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Success Through Experience

This new EP Publications report:

- Profiles five of the most notable cases in which branded Rx shares have been eroded by generic launches
- Models monthly new and total Rx trends - useful for predicting erosion of branded drug Rx shares
- Quantitates impact on sales for branded products upon generic entry into market
- Demonstrates generic product impact on other branded products
- Evaluates key market dynamics caused by the launch of generics
- Outlines key factors that predict the degree of brand erosion
- Identifies branded drugs coming off-patent in the next four years

**Providing an
Enhanced Perspective...**

On

**Brand Erosion
by Generics**

5 Cases Modeling the Impact on Rx Brands

Authors:

Sophia Koliopoulos, M.S.

Tony Hung

Aaron Pollack

Sharon Grehan, Ph.D.

About WWMR, Inc.

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, population projections, pre-launch product planning, post-launch product monitoring, product pricing strategy, database products, and on-site information center management. Enhanced Perspective Publications (EP Publications) is the multi-client service of WWMR, Inc.

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2929 Campus Drive, Suite 200 ■ San Mateo, CA 94403 ■ Toll free (888)947-2339 ■ Fax (650)312-1570 ■ EPPUB@WWMR.com ■ www.WWMR.com



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Providing an Enhanced Perspective...

BRAND EROSION BY GENERICS

Brand Erosion Defense Strategies

In anticipation of the launch of generic versions of their branded products or their competitors', pharmaceutical companies may implement a number of strategies to minimize the impact of brand erosion or to take advantage of the opportunity. These strategies include reducing or discontinuing the resources and sales force attention dedicated to a branded product. Alternatively, brand marketers may see fit to reinforce a brand by promoting an image of superiority over generics or other branded competitors or solidifying loyalty among physicians and patients who already use their product in order to maintain or minimize market share loss.

Market Opportunities for Generic Products

The generic drug market is expanding, driven by cost containment measures imposed by government and other health care payors, 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 more than \$19 billion by 2006.

Understand the Market Dynamics and Impact of Generic Launch on Branded Products' New and Total Prescriptions

- Understand the roles of patient demographics, competitive factors, promotional efforts, line extensions, and product pricing in predicting the degree of erosion
- Assess the impact of generic product launches on new prescriptions, total prescriptions, and sales

Build Forecasts to Anticipate the Impact of Generics on Brand Shares Based on Absolute Data

- Predict level and timing of generics uptake based on data for five markets from therapeutic areas including depression, gastrointestinal disorders, cardiovascular diseases, diabetes, and cancer
- Model erosion of brand product shares upon generic launch

- Leverage knowledge of market models in planning marketing efforts, evaluating in- or out-licensing opportunities, conducting outcomes research, or planning product development strategies

Report's Objectives & Methodology

In this report, we provide an overview of prescription pharmaceutical market dynamics and the quantitative effect of generics launching, as exemplified by five models and commentary on the market outlook for the impact of generics on brand competitors.

Models represent markets in which generic versions of a major branded product were recently introduced as the first generics within their respective drug classes. These models are significant in the fact that they represent branded products in five major drug categories involved in a variety of market scenarios.

- **Prozac** (SSRIs - Depression): Leading brand faces generic competition in highly publicized generic launch
- **Prilosec** (PPIs - Heartburn, Ulcers): Major brand faces generic competitors in a therapeutic class where all brands are perceived as essentially interchangeable
- **Mevacor** (Statins - High Cholesterol): Impact on first and second generation brands when pioneer brand of the class meets generic competition
- **Glucophage** (Biguanide - Diabetes): Solo brand facing generic competitors
- **Taxol** (Taxanes - Cancer): Leading advanced-stage cancer drug meets generic competition

Audited new prescription, total prescription, substitution, and/or sales data, as applicable, were analyzed both pre- and post-generic entry. These data and analyses are reported in absolute numbers; market shares, when significant, are also provided.

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.

About EP Publications

Enhance your perspective through EP Publications, a service of WWMR, Inc. Each report pinpoints and evaluates key trends and markets, enabling clients to identify opportunities and augment strategic decisions. In-house consultants with industry experience use qualitative and quantitative research methodologies to provide the most comprehensive and insightful business intelligence available in the life sciences industry.

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SAMPLING OF GRAPHS FROM EACH CHAPTER

- Drug Class and Impact of Generic:
- Dispensed New Prescriptions and Substitution Rate
 - New Branded vs Generic Prescriptions
 - New Prescriptions Market
 - Total Branded vs Generic Prescriptions
 - Total Prescription Market

Product A market share dropped from 20.2% to 5.1% in the two months immediately following the launch of generic Product B due to generic erosion. Market share of generic Product B accounted for 19.4% two months after launch. Product C and Product D have maintained their respective market shares despite the launch of generic Product B.

