Market Report

U.S. Prescription Sales Grow

U.S. sales of ethical pharmaceuticals and insulins through retail and non-retail channels grew 5.1% in 2009, reaching $300.3 billion, compared with growth of 1.8% in 2008. While the 32 innovative products launched last year brought important new treatment options to patients in a number of disease areas, including cancer, thrombosis, and atrial fibrillation, they drove only a limited increase in drug spending.

Factors contributing to growth include:

- Stronger demand for prescription drugs despite macroeconomic conditions; Dispensed prescription volume in retail channels grew at a 2.1% pace, to 3.9 billion dispensed prescriptions, up from 1.0% growth in 2008. Although the volume of new therapy starts in 17 major chronic disease areas declined by about 1%, the volume of add-on therapy starts, switches, and refills rose by almost 2% last year;
- Sustained pricing practices by pharmaceutical manufacturers, competing on the basis of clinical evidence and value;
- Inventory management actions taken by retail pharmacies at the beginning of 2009 to bring stocking levels in line with market demand;
- Greater use of specialty pharmaceuticals — a class of medications used to treat complex, chronic conditions — which now comprise 21% of U.S. market value and grew 7.5% last year.

SOURCE: IMS HEALTH

R&D Spending

R&D Investment by U.S. Companies Increases

Research & development (R&D) investment in new medicines and vaccines by the U.S. biopharmaceutical industry was $65.3 billion in 2009, an increase of more than $1.5 billion from the total R&D investment made in 2008, according to a combined analysis conducted by Burrill & Company and Pharmaceutical Research and Manufacturers of America (PhRMA).

PhRMA-member companies alone spent about $45.8 billion on R&D last year, according to a PhRMA survey. The Burrill & Company analysis shows that non-PhRMA pharmaceutical research companies in the United States spent an estimated $19.5 billion on R&D in 2009.

SOURCE: BURRILL & COMPANY

TUNING IN...

Featured Podcasts

Market Research: Changing Dynamics

Featured Thought Leaders: Lynnette Cooke, Kantar Health, Dr. Debbie Kossman, PMRG, Juliana Mastroserio, Johnson & Johnson

Scientist versus Salesman: Which Approach Will Enable Your Sales Reps to Raise Their Value to the Industry?

Featured Thought Leader: Tim Ryan, Boehringer Ingelheim

Leveraging Expanded Access and Named Patient Programs

Featured Thought Leader: Nicky Wisener, Idis

Featured Whitepapers

Using Conjoint Analysis To Maximize Your Clinical Research Designs

Provided by: Answers & Insights Market Research, Inc.

Evolution in action: As Markets and Medicine Evolve, Pharmaceutical Sales Models and Deployment Strategies Must Keep Up, for the Sake of Survival

Provided by: BioPath Consulting

A New Decade Means New Challenges for Patient Education: a whitepaper by Cutting Edge Information

Provided by: Healthy Advice Networks

Awards

COMMONHEALTH WINS DTC AWARDS

EvoLogue, a full-service consumer agency of CommonHealth providing insight-driven behavioral-marketing services, has won four DTC National Advertising Awards.

EvoLogue earned Gold and Bronze awards for two different women's healthcare brands in the Best Point-Of-Care Campaign category, Silver for Best Branded Integrated Campaign, and Bronze for Best Branded Print Campaign.

PUROHIT NAVIGATION WINS DXMA AWARDS

Purohit Navigation won six awards at the 2010 Diagnostic Marketing Association (DxMA) Creative Communications Awards ceremony, which honors the best of the best in diagnostic marketing.

The agency won three first-place awards, two second-place awards, and a third-place honor.

ROCHE SCIENTIST HONORED

Roche Scientist Kyle Kolaja, Ph.D., was recently named a Fellow of the Academy of Toxicological Sciences (ATS).

To earn the certification, Dr. Kolaja, Director of Early Safety and Investigative Toxicology in Roche's Non-Clinical Safety, had to demonstrate impressive professional experience, extensive knowledge of toxicology and involvement in broad-based toxicological activities.

He is among the youngest ATS Fellows and is the first Roche scientist to achieve this recognition since 1995.

The author of almost 50 peer-reviewed scientific papers, Dr. Kolaja is the recipient of a number of grants and awards and is a member of several professional organizations, including being a Diplomate of the American Boards of Toxicology.

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Social Media

Opportunities for Pharma Exist in Social Media

Social media participation drives a more engaged patient, according to a new study from marketing services company Epsilon. Among Internet users, product/health Web sites are as important as healthcare provider interactions when it comes to gaining relevant health information. In addition, consumers are finding comfort and answers through their social media interactions.

Key findings include:

- 40% of online consumers use social media for health information (reading or posting content), but frequency of engagement varies widely;
- Individuals who use healthcare social media fall into two broad groups; the highly engaged patient who takes an active role in health management (**80%**) versus individuals who lack confidence to play an active role in their own health (**80%**).
- Consumers engage with healthcare social media for both rational and emotional reasons. Many healthcare social media users want reassurance, support, and a sense of intimacy from people who are going through a similar experience. Social media users are searching for foundational information about their specific conditions and symptoms, information about drugs and supplements, and the latest health news.
- Lack of participation in social media is both a time and trust issue: Reliance on a doctor's advice was the most commonly cited reason. Other consumers said they don't have the time to use social media, or simply don't trust the information they find.
- Third-party health-related sites are the most important destinations for both social and editorial content, but their level of credibility varies;
- Many people have mixed feelings about how pharmaceutical companies should participate in Web sites and social media, but most are open to some level of participation, as long as it is transparently disclosed.

SOURCE: EPSILON

Sales Rep Access

Physicians Requiring Appointments Increase

About 98% of physicians say their offices are visited by up to **20** sales reps each week from the pharmaceutical or medical-device industries, with almost half of the physicians surveyed saying they require or prefer appointments to be made by reps before one-on-one meetings, according to SK&A, a Cegedim Company.

The percentage of physicians who require or prefer appointments has increased significantly in the past year, from **38.5%** in December **2008** to **49.6%** in December **2009**. The number of physicians who restrict access altogether has remained unchanged in the past **12** months at about **23%**.

Other trends include:

- Specialty physicians are less likely to grant sales reps access than general practitioners. The top-three accessible physicians are allergists/immunologists (**4.4%** no-see rate), diabetes specialists (**7%**) and gynecologists (**7.5%**). The least accessible physicians are diagnostic radiologists (**91.8%** no-see rate), pathologists (**91.7%**), and neuroradiologists (**91.5%**).
- Offices with fewer patients seen daily are less likely to host sales reps. Sites with a daily patient volume of one to **10** have a no-access rate of **28.9%** and those with a daily patient volume of **31** to **40** have a **13.6%** no-access rate.
- Health system- and hospital-owned offices are less likely to grant sales reps access than offices not part of a health system or owned by a hospital. Health system and hospital-owned offices have no-access rates of **30.3%** and **29.5%**, respectively. Nonhealth system and hospital-owned offices have no-access rates of **21.5%** each.
- Larger practices are less likely to grant sales reps access. Offices with one to two physicians have a no-access rate of **13.4%** while offices with 10 or more physicians have a no access rate of **42.1%**.
- Physician offices in the Western U.S. are least likely to allow sales reps access. The South had the lowest no-access rate with **19.4%**, and the West had a **28.2%** no-access rate.

SOURCE: SK&A

Therapeutic Update

Key Trends ...

IMS Health identified the following key trends among the major therapy areas:

- Antipsychotics remained the top-selling class of medications in the U.S., with **2009** prescription sales of **$14.6** billion, equal to the **2008** level.
- Lipid regulators continued as the largest therapy class in the U.S. by dispensed prescription volume, growing at a **5%** pace to **212** million prescriptions dispensed in **2009**. Sales of lipid regulators declined **10%** last year to **$13.1** billion, reflecting an ongoing shift toward lower-cost generic alternatives. Lipid regulators ranked No. 3 in overall sales in **2009**.
- Proton pump inhibitors replaced lipid regulators as the second-largest therapeutic class in sales last year. Proton pump inhibitors sales totaled **$13.6** billion, a **2%** decline year over year, while dispensed prescription volume for this therapeutic class rose **5%**.
- Antidepressants became the fourth-largest class in **2009**, up from its No. 5 ranking the prior year, with U.S. prescription sales growth of **3%** to **$9.9** billion.

SOURCE: IMS HEALTH

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