



AVENTIS BECOMES TOP SPENDER in Oncology Marketing in the United States

A recent study has revealed that Aventis Pharmaceuticals Inc. has surpassed AstraZeneca Pharmaceuticals LP as the leading spender on oncology-related marketing activities in the United States. The cumulative marketing spending of the 10 oncology franchises analyzed reached \$745 million in 2002, with Aventis accounting for more than 15% of the total.

The study, Competitive Benchmarking of Oncology Sales and Marketing Organizations in the United States: Key Expenditures and Organizational Approaches (2nd Edition), was conducted by PharmaForce International. Using a proprietary model that incorporates more than 50 cost-driving variables, the study highlights that most oncology franchises have substantially increased spending on CME programs, in part to compensate for reduced expenditures on activities discouraged by the new PhRMA guidelines.

Aggregate spending on four important activities — national conventions, Phase IV trials, physician lunch and dinner programs, and CME programs — accounted for 75% of total spending. Relatively smaller amounts were spent on journal advertisements, cooperative and advocacy group grants, and Internet-based initiatives.

The study also finds that Amgen Inc. now has the largest oncology sales force, with nearly 450 sales representatives, and that Eli Lilly & Co. and Glaxo-SmithKline pay the highest starting salaries, with newly hired oncology representatives receiving base-pay salaries of \$80,000.

Market for HIV Drugs FACES FIRST SLOWDOWN

Research from Datamonitor Plc. finds that the global market for HIV drugs (antiretrovirals) will experience a gradual medium-term decline in growth. Year-on-year growth is projected to decrease from 19% in 2003 to 5% by 2010.

The slowdown is expected to be driven primarily by the use of new treatment strategies to avoid patient over-exposure to drugs and the fact that inefficient capture of the prevalent patient population is leading to market saturation.

Datamonitor estimates that up to two-thirds of HIV-infected individuals across the European Union and United States remain untreated. Increased competition between products because of a lack of

product differentiation also is affecting the market.

"The global HIV market is witnessing a slowdown in growth, with a 1998 revenue growth rate of 34% compared with an estimate of 14% in 2002," says Dr. Dheeraj Khiyati, senior HIV analyst at Datamonitor. "The reasons for the decline are multifold, but include a possible saturation of currently treated patient populations, the introduction of combination products, and the limited number of currently marketed antiretrovirals."

Dr. Khiyati also believes that many physicians are moving toward using novel treatment strategies such as structured treatment interruptions (STIs), drug holidays, and delayed onset to treatment to minimize drug toxicity and avoid patient over-exposure to a single drug.

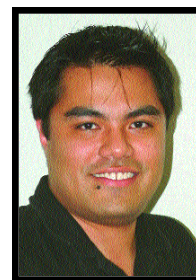
Without novel strategies to target the significant untapped patient pool, the current HIV market is expected to gradually reach saturation. The NRTI drug class (the first class of HIV drugs to be launched), recorded global revenue of \$3.1 billion in 2002, accounting for about 53% of the overall HIV market. Datamonitor predicts decreased use of the NRTI drug class, with forecast sales growth declining from 19% in 2003 to 5% by 2010, driving the overall decline in global market growth.

The Datamonitor report, Market Dynamics: HIV — Combating a Market Slowdown, suggests that market growth is dependent on the success of new drugs and on the rate at which novel therapeutics can be introduced successfully to the market. Drug manufacturers can counter erosion of the HIV market by developing strategies to improve drug-related toxic side effects and dosing profiles, Datamonitor analysts say.

In addition, Datamonitor analysts estimate that 66% of the HIV prevalent population across Europe and the United States remains untreated. This means it is imperative for companies to capture the untapped patient population for the HIV market to continue to grow.

Study Reveals ONLINE PRESCRIPTION DRUG SALES BY FOREIGN PHARMACIES SMALL But Likely to Grow

Jupiter Research estimates that U.S. consumers spent \$700 million to purchase prescription drugs from foreign online pharmacies, including those in Canada, during 2002. This amount represents less



Without novel strategies to target the significant untapped patient pool, the current HIV market will gradually reach saturation, Dr. Dheeraj Khiyati says.

56 MILLION U.S. ADULTS GO ONLINE for Information on Chronic Health Conditions

Data gathered by Manhattan Research LLC's ePharma Analytical Insight Module (AIM) reveals that 56.3 million U.S. adults go online to gather information about chronic health conditions.

Results gathered using ePharma AIM show that 45.2 million consumers with chronic health conditions and 43.6 million disease-specific information seekers actively use online health information and services (a total of 56.3 million separate individuals).

Internet use among online consumers with specific chronic health conditions was found to vary widely depending on the therapeutic segment.

Within a recent three-month period, Internet use ranged from 15% to more than 60%.

Online consumers with chronic health conditions were found to be 20% more likely to recall pharmaceutical advertising, regardless of channel, compared with offline consumers with chronic health conditions.

Furthermore, those seeking information online were found to be 1.9 times more likely than their offline counterparts to request a branded prescription from their physician.

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Experts at Jupiter Research, however, forecast increased growth of this market, mainly through online storefronts, since factors such as unanswered promises of drug benefits for seniors and the uninsured are likely to keep enforcement by regulatory authorities to a minimum.

Foreign Online Pharmacies: Sizing the U.S. Market for Imported Prescription Drugs — a consumer survey conducted by Jupiter Research in March 2003 — found that less than 3% of online chronic drug users purchase prescription drugs directly from foreign online pharmacies.

The current threat to the U.S. prescription drug market is limited because inadequately insured seniors and low-wage workers — the consumers with the greatest motivation to seek out low-cost drugs — are under-represented online.

The study found, however, that kiosk-facilitated channels pose the most immediate threat to U.S. prescription drug sales; inexperienced online consumers and some offline consumers use these online storefronts to process their prescriptions to save costs.

"Although the current market size for cheap prescription drug imports is less than 0.4% of the overall market, the biggest worry to U.S. pharmaceutical manufacturers and retail pharmacies is the potential of the kiosk and Internet cafe-facilitated channel because of lax enforcement by the FDA," says Monique Levy, analyst at Jupiter Research.

Researchers at Jupiter say the most effective lever that U.S. pharmaceutical manufacturers have for limiting foreign trade is to continue to restrict supply to, for example, Canadian wholesalers.

IMS Figures Show PRESCRIPTION DRUG SALES INCREASING

Sales of prescription drugs in North America rose 11% during the 12 months that ended Jan. 31, 2003, according to figures from IMS Health Inc.

North American sales totaled \$155.4 billion for the year. U.S. sales totaled \$148.2 billion during the period, also reflecting an 11% gain from the year before. Sales of drugs in Canada rose 15% to \$7.2 billion, IMS reports.

Pharmaceutical sales in Europe gained 5% from the previous year, to a total of \$61.1 billion. Germany was the leader in European sales with \$17.9 billion, up 8%. France had sales for the 12 months of \$14.9 billion, up 1%; the United Kingdom had sales of \$11

billion, up 9%; Italy had sales of \$10.6 billion, up 2%; and Spain had sales of \$6.7 billion, up 9%.

Sales in Japan, which unlike other markets includes hospital sales in its totals, were \$47.6 billion during the period, up 1% from the year before.

Latin American sales rose 15% in the period, driven by Mexico, which recorded an 8% increase to \$6.1 billion. IMS analysts say the region could have had better sales if not for steep declines in the other top two markets, Brazil (down 8%) and Argentina (down 65%).

PRESCRIPTION DRUG CONFUSION Becoming Widespread in the United States

Nearly one in 10 children have been given medication incorrectly because of translation difficulties. The finding comes from a recent survey of 592 people who speak English as a second language in some of the fastest-growing communities in the United States. TransPerfect Translations' study found that 33% of respondents said they have left their doctor's office without being clear about their medications because of a language barrier.

Respondents — 28% of those surveyed — reported guessing at the proper dosage because they were not sure what their prescription said. Additionally, because they didn't completely understand that there are things that should not be done when taking drugs, 17% were found to have performed an activity they shouldn't have while on their medication. Respondents included people who spoke English as a second language, a large number of whom were native Spanish, Chinese, Hindi, and Russian speakers.

The effects on the Spanish-speaking community were found to be almost epidemic in proportion to other groups — with more than half of the Spanish-speaking participants responding that they had difficulty understanding the proper use of a prescription drug.

"Clearly, this is a very serious problem," says Liz Elting, president and CEO of TransPerfect Translations. "I have seen terrible and even life-threatening mistakes. One woman who was surveyed told us her mother had passed away because of improp-



Those translating prescription drug information must be experts not only in the language but also in the field of medicine. Simply using a bright language student or doctor's assistant who may be bilingual could put the patient at risk, says Liz Elting.

INTERPRETING THE FACTS

MORE THAN HALF of the **SPANISH-SPEAKING** respondents found it impossible to fully understand their prescription drugs because of language difficulties

MORE THAN HALF of **SPANISH-SPEAKING** respondents said there was an unclear term on their prescription drug — **10%** of those say it was dosage that confused them the most, while **6%** said they didn't understand the medical terminology that was used

47% of **SPANISH-SPEAKING** patients have described a bad experience because of a language barrier — **9%** had trouble determining the meaning of before, with, or after their meals

44% of **SPANISH-SPEAKING** participants said they have at one time taken the wrong dosage because they had trouble translating the instructions into Spanish, while only **15%** of Russian-speaking participants said they have taken the wrong dosage

33% of **ALL** respondents surveyed have left the doctor's office without being fully clear about their medication

29% of **SPANISH-SPEAKING** participants know of an elderly relative that has taken medication improperly because he or she didn't understand the instructions

28% of **ALL** respondents guessed at the proper dosage to take because they weren't sure what it said

17% have performed an activity that they shouldn't have while on their medication

16% of **HINDI-SPEAKING** participants said there was a term that was unclear on their medication due to their inability to fully translate the instructions from English

12% of **HINDI-SPEAKING** participants admitted they had difficulty with the pharmacist's explanation of their prescription drug because of a language barrier

12% of **SPANISH-SPEAKING** participants said they drank alcohol while on their medication because they didn't understand the instructions, and **8%** drove a car when they shouldn't have been operating heavy machinery

11% of **RUSSIAN-SPEAKING** respondents said that they had trouble understanding the instructions for Zocor, while only **1%** misunderstood the instructions for Viagra

Source: TransPerfect Translations, New York. For more information, visit transperfect.com.

er use of drugs because of a language barrier. One word could be deadly. An example is the English word 'once' on a prescription that indicates taking a drug one time a day. In Spanish, 'once' means 11."

Chinese-speaking respondents had the fewest problems understanding their medications, while Russian-speaking and Spanish-speaking respondents had the most difficulty. For example, 52% of the

Russian-speaking participants and 57% of the Spanish-speaking participants said they found prescription drugs impossible to fully understand because of language difficulties. But only 19% of the participants of Indian descent and 8% of Chinese-speaking participants responded the same way.

Anti-Osteoporosis Drugs to Benefit from DECREASES IN HRT PRESCRIBING

Anti-osteoporosis drugs are benefiting from the steep decline in prescriptions for hormone replacement therapy (HRT), according to a Market Measures/Cozint study.

Once-weekly dosing forms of Actonel and Fosamax are expected to experience sizable increases in usage during the next six months, as physicians drastically decrease their prescribing of both oral and transdermal HRT and estrogen replacement therapy (ERT) regimens. The dramatic reductions in hormone therapy are in response to the Women's Health Initiative's decision to halt its HRT research after discovering considerable health risks to patients. As a result, physicians are turning to other agents to prevent osteoporosis.

Although weekly dosing forms of anti-osteoporotic agents are expected to rise, daily dosing forms will continue their downturn. The proportion of physicians planning to increase their usage of both the weekly and daily forms of Fosamax is anticipated to fall from 64% to 48%. For Actonel, however, the net change indicates substantial growth — with the percent of physicians planning to increase their usage of both forms of the drug rising from 47% last year to 56% this year. The jump in the number of doctors planning to increase their Actonel prescribing suggests that Actonel is garnering more of HRT's share than Fosamax.

Evista also is expected to achieve a substantial increase in use. During the next six months, 43% of physicians plan to write more Evista prescriptions.

In addition, most physicians surveyed intend to use Forteo — an injectable parathyroid hormone product launched in January — in combination with, or in sequence with, another anti-osteoporotic agent, most likely a bisphosphate. Physicians most often named Fosamax as the product they intend to use with Forteo, with Actonel getting the second highest number of mentions.

Based on a self-administered Web survey of 325 physicians, the study, MD Treatment of Osteoporosis, also found that physicians are treating more than 80% of diagnosed osteoporosis patients with prescription drug therapies. They also were found to be using prescription agents as preventive measures for half of their at-risk patients who already are showing low bone mass.

Doctors are using prescription agents with only a small percentage of at-risk patients who are not yet

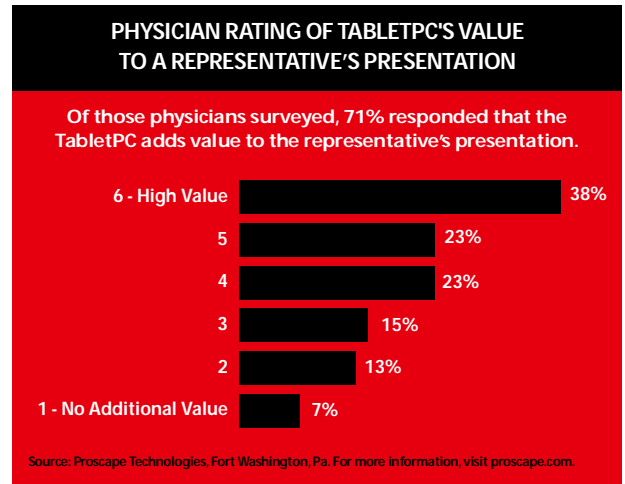
demonstrating low bone mass. Ob/gyns and rheumatologists, however, are most likely to use prescription drugs with these patients.

Study Finds that PHYSICIANS PREFER ELECTRONIC DETAILS

A recent TabletPC study, conducted by Proscap Technologies and a leading pharmaceutical company, found that physicians strongly support the use of TabletPCs for detail encounters.

During a 12-day in-field study, pharmaceutical representatives using the Proscap system were able to survey 127 neurological specialists about their feelings toward the TabletPC and the electronic content. By an almost 2-1 margin, the physicians who were detailed with the TabletPC preferred technology to a paper-based approach. Of the physicians who were detailed, 66% expressed a positive preference for the electronic visual aid.

About 85% of physicians surveyed rated the



quality of the electronic visual aids as high. When asked about the TabletPC device itself, 71% of those physicians surveyed said the TabletPC added value to the representative's presentation.

About 94% of the physician's surveyed said they prefer representatives to continue to use an electronic visual aid. The average time spent on a physician call with the electronic visual aid (visual aid only portion of the call) was 27 minutes and 59 seconds. This time represents a 52% increase in call duration from the surveyed company's average of 18.4 minutes per call with paper-based visual aids.

Follow up

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