



Generics Generate Brand Management Opportunities – 5 Cases Modeling Rx Brand Impact.

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FOR IMMEDIATE RELEASE

San Francisco, CA. April 10, 2003 — Brand Erosion by Generics is a newly released report from EP Publications, a service of WWMR, Inc., examining five of the most notable cases in which branded pharmaceutical shares have been eroded by the market entry of generics: Prozac (fluoxetine) for Depression, Prilosec (omeprazole) for Heartburn and Ulcers, Mevacor (lovastatin) for High Cholesterol, Glucophage (metformin) for Diabetes, and Taxol (paclitaxel) for Kaposi's Sarcoma, Breast, Ovarian, and Non-Small Cell Lung Cancer.

The generic drug market is rapidly expanding, driven by cost containment measures imposed by government and other health care payers and providers, favorable patent legislation, and recent and upcoming blockbuster drug patent expirations. Sales in the U.S. generic prescription drug market reached an estimated \$11 billion in 2001 and are projected to increase to over \$19 billion in 2006, representing a compound annual growth rate of 11.4%.

Numerous blockbuster pharmaceuticals are set to face generic competition in the next four years, including Bayer's Cipro (infection), TAP Pharmaceuticals' Prevacid (ulcer), Merck's Zocor (hyperlipidemia / high cholesterol), Pfizer's Zoloft (depression), Bristol-Myers Squibb's Pravachol (hyperlipidemia / high cholesterol), and GlaxoSmithKline's Paxil (depression). Additional branded products for which generic competition is expected by 2006 included Merck's Singulair (asthma), GlaxoSmithKline's Flovent (asthma), GlaxoSmithKline's Flonase (allergy), Pfizer's Diflucan (infection), Bristol-Myers Squibb's Paraplatin (cancer), TAP Pharmaceuticals' Lupron (cancer), and Roche's Xenical (obesity).

BRAND EROSION BY GENERICS reports monthly new and total prescriptions — in absolute numbers — dispensed for these brands and their branded and generic competitors before and after generic launch, indicating the level and rapidity of uptake by prescribers and their patients. Substitution data, showing uptake at the pharmacy level, are also reported. For Taxol and other branded taxanes, monthly sales are used to demonstrate the relative impact of generic paclitaxel market entry. Additional information regarding product marketing, pricing, company-level portfolio management, and sales force strategies was also analyzed. Evaluation of the mitigating effects these activities may have for Rx brands challenged by a generic competitor are provided.

OTHER EP PUBLICATIONS include Rx Erosion by OTC Competition, Neuropathic Pain, European Pharmaceutical Pricing and Reimbursement, Prostate Cancer, and a series of reports that provide patient compliance rates and identification of key issues in these specific therapeutic areas: hyperlipidemia / high cholesterol; psoriasis; hypertension and angina; congestive heart failure; anxiety and depression; schizophrenia; epilepsy; tuberculosis; HIV/AIDS; diabetes; asthma; and migraine.

WWMR, Inc., is a leading marketing research and strategic consulting firm with global capabilities. Since 1994, WWMR, Inc., has provided over 450 high-quality, insightful proprietary studies to clients in the pharmaceutical, biotech, medical device, and diagnostics industries worldwide. Using primary and secondary research methodologies, WWMR, Inc., provides market opportunities and product assessments, competitive intelligence, forecasts, patient population projections, pre-launch product

planning, post-launch product monitoring, product pricing strategy, and on-site information center management.

Source: WWMR, Inc.
Contact: sales@wwmr.com
Toll Free: 888-947-2339