

## IMS Reports 16.9% GROWTH IN 2001 U.S. PRESCRIPTION SALES

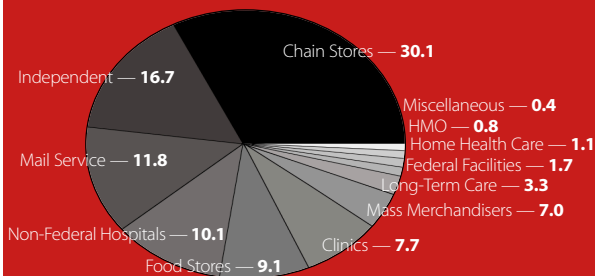
U.S. prescription drug sales grew 16.9% to \$172 billion in 2001, compared with \$145 billion in sales the previous year, according to a study from IMS Health.

"2001 was widely expected to be the year when generic alternatives would begin to appear for the last decade's block-

buster brands," says David Lipson, forecasting practice leader at IMS Global Consulting. "But we are not seeing the avalanche that some feared. Although the number of major new product launches was smaller than usual last year, the genuine value provided by medicines introduced over the past dozen years means continued strong demand."

### 2001 Sales and Market Share

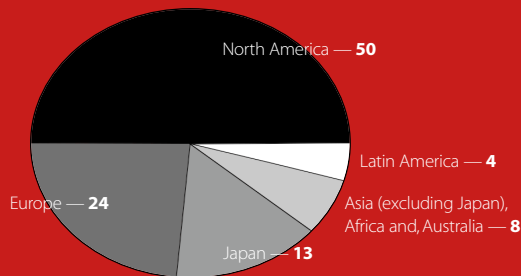
#### U.S. PRESCRIPTION MARKET SHARE BY DISTRIBUTION CHANNEL



Source: IMS Retail and Provider Perspective

Notes: U.S. Dollars are in billions; Wholesale prices, sales include prescription products only, insulin products included; IMS Retail and Provider Perspective data have been adjusted in this chart to reflect 52 weeks of 2001 data.

#### 2001 GLOBAL PHARMACEUTICAL SALES BY REGION



Source: IMS World Review 2002 and IMS Consulting.

Note: Sales cover direct and indirect pharmaceutical channel purchases in U.S. dollars from pharmaceutical wholesalers and manufacturers. The figures above represent 52 weeks of sales data, and include prescription and certain over-the-counter data, exclude U.S. home healthcare sales, and represent manufacturer prices.

#### TOP 10 THERAPEUTIC CLASSES BY U.S. PRESCRIPTION SALES IN 2001

Therapeutic Class	2001 Sales	% Growth Year-Over-Year
1 Cholesterol Reducers	11.3	24.0
2 Proton Pump Inhibitors	10.2	21.9
3 SSRI/SNRI	9.9	17.7
4 Antipsychotics	5.4	33.0
5 Erythropoietins	5.1	30.4
6 COX-2 Inhibitors	4.7	27.5
7 Calcium Blockers	4.6	1.1
7 Seizure Disorders	4.6	27.5
9 Antihistamines	4.3	25.7
10 Ace Inhibitors	3.8	6.8
Total	63.9	21.3

#### TOP 10 U.S. PRESCRIPTION PRODUCTS BY SALES IN 2001

Prescription Products	2001 Sales	% Growth Year-Over-Year
1 Lipitor	5.2	24.8
2 Prilosec	4.6	(2.3)
3 Zocor	3.7	31.1
4 Prevacid	3.6	11.8
5 Celebrex	2.6	20.7
5 Epogen	2.6	24.2
5 Procrit	2.6	36.8
8 Zyprexa	2.5	29.3
9 Zoloft	2.3	13.8
10 Paxil	2.2	16.1
Total	31.7	18.5

#### TOP 10 PHARMACEUTICAL COMPANIES BY U.S. PRESCRIPTION SALES IN 2001

Prescription Products	2001 Sales	% Growth Year-Over-Year
1 Pfizer	17.6	13.9
2 GlaxoSmithKline	15.5	22.1
3 Merck and Co.	12.5	15.1
4 Johnson & Johnson	10.9	29.4
5 BMS/Dupont	10.5	10.2
6 AstraZeneca	10.1	16.7
7 Lilly	7.6	8.1
8 AHP (now Wyeth)	7.0	17.8
9 Novartis	6.8	19.0
10 Pharmacia	6.5	17.2
Total	105.0	16.9

Source: IMS Retail and Provider Perspective

Notes: U.S. Dollars are in billions; Wholesale prices, sales include prescription products only, insulin products included; IMS Retail and Provider Perspective data have been adjusted in this chart to reflect 53 weeks of U.S. sales data instead of 52 weeks, an adjustment that is made every five years to bring IMS' data tracking methodology into line with the calendar year. As a result, U.S. dollar figures in this table incorporate five additional days of sales.

Of the 16.9% increase in 2001 prescription product sales, 8.7% resulted from a higher volume and mix of prescriptions dispensed, 4.9% from price increases, and 3.3% from the introduction of new medicines.

Retail pharmacies remained the primary distribution channel for U.S. prescription drugs in 2001, capturing 63.0% market share and growing at a 15.6% annual rate. Mail service sales, one of the fastest-growing retail sectors in 2001, rose 24.6%, capturing 11.8% of the distribution market share.

Long-term care was the fastest-growing non-retail channel last year, with more than 25% growth over 2000. Clinics and federal facilities each grew more than 20%, increasing respective market shares to 7.7% and 1.7%. High growth in the clinic channel reflected continuing movement of patient care from inpatient to outpatient settings. Within the clinic channel, injectables experienced particularly high volume growth, stemming from new product introductions and the continuing success of Amgen's Epopen and Ortho Biotech's Procrit.

The top 10 therapy classes accounted for 36.4% of total U.S. prescription sales in 2001 and grew 21.3% over the prior year. Eight of the top 10 classes experienced double-digit growth. Cholesterol-reducing statins were the leading class last year, with sales of \$11.3 billion. Sales in the antipsychotic class grew fastest among the top 10 therapy classes, with 33.0% growth in 2001, yielding a sales volume of \$5.4 billion.

Pfizer's Lipitor, a cholesterol reducer, became the leading U.S. prescription drug in 2001, with sales of \$5.2 billion and 24.8% year-over-year growth. AstraZeneca's Prilosec — indicated for the treatment of acid reflux, ulcers, and other gastrointestinal conditions — was the leader in both 1999 and 2000, but at \$4.6 billion fell to second as AstraZeneca's newer product, Nexium, entered the market. Merck's Zocor, second among cholesterol reducers, rose from No. 4 a year earlier to the No. 3-ranked position in 2001, switching position with TAP's gastrointestinal product, Prevacid. Sales of Pharmacia's and Pfizer's antiarthritic and pain medication, Celebrex, in 5th position, grew 20.7% in 2001.

A separate study, the annual IMS World Review, reports that audited global pharmaceutical sales grew 12% in constant dollars in 2001 to \$364.2 billion, up from \$321.8 billion in 2000. The IMS World Review tracks actual sales of about 90% of all prescription drugs and certain over-the-counter products in more than 70 countries. Proprietary data projection methodologies are then used to estimate total global pharmaceutical sales, which grew to \$392 billion in 2001.

"One noticeable trend in 2001 was fewer significant new products reaching the market compared to recent years. Going into 2002, pharma CEOs have three items at the top of their agendas: improving the productivity of their considerable R&D investments, getting a better return on their growing marketing and sales expenditures, and effectively managing global pricing policies that continue to threaten intellectual property rights. The outlook for the industry as a whole remains positive — but performance will vary significantly among companies,"

says Dr. Joe Zammit-Lucia, president of Cambridge Pharma Consultancy, an IMS company.

## BIOLOGICAL RESPONSE MODIFIERS Outpace Other Therapeutics in Cancer Adjuncts Market

The global market for adjunctive therapies in cancer totaled more than \$15 billion in 2001, according to a study from Kalorama Information entitled The Global Market for Adjunctive Therapies in Cancer.

Data represent new primary research into the major adjunctive therapy market segments, including biological response modifiers, pain management products, antiemetics and antinauseants, infection control products, and other adjunctive therapies.

A key finding in the study was that the market for biological response modifiers continues to grow more rapidly than all other adjunctive therapy segments and should pass the \$10 billion market by 2005. The biological response modifiers segment has experienced double-digit growth over the past few years, and the study predicts that this trend should continue.

The study found that in addition to biological response modifiers, other segments in adjunctive therapy also are showing strong growth. Pain management products for both primary and breakthrough cancer pain are expected to grow by more than 10% annually for the next few years, and should surpass \$4.5 billion by 2006. The breakthrough pain market, in particular, is growing very rapidly, and will see growth rates as high as 47% in the next few years.

"The adjunctive therapy market is benefiting from several industry-wide trends," says Steven Heffner, acquisitions editor at Kalorama Information. "It's one of the first markets in which new biopharmaceuticals are having great success, and it's also one of the first markets to experience the impact of new drug-delivery technologies, which are driving fierce competition in the breakthrough pain segment."

The Global Market for Adjunctive Therapies in Cancer, which is available at MarketResearch.com, analyzes the market globally and regionally and discusses trends and competitors.

## New Technologies Boost WOUND-CARE MARKET

A study from Kalorama Information has found that new technologies are driving healthy growth in the wound-care market. The market for wound-care devices, which stands at about \$7 billion worldwide, will surpass \$9 billion by 2006, according to the study.

The study, The Worldwide Market for Wound Care Products, which is part of Kalorama's DeviceLooks series, found that adhesives tissue sealants are leading the way with sustained explosive growth, and biological skins and dressings also are showing consistently high growth rates. However, the market-share gains of these advanced treatments have been modest as traditional wound-care products continue to dominate, according to the research.

"Part of the problem for advanced technologies has been the changing purchasing models," notes Joseph Dooley, Ph.D., the analyst who conducted the

research. "There has been a shift in marketing tactics from selling on the basis of features and benefits to offering the best packaged deal for the lowest price in the managed-care arena."

The new research was aimed at predicting dollar volume, market share, and geographic distribution for 14 major category wound-care products, including staples and staplers, sutures, adhesive tissue sealants, collagen-based sealants, gauze products, adhesive bandages, wound healing instruments, film dressings, foam dressings, hydrocolloid

dressings, hydrogel dressings, alginate dressings, collagen dressings, and artificial skin.

DeviceLooks is a new series of affordable reports modeled after Kalorama Information's MarketLooks product line, which delivers data-heavy, graphic rich summaries of specific demographic and industry markets. DeviceLooks focuses on the underserved medical-device industry and is compiled from all new primary research commissioned by Kalorama Information.

## Survey Reveals CONSUMER HEALTHCARE ATTITUDES, Health Information Sources, And Attitudes to Ads

Highlights from the Multimedia Audience Research Systems', or MARS, second annual pharmaceutical OTC/DTC survey reveal consumers' top healthcare attitudes, healthcare information sources, as well as attitudes regarding healthcare advertising.

The MARS study provides in-depth information resulting from analyzing consumers and their attitudes related to health and medical issues, including pharmaceutical/drug usage.

The results of this study, asking hundreds of

### ADJUNCTIVE THERAPIES CONTINUE TO GROW

**Biological response modifiers**  
Should pass the \$10 billion market by 2005

**Pain management products**  
Should surpass the \$4.5 billion market by 2006

**MARS STUDY REPORTS CONSUMER RESPONSES TO:**

**HEALTHCARE ATTITUDES**

- 58%** of all adults used an Rx drug for one or more listed conditions
- 48.3%** of those surveyed agree that it is important for Rx medications to be reimbursed
- 42.2%** do not seek medical help unless very sick
- 40.7%** believe HMOs/insurance companies have too much power
- 39.5%** go to work even when they are sick

**HEALTHCARE INFORMATION SOURCES**

- 76.2%** of respondents surveyed place significant value in doctors
- 64.4%** of respondents recall hearing or seeing TV healthcare ads
- 63%** of consumers responding to the survey say they took some action as a result of a healthcare ad
- 55.9%** place value in friends or relatives
- 52.9%** place value in pharmacists
- 47.9%** trust nurses/physicians assistants
- 47.4%** place value in ads/brochures in physician offices
- 46.6%** regard health information from pharmaceutical companies found in the physician office to be credible and useful
- 41.2%** place value in magazine articles or ads

questions of consumers, enable media planners to develop media programs that will garner the greatest response to advertising. The questionnaire was mailed to a sample of more than 40,000 parties and resulted in a 58% response rate.

Among last year's charter sponsors renewing for the 2002 study are industry-leading advertising agencies and marketers: BBDO (Bayer), Carat (Pfizer), Mindshare (Bristol-Myers Squibb and Novartis), Initiative Media (Merck), The Media Edge and Media Planning Group (GlaxoSmithKline), and Zenith Optimedia Group (AstraZeneca). Additional sponsors this year are Aventis Pharmaceutical and DDB Needham, also representing Merck. And, more than 50 magazines, cable channels, and other media sponsors recognize the value to their advertisers and are participating with MARS this year.

"In this tough advertising economy, the support of these agencies and their pharmaceutical clients as well as major media, confirms the importance of the category and the value of the MARS data to marketers," says Hugh White, managing director of MARS.

Among the outlets measured for the survey were more than 100 magazines and national newspapers, Websites, and portals. Magazines measured ranged from large consumer titles to smaller niche publications. For the first time, 16 major Web portals such as AOL, Google, Yahoo, etc., as well as the pharmaceutical and health-related Websites — Medscape Health and WebMd — were included in the

survey. In the radio and television viewing section of the questionnaire, 32 cable networks — from A&E to the Weather Channel — were added.

## BIOTECHNOLOGY VITAL TO ORPHAN DRUG R&D, According To Tufts Analysis

Biotechnology companies have become the driving force behind new drug research intended to treat orphan diseases in the U.S., according to a new analysis released by the Tufts Center for the Study of Drug Development.

Between 1998 and 2001, biotech companies accounted for 65% of research into orphan drugs in the U.S., the study found. During the same period pharmaceutical firms accounted for 28% of similar orphan drug development, according to the Tufts Center.

"The U.S. Orphan Drug Act of 1983, more than anything else, has been responsible for getting drug companies to adopt orphan diseases and is increasing the number of products approved for orphan diseases," says Tufts Center Director Kenneth I. Kaitin.

Between 1983 and 2001, 228 orphan drugs had been approved for sale in the U.S. This compares with about 40 to 60 similar drugs approved for sale in the U.S. in the 1963 to 1982 period.

The Tufts Center helped pave the way for the passage of the Orphan Drug Act by conducting the first comprehensive analysis of the availability of drugs for limited populations.

Although biotech companies conduct about two-thirds of orphan drug R&D, they market fewer than half of those new drugs. The Tufts Center study found that biotech firms currently receive 41% of

Food and Drug Administration approvals to market orphan products, compared with 54% for pharmaceutical companies.

## Biotech Companies Embracing EDC Technology

Biotechnology companies recognize the benefits electronic data capture technology can bring to bear to streamline data collection during clinical trials and are making plans to implement the technology, according to CB Technologies Inc.

Findings from its report show that almost two-thirds of survey respondents indicated that they note benefits to implementing EDC. Furthermore, biotech companies appear to be making preparations to use the technology, with 87% of respondents anticipating that their companies will conduct more of their clinical trials using electronic methods instead of the traditional paper-based processes for data collection.

CB sent surveys to professionals overseeing clinical operations, data management, and biostatistics. CB received 23 responses from 15 companies.

Companies responding to the survey largely run their own clinical trials (96%), and they are conducting multiple trials per year: 26% run between 1 to 4 clinical trials a year; 44% conduct between 5 to 12; 22% run more than 12. The majority (83%) expects the number of trials to increase in the next three years.

Overwhelmingly, companies are looking to move away from paper-based methods during clinical trials — 87% of respondents said they plan to conduct more trials using electronic methods; 48% said they anticipate using EDC within 3 to 18 months; 9% said it will be more than 18 months; just 17% indicated no plans to implement EDC; and 83% said they are cur-

### Follow up

**CB TECHNOLOGIES INC.**, Philadelphia, develops and delivers technology tools and services for life-sciences companies. For more information, visit [cbtech.com](http://cbtech.com).

**IMS HEALTH**, Fairfield, Conn., is a leading provider of information solutions to the pharmaceutical and healthcare industries. For more information, visit [imshealth.com](http://imshealth.com).

**KALORAMA INFORMATION**, New York, an imprint of [MarketResearch.com](http://MarketResearch.com), supplies the latest in independent market research for the life sciences. For more information, visit [marketresearch.com](http://marketresearch.com).

**MARS** is a division of KMR, New York, an integrated global research, information, and software group with research operations in more than 30 countries, specializing in

media and survey research solutions, and analysis software systems. (The Annual MARS Pharmaceutical Research Study is the first of several planned annual syndicated measurements of emerging market categories in the U.S.) For more information, visit [kantamedia.com](http://kantamedia.com).

**TUFTS CENTER FOR THE STUDY OF DRUG DEVELOPMENT**, Boston, is affiliated with Tufts University. It is the leading independent source, both in the U.S. and abroad, for information about the efficiency and productivity of the research-based drug industry and the impact of government initiatives on the drug-development process. For more information, visit [tufts.edu/med/csdd](http://tufts.edu/med/csdd).