



AstraZeneca Invests \$100 Million in **EXPANDED RESEARCH CENTER**



This investment will significantly boost our research capabilities in two critical areas of medical need — infection and cancer research — and two areas where we have tremendous heritage, says David Brennan, AstraZeneca's CEO

AstraZeneca has announced a \$100 million expansion of its R&D center in Waltham, Mass., which will create up to 100 new jobs.

Construction of the facility is scheduled to begin at the Waltham site during the first quarter of 2007 with scheduled completion by mid-2009. Extra laboratory space — 67,000 square feet — will be added as part of the overall 132,000-square-foot expansion.

Since the opening of AstraZeneca R&D in Boston, scientists there have discovered three candidate drugs to potentially treat different cancers, including breast, ovarian, thyroid, and prostate as well as two novel-class candidate drugs to potentially treat serious skin infections, serious cases of chronic bronchitis, and serious pneumonias.

Company executives believe Boston gives the company access to the leading scientific talent, potential partners and collaborators, and emerging science in a worldwide biotechnology hub.

Roche Introduces **NEW OPERATING MODEL** for its Global R&D Activities

The focus is on disease biology areas to enhance alignment of R&D.

Roche has introduced a new operating model for its global R&D activities, organized around disease biology areas (DBA). Each DBA covers a range of activities from R&D to strategic marketing in a specific therapeutic field. The disease biology area leadership teams (DBLTs) are in Basel, Switzerland, Nutley, N.J., and Palo Alto, Calif. This integrated approach is designed to seamlessly manage compounds from drug discovery through medical proof of concept with oversight through to the market.

Roche's R&D efforts continue to focus on clinically differentiated medicines, with DBAs being created for the following five therapeutic areas:

- Oncology — Nutley, N.J.
- Virology — Palo Alto, Calif.
- Inflammation — Palo Alto, Calif.
- Metabolism — Basel, Switzerland
- Central nervous system — Basel, Switzerland

Each of the five DBAs is managed by a cross-functional leadership team with representatives from discovery, clinical research and exploratory development, clinical development, and strategic marketing, all located at one site.



Innovation and the creativity of our people will remain the basis of our success, says Roche Chairman and CEO Franz B. Humer.

In their own therapeutic areas, these teams decide which medicines to develop and the most efficient path to do so. The five teams report to the newly created strategic portfolio committee, which is made up of senior pharma division managers.

This new model is designed to ensure that Roche's steadily expanding R&D operation is suitably equipped to meet increasingly complex requirements.

By simplifying and accelerating the multiple decision-making processes involved, the model is more efficient and effective in translating research activity from each therapeutic area into clinically differentiated medicines, thus enabling the group's growing number of devel-

opment projects to be integrated more quickly.

As innovation continues to be at the core of its activities, Roche expects further increases in 2007, and beyond, not only in R&D staff numbers but in its R&D budget, currently at about \$4.8 billion.

In addition to Basel, Nutley, and Palo Alto, all other current research sites in the Roche network will continue to play an important role in creating innovation.

Otsuka Establishes **GLOBAL DRUG DEVELOPMENT CORNERSTONE**

Otsuka Pharmaceutical Development & Commercialization (OPDC) has been established through the merger of two Otsuka organizations, Otsuka Maryland Research Institute and the Global Development and Commercialization Division of Otsuka America Pharmaceutical. The amalgamation ensures full integration of development and strategic commercial planning activities for Otsuka's pharmaceutical compounds.

OPDC strategically develops drug candidates from initial discovery of a compound through life-cycle management to preparing a plan that will lead to global registration to marketing. The organization conducts high-quality clinical studies in diversified therapeutic areas and is the cornerstone of Otsuka's global drug development and strategic commercial planning efforts. Kazumichi Kobayashi has been named chairman and CEO of the new organization and Dr. Taro Iwamoto is president and chief operations officer.

Currently, Otsuka has compounds in various stages of development to treat cardiovascular, gastrointestinal, respiratory, ophthalmic, and central nervous system disorders as well as cancer.

OPDC's mission is to continuously strive to offer new treatment options to patients worldwide through our local pharmaceutical businesses, says Kazumichi Kobayashi, Chairman and CEO of OPDC.





M&A ACTIVITY

► **CARDINAL HEALTH INC.**, Dublin, Ohio, a global healthcare company, has **completed the sale of its pharmaceutical technologies and services segment to The Blackstone Group**, a global private investment and advisory firm, for \$3.3 billion in cash. Cardinal Health plans to use the net proceeds from the sale to repurchase shares. The net book value of the PTS segment is about \$2 billion. The sale is subject to customary closing conditions, including regulatory approvals.

For more information, visit cardinalhealth.com.

► **GENERAL ELECTRIC (GE HEALTHCARE)**, Fairfield, Conn., a global medical diagnostic instruments and tests company that provides transformational medical technologies and services, has **announced a definitive agreement to acquire Abbott's *in vitro* and point-of-care diagnostics businesses (formerly known as i-STAT)** for \$8.13 billion in cash. The transaction is expected to close in the first half of 2007 and is subject to customary closing conditions, including regulatory approvals.

The addition of two of Abbott's core laboratory diagnostics businesses broadens GE Healthcare's diagnostic offerings, and the acquisition reflects GE Healthcare's strategy to combine early diagnosis with information technology to enable a new early health model of care focused on earlier diagnosis, presymptomatic disease detection, and disease prevention. Abbott's *in vitro* diagnostics business, including point-of-care, is expected to generate net sales of about \$2.7 billion in 2006.

For more information, visit gehealthcare.com.

► **HEALTHINFO DIRECT**, Chicago, a direct marketing agency, **has been purchased by Cushman/Amberg Communications**, Chicago, for an undisclosed amount at the end of 2006. The merger brings together the healthcare strength of HealthInfo with the global services of Cushman/Amberg. The combined companies offer traditional public relations, as well as social media, global grassroots initiatives, CEO positioning, crisis and reputation management, and PR marketing research. The new healthcare practice is operating under the name Cushman/Amberg HealthInfo Direct and the direct marketing capabilities are being introduced as Cushman/Amberg Direct.

For more information, visit cushmanamberg.com.

► **PHOENIX MARKETING INTERNATIONAL**, Rhinebeck, N.Y., **has acquired JZM Inc., (Johnston, Zabor, McManus)**, a full-service healthcare marketing research firm.

For more information, visit phoenixmi.com.

► **QUADRANT HEALTHCOM INC.**, Parsippany, N.J., a publisher of clinical and nonclinical information for healthcare professionals, **has announced the acquisition of five publications from Jobson Healthcare Group**, New York, a division of Jobson Medical Information. The five publications are: Clinician Reviews, Women's Health in Primary Care, Neurology Reviews, Neuropsychiatry Reviews, and Pulmonary Reviews.

For more information, visit qhc.com.



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Eisai Research Institute Opens NEW FACILITY

Eisai Research Institute (ERI) has opened a new facility at its site in Andover, Mass. The \$65 million, 150,000-square-foot facility is devoted to discovery research using a combination of natural products-based synthetic organic chemistry and target-oriented biology to identify and develop drug compounds.

The company has been successful in contributing to a pipeline of compounds in the fields of cancer and immunology, and as part of Eisai's fifth midterm business plan, the state-of-the-art laboratories and office space provides increased opportunity for scientific discovery and compound selection.

A distinctive feature of ERI is its focus and expertise in the synthesis of complex organic molecules derived from nature. Research efforts have contributed to a pipeline of compounds in two therapeutic areas: cancer and immunology. Currently two compounds discovered at ERI are being studied in Phase III clinical trials globally. Additional compounds discovered at ERI are in preclinical and clinical development for the treatment of cancer and other diseases.

Cerebrio Launches GOOD MEASURE for CME Industry

Cerebrio has established a new division to assist organizations with evaluating continuing medical education-related learning and behavior change.

The new division, Good Measure, is managed by Wendy Turell, Dr.PH., CME director. She is supported by a team of experienced individuals in the field of research and medical education, including research methodologists, doctoral-level scientists, health statisticians, and computer programmers.

The division is dedicated to raising the level of awareness regarding the value of outcomes measurement. The establishment of Good Measure assists providers in using outcomes data to improve and refine their CME programs. The refinement not only helps to educate medical providers and engender behavior change, but also serves to meet the improvement of patient outcomes.

"Through Good Measure, Cerebrio will be able to assist grantors and medical education organizations to accurately identify and describe educational change among CME participant populations," says Bill Marovitz, Ph.D., president and CEO.

Kendle Opens TWO NEW OFFICES

Kendle's new office in Ann Arbor, Mich., enhances the company's ability to provide Phase II to Phase IV clinical development solutions for its global biopharmaceutical customers. The new location offers significant career opportunities for clinical research professionals in the region.

The new office is located near the University of Michigan, presenting the opportunity to hire extremely qualified employees.

Leadership for the new clinical project management office is provided jointly by Frank Lobeck, Pharm.D., and Mel Kropko, M.S.

"Building on a year in which we experienced significant growth, this new office will allow us to hire extremely qualified employees who are able to serve our customers immediately," says Martha Feller, Ph.D., Kendle's senior VP, global clinical development, North America. "With the University of Michigan nearby, Ann Arbor as a region is increasing its commitment to become a hub of biotech activity."

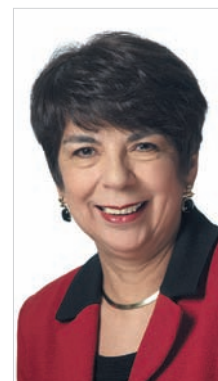
In a separate announcement, Kendle has expanded into Uppsala, Sweden, which increases its access to patients across the Scandinavian region.

The new location provides Phase II to Phase IV clinical development solutions for the company's global biopharmaceutical customers and underscores the importance of Sweden as a key region for the recruitment of clinical trial patients throughout Scandinavia.

Leadership for the new operation is provided by Claes-Göran Brobäck, Ph.D., director, global clinical development, Europe.

"Sweden's efficient approval process, high-quality data, and widely respected regulatory agency make it a consistently ideal location for the conduct of clinical trials," says Kendle's Alan J. Boyce, VP of global clinical development, Europe and Africa.

"In addition, its unique public health system allows for high enrollment rates, low drop-out rates, and the successful, long-term tracking of patients," he says.



As a region, Ann Arbor is increasing its commitment to become a hub of biotech activity, says Dr. Martha Feller, Kendle's Senior VP, Global Clinical Development, North America.

Follow up

ASTRAZENECA, Boston, is an international healthcare business engaged in the research, development, manufacture, marketing of prescription pharmaceuticals, and the supply of healthcare services. For more information, visit astrazeneca-us.com.

CEREBRIO, New York, is an Omnicom Group medical education company. For more information, visit goodmeasurecme.com.

EISAI RESEARCH INSTITUTE, Andover, Mass., a subsidiary of Tokyo-based Eisai Co. Ltd., is a human healthcare company seeking innovative solutions in disease prevention, cure, and care. For more information, visit eisai.com.

KENDLE, Cincinnati, a global full-service CRO, provides the biopharmaceutical industry with outstanding strategy as well as a full complement of quality clinical development and regulatory

services to accelerate the drug development process. For more information, visit kendle.com.

OTSUKA PHARMACEUTICAL DEVELOPMENT & COMMERCIALIZATION INC., (OPDC), Princeton, N.J., and Tokyo, part of the Otsuka Pharmaceutical Group, is a healthcare company that researches, develops, manufactures, and markets innovative, original products, focusing its core businesses on pharmaceutical and consumer products for the maintenance of everyday health. For more information, visit otsuka.com.

ROCHE, Nutley, N.J., is the U.S. pharmaceutical headquarters of the Roche Group, one of the world's leading research-oriented healthcare groups with core businesses in pharmaceuticals and diagnostics. For more information, visit roche.com.