one separate firm (in addition to any local counsel) for Morgan Stanley for the defense of any losses, claims, damages and liabilities arising out of the Directed Share Program,

and all persons, if any, who control Morgan Stanley within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act.

(e) To the extent the indemnification provided for in paragraph (a), (b) or (c) of this Section 7 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Shares or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering

of the Shares (before deducting expenses) received by the Company and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate Public Offering Price of the Shares. The relative fault of the Company on the one hand and the

Underwriters on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the respective number of Shares they have purchased hereunder, and not joint.

(f) The Company and the Underwriters agree that it would not be just or equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (f) of this Section 7. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the

public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(g) The indemnity and contribution provisions contained in this Section 7 and the representations, warranties and other statements of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter or by or on behalf of the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

8. Termination. This Agreement shall be subject to termination by notice given by you to the Company, if (a) after the execution and delivery of this Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the

New York Stock Exchange, the American Stock Exchange, the National Association of Securities Dealers, Inc., the Chicago Board of Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade, (ii) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either Federal or New York State authorities or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in your judgment, is material and adverse and (b) in the case of any of the events specified in clauses (a)(i) through (iv) of this Section 8, such event, singly or together with any other such event, makes it, in your judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

9. Effectiveness; Defaulting Underwriters. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If, on the Closing Date or the Option Closing Date, as the case may be, any one or more of the Underwriters shall fail or refuse to purchase Shares that it has or they have agreed to purchase hereunder on such date, and the aggregate number of Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate number of the Shares to be purchased on such date, the other Underwriters shall be obligated severally in the proportions that the number of Firm Shares set forth opposite their respective names in Schedule I bears to the aggregate number of Firm Shares set forth opposite the names of all such non-defaulting Underwriters, or in such other

proportions as you may specify, to purchase the Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date; provided that in no event shall the number of Shares that any Underwriter has agreed to purchase pursuant to this Agreement be increased pursuant to this Section 9 by an amount in excess of one-ninth of such number of Shares without the written consent of such Underwriter. If, on the Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Firm Shares and the aggregate number of Firm Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Firm Shares to be purchased, and arrangements satisfactory to you and the Company for the purchase of such Firm Shares are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter or the Company. In any such case either you or the Company shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement and in the Prospectus or in any other documents or arrangements may be effected. If, on the Option Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Additional Shares and the aggregate number of Additional Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Additional Shares to be purchased, the non-defaulting Underwriters shall have the option to (i) terminate their obligation hereunder to purchase Additional Shares or (ii) purchase not less than the number of Additional Shares

that such non-defaulting Underwriters would have been obligated to purchase in the absence of such default. Any action taken under this paragraph shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

If this Agreement shall be terminated by the Underwriters, or any of them, because of any failure or refusal on the part of the Company to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company shall be unable to perform its obligations under this Agreement, the Company will reimburse the Underwriters or such Underwriters as have so terminated this Agreement with respect to themselves, severally, for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by such Underwriters in connection with this Agreement or the offering contemplated hereunder.

10. Counterparts. This Agreement may be signed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

11. Applicable Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

12. Headings. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

Very truly yours,

PROFESSIONAL DETAILING, INC.

By:_____
Name:
Title:

Accepted as of the date hereof

MORGAN STANLEY & CO. INCORPORATED
WILLIAM BLAIR & COMPANY, L.L.C.
HAMBRECHT & QUIST L.L.C.

Acting severally on behalf of themselves
and the several Underwriters
named in Schedule I hereto.

By: Morgan Stanley & Co. Incorporated

By:_____
Name:
Title:

SCHEDULE I

UNDERWRITERS

Underwriter	Number of Firm Shares To Be Purchased
Morgan Stanley & Co. Incorporated	
William Blair & Company, L.L.C.	
Hambrecht & Quist L.L.C.	
[NAMES OF OTHER UNDERWRITERS]	
Total Firm Shares	==========

SCHEDULE II

DIRECTOR NOMINEES

John M. Pietruski
Jan Martens Vecsi
Gerald J. Mossinghoff

EXHIBIT A

_____, 1997

[FORM OF LOCK-UP LETTER]

Morgan Stanley & Co. Incorporated
William Blair & Company, L.L.C.
Hambrecht & Quist L.L.C.
c/o Morgan Stanley & Co. Incorporated
1585 Broadway
New York, NY 10036

Dear Sirs:

The undersigned understands that Morgan Stanley & Co. Incorporation ("Morgan Stanley"), as Representative of the several Underwriters, proposes to enter into an Underwriting Agreement (the "Underwriting Agreement") with Professional Detailing, Inc., a Delaware corporation (the "Company") providing for the public offering (the "Public Offering") by the several Underwriters, including Morgan Stanley (the "Underwriters"), of up to _____ shares (the "Shares") of the Common Stock ($.01 par value per share) of the Company (the "Common Stock").

To induce the Underwriters that may participate in the Public Offering to continue their efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, during the period commencing on the date hereof and ending 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock, or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of

the Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the sale of Shares to the underwriters pursuant to the Underwriting Agreement or (B) transactions relating to shares of Common Stock or other securities acquired in open market transactions after the completion of the Public Offering. In addition, the undersigned agrees that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, during the period commencing on the date hereof and ending 180 days after the date of the Prospectus, make any demand for or exercise any right with respect to, the registration of any shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock.

Whether or not the Public Offering actually occurs depends on a number of factors, including market conditions. Any Public Offering will only be made pursuant to an Underwriting Agreement, the terms of which are subject to agreement between the Company and the Underwriters.

Very truly yours,

(Name)

(Address)

CERTIFICATE OF INCORPORATION

OF

PROFESSIONAL DETAILING, INC.

The undersigned, being a natural person, solely for the purpose of organizing a corporation under the provisions and subject to the requirements of the laws of the State of Delaware (particularly Chapter 1, Title 8 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "General Corporation Law of the State of Delaware"), hereby certifies that:

FIRST: The name of the corporation is Professional Detailing, Inc. (hereinafter called the "Corporation").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 9 East Loockerman Street, Dover, Delaware 11901. The name of the registered agent of the Corporation at such address is National Registered Agents, Inc. The Corporation's principle executive offices are located at 599 MacArthur Boulevard, Mahwah, New Jersey 07430.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of all classes of stock which this Corporation shall have authority to issue is 35,000,000 shares, consisting of (i) 30,000,000 shares of Common Stock, $.01 par value per share ("Common Stock"), and (ii) 5,000,000 shares of Preferred Stock, $.01 par value per share ("Preferred Stock").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of this Corporation.

(a) COMMON STOCK.

1. General. All shares of Common Stock are of one class. All authorized and outstanding shares of Common Stock are to be fully paid and non-assessable. The Common Stock has no preemptive, conversion or other subscription rights to subscribe for any shares of any class of stock of this Corporation whether now or hereafter authorized. The holders of Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of the Preferred Stock of any series as may be designated by the Board of Directors upon any issuance of the Preferred Stock of any series.

2. No Pre-emptive Rights. No holder of any of the shares of the Common Stock of the Corporation, whether now or hereafter authorized and issued, shall be entitled as of right to purchase or subscribe for (1) any unissued stock of any class, or (2) any additional shares of any class to be issued by reason of any increase of the authorized capital stock of the Corporation of any class, or (3) bonds, certificates of indebtedness, debentures or other securities convertible into stock of the Corporation, or carrying any right to purchase stock of any class, but any such unissued stock or such additional authorized issue of any stock or of other securities convertible into stock, or carrying any

right to purchase stock, may be issued and disposed of pursuant to resolution of the Board of Directors to such persons, firms, partnerships, corporations, associations or other entities and upon such terms as may be deemed advisable by the Board of Directors in the exercise of its discretion.

3. Voting. The holders of the Common Stock are entitled to one vote for each share held at all meetings of stockholders. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of this Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law of the State of Delaware.

4. Dividends. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board of Directors and subject to any preferential dividend rights of any then outstanding Preferred Stock.

5. Liquidation. Upon the dissolution or liquidation of this Corporation, whether voluntary or involuntary, holders of Common Stock will be entitled to receive all assets of this Corporation available for distribution to its stockholders, subject to any preferential rights of any then outstanding Preferred Stock.

(b) PREFERRED STOCK.

1. General. The Board of Directors, in the exercise of its discretion, is authorized to issue the undesignated Preferred Stock in one or more series, to determine the powers, preferences and rights, and qualifications, limitations or restrictions, granted to or imposed upon any wholly unissued series of undesignated

Preferred Stock, and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by the stockholders.

2. No Pre-emptive Rights. No holder of any of the shares of any series of Preferred Stock of the Corporation, whether now or hereafter authorized and issued, shall be entitled as of right to purchase or subscribe for (1) any unissued stock of any class, or (2) any additional shares of any class to be issued by reason of any increase of the authorized capital stock of the Corporation of any class, or (3) bonds, certificates of indebtedness, debentures or other securities convertible into stock of the Corporation, or carrying any right to purchase stock of any class, but any such unissued stock or such additional authorized issue of any stock or of other securities convertible into stock, or carrying any right to purchase stock, may be issued and disposed of pursuant to resolution of the Board of Directors to such persons, firms, partnerships, corporations, associations or other entities and upon such terms as may be deemed advisable by the Board of Directors in the exercise of its discretion.

FIFTH: The name and the mailing address of the incorporator are as follows:

Name	Mailing Address
Terence O'Brien	Morse, Zelnick, Rose & Lander, LLP 450 Park Avenue New York, New York 10022

SIXTH: The powers of the incorporator are to terminate upon the filing of the Certificate of Incorporation.

SEVENTH: (a) The management of the business and the conduct of the affairs of the Corporation shall be vested in its Board of Directors. The phrase "whole Board" and the phrase "total number of directors" shall be deemed to have the same meaning, to wit, the total number of directors which the Corporation would have if there were no vacancies. The original or other Bylaws of the Corporation may be adopted, amended or repealed by the initial directors. After the original or other Bylaws of the Corporation have been adopted, amended, or repealed, as the case may be, in accordance with the provisions of Section 109 of the General Corporation Law of the State of Delaware, and after the Corporation has received any payment for any of its stock, the power to adopt, amend, or repeal the Bylaws of the Corporation may be exercised by the Board of Directors of the Corporation.

(b) Until the consummation of an initial public offering (an

"IPO") of the Common Stock under the Securities Act of 1933, as amended (the "Act"), the Corporation shall have one or more directors, the number of directors to be determined from time to time

by vote of a majority of the directors then in office. Immediately upon the consummation of an IPO, the following provisions shall apply:

1. Number of Directors. The number of directors of the Corporation shall not be less than one. The exact number of directors within the limitations specified in the preceding sentence shall be fixed from time to time by, or in the manner provided in, the Corporation's Bylaws.

2. Classes of Directors. The Board of Directors shall be and is divided into three classes: Class I, Class II and Class III. No one class shall have more than one director more than any other class. If a fraction is contained in the quotient arrived at by dividing the designated number of directors by three, then if such fraction is one-third, the extra director shall be a member of Class II, and if such fraction is two-thirds, one of the extra directors shall be a member of Class II and one of the extra directors shall be a member of Class III, unless otherwise provided from time to time by resolution adopted by the Board of Directors. The persons who shall serve as the initial Class I, Class II and Class III directors upon consummation of the IPO may be designated by the Board of Directors prior to such IPO.

3. Election of Directors/Terms of Office. Election of directors need not be by written ballot except as and to the extent provided in the Bylaws of the Corporation. Except as otherwise provided herein, each director shall serve for a term ending on the date of the third annual meeting of the stockholders following the annual meeting at which such director was elected. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement, disqualification or removal from office for cause. Each initial Class I director shall serve for a one year term; each initial Class II director shall serve for a two year term; and each initial Class III director shall serve for a three year term. Notwithstanding the foregoing, the term of each director shall be subject to the election and qualification of his successor and to his earlier death, resignation or removal.

4. Allocation of Directors among Classes in the Event of Increases or Decreases in the Number of Directors. In the event of any increase or decrease in the authorized number of directors, (i) each director then serving as such shall nevertheless continue as a director of the class of which he is a

member and (ii) the newly created or eliminated directorships

resulting from such increase or decrease shall be apportioned among the three classes of directors so as to ensure that no one class has more than one director more than any other class. To the extent possible, consistent with the foregoing rule, any newly created directorships shall be added to those classes whose terms of office are to expire at the latest dates following such allocation, and any newly eliminated directorships shall be subtracted from those classes whose terms of offices are to

expire at the earliest dates following such allocation, unless otherwise provided from time to time by resolution adopted by the Board of Directors.

5. Preferred Stock Directors. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right to vote separately by class or series to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes provided by this Article Seventh, unless expressly provided by such terms.

6. Removal. Directors of the Corporation may be removed only for cause by the affirmative vote of the holders of at least two-thirds of the shares of capital stock of the Corporation issued and outstanding and entitled to vote generally in the election of directors.

7. Vacancies. Any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement of the Board of Directors, shall be filled only by a vote of a majority of directors then in office, although less than a quorum, or by a sole remaining director. A director elected to fill a vacancy shall be elected to hold office until the next election of the class for which such director shall have been chosen, subject to the election and qualification of his successor and to his earlier death, resignation or removal.

8. Stockholder Nominations and Introductions of Business. Advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before either an annual or special meeting of stockholders shall be given in the manner provided by the Bylaws of the Corporation.

9. Committees. Wherever the term "Board of Directors" is used in this Certificate of Incorporation, such term shall mean the Board

of Directors of the Corporation; provided, however that to the extent any committee of directors of the Board of Directors exists, such committee may exercise any right or authority of the Board of Directors under this Certificate of Incorporation.

10. Amendments to Article. Notwithstanding any other provision of law, this Certificate of Incorporation or the Bylaws of the Corporation, each as amended, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least seventy-five percent (75%) of the shares of capital stock of the Corporation issued and outstanding and entitled to vote generally in the election of directors shall be required to amend or repeal or to adopt any provision inconsistent with this Article SEVENTH.

EIGHTH:The Corporation is to have perpetual existence.

NINTH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under ss. 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under ss. 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholder or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

TENTH: Whenever the Corporation shall be authorized to issue only one class of stock each outstanding share shall entitle the holder thereof to notice of, and the right to vote at, any meeting of stockholders. Whenever the Corporation shall be authorized to issue more than one class of stock no outstanding share of any class of stock which is denied voting power under the provisions of the Certificate of Incorporation shall entitle the holder thereof to the right to vote at any meeting of stockholders except as the provisions of paragraph (c)(2) of Section 242 of the General Corporation Law of the State of Delaware shall otherwise require; provided, that no share of any such class which is otherwise denied voting power shall entitle the holder thereof to vote

upon the increase or decrease in the number of authorized shares of said class.

ELEVENTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit.

TWELFTH: (a) Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit, claim or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer, of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or

of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators: provided, however, that, except as provided in paragraph (b) hereof, the Corporation shall

indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition: provided, however, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a director or officer (in his or her capacity as a director or officer and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or

officer is not entitled to be indemnified under this Section or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of directors and officers mentioned in this Article Twelfth. Notwithstanding the indemnification provisions throughout the Certificate of Incorporation, the Corporation shall not be obligated, contractually or otherwise, to indemnify its directors and officers with respect to proceedings initiated or brought by any officer or director and not by way of defense, or, for any amounts paid in settlement of any proceeding against any officer or director, without the prior written consent of the Company.

(b) Right of Claimant to Bring Suit. If a claim under paragraph (a) of this Article is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the

Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard or conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

(d) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

THIRTEENTH: From time to time any of the provisions of this Certificate of Incorporation may be amended, altered or repealed, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted in the manner and at the time prescribed by said laws,

and all rights at any time conferred upon the stockholders of the Corporation by this Certificate of Incorporation are granted subject to the provisions of this Article Thirteenth.

FOURTEENTH: Meetings of the stockholders may be held within or without the State of Delaware, as the Bylaws, amendments thereto, or amendments to this Certificate of Incorporation may provide. The books of the Corporation may be kept outside of the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or by the Bylaws, and amendments thereto, or by the amendments to this Certificate of Incorporation.

FIFTEENTH: At any time during which a class of capital stock of this Corporation is registered under Section 12 of the Securities Exchange Act of 1934 or any similar successor statute, stockholders of this Corporation may not take any action by written consent in lieu of a meeting. Notwithstanding any other provisions of law, this Certificate of Incorporation or the Bylaws of this Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least seventy-five percent (75%) of the shares of capital stock of this Corporation issued and outstanding and entitled to vote generally in the election of directors shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article Fifteenth.

SIXTEENTH: Special meetings of stockholders may be called at any time by only the Chairman of the Board of Directors of the Corporation, the Chief Executive Officer (or if there is no Chief Executive Officer, the President) or the Board of Directors of the Corporation. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting. Notwithstanding any other provision of law, the Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding the fact that a lesser percentage may be specified by law, the affirmative vote of the holders of at least seventy-five percent (75%) of the shares of capital stock of the Corporation issued and outstanding and entitled to vote generally in the election of directors shall be required to amend or repeal, or to adopt any provision inconsistent with this Article Sixteenth.

Dated: February 10, 1998

/s/ TERENCE O'BRIEN

TERENCE O'BRIEN, INCORPORATOR

ByLaws
Of
Professional Detailing, Inc.

(a Delaware corporation)

ARTICLE I

STOCKHOLDERS

A. CERTIFICATES REPRESENTING STOCK.

Certificates representing stock in Professional Detailing, Inc. (hereinafter referred to as the "Corporation") shall be signed by, or in the name of the Corporation, by the Chairman or Vice-Chairman of the Board of Directors, if any, or by the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation. Any or all the signatures on any such certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue. Whenever the Corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, and whenever the Corporation shall issue any shares of its stock as partly paid stock, the certificates representing shares of any such class or series or of any such partly paid stock shall set forth thereon the statements prescribed by the General Corporation Law. Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

The Corporation may issue a new certificate of stock or uncertificated shares in place of any certificate theretofore issued by it, alleged to have been lost, stolen, or destroyed, and the Board of Directors may require the owner of the lost, stolen, or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of any such new certificate or uncertificated shares.

B. UNCERTIFICATED SHARES.

Subject to any conditions imposed by the General Corporation Law,

the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the Corporation shall be uncertificated shares. Within a reasonable time after the issuance or transfer of any uncertificated shares, the Corporation shall send to the registered owner thereof any written notice prescribed by the General Corporation Law.

C. FRACTIONAL SHARE INTERESTS.

The Corporation may, but shall not be required to, issue fractions of a share. If the Corporation does not issue fractions of a share, it shall (1) arrange for the disposition of fractional interests by those entitled thereto, (2) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined, or (3) issue scrip or warrants in registered form (either represented by a certificate or uncertificated) or bearer form (represented by a certificate) which shall entitle the holder to receive a full share upon the surrender of such scrip or

warrants aggregating a full share. A certificate for a fractional share or an uncertificated fractional share shall, but scrip or warrants shall not unless otherwise provided therein, entitle the holder to exercise voting rights, to receive dividends thereon, and to participate in any of the assets of the Corporation in the event of liquidation. The Board of Directors may cause scrip or warrants to be issued subject to the conditions that they shall become void if not exchanged for certificates representing the full shares or uncertificated full shares before a specified date, or subject to the conditions that the shares for which scrip or warrants are exchangeable may be sold by the Corporation and the proceeds thereof distributed to the holders of scrip or warrants, or subject to any other conditions which the Board of Directors may impose.

D. STOCK TRANSFERS.

Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfers of shares of stock of the Corporation shall be made only on the stock ledger of the Corporation by the registered holder thereof, or by his attorney hereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation or with a transfer agent or a registrar, if any, and, in the case of shares represented by certificates, on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes due thereon.

E. RECORD DATE FOR STOCKHOLDERS.

In order that the Corporation may determine the stockholders entitled to notice of, or to vote at, any meeting of stockholders, or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date

upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of, or to vote at, a meeting of stockholders, shall be the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining the stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by the General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the General Corporation Law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action,

the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

F. MEANING OF CERTAIN TERMS.

As used herein in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat or to consent or dissent in writing in lieu of a meeting, as the case maybe, the term "for or of stocks" or "of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock.

G. STOCKHOLDER MEETINGS.

1. TIME. The annual meeting shall be held on the date and at the time fixed from time to time, by the Board of Directors, provided, that the first annual meeting shall be held on a date within thirteen months after the organization of the Corporation, and each successive annual meeting shall be held on a date within thirteen months after the date of the preceding annual meeting. A special meeting shall be held on the date and at the time fixed by the Board of Directors.

2. PLACE. Annual meetings and special meetings shall be held at such place, within or without the State of Delaware, as the Board of Directors may, from time to time fix. Whenever the Board of Directors shall fail to fix such place, the meeting shall be held at the executive office of the Corporation in the State of New Jersey.

3. CALL. Annual meetings and special meetings may be called by the Board of Directors or by any officer instructed by the Board of Directors to call the meeting.

4. NOTICE OR WAIVER OF NOTICE. Written notice of all meetings shall be given, stating the place, date, and hour of the meeting and stating the place within the city or other municipality or community at which the list of stockholders of the Corporation may be examined. The notice of an annual meeting shall state that the meeting is called for the election of directors and for the transaction of other business which may properly come before the meeting, and shall, if any other action which could be taken at a special meeting is to be taken at such annual meeting, state such purpose or purposes. The notice of a special meeting shall in all instances state the purpose or purposes for which the meeting is called. The notice of any meeting shall also include, or be accompanied by, any additional statements, information, or documents prescribed by the General Corporation Law. Except as otherwise provided by the General Corporation Law, a copy of the notice of any meeting shall be given, personally or by mail, not less than ten days nor more than sixty days before the date of the meeting, unless the lapse of the prescribed period of time shall have been waived, and directed to each stockholder at his record

address or at such other address which he may have furnished by request in writing to the Secretary of the Corporation. Notice by mail shall be deemed to be given when deposited, with postage

hereon prepaid, in the United States mail. If a meeting is adjourned to another time, not more than thirty days hence, and/or to another place, and if an announcement of the adjourned time and/or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless the directors, after adjournment, fix a new record date for the adjourned meeting. Notice need not be given to any stockholder who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of a stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice.

5. STOCKHOLDER LIST. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city or other municipality or community where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the Corporation, or to vote at any meeting of stockholders.

6. MEETINGS OF STOCKHOLDERS.
(a) At an annual or special meeting of stockholders, only such business shall be conducted, and only such proposals shall be acted upon, including, without limitation, the nomination of persons for election to the Board of Directors of the Corporation, as shall have been properly brought before an annual or special meeting of stockholder. To be properly brought before an annual or special meeting of stockholders, business must be (i) in the case of a special meeting, specified in the notice of the special meeting given pursuant to Section G(1) of these bylaws or (ii) in the case of an annual meeting, properly brought before the meeting by, or

at the direction of, the Board of Directors by any stockholder of the Corporation who properly complies with the notice procedures set forth in paragraph (b) of this Section 6.

(b) For a nomination or proposal to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, such stockholder's notice must be delivered to, or mailed to and received at, the principal executive offices of the Corporation not less than thirty (30) days and not more than sixty (60) days prior to the scheduled annual meeting, regardless of any postponements, deferrals or adjournments of that meeting to a later date; provided, however, that if less than forty (40) days' notice or prior public disclosure of the date of the scheduled annual meeting is given or made, notice by the stockholder, to be timely, must be so delivered or received not later than the close of business on the tenth (10th) day following the earlier of the day on which such

notice of the date of the scheduled annual meeting was mailed or the day on which such public disclosure was made. A stockholder's notice to the Secretary shall set forth (i) as to each person whom the stockholder proposes to nominate for election to the Board of Directors, all information relating to such person that is required to be disclosed in solicitations of proxies for election of Directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Rule 14a-11 thereunder, including, without limitation, such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected and (ii) as to any other matter the stockholder proposes to bring before the annual meeting, a brief description of the proposal desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; and (iii) as to any matter the stockholder proposes to bring before the annual meeting (including the nomination for election of directors), (x) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business and any other stockholders known by such stockholder to be supporting such proposal (or nomination), (y) the class and number of shares of the Corporation's stock which are beneficially owned by the stockholder on the date of such stockholder's notice and by any other stockholders known by such stockholder to be supporting such proposal (or nomination) on the date of such stockholder's notice and (z) any financial interest of the stockholder in such proposal (or nomination).

(c) The presiding officer of the meeting of stockholders shall have the power and duty to determine whether a stockholder proposal or nomination, as the case may be, was made

in accordance with the terms of this Section 6 and, if a stockholder proposal or nomination was not made in accordance with such terms, to declare that such proposal or nomination shall be disregarded.

(d) Nothing in this Section 6 shall prevent the consideration and approval or disapproval at a meeting of stockholders of reports of officers, directors and committees of the Board of Directors; but, in connection with such reports, no business shall be acted upon at such meeting unless the procedures set forth in this Section 6 are complied with.

7. CONDUCT OF MEETINGS. Meetings of the stockholders shall be presided over by officers in the order of seniority and if present and acting - the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, a Vice-President, or, if none of the foregoing is in office and present and acting, by a chairman to be chosen by the stockholders. The Secretary of the Corporation, or in his absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the Chairman of the meeting shall appoint a secretary of the meeting.

8. PROXY REPRESENTATION. Every stockholder may authorize another person or persons to act for him by proxy in all matters in which a stockholder is entitled to participate, whether by waiving notice of any meeting, voting or participating at a meeting, or expressing consent or dissent without a meeting. Every proxy must be signed by the stockholder or by his attorney-in-fact. No proxy shall be voted or acted upon after three years from its date unless such proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it

is coupled is an interest in the stock itself or an interest in the Corporation generally.

9. INSPECTORS. The Board of Directors, in advance of any meeting, may, but need not, appoint one or more inspectors of election to act at the meeting or any adjournment thereof. If an inspector or inspectors are not appointed, the person presiding at the meeting may, but need not, appoint one or more inspectors. In case any person who may be appointed as an inspector fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, if any, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspectors at such meeting

with strict impartiality and according to the best of his ability. The inspectors, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence

of a quorum, the validity and effect of proxies, and shall receive votes, ballots, or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots, or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors, if any, shall make a report in writing of any challenge, question, or matter determined by him or them and execute a certificate of any fact found by him or them.

10. QUORUM. The holders of a majority of the outstanding shares of stock shall constitute a quorum at a meeting of stockholders for the transaction of any business. The stockholders present may adjourn the meeting despite the absence of a quorum.

11. VOTING. Each share of stock shall entitle the holders thereof to one vote. Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Any other action shall be authorized by a majority of the votes cast except where the General Corporation Law prescribes a different percentage of votes and/or a different exercise of voting power, and except as may be otherwise prescribed by the provisions of the Certificate of Incorporation and these Bylaws. In the election of directors, and for any other action, voting need not be by ballot.

ARTICLE II

DIRECTORS

A. FUNCTIONS AND DEFINITIONS.

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors of the Corporation. The Board of Directors shall have the authority to fix the compensation of the members thereof. The use of the phrase "whole board" herein refers to the total number of directors which the corporation would have if there were no vacancies.

B. QUALIFICATIONS AND NUMBER.

A director need not be a stockholder, a citizen of the United States, or a resident of the State of Delaware. The initial Board of Directors shall consist of two persons. Upon the consummation of the initial public

offering, the number of directors constituting the whole board shall be at least five. Subject to the foregoing limitation and

except for the first Board of Directors, such number shall be determined in the manner proscribed by the Certificate of Incorporation.

C. ELECTION AND TERM.

The Certificate of Incorporation governs the election and term of members of the Board of Directors as well as the action necessary to change such governing provisions.

D. MEETINGS.

1. TIME. Meetings shall be held at such time as the Board of Directors shall fix, except that the first meeting of a newly elected Board of Directors shall be held as soon after its election as the directors may conveniently assemble.

2. PLACE. Meetings shall be held at such place within or without the State of Delaware as shall be fixed by the Board of Directors.

3. CALL. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, or of a majority of the directors in office.

4. NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat. Notice need not be given to any director or to any member of a committee of directors who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of any such person at a meeting shall constitute a waiver of notice of such meeting, except when he attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in any written waiver of notice.

5. QUORUM AND ACTION. A majority of the whole Board of Directors

shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the directors in office shall constitute a quorum, provided, that such majority shall constitute at least one-third of the whole Board of Directors, if no vacancies existed. A majority of the directors present, whether or not a quorum is present, may

adjourn a meeting to another time and place. Except as herein otherwise provided, and except as otherwise provided by the General Corporation Law, the vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the General Corporation Law and these Bylaws which govern a meeting of directors held to fill vacancies and newly created directorships in the Board of Directors or action of disinterested directors. Any member or members of the Board of Directors or of any committee designated by the Board, may participate in a meeting of the Board of Directors, or any such committee, as the case may be, by means of a conference

telephone call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

6. CHAIRMAN OF THE MEETING. The Chairman of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice-Chairman of the Board, if any and if present and acting, or the President, if present and acting, or any other director chosen by the Board of Directors, shall preside.

E. REMOVAL OF DIRECTORS.

Except as may otherwise be provided by the General Corporation Law, any director or the entire Board of Directors may be removed only for cause by the affirmative vote of the holders of at least two-thirds of the shares of the capital stock of the Corporation issued and outstanding and entitled to vote generally in the election of directors.

F. COMMITTEES.

The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the

meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation with the exception of any authority the delegation of which is prohibited by ss. 141 of the General Corporation Law, and may authorize the seal of the Corporation to be affixed to all papers which may require it.

G. WRITTEN ACTION.

Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

ARTICLE III

OFFICERS

The officers of the Corporation shall consist of a Chairman of the Board, a President, a Secretary, a Treasurer, and, if deemed necessary, expedient, or desirable by the Board of Directors, a Vice-Chairman of the Board, an Executive Vice-President, one or more other Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers with such titles as the resolution of the Board of Directors choosing them shall designate. Except as may otherwise be provided in the resolution of the Board of Directors choosing him, no officer other than the Chairman or Vice-Chairman of the Board, if any, need be a director. Any number of offices may be held by the same person, as the directors may determine.

Unless otherwise provided in the resolution choosing him, each officer shall be chosen for a term which shall continue until the meeting of the Board of Directors following the next annual meeting of stockholders and until his successor shall have been chosen and qualified.

All officers of the Corporation shall have such authority and perform such duties in the management and operation of the Corporation as shall be prescribed in the resolutions of the Board of Directors designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions may be inconsistent therewith. The Secretary or an Assistant Secretary of the Corporation shall record all of the proceedings of all meetings and actions in writing of stockholders, directors, and committees of directors, and shall exercise such additional authority and perform such additional duties as the Board of Directors shall assign to him. Any officer may be removed, with or without cause, by the Board of Directors.

Any vacancy in any office may be filled by the Board of Directors.

ARTICLE IV

CORPORATE SEAL

The corporate seal shall be in such form as the Board of Directors shall prescribe.

ARTICLE V

FISCAL YEAR

The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors.

ARTICLE VI

CONTROL OVER BYLAWS

Subject to the provisions of the Certificate of Incorporation and the provisions of the General Corporation Law, the power to amend, alter, or repeal these Bylaws and to adopt new Bylaws may be exercised by the Board of Directors or by the stockholders.

OFFICE LEASE

BETWEEN

IB BRELL, L.P. (LANDLORD)

AND

PROFESSIONAL DETAILING, INC. (TENANT)

DATED: November , 1997

Draft 4
November 24, 1997

TABLE OF CONTENTS

PAGE

OFFICE LEASE

ARTICLE ONE
BASIC LEASE PROVISIONS

1.01 BASIC LEASE PROVISIONS - In the event of any conflict between these Basic Lease Provisions and any other Lease provision, such other Lease provision shall control.

(1) BUILDING AND ADDRESS:
10 Mountainview Road
Upper Saddle River, New Jersey 07458

(2) LANDLORD AND ADDRESS:

IB BRELL, L.P.
c/o Koll Real Estate Co.
Mack Centre II
One Mack Centre Drive
Paramus, New Jersey 07652-3906
Attention: Richard Van Houten, Jr.

(3) TENANT AND CURRENT ADDRESS:

Professional Detailing, Inc.
599 McArthur Boulevard
Mahwah, New Jersey 07430
Attention: Ron Collins

(4) DATE OF LEASE: November , 1997

(5) LEASE TERM: Sixty Six Months

(6) PROJECTED COMMENCEMENT DATE: March 1, 1998

(7) EXPIRATION DATE: August 31, 2003 subject to such change which may result from the application of Section 2.02(d)

(8) MONTHLY BASE RENT:

Month Three through Date of Expiration:

Months During Term	Monthly Rent	Annual Rent	Square Foot Rent	Total
1-2	0.00	0.00	0.00	0.00
3-14	$40,791.67	$489,500.00	$22.25	$489,500.00
15	0.00	0.00	0.00	0.00
16-27	$40,791.6	$489,500.00	$22.25	$489,500.00
28	0.00	0.00	0.00	0.00
29-40	$40,791.67	$489,500.00	$22.25	$489,500.00
41	0.00	0.00	0.00	0.00
42-53	$40,791.67	$489,500.00	$22.25	$489.500.00
54	0.00	0.00	0.00	0.00
54-66	$40,791.67	$489,500.00	$22.25	$489,500.00

Total: $2,447,500.00

(9) RENTABLE AREA OF THE BUILDING: approximately 192,000 square feet based on BOMA measurement standards

(10) RENTABLE AREA OF THE PREMISES: approximately 22,000 square feet

(11) SECURITY DEPOSIT: Two Hundred Eighty-Five Thousand Five Hundred Fifty Four Dollars and 69/100 ($285,541.69)

(12) LOCATION OF PREMISES: Second Floor - South Wing

(13) TENANT'S SHARE: 11.46%

(14) TENANT'S USE OF PREMISES: General office use; together with the ancillary and incidental right to have a kitchen within the Premises provided that no meals shall be prepared therein

(15) BASE YEAR: 1998

1.02 ENUMERATION OF EXHIBITS

The exhibits set forth below and attached to this Lease are incorporated in this Lease by this reference:

EXHIBIT A. Plan of Premises
EXHIBIT B. Construction Rules, Regulations and Responsibilities
EXHIBIT C. Building Specifications
EXHIBIT D. Rules and Regulations
EXHIBIT E. Cleaning Specifications
EXHIBIT F. Commencement Date Agreement
EXHIBIT G. LIST OF NAMES

1.03 DEFINITIONS

For purposes hereof, the following terms shall have the following meanings:

(1) AFFILIATE: Any corporation or other business entity which is owned or controlled by, owns or controls, or is under common ownership or control with Tenant or is owned or controlled by the principals of Tenant.

(2) ADJUSTMENT YEAR: The calendar year or any portion thereof after the Base Year for which a Rent Adjustment computation is being made.

(3) BUILDING: The office building located at 10 Mountainview Road, Upper Saddle River, New Jersey.

(4) COMMENCEMENT DATE: The date specified in Section 1.01(6).

(5) COMMON AREAS: All areas of the Real Property made available by Landlord from time to time for the general common use or benefit of the tenants of the Building, and their employees and invitees, or the public, as such areas currently exist and as they may be changed from time to time.

(6) DECORATION: Tenant Alterations which do not require a building permit and which do not involve any of the structural elements of the Building, or any of the Building's systems, including, without limitation, its electrical, mechanical, plumbing, HVAC and security and life/safety systems.

(7) DEFAULT RATE: Two percent (2%) above the rate then most recently announced by Citibank, N.A. as its corporate base lending rate, from

time to time announced, but in no event higher than the maximum rate permitted by law.

(8) ENVIRONMENTAL LAWS: Any Law governing the use, storage, disposal or generation of any Hazardous Material, including without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended and the Resource Conservation and Recovery Act of 1976, as amended.

(9) EXPIRATION DATE: Subject to Section 2.02(d), the date specified in Section 1.01(7) as the Expiration Date.

(10) FORCE MAJEURE: Any accident, casualty, act of God, war or civil commotion, strike or labor troubles, or any cause whatsoever beyond the reasonable control of Landlord or Tenant, including, but not limited to, energy shortages or governmental preemption in connection with a national emergency, or by reason of government laws or any rule, order or regulation of any department or subdivision thereof or any governmental agency, or by reason of the conditions of supply and demand which have been or are affected by war or other emergency. Force majeure shall not apply to any money payment required to be made pursuant to the terms of this Lease.

(11) HAZARDOUS MATERIAL: Such substances, materials and wastes which are or become regulated under any Environmental Law; or which are or become

classified as hazardous or toxic under any Environmental Law; and explosives and firearms, radioactive material, asbestos, and polychlorinated byphenyls.

(12) INDEMNITEES: Collectively, Landlord, any Mortgagee or ground lessor of the Property, the property manager and the leasing manager for the Property and their respective directors, officers, agents and employees.

(13) LAND: The parcels of real estate on which the Building is located as of the date of this Lease.

(14) LANDLORD WORK: As listed on Exhibit "B" attached hereto and by this reference made a part hereof.

(15) LAWS: All laws, ordinances, rules, regulations and other requirements adopted by any governmental body, or agency or department having jurisdiction over the Property, the Premises or Landlord's or Tenant's activities at the Premises.

(16) LEASE: This instrument and all exhibits and riders attached hereto, as may be amended from time to time in accordance with the provisions

contained in this Lease.

(17) INTENTIONALLY OMITTED

(18) MONTHLY BASE RENT: The monthly rent specified in Section 1.01(8).

(19) MORTGAGEE: Any holder of a mortgage, deed of trust or other security instrument encumbering the Property or Landlord's interest therein or any ground lessor of the Property.

(20) NATIONAL HOLIDAYS: New Years Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

(21) OPERATING EXPENSES: All costs, expenses and disbursements of every kind and nature which Landlord shall pay or become obligated to pay in connection with the ownership, management, operation, maintenance, replacement and repair of the Property (including the amortized portion of any capital expenditure or improvement, together with interest thereon as hereinafter permitted). Operating Expenses shall not include, (i) costs of preparation, improvements and alterations of the premises of tenants of the Building, (ii) costs of capital improvements to the Building (except for amortized portion of capital improvements installed for the purpose of reducing or controlling Operating Expenses limited to the extent of the reduction, controlling or savings realized currently or prospectively as a result thereof or complying with applicable Laws enacted subsequent to the date of this Lease), (iii) depreciation charges, (iv) interest and principal payments on loans (except for loans for capital improvements which Landlord is allowed to include in Operating Expenses as provided above), (v) ground rental payments, (vi) real estate brokerage and leasing commissions, (vii) advertising and marketing expenses, (viii) costs of

Landlord reimbursed by insurance proceeds, (ix) expenses incurred in negotiating leases of other tenants in the Building, (x) Landlord's or Landlord's property manager's corporate general overhead or corporate general administrative expenses, (xi) the cost of repairs and/or restorations necessitated by condemnation or casualty (except that the amount of a commercially reasonable deductible shall be included in Operating Expenses), (xii) Any cost for which Landlord is reimbursed by other tenants of the Building; (xiii) the cost of any

work or service performed for any tenant of the Building that is not provided to Tenant as part of the base building services; (xiv) advertising and promotional expenditures; (xv) the cost of constructing additions to the Building, (xvi) any amount paid by Landlord for items or services to any entity controlled by or under common control with Landlord in excess (by more than a diminimus amount) of the then competitive rate for such items or services; (xvii) costs of correcting construction or design defects in the Premises or Building; (xviii) legal fees and costs arising from tenant disputes or leasing of space in the Building; (xix) that portion of any costs or expenses relating to both the

Building and to other buildings or properties owned by Landlord, which is properly allocable or attributable to such other buildings or properties; (xx) costs of making any structural repairs; (xxi) costs incurred in installing, operating and maintaining any "specialty", not normally installed, operated, and maintained in buildings comparable to the Building and not necessary for Landlord's operation, repair, maintenance and providing of required services for the Building, and/or any associated parking facilities, such as an observatory, broadcasting facilities, luncheon club, athletic or recreational club, etc.; (xxii) salaries above the level of Building manager; (xxiii) costs with respect to a sale, financing or refinancing of the Building; (xxiv) bad debts loss, rent loss or reserves for bad debt or rent loss; or (xxv)) cost of bulbs and ballasts in any tenant space in the Building. If any Operating Expenses, though paid in one year, relates to more than one calendar year, at option of Landlord such expense shall be proportionately allocated among such related calendar years.

(22) PREMISES: The space located in the Building described in Sections 1.01(10) and 1.01(12) and depicted on Exhibit A attached hereto.

(23) PROPERTY: The Building, the Land, any other improvements located on the Land, including, without limitation, any parking structures and the personal property, fixtures, machinery, equipment, systems and apparatus located in or used in conjunction with any of the foregoing.

(24) REAL PROPERTY: The Property excluding any personal property.

(25) RENT: Collectively, Monthly Base Rent, Rent Adjustments and Rent Adjustment Deposits, and all other charges, payments, or other amounts (excluding late charges) required to be paid by Tenant under this Lease.

(26) RENTABLE AREA OF THE BUILDING: approximately 192,000 square feet, which represents the sum of the rentable area of all office space in Building.

(27) RENTABLE AREA OF THE PREMISES: The amount of square footage set forth in 1.01(10).

(28) RENT ADJUSTMENT: Any amounts owed by Tenant for payment of Operating Expenses or Taxes which amounts shall be Tenant's Share of the amount by which Operating Expenses or Taxes for the then Adjustment Year exceed the amount of Operating Expenses or Taxes for the Base Year. The Rent Adjustments shall be determined and paid as provided in Article Four.

(29) RENT ADJUSTMENT DEPOSIT: An amount reasonably determined and/or redetermined by Landlord from time to time, but not more often than four (4) times during any calendar year, as being equal to one-twelfth

(1/12th) of the estimated amount of Rent Adjustment owed by Tenant for an Adjustment Year.

(30) SECURITY DEPOSIT: The funds specified in Section 1.01(11), if any, deposited by Tenant with Landlord as security for Tenant's performance of its obligations under this Lease.

(31) SUBSTANTIALLY COMPLETE: The completion of the Landlord's Work in compliance with the approved Tenant's Plans (as defined in Exhibit B

hereto) including, but not limited to, the installation of all carpeting and the hanging of all exterior and private office doors in the Premises, except for minor insubstantial details of construction, decoration or mechanical adjustments which remain to be done, and which do not prevent or materially restrict the Tenant's use and enjoyment of the Premises.

(32) TAXES: All federal, state and local governmental taxes, assessments and charges of every kind or nature, whether general, special, ordinary or extraordinary, which Landlord shall pay or become obligated to pay because of or in connection with the ownership, leasing, management, control or operation of the Property or any of its components, or any personal property used in connection therewith, which shall also include any rental or other taxes levied in lieu of or in addition to general real and/or personal property taxes. For purposes hereof, Taxes for any year shall be Taxes which are assessed or become a lien during such year, whether or not such taxes are billed and payable in a subsequent calendar year. Landlord represents that no tax appeal for the Property is currently pending. There shall be included in Taxes for any year the amount of all reasonable fees, costs and expenses (including reasonable attorneys' fees) paid by Landlord during such year in seeking or obtaining any refund or reduction of Taxes. Taxes for any year shall be reduced by the net amount of any tax refund received by Landlord attributable to such year (or to the extent not previously reduced, by refunds attributable to prior Lease Years (excluding the Base Year) during the term hereof). If a special assessment payable in installments is levied against any part of the Property, Taxes for any year shall include only the installment of such assessment and any interest payable or paid during such year (except interest resulting from the delinquent payment of such installments). Taxes shall not include any federal or state inheritance, franchise,

general income, transfer, gain, gift or estate taxes, except that if a change occurs in the method or type of taxation resulting in whole or in part in the substitution of or in addition to any such taxes, or any other assessment, for any Taxes as above defined, such substituted or additional taxes or assessments shall be included in the Taxes if not assessed against taxpayers generally as compared to owners of real estate or landlords of leases in particular.

(33) TENANT ADDITIONS: The Tenant Alterations.

(34) TENANT ALTERATIONS: Any alterations, improvements, additions, installations or construction in or to the Premises or any Building systems serving the Premises performed by Tenant as permitted by this Lease.

(35) INTENTIONALLY OMITTED.

(36) TENANT'S SHARE: The percentage specified in Section 1.01(13) which represents the ratio of the Rentable Area of the Premises to the Rentable Area of the Building and is subject to change from time to time during the term of this Lease pursuant to the terms and conditions herein contained.

(37) TERM: The term of this Lease commencing on the Commencement Date and expiring on the Expiration Date, unless sooner terminated as provided in this Lease.

(38) TERMINATION DATE: The Expiration Date or such earlier date as this Lease terminates or Tenant's right to possession of the Premises terminates.

ARTICLE TWO
PREMISES, TERM AND FAILURE TO GIVE POSSESSION

2.01 LEASE OF PREMISES

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises for the Term and upon the conditions provided in this Lease. In the event Landlord delivers possession of the Premises to Tenant prior to the Commencement Date, Tenant shall be subject to all of the terms, covenants and conditions of this Lease (except with respect to the payment of Rent) as of the date of such possession.

2.02 TERM

(a) The Commencement Date of this Lease shall be the date upon which Landlord delivers possession of the Premises to Tenant ("Delivery of Possession"). Delivery of Possession shall be the earlier of (i) the day upon which Tenant commences business in the Premises, or (ii) seven (7) calendar days from the last of the following (but without the consent of Tenant, not prior to March 1, 1998):

(A) the day upon which Landlord's architect or general contractor issues a letter or certification that the work to be performed by

Landlord pursuant to Exhibit B attached hereto has been Substantially Completed; and

(B) The day upon which Landlord obtains a temporary or final Certificate of Occupancy for the Premises.

(b) Tenant agrees to accept possession of the Premises when tendered by Landlord, and to open for business in the Premises promptly thereafter.

(c) If Landlord is unable to deliver possession of the Premises to Tenant by March 1, 1998, as such date may be extended for reasons of Force Majeure (as defined in this Lease), and provided the reason therefore has not been a result of Tenant's acts or omissions, then, and in such event, the Delivery of Possession may be extended, but in no event to a date later than September 1, 1998) and unless Landlord delivers possession of the Premises on or prior to September 1, 1998 (to which Force Majeure shall not apply), this Lease shall terminate on such date and the parties shall be released herefrom. If this Lease is canceled under this subpart (c), neither party shall have any further liability to the other hereunder.

(d) Unless sooner terminated, the Term of this Lease shall expire at 11:59 p.m. on the last day of the sixty sixth (66th) calendar month following the Commencement Date.

2.03 AREA OF PREMISES

Landlord and Tenant agree that for all purposes of this Lease the Rentable Area of the Premises and the Rentable Area of the Building as set forth in Article One are controlling, and, except as in this Lease specifically provided, are not subject to revision after the date of this Lease.

ARTICLE THREE
RENT

Tenant agrees to pay to Landlord at the office specified in Section 1.01(2), or to such other persons, or at such other places designated by Landlord, without any prior demand therefor in immediately available funds and without any deduction, offset or abatement whatsoever (except as may be specifically provided for in this Lease, including but not limited to, the abatement set forth in Section 1.01(8)), Rent, including, without limitation, Monthly Base Rent and Rent Adjustments in accordance with Article Four, during the Term. Monthly Base Rent shall be paid monthly in advance on the first day of each month of the Term. Monthly Base Rent shall be prorated for partial months within the Term. Unpaid Rent shall bear interest at the Default Rate from the date due until paid, if such Rent is not paid within five (5) business days after the

date due. Tenant's covenant to pay Rent shall be independent of every other covenant in this Lease.

ARTICLE FOUR
RENT ADJUSTMENTS AND PAYMENTS

4.01 RENT ADJUSTMENTS

Tenant shall pay to Landlord Rent Adjustments during the Term as follows:

(i) Commencing on January 1, 1999, the Rent Adjustment Deposit representing Tenant's Share of the increase in Operating Expenses and Taxes over the Base Year of 1998 attributable to any calendar year (or portion thereof) monthly during the Term at the time when the Monthly Base Rent is due; and

(ii) Any Rent Adjustments due in excess of the Rent Adjustment Deposits in accordance with Section 4.02.

4.02 STATEMENT OF LANDLORD

As soon as feasible (but in no event later than 210 days) after the expiration of each calendar year of this Lease, Landlord will furnish Tenant a statement ("Landlord's Statement") showing the following:

(i) Operating Expenses and Taxes for the Adjustment Year and the amount of the increase over the Base Year;

(ii) The amount of Rent Adjustments due Landlord for the Adjustment Year, less credit for Rent Adjustment Deposits paid, if any; and

(iii) The Rent Adjustment Deposit due monthly in the calendar year next following the Adjustment Year including the amount or revised amount due for months prior to the rendition of the statement.

Tenant shall pay to Landlord within thirty (30) days after receipt of such statement any amounts for Rent Adjustments then due in accordance with Landlord's Statement. Any amounts due

from Landlord to Tenant pursuant to this Section shall be credited to the Rent

Adjustment Deposit next coming due, or at Tenant's election (upon written notice to Landlord) applied to the next payment of rent, or refunded to Tenant if the Term has already expired provided Tenant is not in default hereunder. No interest or penalties shall accrue on any amounts which Landlord is obligated to credit to Tenant by reason of this Section 4.02. Landlord's failure to deliver Landlord's Statement or in computing the amount of the Rent Adjustments shall not constitute a waiver by Landlord of its right to deliver such items nor constitute a release of Tenant's obligations to pay such amounts unless such failure shall continue for 365 days after the expiration of each applicable calendar year during the term of this Lease. The Rent Adjustment Deposit shall be credited against Rent Adjustments due for the applicable Adjustment Year. During the last complete calendar year or during any partial calendar year in

which the Lease terminates, Landlord may include in the Rent Adjustment Deposit its reasonable estimate of Rent Adjustments which may not be finally determined until after the termination of this Lease. Tenants's obligation to pay Rent Adjustments (and Landlord's obligation to reimburse Tenant for any excess estimated payments made by Tenant) survives the expiration or termination of the Lease. Notwithstanding the foregoing, in no event shall the sum of Monthly Base Rent and the Rent Adjustments be less than the Monthly Base Rent payable.

4.03 BOOKS AND RECORDS

Landlord shall maintain books and records showing Operating Expenses and Taxes in accordance with sound accounting and management practices, consistently applied. Upon written notice and request, Landlord shall make such records available to Tenant in the State of New Jersey for Tenant review as set forth in the sentence next following. The Tenant or its representative shall have the right, for a period of one hundred Eighty (180) days following the date upon which Landlord's Statement is delivered to Tenant, to examine the Landlord's books and records with respect to the items in the foregoing statement of Operating Expenses and Taxes during normal business hours, upon written notice, delivered at least three (3) business days in advance. If Tenant does not object in writing to Landlord's Statement within one hundred eighty (180) days of Tenant's receipt thereof, specifying the nature of the item in dispute and the reasons therefor, then Landlord's Statement shall be considered final and accepted by Tenant. Any amount due to the Landlord as shown on Landlord's Statement, whether or not disputed by Tenant as provided herein shall be paid by Tenant when due as provided above, without prejudice to any such written exception. Any dispute between Landlord and Tenant as to the matters which are the subject of this Section 4.03 shall be resolved pursuant to Section 26.18 hereof.

4.04 PARTIAL OCCUPANCY

For purposes of determining Rent Adjustments for any Adjustment Year if the Building is not fully rented during all or a portion of any year (including the Base Year), Landlord shall make appropriate adjustments to the Operating Expenses (that is, that portion thereof that would vary with occupancy levels) for such Adjustment Year (including the Base Year) employing sound

accounting and management principles consistently applied, to determine the amount of Operating Expenses that would have been paid or incurred by Landlord had the Building been 95% occupied, and the amount so determined shall be deemed to have been the amount of Operating Expenses for such Adjustment Year. In the event that the Real Property is not fully assessed for any year (including the Base Year), then Taxes shall be adjusted to an amount which would have been payable in such year (including the Base Year) if the Real Property had been fully assessed (which estimated adjustment shall be revised, if necessary, to reflect the actual full assessment and the Landlord and Tenant shall thereafter reconcile any under or over payment made based on such readjustment). In the event any other tenant in the Building provides itself with a service which Landlord would supply under the Lease without an additional or separate charge to Tenant, then Operating Expenses shall be deemed to include the cost Landlord would have incurred had Landlord provided such service to such other tenant (but only to the extent the cost for such service was included in Operating Expenses for the Base Year.

ARTICLE FIVE
SECURITY DEPOSIT

Concurrently with the execution of this Lease Tenant shall deliver the Security Deposit to the Landlord. Tenant shall deliver the Security Deposit in the following form: $122,375.01 in cash and $163,166.68 represented by an irrevocable and unconditional letter of credit for the full term of the Lease and any extensions, which letter of credit shall be prepared and delivered by a

financial institution acceptable to the Landlord. The Security Deposit may be applied by Landlord to.cure any default of Tenant under this Lease, and upon notice by Landlord of such application, Tenant shall replenish the Security Deposit in full by paying to Landlord within ten (10) days of demand the amount so applied. Landlord shall not pay any interest on the Security Deposit. The Security Deposit shall not be deemed an advance payment of Rent, nor a measure of damages for any default by Tenant under this Lease, nor shall it be a bar or defense of any action which Landlord may at any time commence against Tenant. In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the Security Deposit or the remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of this Lease. Upon the transfer of Landlord's interest under this Lease (and the written assumption by the transferee of the Landlord's obligations hereunder with respect to the Security Deposit), Landlord's obligation to Tenant with respect to the Security Deposit shall terminate upon assumption of such obligation by the transferee.

If Tenant shall fully and faithfully comply with all the terms, provisions, covenants, and conditions of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant after the following:

(a) the expiration of the term of this Lease;

(b) the removal of Tenant and its property from the Premises;

(c) the surrender of the Premises by Tenant to Landlord in accordance with this Lease; and

(d) the payment by Tenant of any outstanding Rent, including, without limitation, all Rent Adjustments due pursuant to the Lease as computed by Landlord.

Notwithstanding the foregoing, Tenant at Tenant's election, which election shall be exercised by delivery to Landlord of an additional irrevocable and unconditional letter of credit in the amount of $122,370.01 at least 90 days prior to the expiration of the (i) term of this Lease (if No Renewal Option is exercised) or (ii) any properly exercised Renewal Option, may elect, which election shall be indicated in writing together with the delivery of the additional irrevocable letter of credit, as set forth above, to have Landlord apply the cash portion of the Security Deposit to the base rental payments for the final three months of the then existing Term of this Lease or the properly exercised Renewal Option. The additional letter of credit shall constitute a portion of the Security Deposit and shall be applied or returned to Tenant as set forth in this Lease. Upon the deposit with Landlord of such additional letter of credit, the $163,166.68 letter of credit shall be delivered to Landlord's counsel, to be held in escrow and applied or returned to Tenant pursuant to the terms of this Lease.

ARTICLE SIX
SERVICES

6.01 LANDLORD'S GENERAL SERVICES

So long as the Lease is in full force and effect Landlord shall furnish the following services:

(1) heat and air-conditioning in the Premises, Monday through Friday from 8:00 A.M. to 6:00 P.M., Saturday, from 8:00 A.M. to 1:00 P.M., excluding National Holidays, as necessary in Landlord's reasonable judgment for the comfortable occupancy of the Premises under normal business operations, subject to compliance with all applicable voluntary and mandatory Laws and provided that Tenant Is use of heat generating machines or equipment does not exceed the limits established in Exhibit C and provided that the Tenant's occupancy or electrical load does not exceed the standards set forth in Exhibit C thereby

affecting the temperature otherwise maintained by the air-cooling system;

(2) tempered and cold water for use in lavatories and kitchen in common

with other tenants from the regular supply of the Building;

(3) customary cleaning and janitorial services in the Premises Monday through Friday,

excluding National Holidays, in accordance with the specifications attached hereto as Exhibit E;

(4) washing of the outside windows in the Premises weather permitting at intervals determined by Landlord, but not less than twice each calendar year during the term of the Lease;

(5) passenger elevator service (without operator);

(6) common area services including cleaning, snow plowing, landscaping and electricity.

6.02 ELECTRICAL SERVICES

(a) All electricity used in the Premises including but not limited to electricity used during the performance of janitorial service or the making of alterations or repairs in the Premises by Landlord shall be paid by Tenant. Tenant also agrees to purchase from Landlord or its agents at competitive prices fixed by Landlord for all tenants in the Building all lamps, bulbs, ballasts and starters used in the Premises. Tenant shall make no alterations or additions to the electric equipment or systems without the prior written consent of the Landlord in each instance.

(b) It is the intent of the parties hereto that the Premises be separately metered, and Landlord at the expense of the Tenant (included in Tenant's Allowance) shall make all necessary arrangements with the local utility company for furnishing, metering and paying for the meters, the installation of the meters and related equipment and for all electricity furnished by it to Tenant and consumed on the Premises. Landlord shall permit Landlord's wire and conduits, to the extent available and safely capable, to be used for such purposes, as provided for in Exhibit C hereto. The cost of electricity to Tenant shall be the same amount as paid by Landlord to the applicable utility for such electricity.

6.03 ADDITIONAL AND AFTER-HOUR SERVICES

At Tenant's request, Landlord shall furnish additional quantities of any of the services or utilities specified in Section 6.01, if Landlord can reasonably do so, on the terms set forth herein. Tenant shall deliver to Landlord a written

request for such additional services or utilities prior to 2:00 P.M. on Monday through Friday (except National Holidays) for service on those days, and prior to 2:00 P.M. on the last business day prior to Saturday, Sunday or a National Holiday. For additional services or utilities requested by Tenant and furnished by Landlord, Tenant shall pay to Landlord as a charge therefor Landlord's prevailing published rates for such services and utilities (notwithstanding the provisions of this sentence the charge for additional HVAC service shall be seventy five ($75) dollars per hour (or any portion thereof) subject, however to

adjustment for any increases or decreases in utility rates that may occur from time to time. If Tenant shall fail to make any such payment, Landlord may, upon notice to Tenant and in addition to Landlord's other remedies under this Lease, discontinue any or all of the additional services.

6.04 PHONE SERVICES

All telephone and electric connections which Tenant may desire shall be first approved by Landlord in writing, which approval shall not be unreasonably withheld delayed or conditioned, before the same are installed, and the location of all wires and the work in connection therewith shall be performed by contractors reasonably approved by Landlord. Landlord reserves the right to reasonably restrict and control access to telephone cabinets, which reasonable access is hereby granted to Tenant. Tenant shall be responsible for and shall pay all costs incurred in connection with the installation of telephone cables and related wiring in the Premises (which need not be removed by Tenant at the expiration of the term of this Lease), including, without limitation, any hook-up, access and maintenance fees related to the installation of such wires and cables in the Premises and the commencement of service therein, and the maintenance thereafter of such wire and cables; and there shall be included in Operating Expenses for the Building all installation, hookup or maintenance costs incurred by Landlord in connection with telephone cables and related wiring in the Building which are not allocable to any individual users of such service but are allocable to the Building generally. If Tenant fails to maintain all telephone cables and related wiring in the Premises and such failure affects or interferes with the operation or maintenance of any other telephone cables or related wiring in the Building, Landlord or any vendor, hired by Landlord after notice to Tenant, may enter into and upon the Premises forthwith and perform such repairs, restorations or alterations as Landlord deems necessary in order to eliminate any such interference (and Landlord may recover from Tenant all of Landlord's actual costs in connection therewith). Tenant agrees that neither Landlord nor any of its agents or employees shall be liable to Tenant, or any of Tenant's employees, agents, customers or invitees or anyone claiming through, by or under Tenant, for any damages, injuries, losses, expenses, claims or causes of action because of any interruption, diminution, delay or discontinuance at any time for any reason in the furnishing of any telephone service to the Premises and the Building.

6.05 DELAYS IN FURNISHING SERVICES

Tenant agrees that Landlord, provided (i) Landlord acts reasonably to restore such service, and (ii) that loss of service is not the result of a default by Landlord hereunder, shall not be liable to Tenant for damages or otherwise, for any failure to furnish, or a delay in furnishing, any service when such failure or delay is occasioned, in whole or in part, by repairs, improvements or mechanical breakdowns, by the act or default of Tenant or by an event of Force Majeure. No such failure or delay shall be deemed to be an eviction or disturbance of Tenant's use and possession of the Premises, or relieve Tenant from paying Rent or from performing any other

obligations of Tenant under this Lease. In no event shall Landlord be liable to Tenant for any consequential damages. Landlord shall use reasonable efforts to minimize interference with the conduct of Tenant's business from the Premises.

ARTICLE SEVEN
POSSESSION, USE AND CONDITION OF PREMISES

7.01 POSSESSION AND USE OF PREMISES

(a) Tenant shall occupy and use the Premises only for the uses specified in Section 1.01(14). Tenant shall not occupy or use the Premises (or permit the use or occupancy of the Premises) for any purpose or in any manner which:

(1) is unlawful or in violation of any Law or Environmental Law; (2) may be dangerous to persons or property or which may increase the cost of, or invalidate, any policy of insurance carried on the Building or covering its operations; (3) is contrary to or prohibited by the terms and conditions of this Lease or the rules of the Building set forth in Article Eighteen; or (4) would tend to create or continue a nuisance. Landlord represents that as of the Commencement Date hereof, the use of the Premises for general office use will not violate the Zoning Ordinance of Upper Saddle River, New Jersey.

(b) Tenant and Landlord shall each comply with all Environmental Laws concerning the proper storage, handling and disposal of any Hazardous Material with respect to the Property. Tenant shall not generate, store, handle or dispose of any Hazardous Material in, on, or about the Property without the prior written consent of Landlord. Nothing herein shall prohibit the Tenant from using reasonable quantities of properly packaged supplies which may contain Hazardous Materials but which are customly present in premises devoted to office use, provided that such use is in compliance with Environmental Laws. In the event that Tenant is notified of any investigation or violation of any Environmental Law arising from Tenant's activities at the Premises, Tenant shall

immediately deliver to Landlord a copy of such notice. In such event or in the event Landlord reasonably believes that a violation of Environmental Law exists, Landlord may conduct such tests and studies relating to compliance by Tenant with Environmental Laws or the alleged presence of Hazardous Materials upon the Premises as Landlord deems desirable, all of which shall be completed at Tenant's expense. However, if such tests and/or studies were initiated and/or required only by Landlord then in that event, Tenant shall be required to pay for the same only if the test and/or studies reveal a situation in violation of any Environmental Laws to which Tenant is responsible. Landlord's inspection and testing rights are for Landlord's own protection only, and Landlord has not, and shall not be deemed to have assumed any responsibility to Tenant or any other party for compliance with Environmental Laws, as a result of the exercise, or non-exercise of such rights. Tenant shall indemnify, defend, protect and hold harmless the Indemnitees from any and all loss, claim, expense, liability and cost (including attorneys' fees) arising out of or in any way related to the

presence of any Hazardous Material introduced to the Premises, except as above permitted, during the Lease Term by any party other than Landlord. If any Hazardous Material is released, discharged or disposed of on or about the Property and such release, discharge or disposal is not caused by Tenant or other occupants of the Premises, or their employees, agents or contractors, such release, discharge or disposal shall be deemed casualty damage under Article Fourteen to the extent that the Premises are affected thereby; in such case, Landlord and Tenant shall have the obligations and rights respecting such casualty damage provided under such Article.

(c) Landlord and Tenant acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C S12101 et seq.) and regulations and guidelines promulgated thereunder, as all of the same may be amended and supplemented from time to time (collectively referred to herein as the "ADA") establish requirements for business operations, accessibility and barrier removal, and that such requirements may or may not apply to the Premises and the Building depending on, among other things: (1) whether Tenant's business is deemed a "public accommodation" or "commercial facility", (2) whether such requirements are "readily achievable", and (3) whether a given alteration affects a "primary function area" or triggers "path of travel" requirements. The parties hereby agree that: (a) Landlord shall be responsible for ADA Title III compliance in the Common Areas, except as provided below, (b) except for initial Landlord's Work actually performed by Landlord or Landlord's agents, Tenant shall be responsible for ADA Title III compliance in the Premises, and (c) Landlord may perform, or require that Tenant perform, and Tenant shall be responsible for the cost of, ADA Title III "path of travel" requirements triggered by Tenant Alterations in the Premises. Tenant shall be solely responsible for requirements under Title I of the ADA relating to Tenant's employees.

7.02 LANDLORD ACCESS TO PREMISES

(a) Tenant shall permit Landlord to erect, use and maintain pipes, ducts, wiring and conduits in and through the Premises, so long as Tenant's use, layout or design of the Premises is not materially affected or altered. Landlord or Landlord's agents shall have the right to enter upon the Premises in the event of an emergency, or to inspect the Premises, to perform janitorial and other services, to conduct safety and other testing in the Premises and to make such repairs, alterations, improvements or additions to the Premises or the Building as Landlord may deem necessary or desirable upon not less than one (1) business day prior notice to Tenant (unless an emergency exists in which event no prior notice shall be required). Janitorial and cleaning services shall be performed after normal business hours. In connection therewith, Landlord shall be allowed to store on the Premises all necessary supplies and materials unless the same will materially interfere with Tenant's conduct of business from the Premises. Any entry or work by Landlord may be during normal business hours upon one (1) business day prior notice to Tenant (except in the event of an emergency with respect to which any entry or work may be done at any time) and Landlord shall use reasonable efforts to see that any entry or work shall not materially interfere with Tenant's occupancy of the Premises.

(b) If Tenant shall not be personally present to permit an entry into the Premises when for any reason an entry therein shall be necessary or permissible, Landlord (or Landlord's agents), after attempting to notify Tenant (unless Landlord believes an emergency situation exists), may enter the Premises without rendering Landlord or its agents liable therefor (if during such entry Landlord or Landlord's agent shall accord reasonable care to Tenant's property), and without relieving Tenant of any obligations under this Lease.

(c) Landlord may upon not less than one (1) business day prior notice to Tenant (unless an emergency exists in which event no prior notice shall be required) enter the Premises, in the presence of a representative of the Tenant, for the purpose of conducting such inspections, tests and studies as Landlord may deem desirable or necessary to confirm Tenant' s compliance with all Laws and Environmental Laws or for other purposes necessary in Landlord's reasonable judgment to ensure the sound condition of the Building and the systems serving the Building. Landlord's rights under this Section 7.02(c) are for Landlord's own protection only, and Landlord has not, and shall not be deemed to have assumed any responsibility to Tenant or any other party for compliance with Laws or Environmental Laws, as a result of the exercise or non-exercise of such rights.

(d) Provided that Landlord acts reasonably to complete the work and/or inspections as above provided then Landlord may do any of the foregoing, or undertake any of the inspection or work described in the preceding paragraphs without such action constituting an actual or constructive eviction of Tenant,

in whole or in part, or giving rise to an abatement of Rent by reason of loss or interruption of business of the Tenant, or otherwise. Landlord shall, in doing the foregoing, use reasonable efforts to minimize the interference with the Tenant's conduct of business from the Premises.

7.03 QUIET ENJOYMENT

Landlord covenants that so long as Tenant is in compliance with the covenants and conditions set forth in this Lease, Tenant shall have the right to quiet enjoyment of the Premises without hindrance or interference from Landlord or those claiming through Landlord.

7.04 COMPLIANCE WITH LAWS

Tenant shall comply with and execute at its own expense during and throughout the term of this Lease, all Laws, ordinary or extraordinary, foreseen or unforeseen, concerning the Tenant's Premises and the Tenants use and occupancy thereof. Any law relating to the Building, and having application to the Building regardless of the use made thereof, shall be the responsibility of the Landlord and shall be considered an Operating Expense to the extent permitted by the terms of this Lease, and except that as to the compliance with any Environmental Law by

Landlord as may be required by this Section 7.04 Tenant's payment in connection with Tenant's Share's on an annual basis throughout the Term of this Lease applicable to such compliance shall not exceed $15,000.00.

7.05 PERMITS

Except as specifically provided to the contrary in this Lease, Tenant shall be responsible, at Tenant's expense, for obtaining any and all licenses, permits, authorizations and approvals which may be required by any Law to be obtained for the proper and lawful conduct of Tenant's business in the Premises.

ARTICLE EIGHT
MAINTENANCE

8.01 LANDLORD'S MAINTENANCE

Subject to the provisions of Article Fourteen, Landlord shall maintain and make necessary repairs to the foundations, roofs, exterior walls, common areas,

parking areas, landscaping, and the structural elements of the Building, the electrical, plumbing, heating, ventilation and air-conditioning systems of the Building and the public corridors, washrooms and lobby of the Building, except that: (a) Landlord shall not be responsible for the maintenance or repair of any floor coverings or wall coverings in the Premises or any of such systems which are located within the Premises; and (b) the cost of performing any of said maintenance or repairs whether to the Premises or to the Building caused by the negligence of Tenant, its employees, agents, servants, licensees, subtenants, contractors or invitees, shall be paid by Tenant, provided, however, Landlord agrees to credit Tenant with any insurance proceeds paid to Landlord or which would have been payable to Landlord had Landlord maintained the insurance required to be maintained by Landlord under the terms and conditions of this Lease. Landlord shall not be liable to Tenant for any expense, injury, loss or damage resulting from work done in or upon, or the use of, any adjacent or nearby building, land, street, or alley.

8.02 TENANT'S MAINTENANCE

Subject to the provisions of Article Fourteen, Tenant, at its expense, shall keep and maintain the Premises and all systems and items located therein that exclusively serve the Premises, and all Tenant Additions in good order, condition and repair (reasonable wear and tear and damage caused by fire or other casualty excepted) and in accordance with all Laws and Environmental Laws. Tenant shall not permit waste and shall promptly and adequately repair all damages to the Premises and replace or repair all damaged or broken glass in the interior of the Premises,

fixtures or appurtenances unless caused by the negligence of Landlord or its agents or representatives provided, however, Landlord agrees to credit Tenant with any insurance proceeds paid to Landlord or which would have been payable to

Landlord had Landlord maintained the insurance required to be maintained by Landlord under the terms and conditions of this Lease. Any repairs or maintenance shall be completed with materials of similar quality to the original materials, all such work to be completed under the supervision of Landlord. Any such repairs or maintenance shall be performed only by contractors or mechanics approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed, and whose work will not cause or threaten to cause disharmony or interference with Landlord or other tenants in the Building and their respective agents and contractors performing work in or about the Building. If Tenant fails to perform any of its obligations set forth in this Section 8.02, Landlord may, in its sole discretion and upon one (1) business day prior notice to Tenant (except in the case of emergencies), perform the same, and Tenant shall pay to Landlord any reasonable costs or expenses incurred by Landlord within 30 days after demand.

ARTICLE NINE
ALTERATIONS AND IMPROVEMENTS

9.01 TENANT'S ALTERATIONS

(a) The following provisions shall apply to the completion of any Tenant Alterations:

(1) Tenant shall not, except as provided herein, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, make or cause to be made any Tenant Alterations in or to the Premises or any Building systems serving the Premises. Prior to making any Tenant Alterations, Tenant shall give Landlord ten (10) days prior written notice (or such earlier notice as would be necessary pursuant to applicable Law) to permit Landlord sufficient time to post appropriate notices of nonresponsibility. At the time that Landlord may respond in the affirmative to any request by Tenant to make such Tenant Alterations, Landlord shall advise Tenant whether or not Tenant shall be required to remove the Tenant Alterations upon the expiration of the Lease Term. Tenant may remove any Tenant's Alterations whether or not Landlord requires the same to be removed pursuant to the preceding sentence and such removal shall be performed in accordance with Article 12 of this Lease. Subject to all other requirements of this Article Nine, Tenant may undertake Decoration work without Landlord's prior written consent. Tenant shall furnish Landlord with the names and addresses of all contractors and subcontractors and copies of all contracts. All Tenant Alterations shall be completed at such time and in such manner as Landlord may from time to time reasonably designate, and only by contractors or mechanics approved by Landlord (except no such approval need be obtained with respect to Decorations), which approval shall not be unreasonably withheld, and whose work will not cause or threaten to cause disharmony or interference with Landlord or other tenants in the Building and their respective agents and contractors performing work in or about the Building. Any

contractor designated by Landlord as set forth above shall charge competitive rates for the completion of Tenant's Alterations. Landlord may further condition its consent upon Tenant furnishing to Landlord and Landlord approving prior to the commencement of any work or delivery of materials to the Premises related to the Tenant Alterations such of the following as specified by Landlord: architectural plans and specifications (if required by the permitting agency), opinions from engineers reasonably acceptable to Landlord stating that the Tenant Alterations will not unreasonably affect the Building's systems, including, without limitation, the mechanical, heating, plumbing, security, ventilating, air-conditioning, electrical, and the fire and life safety systems in the Building, necessary permits and licenses, certificates of insurance. Landlord may, in the exercise of reasonable

judgment, request that Tenant provide Landlord with appropriate

evidence of Tenant's ability to complete and pay for the completion of the Tenant Alterations such as a performance bond or letter of credit. A performance bond shall be required for all Tenant Alterations costing in excess of $30,000.00 in any single instance. Upon completion of the Tenant Alterations, Tenant shall deliver to Landlord an as-built set of plans and specifications for the Tenant Alterations.

(2) Tenant shall pay the cost of all Tenant Alterations and the cost of decorating the Premises and any work to the Building occasioned thereby. In connection with completion of any Tenant Alterations, Tenant shall pay Landlord a construction fee equal to three (3%) percent of the construction cost of such Tenant Alterations and all elevator and hoisting charges at Landlord's then standard reasonable rate. Upon completion of Tenant Alterations, Tenant shall furnish Landlord with contractors' affidavits and full and final waivers of lien and receipted bills covering all labor and materials expended and used in connection therewith and such other documentation reasonably requested by Landlord or Mortgagee.

(3) Tenant agrees to complete all Tenant Alterations (i) in accordance with all Laws, Environmental Laws, all requirements of applicable insurance companies and in accordance with Landlord's standard construction rules and regulations, and (ii) in a good and workmanlike manner with the use of good grades of materials. Tenant shall notify Landlord immediately if Tenant receives any notice of violation of any Law in connection with completion of any Tenant Alterations and shall immediately take such steps as are necessary to remedy such violation. In no event shall such supervision or right to supervise by Landlord nor shall any approvals given by Landlord under this Lease constitute any warranty by Landlord to Tenant of the adequacy of the design, workmanship or quality of such work or materials for Tenant's intended use, or of compliance with the requirements of Section 9.01(a) (3) (i) and (ii) above or impose any liability upon Landlord in connection with the performance of such work.

(b) All Tenant Alterations whether installed by Landlord or Tenant, shall without compensation or credit to Tenant, become part of the Premises and the property of Landlord at the time of their installation and shall remain in the Premises, unless pursuant to Article Twelve, Tenant removes them or is required to remove them at Landlord's request. Tenant shall not be required to remove the Landlord's Work installed as of the Commencement Date of this Lease.

9.02 LIENS

Tenant shall not permit any lien or claim for lien of any mechanic, laborer or supplier or any other lien to be filed against the Building, the Land, the Premises, or any part thereof arising out of work performed, or alleged to have been performed by, or at the direction of, or on behalf of Tenant. If any such lien or claim for lien is filed, Tenant shall within thirty (30) days (or ten (10) days, if necessary, to avoid interference in Landlord's consummating a transaction involving the Building) of receiving notice of such lien or claim (a) have such lien or claim for lien released of record or (b) deliver to Landlord a bond in form, content, amount, and issued by surety, reasonably satisfactory to Landlord, indemnifying, protecting, defending and holding harmless the Indemnitees against all costs and liabilities resulting from such lien or claim for lien and the foreclosure or attempted foreclosure thereof. If Tenant fails to take any of the above actions, Landlord, without investigating the validity of such lien or claim for lien, may pay or discharge the same and Tenant shall, as payment of additional Rent hereunder, reimburse Landlord upon demand for the reasonable amount so paid by Landlord, including Landlord's reasonable expenses and reasonable attorneys' fees.

ARTICLE TEN
ASSIGNMENT AND SUBLETTING

10.01 ASSIGNMENT AND SUBLETTING

(a) Without the prior written consent of Landlord, Tenant may not sublease, assign, mortgage, pledge, hypothecate or otherwise transfer or permit the transfer of this Lease or the encumbering of Tenant's interest therein in whole or in part, by operation of law or otherwise or permit the use or occupancy of the Premises, or any part thereof, by anyone other than Tenant. If Tenant desires to enter into any sublease of the Premises or assignment of this Lease, Tenant shall deliver written notice thereof to Landlord ("Tenant's Notice"), together with the identity of the proposed subtenant or assignee and the proposed principal terms thereof and financial and other information sufficient for Landlord to make an informed judgment with respect to such proposed subtenant or assignee at least thirty (30) days prior to the commencement dated of the term of the proposed sublease or assignment. If Tenant proposes to sublease less than all of the Rentable Area of the Premises, the space proposed to be sublet and the space retained by Tenant must each be a marketable unit as reasonably determined by Landlord and otherwise in compliance with all Laws. Landlord shall notify Tenant in writing

of its approval or disapproval of the proposed sublease or assignment or its decision to exercise its rights under Section 10.02 within twenty (20) days after receipt of Tenant's Notice (and all required information). In no event may

Tenant sublease any portion of the Premises or assign the Lease to any other tenant of the Building. Tenant shall submit for Landlord's approval (which approval shall not be unreasonably withheld) any advertising which Tenant or its agents intend to use with respect to the space proposed to be sublet or assigned.

(b) In making its determination of whether to consent to any proposed sublease or assignment (which consent, subject to the provisions of this subsection (b) shall not be unreasonably withheld or conditioned), Landlord may take into consideration the business reputation and credit-worthiness of the proposed subtenant or assignee; the nature of the business conducted by such subtenant or assignee and whether such business would be deleterious to the reputation of the Building or Landlord or would violate the provisions of any other leases of tenants of the Building; the estimated pedestrian and vehicular traffic in the Premises and to the Building which would be generated by the proposed subtenant or assignee; whether the proposed assignee or subtenant is a department, representative or agency of any governmental body, foreign or domestic; and any other factors which Landlord shall deem relevant. In no event shall Landlord be obligated to consider a consent to any proposed (i) sublease of the Premises or assignment of the Lease if a Default then exists under the Lease, or (ii) assignment of the Lease which would assign less than the entire Premises.

(c) If Landlord chooses not to recapture the space proposed to be subleased or assigned as provided in Section 10.02, Landlord shall not unreasonably withhold, delay or condition its consent to a subletting or assignment under this Section 10. 01. Any approved sublease or assignment shall be expressly subject to the terms and conditions of this Lease. Any such subtenant or assignee shall execute such documents as Landlord may reasonably require to evidence such subtenant's agreement to or assignee's assumption of such obligations and liabilities. Tenant shall deliver to Landlord a copy of all agreements executed by Tenant and the proposed subtenant and assignee with respect to the Premises. Landlord's approval of a sublease or assignment shall not constitute a waiver of Landlord's right to consent to further assignments or subleases.

(d) For purposes of this Article Ten, an assignment shall be deemed to include a change in the majority control of Tenant, resulting from any transfer, sale or assignment of shares of stock of Tenant occurring by operation of law or otherwise if Tenant is a corporation whose shares of stock are not traded publicly. If Tenant is a partnership, any change in the partners of Tenant shall be deemed to be an assignment. The provisions of this subsection (d) shall not be applicable to Tenant if it is a corporation whose stock is publicly traded.

(e) Landlord shall have no right to withhold consent to any assignment of this Lease or to any subletting to a majority owned subsidiary of Tenant, its

parent or such other corporation which has more than fifty (50%) percent of common legal and beneficial ownership, provided such does not result in a change in the use of the Premises and provided further that such assignee continues to be after such assignment a majority-owned subsidiary of Tenant, Tenant's parent or other corporation which has more than fifty (50%) percent of common legal and beneficial ownership of Tenant. In such case, Tenant shall remain directly and primarily liable for the performance of the terms and conditions of this Lease. Landlord shall have no right to withhold consent to any assignment of this Lease or to any subletting in connection with a sale of Tenant's business, inclusive of the Demised Premises, provided that the purchaser has a tangible net worth at the time of such transaction equal to or greater than the greater of: (i) Tenant's tangible net worth on the date of this Lease, or (ii) Tenant's tangible net worth on the date of such transaction.

10.02 RECAPTURE

Except as provided in Section 10.01(e) Landlord shall have the option to exclude from the Premises covered by this Lease ("recapture"), the entire space proposed to be sublet or subject to the assignment, effective as of the proposed commencement date of such sublease or assignment in any case where the Tenant proposes to sublet or assign 6,600 square feet or more of the Premises. If Landlord elects to recapture, Tenant shall surrender possession of the space proposed to be subleased or subject to the assignment to Landlord on the effective date of recapture of such space from the Premises such date being the Termination Date for such space. Effective as of the date of recapture of any portion of the Premises pursuant to this section, the Monthly Base Rent, Rentable Area of the Premises and Tenant's Share shall be adjusted accordingly.

10.03 EXCESS RENT

(a) Tenant shall pay Landlord on the first day of each month during the term of the sublease, fifty percent (50%) of the amount by which the sum of all rent and other consideration (direct or indirect) but exclusive of any amount received for the sale of all furniture, fixtures and equipment that does not exceed the unamortized value thereof received from the subtenant for such month exceeds: that portion of the Monthly Base Rent and Rent Adjustments due under this Lease for said month which is allocable to the space sublet, less all reasonable costs and expenses for the subletting of such space including but not limited to: (1) brokerage commissions and attorneys' fees and expenses, (2) advertising for subtenants; (3) the actual costs paid in making any improvements or substitutions in the Premises required by any sublease; and (4) "free rent" periods, costs of any inducements or concessions given to subtenant, moving costs, and other amounts in respect of such subtenant's other leases or occupancy arrangements.

(b) Except as set forth in (a) above, Tenant shall pay Landlord on the effective date of the assignment fifty (50%) percent of the amount of all consideration (direct or indirect) received from the assignee, less reasonable costs and expenses for the assignment of such space, including but not limited to: (1)

brokerage commissions and attorney's fees and expenses; (2) advertising for assignees; (3) the actual costs paid in making any improvements or substitutions in the Premises required by any assignment; and (4) "free rent" periods, costs of any inducements or concessions given to assignee, moving costs, and other amounts in respect of such assignee's other leases or occupancy arrangements.

10.04 TENANT LIABILITY

In the event of any sublease or assignment, Tenant shall not be released or discharged from and shall remain jointly and severally primarily liable for any liability, whether past, present or future, under this Lease, including any liability arising from the exercise of any renewal or expansion option.

10.05 ASSUMPTION AND ATTORNMENT

If Tenant shall assign this Lease as permitted herein, the assignee shall expressly assume all of the obligations of Tenant hereunder from and after the date of the Assignment in a written instrument reasonably satisfactory to Landlord and furnished to Landlord upon execution thereof. If Tenant shall sublease the Premises as permitted herein, Tenant shall, at Landlord's option, within fifteen (15) days following any request by Landlord, obtain and furnish to Landlord the written agreement of such subtenant to the effect that the subtenant will attorn to Landlord and will pay all subrent directly to Landlord.

ARTICLE ELEVEN
DEFAULT AND REMEDIES

11.01 EVENTS OF DEFAULT

The occurrence or existence of any one or more of the following shall constitute a "Default" by Tenant under this Lease:

(i) Tenant fails to pay any installment or-other payment of Rent including without limitation Rent Adjustment Deposits or Rent Adjustments within five (5) days after notice that the same was not paid when due;

(ii) Tenant fails to observe or perform any of the other covenants, conditions or provisions of this Lease or Exhibits "B" and/or Exhibit "D" and fails to cure such default within thirty (30) days after written notice thereof to Tenant (unless the default involves a hazardous condition, which shall be cured forthwith), provided that if such failure to observe or perform cannot, with the exercise of reasonable effort be cured within such thirty (30) day period, the same shall not constitute a default if Tenant commences to cure during such 30 day period and thereafter diligently prosecutes such cure to completion;

(iii) the interest of Tenant in this Lease is levied upon under execution or other legal process;

(iv) a petition is filed by or against Tenant to declare Tenant bankrupt or seeking a plan of reorganization or arrangement under any Chapter of the Bankruptcy Act or any similar law, or any amendment, replacement or substitution therefor, or to delay payment of, reduce or modify Tenant's debts, which in the case of an involuntary action is not discharged or stayed within sixty (60) days;

(v) Tenant is declared insolvent by law or any assignment of Tenant's property is made for the benefit of creditors;

(vi) a receiver is appointed for Tenant or Tenant's property, which appointment is not discharged or stayed within sixty (60) days;

(vii) Tenant having abandoned the Premises and ceased paying rent;

(viii) upon the dissolution of Tenant.

11.02 LANDLORD'S REMEDIES

(a) If a Default occurs, Landlord shall have the rights and remedies hereinafter set forth, which shall be distinct and cumulative: (i) Landlord may terminate this Lease by giving Tenant ten (10) days notice of Landlord's election to do so, in which event, the term of this Lease shall end and all of Tenant's rights and interests shall expire on the date stated in such notice, but Tenant shall nevertheless remain liable for the payment of Rent and all other sums due, payable and/or owing by it hereunder, which obligations shall expressly survive the termination of this Lease; (ii) Landlord may terminate Tenant's right of possession of the Premises without terminating this Lease by giving ten (10) days notice to Tenant that Tenant's right of possession shall end on the date specified in such notice but Tenant shall nevertheless remain liable for the payment of Rent and all other sums due, payable and/or owing by it hereunder; or (iii) Landlord may enforce the provisions of this Lease and may enforce and protect the rights of the Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all monies due or to become due for the balance of the Term from Tenant under any of the provisions of this Lease.

(b) (1) In the event that Landlord terminates the Lease or Tenant's right to possession, Landlord shall be entitled to recover as damages for loss of the bargain and not as a penalty, Rent for the balance of the Term as and when due, plus all Landlord's expenses of reletting, including without limitation, repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions (collectively, the "Reletting Expenses"), less any rent received by Landlord for the Premises during such period.

(2) No termination of this Lease by Landlord as provided herein shall relieve Tenant of its liability and obligations under this Lease, and such liability and obligations shall survive any such termination. In the event of any such termination, whether or not the Premises shall have been relet, Tenant shall pay to Landlord each month the base rent and additional rent and other payments required to be paid by Tenant up to the time of such termination, and thereafter Tenant, until the end of what would have been the term of this Lease in the absence of such termination, shall be liable to Landlord for, and shall pay to Landlord each month:

(i) The amount of the base rent, additional rent and other payments which would be payable under this Lease by Tenant if this Lease were still in effect together with any and all reasonable costs of any kind or nature whatsoever, paid or incurred by Landlord as a result of such termination, which costs shall be payable by Tenant forthwith, less

(ii) The net proceeds, if any, of any reletting, after deducting all of Landlord's expenses in connection with such reletting, including all repossession costs, brokerage commissions, legal expenses, reasonable attorneys' fees, alteration costs, repairs and other reasonable expenses of preparation for such reletting.

Tenant shall pay such current damages (herein called "deficiency") to Landlord monthly on the days on which the base rent would have been payable under this Lease if this Lease were still in effect, and Landlord shall be entitled to recover from Tenant each monthly deficiency as the same shall arise. However, if Landlord in its sole discretion so elects, at any time after any such

termination, Tenant shall pay to Landlord, within thirty (30) days of Landlord's demand thereof, as and for liquidated and agreed final damages for Tenant's default, an amount equal to the difference between the base rent, additional rent and other payments hereunder for the unexpired portion of the term of this Lease and the then fair and reasonable rental value of the Premises for the same period discounted to present value based on the then current discount rate. If the whole or any part of the Premises be relet by Landlord for the unexpired term of this Lease or any portion thereof in an arms length transaction, before presentation of proof of such liquidated damages to any court, commission or tribunal, the amount of rent reserved upon such reletting shall be deemed the fair and reasonable rental value for the whole or part of the Premises so relet during the term of the reletting. Nothing herein contained shall limit or

prejudice the right of Landlord to prove for and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time, whether or not such amount be greater, equal to, or less than the amount of the differences referred to above.

(c) In the event Landlord proceeds pursuant to subparagraph (a)(i) or (ii) above, Landlord may, but shall not be obligated to relet the Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are reasonably acceptable to Landlord. For purposes of such reletting, Landlord is authorized to decorate, repair, alter and improve the Premises to the extent reasonably necessary or desirable. If the Premises are relet and the consideration realized therefrom after payment of all Landlord's Reletting Expenses, is insufficient to satisfy the payment when due of Rent reserved under this Lease for any monthly period, then Tenant shall pay Landlord upon demand any such deficiency monthly. If such consideration is greater than the amount necessary to pay the full amount of the Rent, the full amount of such excess shall be retained by Landlord (and shall in no event be payable to Tenant) and applied against any deficiency of Tenant hereunder. Tenant agrees that Landlord may file suit to recover any sums due to Landlord hereunder from time to time and that such suit or recovery of any amount due Landlord hereunder shall not be any defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord.

(d) In the event a Default occurs, Landlord may, at Landlord's option, and pursuant to and with process of law, enter into the Premises, remove Tenant's property, fixtures, furnishings, signs and other evidences of tenancy, and take and hold such property; provided, however, that such entry and possession shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the Rent reserved hereunder for the full Term or from any other obligation of Tenant under this Lease. Any and all property which may be removed from the Premises by Landlord pursuant to the authority of law, to which Tenant is or may be entitled, may be handled, removed or stored by Landlord at the risk, cost and expense of Tenant, and Landlord shall in no event, absent Landlord's gross negligence, be responsible for the value, preservation or safekeeping thereof. Tenant shall pay Landlord, upon demand, any and all reasonable expenses incurred in such removal and all storage charges against such property so long as the same shall be in the Landlord's possession or under the Landlord's control. Any such property of Tenant not retaken from storage by Tenant after thirty (30) days notice given to Tenant after the Termination Date by appropriate legal means shall be conclusively presumed to have been conveyed by Tenant to Landlord under this Lease as a bill of sale without further payment or credit by Landlord to Tenant.

(e) Notwithstanding anything contained herein to the contrary Landlord waives any common law or statutory right of distraint.

11.03 ATTORNEY'S FEES

Tenant or Landlord shall pay upon demand, all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the other party in enforcing the performance by Landlord and/or Tenant of any obligations under this Lease, or resulting from a Default, or incurred by the non-defaulting party in any litigation, negotiation or transaction in which such non-defaulting party to become involved or concerned.

11.04 BANKRUPTCY

The following provisions shall apply in the event of the bankruptcy or insolvency of Tenant:

(a) In connection with any proceeding under Chapter 7 of the Bankruptcy Code where the trustee of Tenant elects to assume this Lease for the purposes of assigning it, such election or assignment, may only be made upon compliance with the provisions of (b) and (c) below, which conditions Landlord and Tenant acknowledge to be commercially reasonable. In the event the trustee elects to reject this Lease then Landlord shall immediately be entitled to possession of the Premises without further obligation to Tenant or the trustee.

(b) Any election to assume this Lease under Chapter 11 or 13 of the Bankruptcy Code by Tenant as debtor-in-possession or by Tenant's trustee (the "Electing Party") must provide for:

The Electing Party to cure or provide to Landlord adequate assurance that it will cure all monetary defaults under this Lease within thirty (30) days from the date of assumption and it will cure all nonmonetary defaults (or diligently proceed to cure all nonmonetary default) under this Lease within thirty (30) days from the date of assumption. Landlord and Tenant acknowledge such condition to be commercially reasonable.

(c) If the Electing Party has assumed this Lease or elects to assign Tenant's interest under this Lease to any other person, such interest may be assigned only if the intended assignee has provided adequate assurance of future performance (as herein defined), of all of the obligations imposed on Tenant under this Lease.

For the purposes hereof, "adequate assurance of future performance" means that Landlord has ascertained that each of the following

conditions has been satisfied:

(i) The assignee has submitted a current financial statement, certified by its chief financial officer, which shows a net worth and working capital in amounts sufficient to

assure the future performance by the assignee of Tenant's obligations under this Lease; and

(ii) Landlord has obtained consents or waivers from any third parties which may be required under a lease, mortgage, financing arrangement, or other agreement by which Landlord is bound, to enable Landlord to permit such assignment.

(d) Landlord's acceptance of rent or any other payment from any trustee, receiver, assignee, person, or other entity will not be deemed to have waived, or waive, the requirement of Landlord's consent, Landlord's right to terminate this Lease for any transfer of Tenant's interest under this Lease without such consent, or Landlord's claim for any amount of Rent due from Tenant.

ARTICLE TWELVE
SURRENDER OF PREMISES

12.01 IN GENERAL

Tenant shall not be required to remove the installation which constituted the Landlord's Work at the commencement of the term hereof. Upon the Termination Date, Tenant shall surrender and vacate the Premises immediately and deliver possession thereof to Landlord in a clean, and good condition, ordinary wear and tear, and damage caused by casualty and Landlord and/or its agents, employees and servants excepted. Tenant shall deliver to Landlord all keys to the Premises. Tenant shall be entitled to remove from the Premises all movable personal property of Tenant, Tenant's trade fixtures and Tenant Alterations. Tenant shall remove all Tenant Alterations which at the time of their installation Landlord by notice to Tenant required Tenant to remove. Tenant shall immediately repair all damage resulting from removal of any of Tenant's property, furnishings or Tenant Additions, shall close all floor, ceiling and roof openings and shall restore the Premises to a good condition as reasonably determined by Landlord. If any of the Tenant Additions which were installed by Tenant involved the lowering of ceilings, raising of floors or the installation

of specialized wall or floor coverings or lights, then Tenant shall also be obligated to return such surfaces to their condition prior to the commencement of this Lease. In the event possession of the Premises is not delivered to Landlord as required hereunder, or if Tenant shall fail to remove those items described above, Landlord may, at Tenant's reasonable expense, remove any of such property therefrom without any liability to Landlord and undertake, at Tenant's reasonable expense such restoration work as Landlord deems necessary or advisable.

12.02 LANDLORD'S RIGHTS

All property which may be removed from the Premises by Landlord shall be conclusively presumed to have been abandoned by Tenant and Landlord may deal with such property as provided in Section 11.02(d). Tenant shall also reimburse Landlord for all reasonable costs and expenses incurred by Landlord in removing any of Tenant Alterations and in restoring the Premises to the condition required by this Lease at the Termination Date.

ARTICLE THIRTEEN
HOLDING OVER

Tenant shall pay Landlord the greater of (i) double the monthly Rent (except that for the first 60 days of the holdover Tenant shall pay 150% rather than double) payable for the month immediately preceding the holding over (including increases (but not double) for Rent Adjustments which Landlord may reasonably estimate) or, (ii) double (except that for the first 60 days of the holdover Tenant shall pay 150% rather than double) the fair market rental value of the Premises as reasonably determined by Landlord, for each month or portion thereof that Tenant retains possession of the Premises, or any portion thereof, after the Termination Date (without reduction for any partial month that Tenant retains possession). The provisions of this Article shall not constitute a waiver by Landlord of any re-entry rights of Landlord and Tenant's continued occupancy of the Premises shall be as a tenancy in sufferance.

ARTICLE FOURTEEN
DAMAGE BY FIRE OR OTHER CASUALTY

14.01 SUBSTANTIAL UNTENANTABILITY

(a) If any fire or other casualty (whether insured or uninsured) renders all or a substantial portion of the Premises or the Building untenantable, Landlord shall, with reasonable promptness after the occurrence of such damage, estimate the length of time that will be required to Substantially

Complete the repair and restoration and shall by notice advise Tenant of such estimate ("Landlord's Notice"). If Landlord estimates that the amount of time required to Substantially Complete such repair and restoration will exceed one hundred eighty (180) days from the date such damage occurred, then Landlord, or Tenant (but with respect to Tenant only if all or a substantial portion of the Premises is rendered untenantable and the time period in excess of one hundred eighty (180) days relates to the repair of the Premises), shall have the right to terminate this Lease as of the date of such damage upon giving written notice to the other at any time within twenty (20) days after delivery of Landlord's Notice, provided that if Landlord so chooses, Landlord's Notice may also constitute such notice of termination.

(b) Unless this Lease is terminated as provided in the preceding subparagraph, Landlord shall proceed with reasonable promptness, to repair and restore the Premises to its condition as existed prior to such casualty, subject to reasonable delays for insurance adjustments and Force Majeure delays, and also subject to zoning laws and building codes then in effect. Notwithstanding anything contained herein to the contrary, unless Landlord restores the Premises to its condition as existed prior to such casualty within three hundred sixty-five (365) days from the date of the casualty, (inclusive of Force Majeure) Tenant may cancel this Lease on written notice to Landlord given within 10 days of the expiration of the 365 day period. If such notice to cancel is not given within the above 10 day period then in that event Tenant shall have no further right to cancel this Lease.

(c) Tenant acknowledges that Landlord shall be entitled to the full proceeds of any insurance coverage, whether carried by Landlord or Tenant, for damages to the Premises, except for those proceeds of Tenant's insurance of its own personal property and equipment which would be removable by Tenant at the Termination Date. All such insurance proceeds shall be payable to Landlord whether or not the Premises are to be repaired and restored.

(d) Notwithstanding anything to the contrary herein set forth: (i) Landlord shall have no duty pursuant to this Section to repair or restore any portion of any Tenant Additions, or to expend for any repair or restoration of the Premises or Building amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration of the Premises or Building amounts in excess of insurance proceeds paid to Landlord and available for repair or restoration; and (ii) Tenant shall not have the right to terminate this Lease pursuant to this Section if any damage or destruction was caused by the act or neglect of Tenant, its agent or employees.

(e) Any repair or restoration of the Premises performed by Tenant shall be in accordance with the provisions of Article Nine hereof.

14.02 INSUBSTANTIAL UNTENANTABILITY

If the Premises or the Building is damaged by a casualty but neither is rendered substantially untenantable, then Landlord shall proceed to repair and restore the Building or the Premises other than Tenant Alterations with reasonable promptness, and unless Landlord completes such repair and restoration on or

before one hundred eighty (180) days following the date of the casualty (inclusive of Force Majeure) and insurance adjustment, Tenant may cancel this Lease

on written notice to Landlord given within 10 days of the expiration of the 180 day period. If such notice to cancel is not given within the above 10 day period then in that event Tenant shall have no further right to cancel this Lease. In the event of any damage to the Premises which occurs during the last six (6) months of the Term, either Tenant or Landlord shall have the right to terminate this Lease as of the date of such casualty by giving written notice thereof to the other within twenty (20) days after the date of such casualty.

14.03 RENT ABATEMENT

Except for the wilful act of Tenant or its agents, employees, contractors or invitees, if all or any part of the Premises are rendered untenantable by fire or other casualty and this Lease is not terminated, Monthly Base Rent and Rent Adjustments shall abate for that part of the Premises which is untenantable for the purposes herein permitted on a per diem basis from the date of the casualty until Landlord has Substantially Completed the repair and restoration work in the Premises which it is required to perform, provided, that as a result of such casualty, Tenant does not occupy the portion of the Premises which is untenantable during such period.

ARTICLE FIFTEEN
EMINENT DOMAIN

15.01 TAKING OF WHOLE OR SUBSTANTIAL PART

In the event the whole or any substantial part of the Building, the Premises the ingress or egress to and from public roads, or so much of the parking areas as to reduce the parking available to a level below that which is required by law, is taken or condemned by any competent authority for any public use or purpose (including a deed given in lieu of condemnation), this Lease shall terminate as of the date title vests in such authority, and Monthly Base Rent and Rent

Adjustments shall be apportioned as of the Termination Date. Notwithstanding anything to the contrary herein set forth, in the event the taking is temporary (for less than the remaining term of the Lease) , Landlord may elect either (i) to terminate this Lease or (ii) permit Tenant to receive the entire award in which case Tenant shall continue to pay Rent and this Lease shall not terminate.

15.02 TAKING OF PART

In the event a part of the Building or the Premises is taken or condemned by any competent authority (or a deed is delivered in lieu of condemnation) and this Lease is not terminated, the Lease shall be amended to reduce, or increase, as the case may be, the Monthly Base Rent and Tenant's Proportionate Share to reflect the Rentable Area of the Premises or Building, as the

case may be, remaining after any such taking or condemnation. Landlord, upon receipt and to the extent of the award in condemnation (or proceeds of sale) shall make necessary repairs and restorations to the Premises (exclusive of Tenant Alterations) and to the Building to the extent necessary to constitute the portion of the Building not so taken or condemned as a complete architectural and economically efficient unit. Notwithstanding the foregoing, if as a result of any taking, or a governmental order that the grade of any street

or alley adjacent to the Building is to be changed and such taking or change of grade makes it necessary or desirable to substantially remodel or restore the Building or prevents the economical operation of the Building, Landlord shall have the right to terminate this Lease upon ninety (90) days prior written notice to Tenant.

15.03 COMPENSATION

Landlord shall be entitled to receive the entire award (or sale proceeds) from any such taking, condemnation or sale without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award; provided, however, Tenant shall have the right separately to pursue against the condemning authority a separate award in respect of the loss, if any, to Tenant for Tenants furniture, fixtures, equipments and moving expenses paid for by Tenant without any credit or allowance from Landlord so long as there is no diminution of Landlord's award as a result.

ARTICLE SIXTEEN
INSURANCE

16.01 TENANT'S INSURANCE

Tenant, at Tenant's expense, agrees to maintain in force, with a company or companies acceptable to Landlord, during the Term: (a) Commercial General Liability Insurance on a primary basis and without any right of contribution from any insurance carried by Landlord covering the Premises on an occurrence basis against all claims for personal injury, bodily injury, death and property damage, including contractual liability covering the indemnification provisions in this Lease. Such insurance shall be for such limits that are reasonably required by Landlord from time to time but not less than a combined single limit of Five Million and No/100 Dollars ($5,000,000.00); (b) Workers' Compensation and Employers' Liability Insurance for an amount of not less than required by the laws of The State of New Jersey; (c) "All Risks" property insurance in an amount adequate to cover the full replacement cost of all equipment, installations, fixtures and contents of the Premises in the event of loss and any such policy shall contain a provision requiring the insurance carriers to waive their rights of subrogation against Landlord; (d) In the event a motor vehicle is to be used by Tenant in connection with its business operation from the Premises, Comprehensive Automobile Liability Insurance coverage

with limits of not less than Three Million and No/100 Dollars ($3,000,000.00) combined single limit coverage against bodily injury liability and property damage liability arising out of the use by or on behalf of Tenant, its agents and employees in connection with this Lease, of any owned, non-owned or hired motor vehicles; and (e) such other insurance or coverages as Landlord reasonably requires or a Mortgagee reasonably requires which is similar in amount and coverage to that carried by prudent owner's of property in Bergen County similar to the Building. Tenant may satisfy the insurance requirements imposed upon it under this Lease by a combination of primary and umbrella policies.

16.02 FORM OF POLICIES

Each policy referred to in 16.01 shall satisfy the following requirements. Each policy shall (i) name Landlord and the Indemnitees as additional insured, (ii) be issued by one or more responsible insurance companies licensed to do business in the State of New Jersey reasonably satisfactory to Landlord and reasonably satisfactory to Mortgagee, (iii) where applicable, provide for deductible amounts reasonably satisfactory to Landlord and not permit co-insurance, (iv) shall provide that such insurance may not be canceled or amended without thirty (30) days' prior written notice to the Landlord and Mortgagee, and (v) shall

provide that the policy shall not be invalidated should the insured waive in writing prior to a loss, any or all rights of recovery against any other party for losses covered by such policies. Tenant shall deliver to Landlord, certificates of insurance and at Landlord's request, copies of all policies and renewals thereof to be maintained by Tenant hereunder, not less than ten (10) days prior to the Commencement Date and not less than ten (10) days prior to the

expiration date of each policy.

16.03 LANDLORD'S INSURANCE

Landlord agrees to purchase and keep in full force and effect during the Term hereof, including any extensions or renewals thereof, insurance under policies issued by insurers of recognized responsibility, qualified to do business in the State of New Jersey on the Building in amounts not less than 100% percent of the then full replacement cost (without depreciation) of the Building (above foundations) against fire and such other risks as may be included in standard forms of All Risk coverage insurance reasonably available from time to time. Landlord agrees to maintain in force during the Term, Commercial General Liability Insurance covering the Building on an occurrence basis against all claims for personal injury, bodily injury, death and property damage. Such insurance shall be for a combined single limit of Five Million and No/100 Dollars ($5,000,000.00). Neither Landlord's obligation to carry such insurance nor the carrying of such insurance shall be deemed to be an indemnity by Landlord with respect to any claim, liability, loss, cost or expense due, in whole or in part, to Tenant's negligent acts or omissions or wilful misconduct and Tenant shall have no right to any proceeds obtained or received by Landlord with respect to any such insurance.

16.04 WAIVER OF SUBROGATION

(a) Landlord agrees that, if obtainable it will include in its "All Risks" policies appropriate clauses pursuant to which the insurance companies (i) waive all right of subrogation against Tenant with respect to losses payable under such policies and/or (ii) agree that such policies shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for losses covered by such policies.

(b) Tenant agrees to include, if obtainable in its "All Risks" insurance policy or policies on its furniture, furnishings, fixtures and other property removable by Tenant under the provisions of its lease of space in the Building appropriate clauses pursuant to which the insurance company or companies (i) waive the right of subrogation against Landlord and/or any tenant of space in the Building who waives against Tenant with respect to losses payable under such policy or policies and/or (ii) agree that such policy or policies shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for losses covered by such policy or policies. If Tenant is unable to obtain in such policy or policies either of the clauses described in the preceding sentence, Tenant shall, if legally possible and without necessitating a change in insurance carriers, have Landlord named in such policy or policies as an additional insured. If Landlord

shall be named as an additional insured in accordance with the foregoing, Landlord agrees to endorse promptly to the order of Tenant, without recourse, any check, draft, or order for the payment of money representing the proceeds of any such policy or representing any other payment growing out of or connected with said policies, and Landlord does hereby irrevocably waive any and all rights in and to such proceeds and payments.

(c) Provided that Landlord's right of full recovery under its policy or policies aforesaid is not adversely affected or prejudiced thereby, Landlord hereby waives any and all right of recovery which it might otherwise have

against Tenant, its servants, agents and employees, for loss or damage occurring to the Building and the fixtures, appurtenances and equipment therein, to the extent the same is covered by Landlord's insurance, or would have been covered by Landlord's insurance had Landlord maintained the insurance required to be maintained by Tenant under the terms and conditions of this Lease, notwithstanding that such loss or damage may result from the negligence or fault of Tenant, its servants, agents or employees. Provided that Tenant's right of full recovery under its aforesaid policy or policies is not adversely affected or prejudiced thereby, Tenant hereby waives any and all right of recovery which it might otherwise have against Landlord, its servants, and employees and against every other tenant in the Building who shall have executed a similar waiver as set forth in this Section 16.04 (c) for loss or damage to Tenant's furniture, furnishings, fixtures and other property removable by Tenant under the provisions hereof to the extent that same is covered by

Tenant's insurance, or would have been covered by Tenant's insurance had Tenant maintained the insurance required to be maintained by Tenant under the terms and conditions of this Lease, notwithstanding that such loss or damage may result from the negligence or fault of Landlord, its servants, agents or employees, or such other tenant and the servants, agents or employees thereof.

(d) Landlord and Tenant hereby agree to advise the other promptly if the clauses to be included in their respective insurance policies pursuant to subparagraphs (a) and (b) above cannot be obtained on the terms hereinbefore provided and thereafter to furnish the other with a certificate of insurance or copy of such policies showing the naming of the other as an additional insured, as aforesaid. Landlord and Tenant hereby also agree to notify the other promptly of any cancellation or change of the terms of any such policy which would affect such clauses or naming. All such policies which name both Landlord and Tenant as additional insured shall, to the extent obtainable, contain agreements by the insurers to the effect that no act or omission of any additional insured will invalidate the policy as to the other additional insured.

16.05 NOTICE OF CASUALTY

Tenant shall give Landlord notice in case of a fire or accident in the Premises promptly after Tenant is aware of such event.

ARTICLE SEVENTEEN
WAIVER OF CLAIMS AND INDEMNITY

17.01 WAIVER OF CLAIMS

To the extent permitted by law, Tenant releases the Indemnitees from, and waives all claims against Indemnitees for, damage to person or property sustained by the Tenant or any occupant of the Building or Premises resulting directly or indirectly from any existing or future condition, defect, matter or thing in and about the Property or the Premises or any part of either or any equipment or appurtenance therein, or resulting from any accident in or about the Property, or resulting directly or indirectly from any act or neglect of any tenant or occupant of the Building or of any other persons, including Landlord's agents and servants. Tenant hereby waives any consequential damages, compensation or claims for inconvenience or loss of business, rents, or profits as a result of such injury or damage regardless of whether caused by Landlord's willful, negligent or wrongful acts. If any such damage, whether to the Premises or to any part of the Property or any part thereof, or whether to Landlord or to other tenants in the Building, results from any act or neglect of Tenant, its employees, servants, agents, contractors, invitees and

customers, Tenant shall be liable therefor and Landlord may, at Landlord's option, repair such damage and Tenant shall, upon demand by Landlord, as payment of additional Rent hereunder, reimburse Landlord within ten (10) days of demand for the total cost of such repairs, in excess of amounts, if any, paid to Landlord under insurance covering such damages, or would have been paid to Landlord had Landlord maintained the insurance required to be maintained by Landlord under the terms and conditions of this Lease. Tenant shall not be liable for any damage caused by its acts or neglect if Landlord has recovered the full amount of the damage from proceeds of insurance policies required to be maintained under the terms and condition of this Lease.

17.02 INDEMNITY BY TENANT

To the extent permitted by law, Tenant agrees to indemnify, protect, defend and hold the Indemnitees harmless against any and all actions, claims, demands, costs and expenses, including reasonable attorney's fees and expenses for the

defense thereof, arising from Tenants acts or omissions or the acts or omissions of Tenant's agents, servants, and/or employees in connection with Tenant's occupancy of the Premises, from the undertaking of any Tenant Alterations or repairs to the Premises, from the conduct of Tenant's business on the Premises, or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or from any willful or negligent act of Tenant, its agents, contractors, servants, employees, customers or invitees, in or immediately about the Premises, but only to the extent of Landlord's liability, if any, in excess of amounts, if any, paid to Landlord under insurance covering such claims or liabilities. Tenant shall not be responsible for the negligent acts of the Landlord or Landlord's agents, servants and/or employees. In case of any action or proceeding brought against the Indemnitees by reason of any such claim, upon notice from Landlord, Tenant covenants to defend such action or proceeding by counsel reasonably satisfactory to Landlord, it being understood that counsel retained by the applicable insurance company shall be deemed satisfactory.

ARTICLE EIGHTEEN
RULES AND REGULATIONS

18.01 RULES

Tenant agrees for itself and for its subtenants, employees, agents, and invitees to comply with the rules and regulations listed on Exhibit D attached hereto and with all reasonable modifications and additions thereto which Landlord on reasonable notice to Tenant may make

from time to time for the case safety and efficient operation of the Building, its occupants and business invitees.

18.02 ENFORCEMENT

Nothing in this Lease shall be construed to impose upon the Landlord any duty or obligation to enforce the rules and regulations as set forth on Exhibit D or as hereafter adopted, or the terms, covenants or conditions of any other lease as against any other tenant, and the Landlord shall not be liable to the Tenant for violation of the same by any other tenant, its servants, employees, agents, visitors or licensees. Landlord shall use reasonable efforts to enforce the rules and regulations of the Building in a uniform and non-discriminatory

manner. Tenant shall pay to Landlord all damages caused by Tenant's failure to comply with the provisions of this Article Eighteen.

ARTICLE NINETEEN
LANDLORD'S RESERVED RIGHTS

Landlord shall have the following rights exercisable without notice to Tenant and without being deemed an eviction or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for setoff or abatement of Rent: (1) To change the Building's name or street address upon thirty (30) days' prior written notice to Tenant except that Landlord shall not name the Building for any Company listed on Exhibit "G" during the Term of this Lease; (2) To install, affix and maintain all signs on the exterior and/or interior of the Building; (3) To designate and/or approve prior to installation, all types of signs, window shades, blinds, drapes, awnings or other similar items, and all internal lighting that may be visible from the exterior of the Premises; (4) Upon reasonable notice to Tenant, to display the Premises to prospective tenants at reasonable hours during the last nine (9) months of the Term, and at all times during the Term to prospective lenders, partners, joint venturers, purchasers or other interested parties; (5) To grant to any party the exclusive right to conduct any business or render any service in or to the Building, provided such exclusive right shall not operate to prohibit Tenant from using the Premises for the purpose permitted hereunder or to sublease the Premises on the terms and conditions herein permitted; (6) To change the arrangement and/or location of entrances or passageways, doors and doorways, corridors, elevators, stairs, washrooms or public portions of the Building, and to close entrances, doors, corridors, elevators or other facilities, provided that such action shall not materially and adversely interfere with Tenant's access to the Premises or the Building; (7) To have access for Landlord and other tenants of the Building to any mail chutes and boxes located in or on the Premises as required by any applicable rules of the United States Post Office; and (8) To close the Building after normal business hours, except that Tenant and its employees and invitees shall be entitled to admission at all times, under such regulations as Landlord prescribes for security purposes.

ARTICLE TWENTY
ESTOPPEL CERTIFICATE

20.01 IN GENERAL

(a) Within fifteen (15) days after request therefor by Landlord, Mortgagee or any prospective mortgagee or owner, Tenant agrees as directed in such request to execute an Estoppel Certificate in recordable form, binding upon Tenant, certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that this Lease as modified is in full force and effect); (ii) the dates to which Rent has been paid; (iii) that Tenant is in the possession of the Premises if that is the

case; (iv) that Landlord is not in default under this Lease, or, if Tenant believes Landlord is in default, the nature thereof in detail; (v) that Tenant has no off-sets or defenses to the performance of its obligations under this Lease (or if Tenant believes there are any off-sets or defenses, a full and complete explanation thereof) and that all sums, if any, required to be paid by Landlord to Tenant on account of Tenant's Work or Landlord's Allowance have been paid in full; (vi) that the Premises have been completed in accordance with the terms and provisions hereof or the Workletter, that Tenant has accepted the Premises and the condition thereof and of all improvements thereto and has no claims against Landlord or any other party with respect thereto (or if that not be the case, stating such claims) ; (vii) that if an assignment of rents or leases has been served upon the Tenant by a Mortgagee, Tenant will acknowledge receipt thereof and agree to be bound by the provisions thereof; (viii) that Tenant will give to the Mortgagee copies of all notices required or permitted to be given by Tenant to Landlord; (ix) the Commencement Date and Expiration Date

of the Lease; and (x) to any other information reasonably requested.

(b) Landlord agrees upon request to execute, acknowledge and deliver promptly to Tenant, without the payment of any consideration therefor, any instrument or certificate contemplated by this Section 20.01 which has been requested by Tenant. No such instrument or certificate, however, shall provide for any increase in Landlord's obligations hereunder.

20.02 ENFORCEMENT

In the event that Tenant fails to deliver an Estoppel Certificate, Tenant shall be deemed to have irrevocably appointed Landlord as Tenant's attorney-in-fact to execute and deliver such Estoppel Certificate, which execution by Landlord shall be conclusively binding upon Tenant.

ARTICLE TWENTY-ONE

ARTICLE TWENTY-TWO
REAL ESTATE BROKERS

Tenant and Landlord represents to each other that, except for Edward S. Gordon Company of New Jersey, Inc., neither Tenant nor Landlord has not dealt with any real estate broker, sales person, or finder in connection with this Lease, and no such person initiated or participated in the negotiation of this Lease, or showed the Premises to Tenant. Tenant and Landlord hereby agree to indemnify, protect, defend and hold the other harmless from and against any and all liabilities and claims for commissions and fees arising out of a breach of the foregoing representation. Landlord shall be responsible for all commissions to the brokers, if any, specified in this Article, but only in accordance with a separate agreement entered into between Landlord and such brokers.

ARTICLE TWENTY-THREE
MORTGAGEE PROTECTION

23.01 SUBORDINATION AND ATTORNMENT

This Lease is and shall be expressly subject and subordinate at all times to (i) any ground or underlying lease of the Real Property, now or hereafter existing, and all amendments, renewals and modifications to any such lease, and (ii) the lien of any first mortgage or trust deed now or hereafter encumbering fee title to the Real Property and/or the leasehold estate under any such lease, unless such ground lease or ground lessor, or mortgage or Mortgagee, expressly provides or elects that the Lease shall be superior to such lease or mortgage. If any such mortgage or trust deed is foreclosed, or if any such lease is terminated, upon request of the Mortgagee or ground lessor, as the case may be, Tenant will attorn to the purchaser at the foreclosure sale or to the ground lessor under such lease, as the case may be, provided, however, that such purchaser or ground lessor shall not be (i) bound by any payment of Rent for more than one month in advance except for (x) payments in the nature of security for the performance by Tenant of its obligations under this Lease; and (y) free rent periods as set forth in Section 1.01(8) of this Lease; (ii) subject to any offset, defense or damages arising out of a default of any obligations of any preceding Landlord except to the extent the same continues after Mortgagee has taken possession of the Premises; (iii) bound by any amendment or modification of this Lease made without the written consent of the Mortgagee or ground lessor; or (iv) liable for any security deposits not actually received in cash by such purchaser or ground lessor. This subordination shall be self-operative and no further certificate or instrument of subordination need be required by any such Mortgagee or ground lessor. In confirmation of such subordination, however, Tenant shall execute promptly any reasonable certificate or instrument

that Landlord, Mortgagee or ground lessor may request. Upon request by such successor in interest, Tenant shall execute and deliver reasonable instruments confirming the attornment provided for herein. Landlord shall use its best efforts to secure a non-disturbance agreement for the benefit of Tenant from any future mortgage lien holder on the Building, however failure to secure the non-disturbance agreement shall not be a default under this Lease.

23.02 MORTGAGEE PROTECTION

Tenant agrees to give any Mortgagee or ground lessor, by registered or certified mail, a copy of any notice of default served upon the Landlord by Tenant, provided that prior to such notice Tenant has received notice (by way of service

on Tenant of a copy of an assignment of rents and leases, or otherwise) of the address of such Mortgagee or ground lessor. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Mortgagee or ground lessor shall have an additional thirty (30) days after receipt of notice thereof within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary, if, within such thirty (30) days, any Mortgagee or ground lessor has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings or other proceedings to acquire possession of the Real Property, if necessary to effect such cure). Such period of time shall be extended by any period within which such Mortgagee or ground lessor is prevented from commencing or pursuing such foreclosure proceedings or other proceedings to acquire possession of the Real Property by reason of Landlord's bankruptcy. Until the time allowed as aforesaid for Mortgagee or ground lessor to cure such defaults has expired without cure, Tenant shall have no right to, and shall not, terminate this Lease on account of default. This Lease may not be modified or amended so as to reduce the rent or shorten the term, or so as to adversely affect in any other respect to any material extent the rights of the Landlord, nor shall this Lease be canceled or surrendered, without the prior written consent, in each instance, of the ground lessor or the Mortgagee.

ARTICLE TWENTY-FOUR
NOTICES

(a) All notices, demands or requests provided for or permitted to be given pursuant to this Lease must be in writing and shall be personally delivered sent by Federal Express or other overnight courier service, or mailed by first class, registered or certified mail, return receipt requested, postage prepaid.

(b) All notices, demands or requests to be sent pursuant to this Lease shall be deemed to have been properly given or served by delivering or sending the same in accordance with this Section, addressed to the parties hereto at their respective addresses listed below:

(1) Notices to Landlord shall be addressed:

IB BRELL, L.P.
c/o Koll Real Estate Co.
Mack Centre II
One Mack Centre Drive
Paramus, New Jersey 07652-3906
Attention: Richard Van Houten

with a copy to the following:

Scarinci & Hollenbeck
500 Plaza Drive
P.O. Box 3189
Secaucus, New Jersey 07096-3189
Attention: Victor E. Kinon, Esq.

(2) Notices to Tenant shall be addressed:

Prior to Commencement Date:

Professional Detailing, Inc.
599 McArthur Boulevard
Mahwah, New Jersey 07430
Attention: Ron Collins

After Commencement Date:

Professional Detailing, Inc.
10 Mountain Road
Upper Saddle River, New Jersey 07458

With a copy to the following:

Dollinger & Dollinger
365 West Passaic Street

Rochelle Park, New Jersey 07662
Attention: M. Dollinger, Esq.

(c) If notices, demands or requests are sent by registered or certified mail, said notices, demands or requests shall be effective upon being deposited in the United States mail. However, the time period in which a response to any such notice, demand or request must be given shall commence to run from the date of receipt on the return receipt of the notice, demand or request by the addressee thereof. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of notice, demand or request sent.

Notices may also be served by personal service upon any officer, director or

partner of Tenant or Landlord or in the case of delivery by Federal Express or other overnight courier service, notices shall be effective upon acceptance of delivery by an employee, officer, director or partner of Landlord or Tenant.

(d) By giving to the other party at least thirty (30) days written notice thereof, either party shall have the right from time to time during the term of this Lease to change their respective addresses for notices, statements, demands and requests, provided such new address shall be within the United States of America.

ARTICLE TWENTY-FIVE
SIGNAGE

Tenant's name, at Tenant's cost and expense, shall be included for

identification purposes on any Landlord controlled signage in the lobby of the Building and/or on the Real Property upon which the Building is located.

ARTICLE TWENTY-SIX
MISCELLANEOUS

26.01 LATE CHARGES

Except as (i) otherwise expressly provided in this Lease, and (ii) for changes in the amounts to be paid (i.e. Rent Adjustments, Rent Deposits and/or additional Rents which must be paid within 30 days of Notice of such change, all payments required hereunder (other than the Monthly Base Rent, Rent Adjustments, and Rent Adjustment Deposits, which shall be due as hereinbefore provided) to Landlord shall be paid within ten (10) days after Landlord's demand therefor. All such amounts (including, without limitation Monthly Base Rent, Rent Adjustments, and Rent Adjustment Deposits) not paid within five (5) days after the date due shall bear interest from the date due until the date paid at the Default Rate in effect on the date such payment was due.

26.02 WAIVER OF JURY TRIAL

As a material inducement to Landlord to enter into this Lease, Tenant and Landlord hereby waive their right to a trial by jury of any issues relating to or arising out of obligations under this Lease. Tenant acknowledges that it has

read and understood the foregoing provision.

26.03 MEMORANDUM OF LEASE

This Lease shall not be recorded by either Landlord or Tenant. However either party may request that a memorandum of this Lease or a memorandum setting forth the covenants, conditions and restrictions be recorded in a form reasonably acceptable to both excluding however the base rent and/or additional rent payments. As a condition to the recording of such memorandum of this Lease, a discharge of memorandum of this Lease shall be concurrently executed by the parties and delivered to Landlord's counsel, to be held in escrow pending the expiration or sooner termination of this Lease.

26.04 OPTION

This Lease shall not become effective as a lease or otherwise until executed and delivered by both Landlord and Tenant. The submission of the Lease to Tenant does not constitute a reservation of or option for the Premises.

26.05 AUTHORITY

Tenant and Landlord each represent and warrant to other that it has full authority and power to enter into and perform its obligations under this Lease, that the person executing this Lease is fully empowered to do so, and that no consent or authorization is necessary from any third party. Landlord may request that Tenant provide Landlord evidence of Tenant's authority.

26.06 ENTIRE AGREEMENT

This Lease, and the Exhibits attached hereto and the Workletter contain the entire agreement between Landlord and Tenant concerning the Premises and there are no other agreements, either oral or written. This Lease shall not be modified except by a writing executed by Landlord and Tenant.

26.07 MODIFICATION OF LEASE FOR BENEFIT OF MORTGAGEE

If Mortgagee of Landlord requires a modification of this Lease which shall not result in any increased cost or expense to Tenant or in any other substantial and adverse change in the rights and obligations of Tenant hereunder, then Tenant agrees that upon prior written notice to Tenant, the Lease may be so modified.

26.08 EXCULPATION

Tenant agrees, on its behalf and on behalf of its successors and assigns, that any liability or obligation under this Lease shall only be enforced against Landlord's equity interest in the Property and in no event against any other assets of the Landlord, or Landlord's officers or directors. Landlord agrees on its behalf and on behalf of its successor and assigns, that any liability or obligation under this Lease shall only be enforced against Tenant and in no event against the Tenant's offices or directors.

26.09 ACCORD AND SATISFACTION

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent due shall be deemed to be other than on account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's-right to recover the balance of such installment or payment of Rent or pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

26.10 LANDLORD'S OBLIGATIONS ON SALE OF BUILDING

In the event of any sale or other transfer of the Building, Landlord shall be entirely freed and relieved of all agreements and obligations of Landlord hereunder accruing or to be performed after the date of such sale or transfer, provided that all of Landlord's obligations hereunder thereafter accruing are specifically assumed by the buyer or transferee.

26.11 BINDING EFFECT

This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and permitted assigns.

26.12 CAPTIONS

The Article and Section captions in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or

intent of such Articles and Sections.

26.13 APPLICABLE LAW

This Lease shall be construed in accordance with the laws of the State of New Jersey. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each item, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

26.14 ABANDONMENT

In the event Tenant abandons the Premises but is otherwise in compliance with all the terms, covenants and conditions of this Lease, Landlord shall (i) have the right to enter into the Premises in order to show the space to prospective tenants, (ii) have the right to reduce the

services provided to Tenant pursuant to the terms of this Lease to such levels as Landlord reasonably determines to be adequate services for an unoccupied premises and (iii) during the last six (6) months of the Term, have the right to prepare the Premises for occupancy by another tenant upon the end of the Term.

26.15 LANDLORD'S RIGHT TO PERFORM TENANT'S DUTIES

If Tenant fails timely to perform any of its duties under this Lease or Exhibit B, Landlord shall have the right (but not the obligation), to perform such duty on behalf and at the reasonable expense of Tenant upon prior notice to Tenant, and all reasonable sums expended or reasonable expenses incurred by Landlord in performing such duty shall be deemed to be additional Rent under this Lease and shall be due and payable within thirty (30) days of demand by Landlord.

26.16 RIDERS

All Exhibits attached hereto and executed both by Landlord and Tenant shall be deemed to be a part hereof and hereby incorporated herein.

26.17 ENVIRONMENTAL MATTERS

(a) (i) Tenant represents and warrants that it is not an "Industrial Establishment" as that term is defined as of the date of this Lease in the Industrial Site Recovery Act, N.J.S.A. 13:lk-6 et sea., as same may be amended from time to time (the "Act"). Tenant shall not do or suffer anything that will cause it to become an Industrial Establishment under the Act during the Term. Landlord may from time to time require Tenant at Tenant's sole expense to provide proof satisfactory to Landlord that Tenant is not an Industrial Establishment. In the event that Tenant now is or hereafter becomes an Industrial Establishment (which event shall cause Tenant to be in Default of this Lease) Tenant shall comply with all conditions as set forth below.

(ii) Tenant agrees that it shall, at its sole cost and expense, fulfill, observe and comply with all of the terms and provisions of the Act and all rules, regulations, ordinances, opinions, orders and directives issued or promulgated pursuant to or in connection with said Act by the

Department of Environmental Protection ("DEP") related in any way to Tenant's use and occupancy of the Premises. (The Act and all said rules, regulations, ordinances, opinions, orders and directives are hereinafter collectively referred to as "ISRA"). Without limiting the foregoing, upon Landlord's request therefor, and in all events no later than sixty (60) days prior to "closing, terminating or transferring operations" (as said terms are

defined in ISRA) which would be subject to an obligation to comply with ISRA if an industrial establishment is present at the Premises, Tenant, at its sole cost and expense, shall provide the Landlord with a true copy of:

(A) an non-applicability letter from DEP (or such other agency or body which shall then have jurisdiction over ISRA matters) in form satisfactory to Landlord's counsel, stating that ISRA does not apply to Tenant, Tenant's use and occupancy of the Premises and to the closing, terminating or transferring of Tenant's operations at the Premises; or

(B) a Negative Declaration (as said term is defined in ISRA) duly approved by DEP (or such other agency or body then having jurisdiction over ISRA matters); or

(C) a Remedial Action Workplan (as said term is defined in

ISRA) duly approved by DEP (or such other agency or body which shall then have jurisdiction over ISRA matters).

(iii) Nothing contained in this Section shall be construed as limiting Tenant's obligation to otherwise comply with ISRA as aforesaid.

(iv) In the event Tenant complies with subparagraph (a) (ii) of this Section 26.17 by obtaining an approved Remedial Action Workplan, Tenant agrees that it shall, at its sole cost and expense:

(A) post any financial guarantee or other assurance required to secure implementation and completion of such Remedial Action Workplan; and

(B) promptly implement and diligently prosecute to completion said Remedial Action Workplan in accordance with the schedule contained therein or as may otherwise be ordered or directed by DEP or such other agency or body which shall then have jurisdiction over such Remedial Action Workplan. Tenant expressly understands, acknowledges and agrees that Tenant's compliance with the provisions of this subparagraph (iv) may require

Tenant to expend or do acts after the expiration or termination of the Term and Tenant shall not be excused therefrom. Any remediation conducted at the Premises by Tenant under ISRA or otherwise shall be to the standard applicable to ISRA related to the Premises and shall not involve alternative standards, institutional or engineering controls.

(v) Within ten (10) days after a written request by the

Landlord or any Mortgagee, Tenant shall deliver to Landlord and the Mortgagee, if any, a duly executed and acknowledged affidavit of Tenant's chief executive officer, certifying:

(A) the proper four digit Standard Industrial Classification Number relating to Tenant's then current use of the Premises (Standard Industrial Classification Number to be obtained by reference to the then current Standard Industrial Classification manual prepared and published by the Executive Office of the President, Office of Management and Budget or the successor to such publication); and

(B) (i) that Tenant's then current use of the Premises does not involve the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of Hazardous Material on the site, above ground or below ground, or (ii) that Tenant's then current use does involve the presence of Hazardous Material, in which event, said affidavit shall describe in complete detail Tenant's operations which involves the presence of Hazardous Material. Such description shall, inter alia, identify each Hazardous Material and describe the manner in which Tenant generated, handled, manufactured, refined, transported, treated, stored, and/or disposed of same. Tenant shall supply Landlord and the Mortgagee, if any, with such additional information relating to the presence of Hazardous Material as Landlord or its Mortgagee reasonably requests (nothing contained in this subsection (B) shall be deemed or construed to permit Tenant to use Hazardous Material).

(vi) Without limiting the foregoing, Tenant agrees:

(i) at its sole cost and expense, to promptly discharge and remove any lien or encumbrance against the Premises, or any other property owned or controlled, in whole or in part, by Landlord imposed due to Tenant's failure to comply with ISRA, and

(ii) to defend (with counsel approved by Landlord) , indemnify and hold Landlord harmless from and against any and all liability, penalty, loss, expenses, damages,

costs, claims, causes of action, judgments and/or the like, of whatever nature, including but not limited to attorney's fees and other costs of litigation or preparation therefor, to the extent such costs arise from or in connection with Tenant's failure or inability, for any reason whatsoever, to observe or comply with ISRA and/or provisions of this subparagraph 26.17(a).

(vii) Tenant agrees that each and every provision of this paragraph 26.17(a) shall survive the expiration or early termination of the Term. The parties hereto expressly acknowledge and agree that the Landlord would not enter into this Lease but for the provisions of this subparagraph 26.17(a) and the aforesaid survival thereof.

(b) (i) Tenant agrees that it shall, at its sole cost and expense, observe, comply and fulfill all of the terms and provisions of the Spill

Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq., as the same may be amended from time to time (the "Act") and all rules, regulations, ordinances, opinions, orders and directives issued or promulgated pursuant to or in connection with said Act by DEP, any subdivision or bureau thereof or governmental or quasi-governmental agency or body having jurisdiction thereof

(said Act and all said rules, regulations, ordinances, opinions, orders and directives are hereinafter in this subparagraph 26.17 (b) collectively referred to as "Spill Act") .

(ii) Without limiting the foregoing, the Tenant agrees:

(A) that it shall not do, omit to do or suffer the commission or omission of any act which is prohibited by or may result in any liability under the Spill Act including without limitation the discharge of petroleum products or other hazardous substances (as said terms are defined in the Spill Act); and

(B) whenever the Spill Act requires the "owner or operator" to do any act, Tenant shall do such act and fulfill all such obligations at its sole cost and expense, it being the intention of the parties hereto that Landlord shall be free of all expenses and obligations arising from or in connection with compliance with the Spill Act based on Tenants actions and/or non compliance.

(iii) without limiting the foregoing, Tenant agrees:

(A) at its sole cost and expense, to promptly discharge and to remove any lien or any encumbrance against the Premises, or any other property owned or controlled, in whole or in part, by Landlord, imposed by Tenant' failure to comply with the Spill Act; and

(B) to defend (with counsel approved by Landlord), indemnify and hold Landlord harmless from and against any and all liability, penalty, loss, expenses, damages, costs, claims, causes of action, judgments and/or the like, of whatever nature, including but not limited to attorneys' fees and other expenses of litigation or preparation therefor, to the extent such costs arise from or in connection with Tenant's failure or

inability, for any reason whatsoever, to observe or comply with the Spill Act and/or the provisions of this subparagraph 26.17(b).

(iv) Tenant agrees that each and every provision of this subparagraph 26.17(b) shall survive the expiration or earlier termination of the Term. The parties hereto expressly agree and acknowledge that the Landlord would not enter into this Lease but for the provisions of this subparagraph 26.17(b) and the aforesaid survival thereof.

(c) (i) Tenant agrees that it shall, at its sole cost and expense, promptly comply with all Environmental Laws applicable to its business and properties, wheresoever located, or the Premises. Without limiting the foregoing, Tenant agrees:

(A) that it shall not allow to occur any action or omission which is prohibited by or may result in any liability under any Environmental Law;

(B) whenever any Environmental Law requires any action of either or both of the owner or operator of the Premises, Tenant shall fulfill all such obligations at its sole cost and expense as relates to Tenants use and/or operations of its business in the Premises, it being the intention of the parties hereto that the Landlord shall be free of all expenses or obligations arising from or in connection with compliance with any Environmental

Law and Tenant shall bear all such expenses and obligations as if it is the sole owner and operator of the Premises as relates to Tenants use and/or operations of its business in the Premises.

(ii) Without limiting the foregoing, Tenant agrees:

(A) at its sole cost and expense to promptly discharge and remove any lien or encumbrance against the Premises or any property owned or controlled in whole or in part by the Landlord, imposed by reason of Tenant's failure to comply with any Environmental Law or any provision of this subparagraph 26.17(c).

(B) to defend (with counsel approved by Landlord), indemnify and hold Landlord harmless from and against any and all liabilities, penalties, losses, expenses, damages, costs, claims, causes of actions, judgments and/or the like, of whatever nature, including but not limited to attorneys' fees and other expenses of litigation or preparation thereof arising including any action brought under this sub paragraph 2 6. 17 (c) , to the extent such costs arise from or in connection with Tenant's failure to comply with any Environmental Law or any provision of this subparagraph 26.17(c).

(iii) Within ten (10) days after a written request by the Landlord or any mortgagee of the Landlord, Tenant shall deliver to Landlord and Landlord's mortgagee, if any, a fully executed acknowledged affidavit of Tenant's chief executive officer, certifying that the Tenant is not, to the best of Tenant's knowledge, in violation of any Environmental Law. Tenant shall supply Landlord and the Mortgagee, if any, with all information relating to any alleged or actual violation of any Environmental Law as the Landlord or Mortgagee reasonably requests within ten (10) days of a written request for such information.

(iv) Tenant agrees that each and every provision of this subparagraph 26.17(c) shall survive the expiration or earlier termination of the Term. The parties hereto expressly agree and acknowledge that the Landlord would not enter into this Lease but for the provisions of this subparagraph 26.17(c) and the survival thereof.

(a) Without limitation of any of the provisions of this Section 26.17, and except as specifically provided in this Lease, Tenant shall not store, generate, manufacture,

produce, treat, dispose of, release or discharge on, under or about the Premises any Hazardous Material.

26.18 Arbitration. In the event that Landlord and Tenant are unable to agree on any question arising under this lease, the dispute shall be submitted to the American Arbitration Association of New Jersey, for arbitration and determination in accordance with American Arbitration Association's commercial rules, and such decision shall be final and conclusive on the parties.

ARTICLE TWENTY-SEVEN
PARKING

27.01 Without additional charges of any kind therefor, Tenant, its employees, agents, and invitees shall be entitled to use of the unreserved parking area adjoining the Building, subject to reasonable rules and regulations, during the term of the Lease, in common with others.

ARTICLE TWENTY-EIGHT
TENANT'S RIGHT OF FIRST OFFER

Upon condition that Tenant is not in default in any of the payment of any rent or other charge payable by Tenant under this Lease and not in default in the performance of any covenant or obligation to be performed by Tenant under this Lease and further subject to the conditions and limits hereinafter set forth, Landlord agrees that Landlord will not enter into any new lease of any unit of space in the second floor of that certain centerpod portion of the Building (as shaded on Exhibit "A") of which the Premises are a part which may become vacant during the initial term of this Lease with any tenant unless Landlord shall first offer, in writing, said space to Tenant on such terms and conditions as are then acceptable to the Landlord. Landlord agrees that Tenant shall thereupon have the one-time right to lease said space in accordance with the terms contained in Landlord's written notice. Said right must be exercised by Tenant within twenty (20) business days after Tenant's receipt of written notice of said offer by Tenant's giving written notice to Landlord of the exercise of said right. If Tenant shall fail to exercise its right hereunder, then Tenant shall execute in recordable form a release of its right to first offer herein granted as applicable to the space so offered to Tenant. This right of first offer (i) is not assignable and shall be deemed personal only to Professional Detailing, Inc.; (ii) will not apply to any space to be leased by Landlord to a tenant at that time leasing other space in the Building; (iii) is limited to the exercise of rights for space only once, and once offered and declined all rights to lease the particular offered space shall cease and terminate, however the right to lease other space not yet offered shall continue to exist.

The following additional items shall apply to said Right of First Offer:

(i) Tenant's right to add space to the Premises under this Article 28 shall be exercised by the notice to Landlord containing Tenant's election for the entire amount of offered space;

(ii) The added space shall become a part of the Premises and except for such terms contained in the notice from Landlord the terms and conditions of this Lease, including, but not limited to, the Lease Term and options shall be applicable thereto.

(iii) Once the size of the added space has been determined this Lease and Exhibit "A" shall be appropriately revised to reflect the revised payments and Premises including the added space, signed and initialled by Landlord and Tenant

and added to or attached to this Lease as applicable.

(iv) Said right of first offer shall be subject to any other rights, similar or dissimilar, granted by Landlord heretofore as set forth on Exhibit "G" attached hereto and by this reference made a part hereof.

ARTICLE TWENTY-NINE
RENEWAL OPTION;

29.01 (a)By written notice delivered to Landlord on or before the date which is twelve (12) months prior to the expiration of the term of this Lease (the "Exercise Date"), time being of the essence, expressly provided that Tenant is not in default in any respect under the terms of this Lease beyond any applicable notice and grace period on (i) the Exercise Date and (ii) the last day of the term of this Lease (the "Expiration Date"), Tenant shall have the option to extend the term of this Lease for five (5) years commencing on the first day following the Expiration Date and ending on the date which is five (5) years thereafter (hereinafter called the "Renewal Term") upon the same terms and conditions hereof except that the Monthly Base Rent to be paid by Tenant for the Renewal Term shall be then annual fair market rental value for the Premises, as determined as hereinafter set forth, and to be effective on the first day of the Renewal Term. In this regard, no earlier than three hundred thirty (330) days and no later than three hundred (300) days prior to the Expiration Date, which thirty (30) day period is hereinafter referred to as the "Exchange Period", Landlord shall submit to Tenant a statement of Landlord's determination of the annual fair market rental value for the Premises for the Renewal Term, which statement shall show the basis upon which such determination was made. Landlord's determination of the annual fair market rental value shall give due consideration to the rents (including any concessions, tenant finish allowances or related matters) charged by Landlord for all leases of comparably sized space (excluding exercise of renewal rights where the tenant had a right of renewal under the terms of its lease) entered into by Landlord for the twelve (12) month period preceding the first day of the Exchange Period, except that if there were no such leases or such leases were so peculiar to a particular situation that no true comparables would be derived, Landlord may expand the basis of its determination to include the rents being charged by other owners of comparable first class office buildings located in the Northern Bergen County, New Jersey. Within thirty (30) days after receipt of Landlord's determination, Tenant may either (i) rescind the exercise of its option, (ii) accept Landlord's determination of the annual fair market rental value or (iii) provide Landlord with its own determination of the annual fair market rental value, including the basis upon which such determination was made.

If Tenant elects option (iii), then Landlord and Tenant shall, for a period of thirty (30) days after Landlord's receipt of Tenant's determination, negotiate in good faith to determine the annual fair market rental value and if Landlord

and Tenant are unsuccessful in reaching agreement within such thirty (30) days, Tenant may cause the issue arbitrated as hereinafter in this Article 29 set forth. If Tenant does not elect to have the issue arbitrated as hereinafter in this Article 29 set forth, this option to renew shall automatically be null and void and of no force or effect five (5) days following the thirty (30) day period following Landlord's receipt of Tenant's determination of the annual fair market rental value. Except for the Monthly Base Rent, the Renewal Term shall be upon all of the terms, covenants and conditions contained in this Lease.

(b) In the event Tenant elect's to arbitrate the issue of annual fair market rental value, such issue shall be determined by arbitration as hereinafter provided. Landlord and Tenant shall each appoint a fit and impartial person as an arbitrator who shall have at least ten (10) years' experience in the commercial real estate industry in the Saddle River, New Jersey area (a "Qualified Arbitrator"). Such appointment shall be indicated in writing by each party to the other within ten (10) days following the thirty (30) day period following Landlord's receipt of Tenant's determination of the annual fair market rental value, as aforesaid. If the arbitrators are unable to determine the annual fair market rental value as set forth below within twenty (20) days of their appointment, the arbitrators so appointed shall immediately appoint a third Qualified Arbitrator. In case either party shall fail to appoint a Qualified Arbitrator within a period of ten (10) business days after written notice form the other party to make such appointment, the American Arbitration Association, or its successor (the "AAA") shall appoint such Qualified Arbitrator(s). The two (2) arbitrators so appointed shall appoint the third (3rd) arbitrator, as aforesaid, otherwise the AAA shall similarly make such appointment. The arbitrators shall proceed with all reasonable dispatch to

determine the annual fair market rental value and under all circumstances shall be bound by the terms of this Lease and shall not add to, subtract from, or otherwise modify such provisions, provided, however, the arbitrators shall take into account all relevant factors in determining the annual fair market rental value. The concurrence of any two said arbitrators shall be binding upon Landlord and Tenant, or, in the vent no two of the arbitrators shall render a concurrent determination, then the determination of the third (3rd) arbitrator shall be binding upon Landlord and Tenant. The determination of such third (3rd) arbitrator shall be no higher than Landlord's arbitrator's determination, and no lower than Tenant's arbitrator's determination. The decision of the arbitrators shall, in any event, be rendered within thirty (30) days after the appointment of the first and second arbitrators and such decision shall be in writing and in duplicate with one counterpart delivered to each Landlord and Tenant. The arbitration shall be conducted in accordance with the rules of the AAA and applicable New Jersey law, and a decision of a majority of the arbitrators shall be binding, final conclusive upon Landlord and Tenant. The fees of the arbitrators and the expenses incident to the proceedings shall be shared equally between Landlord and Tenant.

(c) Once the option period rent is determined as set forth, Tenant shall commence paying the same as of the first day of the option period.

IN WITNESS WHEREOF, this Lease has been executed as of the date set forth in Section 1.01(4) hereof.

LANDLORD:

IB BRELL, L.P., a Delaware limited partnership

By: KB Investors V, a California general partnership, its General Partner

By: KE Holdings, L.P., a Washington limited partnership, its General Partner

By: Koll Investment Management, Inc., a California corporation, its General Partner

By: /s/

Its:

TENANT:

PROFESSIONAL DETAILING, INC.

By: /s/

FIRST AMENDMENT TO OFFICE LEASE
MOUNTAINVIEW EXECUTIVE PLAZA
UPPER SADDLE RIVER, NEW JERSEY
DATE: DECEMBER , 1997

IB BRELL, L.P., a Delaware Limited Partnership with offices at Mack Centre II, One Mack Centre Drive, Paramus, New Jersey 07652-3906.

as LANDLORD,

and

PROFESSIONAL DETAILING, INC. with offices at 599 McArthur Boulevard, Mahwah, New Jersey 07430

as TENANT,

do hereby enter into this First Amendment to Office Lease as of this day of December, 1997.

WITNESSETH:

WHEREAS, the Landlord and the TENANT have previously entered into an Office Lease dated December 9, 1997 (the "Lease") for premises consisting of twenty-two thousand (22,000) square feet (the "Premises") located within that certain building at 10 Mountainview Road, Upper Saddle River, New Jersey (the "Building"); and

WHEREAS, TENANT now wishes to lease an additional five thousand (5,000) square feet ("Additional Premises"), thereby leasing a total of twenty seven (27,000) thousand square feet in

the Building (from and after the date hereof the entire 27,000 square feet shall be referred to as the "Premises");

IT IS, THEREFORE agreed that the Lease is modified as follows:

1. Rent. Section 1.01(8) is hereby deleted and the following is hereby inserted in lieu thereof.

Months During Term	Monthly Rent	Annual Rent	Square Foot Rent	Total
1-2	0.00	0.00	0.00	
3-14	$50,062.50	$600,750.00	$22.25	$600,750.00
15	0.00	0.00	0.00	
16-27	$50,062.50	$600,750.00	$22.25	$600,750.00
28	0.00	0.00	0.00	
29-40	$50,062.50	$600,750.00	$22.25	$600,750.00
41	0.00	0.00	0.00	
42-53	$50,062.50	$600,750.00	$22.25	$600,750.00
54	0.00	0.00	0.00	
54-66	$50,062.50	$600,750.00	$22.25	$600,750.00

TOTAL: $3,003,750.00

2. Miscellaneous. Section 1.01 items (10),(11), (12) and (13) are hereby deleted and the following is hereby inserted in lieu thereof:

(10) RENTABLE AREA OF THE PREMISES: approximately 27,000 square feet

(11) SECURITY DEPOSIT: Three Hundred Fifty Thousand Four Hundred Thirty Seven Dollars and 50/100 ($350,437.50)

(12) LOCATION OF PREMISES: Second Floor - South Wing

(13) TENANT'S SHARE: 14.0625%

3. Security Deposit. (a) The number "$122,375.01" appearing in second line and the number "163,166.68" appearing in the third line of Article Five on Page 12 of the Lease are hereby deleted and the number "$150,187.50" is hereby inserted in the second line and the number "$200,250.00" is hereby inserted in the third line in lieu of such numbers.

(b) The number "$122,370.01" appearing in the third line of the last paragraph of Article Five on page 13 is hereby deleted and the number "150,187.50" is hereby inserted in lieu thereof.

(c) The number "$163,166.68" appearing in the penultimate line of the last paragraph of Article Five on page 13 is hereby deleted and the number "$200,250.00" is hereby inserted in lieu thereof.

4. RECAPTURE. The number "6,600" appearing in the fourth line of Section 10.02 on page 24 is hereby deleted and the number "8,100" is hereby inserted in lieu thereof.

5. Exhibit A. Exhibit "A" attached to the Lease is hereby deleted and Exhibit "A" attached hereto is hereby inserted in lieu thereof.

6. Exhibit B. The number $34,980.00" in the eighth line of Section 3(b) on page 4 of Exhibit B is hereby deleted and the number "$42,930.00" is hereby inserted in lieu thereof.

7. Other Terms and Conditions of Lease. Except to the extent expressly modified herein, all of the other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment To Office Lease has been executed as of the date first set forth above.

LANDLORD: /s/

IB BRELL, L.P., a Delaware limited partnership

By: KB Investors V, a California general partnership, its General Partner

By: KE Holdings, L.P., a Washington limited partnership, its General Partner

By: Koll Investment Management, Inc., a California corporation, its General Partner

By: /s/ JAMES H. PATTERSON

JAMES H. PATTERSON

Its: SENIOR VICE PRESIDENT

TENANT:

PROFESSIONAL DETAILING, INC.

By: /s/ CHARLES T. SALDARINI

CHARLES T. SALDARINI, President/C.O.O.

After the merger discussed in Note 2 to the Financial Statements is effected, we will be in a position to render the following consent.

/s/ COOPERS & LYBRAND L.L.P.

Parsippany, New Jersey
February 13, 1998

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the inclusion in this registration statement on Form S-1 of our report dated February 3, 1998, except as to the information presented in Note 2, for which the date is _____ on our audits of the Financial Statements of Professional Detailing, Inc. We also consent to the references to our firm under the caption 'Experts.'

Parsippany, New Jersey
February , 1998

Exhibit 23.3

Consent of Farkas & Manelli, P.L.L.C.

We hereby consent to the inclusion of our firm under the heading "Legal Matters" in the Registration Statement on Form S-1 of Professional Detailing, Inc.

/s/ Farkas & Manelli, P.L.L.C.

Farkas & Manelli, P.L.L.C.

Dated: Washington, D.C.
February 13, 1998

<TABLE> <S> <C>

<ARTICLE> 5

<S> <C>
<PERIOD-TYPE> 12-mos
<FISCAL-YEAR-END> DEC-31-1997
<PERIOD-START> JAN-01-1997
<PERIOD-END> DEC-31-1997
<CASH> 5,759,918
<SECURITIES> 0
<RECEIVABLES> 2,073,356
<ALLOWANCES> 0
<INVENTORY> 0
<CURRENT-ASSETS> 13,143,921
<PP&E> 1,123,601
<DEPRECIATION> 576,224
<TOTAL-ASSETS> 13,691,298
<CURRENT-LIABILITIES> 13,015,477
<BONDS> 0
<PREFERRED-MANDATORY> 0
<PREFERRED> 0
<COMMON> 100
<OTHER-SE> 675,721
<TOTAL-LIABILITY-AND-EQUITY> 13,691,298
<SALES> 54,541,818
<TOTAL-REVENUES> 54,704,043
<CGS> 43,057,196
<TOTAL-COSTS> 57,645,687
<OTHER-EXPENSES> 0
<LOSS-PROVISION> 0
<INTEREST-EXPENSE> 7,179
<INCOME-PRETAX> (2,948,823)
<INCOME-TAX> 0
<INCOME-CONTINUING> (2,948,823)
<DISCONTINUED> 0
<EXTRAORDINARY> 0
<CHANGES> 0
<NET-INCOME> (2,948,823)
<EPS-PRIMARY> 0
<EPS-DILUTED> 0

</TABLE>

DIRECTOR NOMINEE CONSENT

The undersigned, being advised that he has been nominated as a Director-Nominee of Professional Detailing Inc., a Delaware corporation (the "Company"), and is to take office upon completion of the offering of shares of Common Stock of the Company, hereby consents to the use of his name as a Director-Nominee in the Registration Statement pursuant to which such shares will be offered or any Registration Statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended.

/s/ JOHN M. PIETRUSKI

JOHN M. PIETRUSKI

DIRECTOR NOMINEE CONSENT

The undersigned, being advised that she has been nominated as a Director-Nominee of Professional Detailing Inc., a Delaware corporation (the "Company"), and is to take office upon completion of the offering of shares of Common Stock of the Company, hereby consents to the use of her name as a Director-Nominee in the Registration Statement pursuant to which such shares will be offered or any Registration Statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended.

/s/ JAN MARTENS VECSI

JAN MARTENS VECSI

DIRECTOR NOMINEE CONSENT

The undersigned, being advised that he has been nominated as a Director-Nominee of Professional Detailing Inc., a Delaware corporation (the "Company"), and is to take office upon completion of the offering of shares of Common Stock of the Company, hereby consents to the use of his name as a Director-Nominee in the Registration Statement pursuant to which such shares will be offered or any Registration Statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended.

/s/ GERALD MOSSINGHOFF

GERALD MOSSINGHOFF