

# Presentation on

## Balancing

### Industry Growth Imperatives

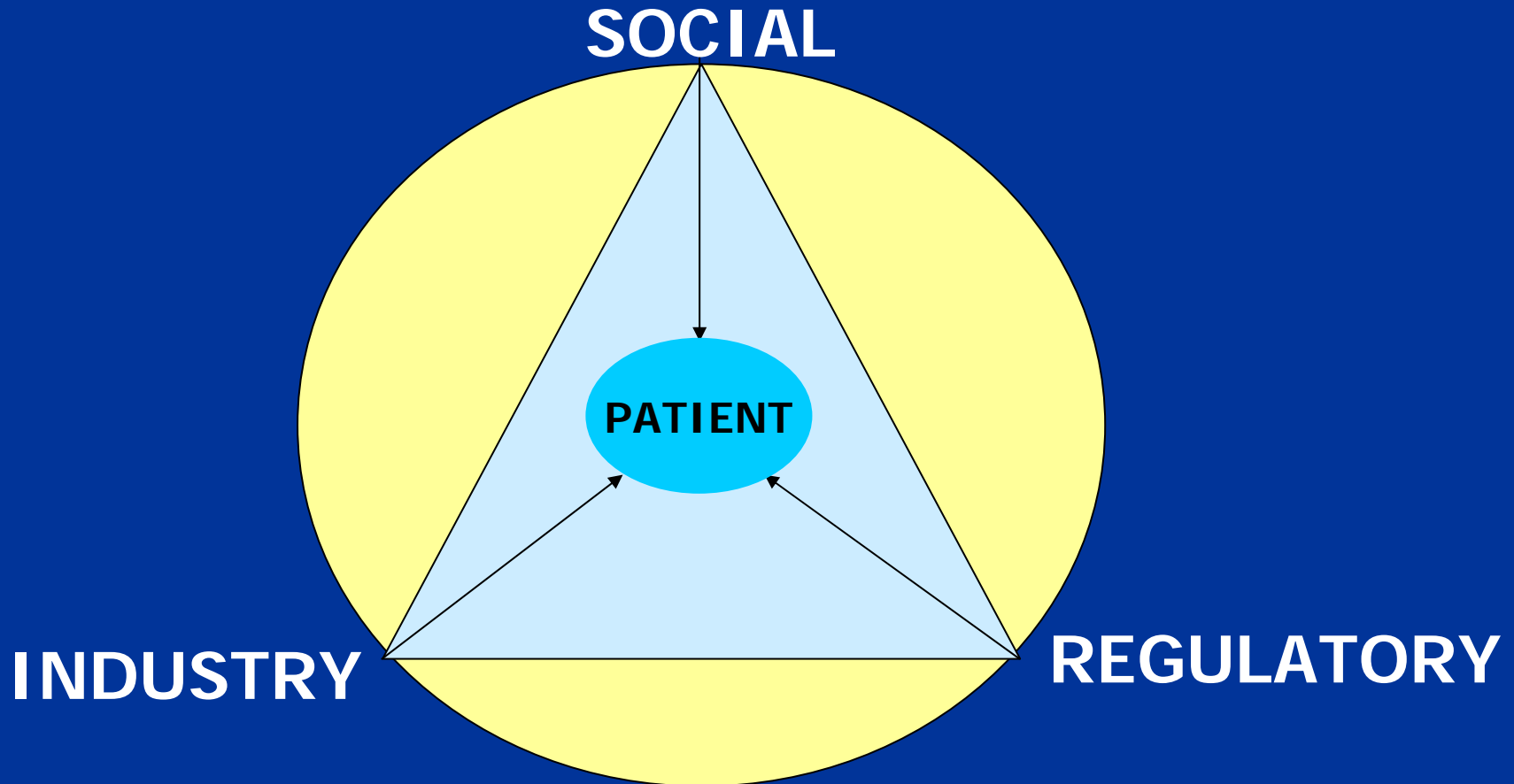
### Research Perspective



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13<sup>th</sup> September 2007

# Research Perspective



# Pharma Industry: Key Challenges

- Increased R&D Costs
- Decreased Approvals
- Increased competition
- Managing regulators, payers & patients



# Hidden Dragon

## Competitive Forces

- Advocacy Groups, Consumer Activists & NGO's
- New Technologies
- New Diseases



# Gorillas

Decreased Approvals	
Year	No.
2006	18
2005	20
2004	36

1. Seldane
2. Posicor
3. Duract
4. Hismanal
5. Propulsid
6. Rezulin
7. Lotronex

Withdrawal of Products	
Year	No.
1979-98	12
1998-2000	7

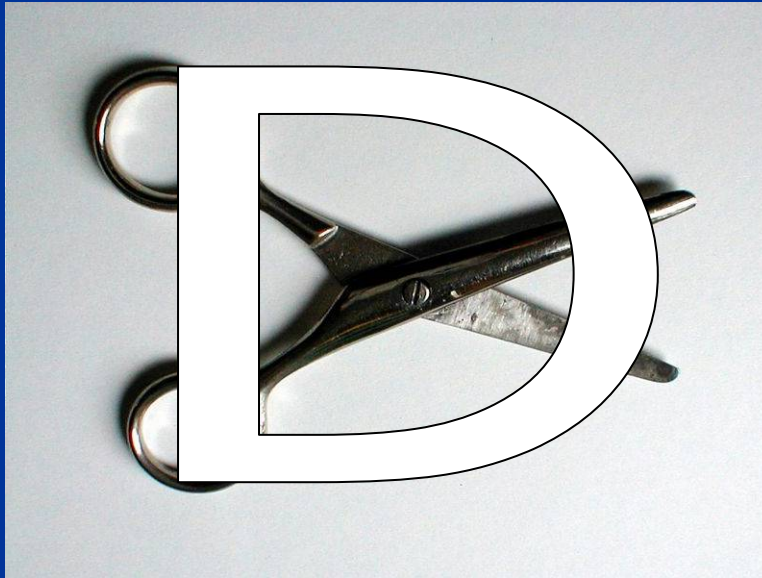


# Gorillas

## 2007 Setbacks

- Black-box warning on labels of GSK's Avandia & Takeda's Actos about congestive heart failure.
- J&J's withdrawal of Conor Med-stems heart stent.
- Sanofi-Aventis's obesity therapy Rimonabant (Zimulti) turned down by USFDA Advisory Panel.

# Hidden Disruptions



Disruptive

- Technologies
- Diseases
- Stakeholders
- Laws

**Substitutes**

**Barriers to Entry**

**Inter firm  
Rivalry**

**Customers**

**Suppliers**

# Disruptive Technologies

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- Biotech
- Genomics
- Proteomics
- Genetically Modified Organisms
- Stem Cell

# Genomics

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“Genomics is the most destructive force  
in the history of medicines”

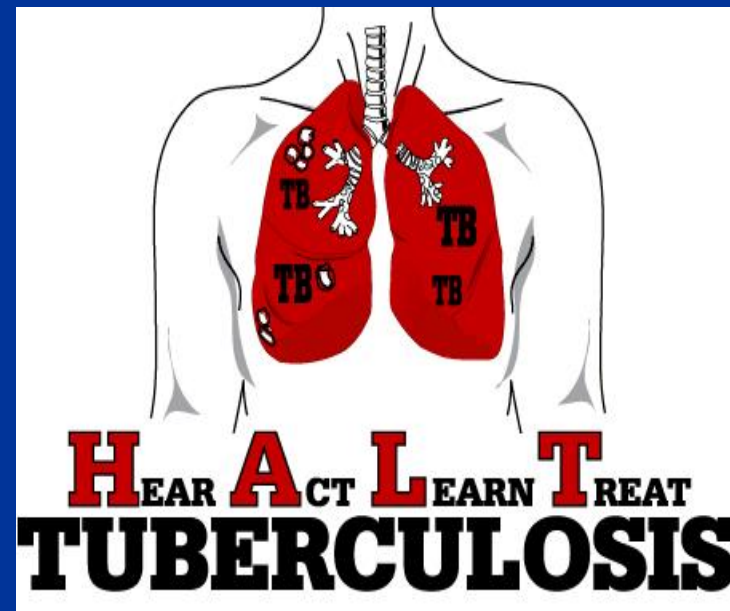
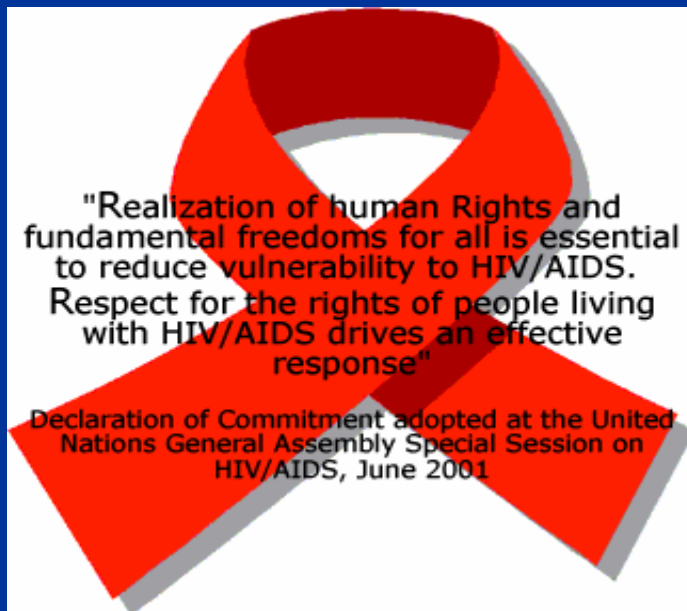
Alan Crane

Senior VP – Corporate Development

Millennium Pharmaceuticals

# Disruptive Diseases

## AIDS & Other Diseases



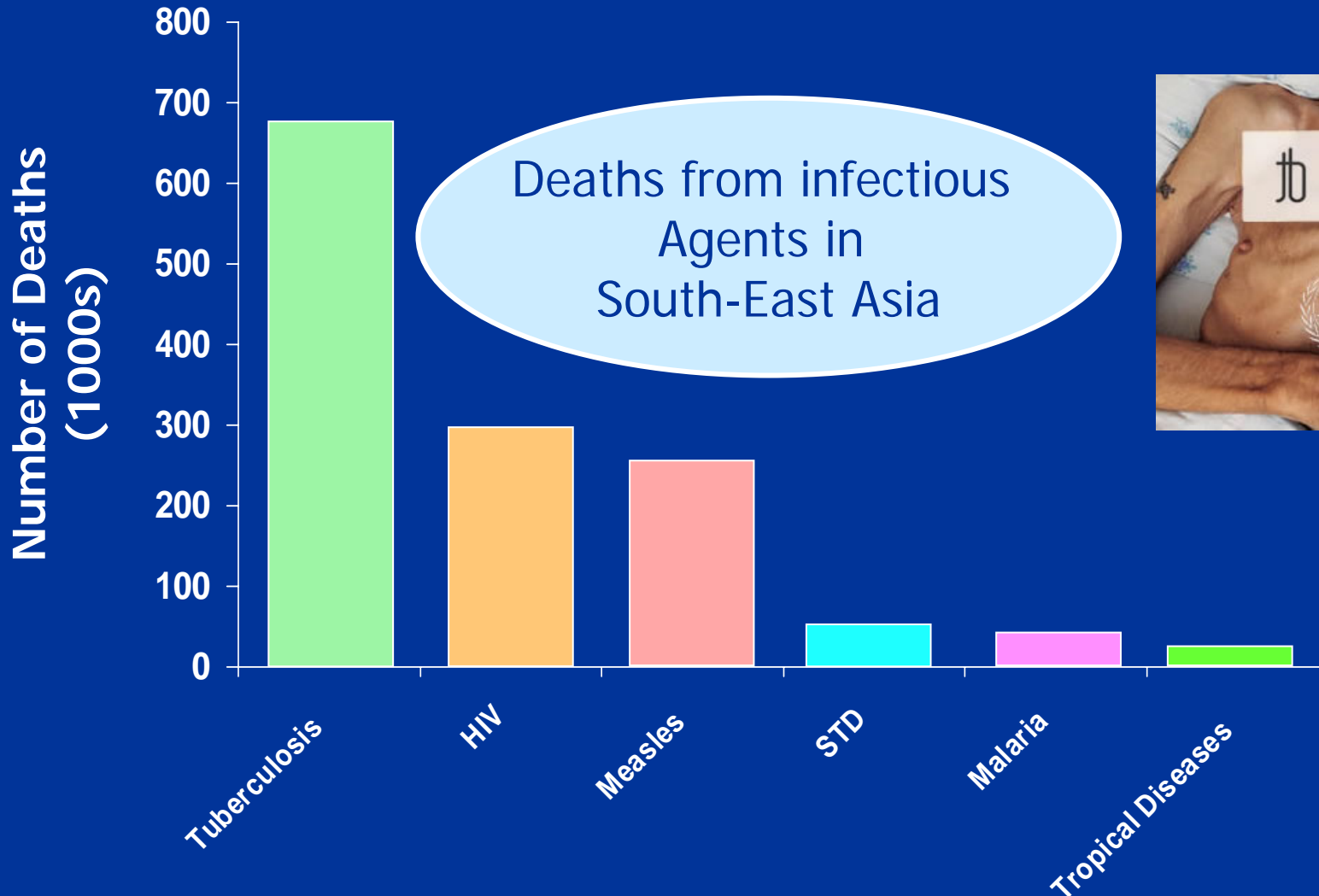


# HIV AIDS

Global Estimate		
	World	South & SE Asia
Patients	36.1 mn	5.8 mn
New Infections	5.3 mn	7,80,000
Deaths till 200	21.8 mn	-
Children	1.4 mn	2,10,000
Child deaths till 2000	4.3 mn	-

Source: WHO

# TB - Leading single infectious cause of death in South-East Asia



# The Umpire Strikes Back



Three strikes  
&  
you're out!

# Move Fast Towards Collaboration/Partnership



- Change the Story
- Change the bylines
- Work with & not against
- Make patient the focus

# Broad Types of Patient Programs



- Product Life Cycle Management
- Patient Life Cycle Management

# Patient Programs: Why?

## NON COMPLIANCE, NON ADHERANCE = POOR HEALTH OUTCOMES

“ Non-compliance with prescribed medicines can result in avoidable ill-health, premature death, unnecessary hospitalisation & additional costs to the health service.”

## Benefits associated with compliance include:

- A reduction in avoidable ill-health & premature death
- Fewer hospital admissions
- Less waste of medicines



“Non-compliance costs the pharmaceutical industry up to US\$30 bn each year.

## **WHOSE RESPONSIBILITY?**

# Patient Compliance, Persistency & Adherence: A few hard facts

- Non-compliance & persistency result in a course of treatment not being completed or not taken at an appropriate dose or frequency.
- The 'rule of thirds'
  - One third complies
  - One third sometimes complies
  - One third never complies
- Overall, the rate of compliance is 50% in long-term therapy irrespective of the setting.
- 20% of prescriptions are never filled
- 70% of all prescriptions are never consumed.

# Compliance Figures: 50% Lost Rx

	Patient Research Findings	If patients stuck to the treatment plan
Total Patients	100	-
Receiving Prescription	7	-
Patients filling prescription	6	6
Patients receiving first refill	4	6
Patients receiving fourth refill	1	6

**Sale with Patient Compliance: +50%**

In Life you have either  
Reasons or Results.....

A large version of the INTERLINK logo, with the "I" in white and the rest of the word in white, set against an orange speech bubble graphic.

----- For Results

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