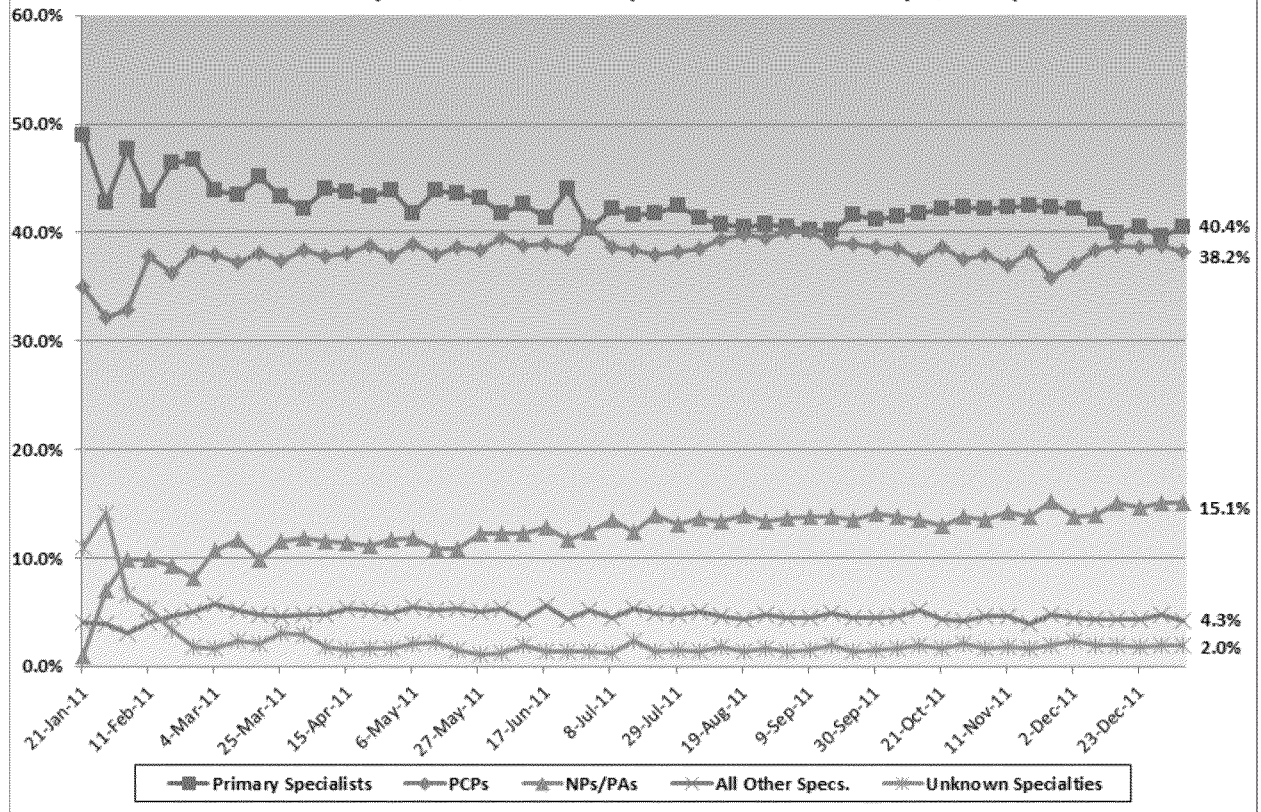
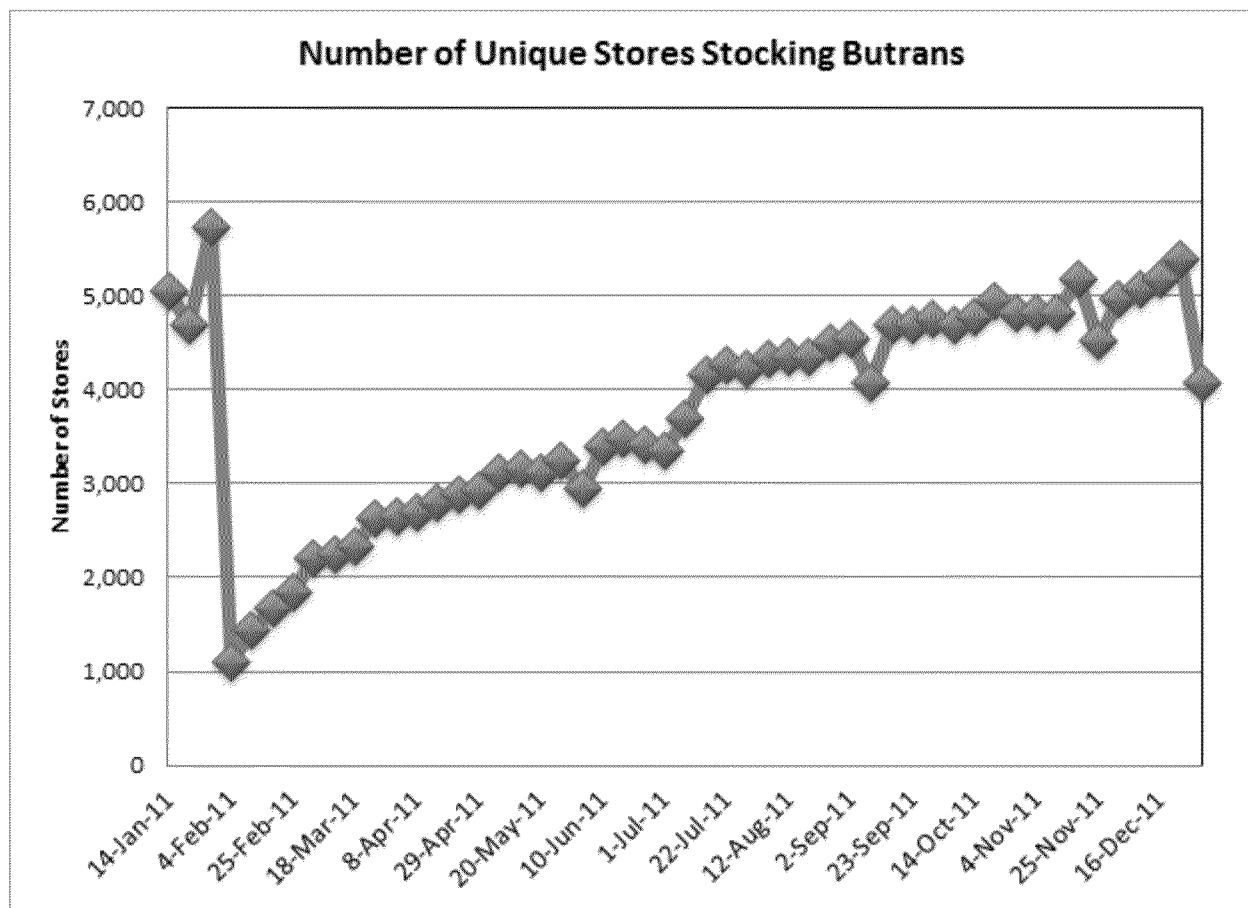


Percent Share of Butrans Total Rx's, by MD Specialty Groupings
By week, since Launch (as of Week 51 - January 6, 2012)

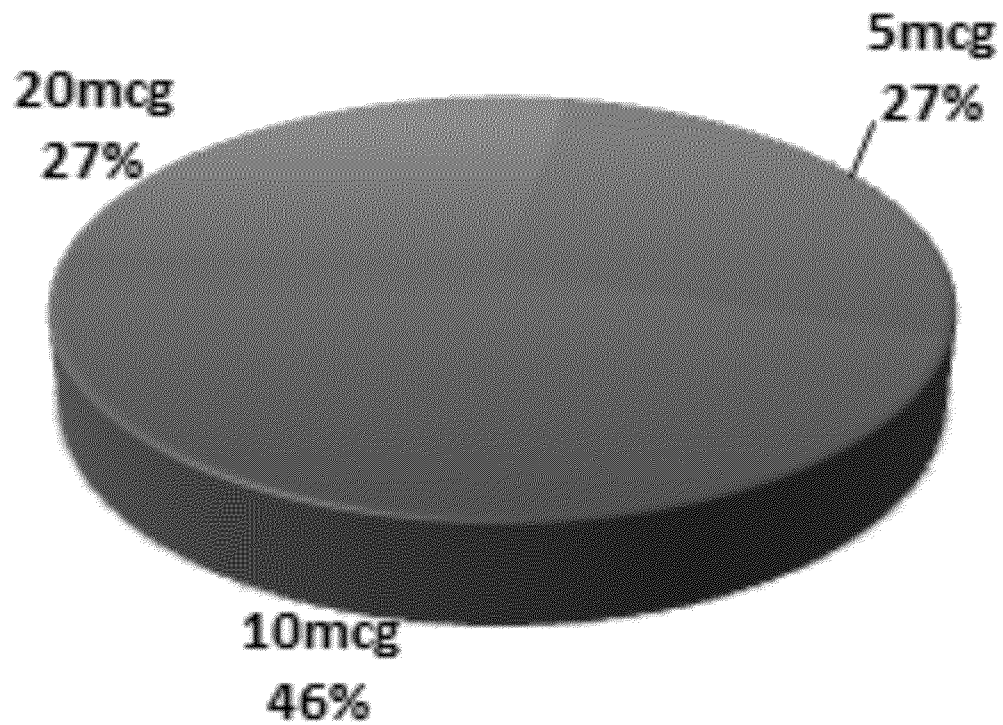


Butrans Unique Store Count	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	1,682	1,758	1,260
10mcg	2,547	2,676	1,924
20mcg	1,498	1,542	1,249
Total	5,181	5,381	4,061
Butrans Unique Store Count %*	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	32.5%	32.7%	31.0%
10mcg	49.2%	49.7%	47.4%
20mcg	28.9%	28.7%	30.8%
* Percent is based on the total number of unique outlets that ordered Butrans			

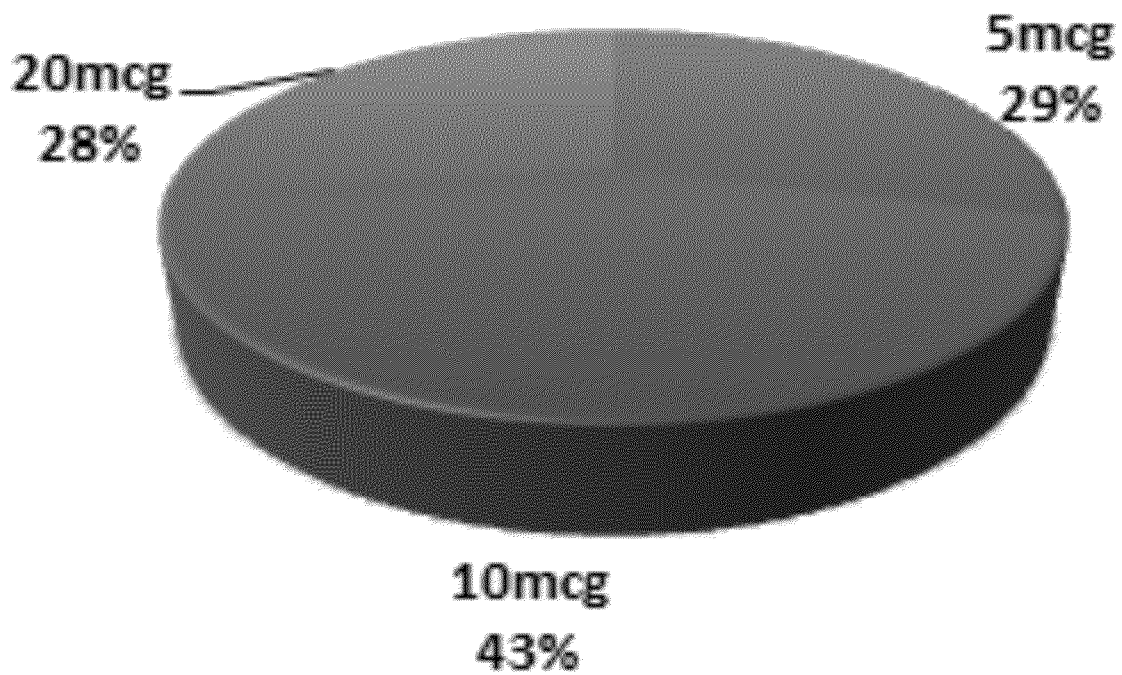


Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	8,816	9,500	6,972
10mcg	14,292	15,168	10,332
20mcg	7,984	8,196	6,560
Total	31,092	32,864	23,864
% of Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	28.4%	28.9%	29.2%
10mcg	46.0%	46.2%	43.3%
20mcg	25.7%	24.9%	27.5%
Total	100.0%	100.0%	100.0%

Butrans TRxs
Week Ending Dec 30, 2011



Butrans Patches Ordered Week Ending Dec 30, 2011



Message

From: Gasdia, Russel [REDACTED]
Sent: 1/18/2012 4:40:34 PM
To: Sackler, Dr Richard [REDACTED]; Sackler, Dr Raymond R [REDACTED]; Sackler, Dr Kathe [REDACTED]; Sackler, Jonathan [REDACTED]; Sackler, Mortimer D.A. [REDACTED]; Sackler, Theresa [REDACTED]; Boer, Peter [REDACTED]; Lewent, Judy [REDACTED]; Pickett, Cecil [REDACTED]; Baker, Stuart D. [REDACTED]; Stewart, John H. (US) [REDACTED]
CC: Mallin, William [REDACTED]; Mahony, Edward [REDACTED]; Dolan, James [REDACTED]; Landau, Dr. Craig [REDACTED]; Long, David [REDACTED]; Lundie, David [REDACTED]; Weinstein, Bert [REDACTED]; Abrams, Robin [REDACTED]; Silbert, Richard W [REDACTED]; Strassburger, Philip [REDACTED]
BCC: Stewart, John H. [REDACTED]
Subject: Butrans Weekly Report for the week ending January 6, 2012
Attachments: image001.jpg; Butrans Weekly Report 1-6-12.xlsm; image008.png; image017.png; image023.png; image024.png; image025.png; image026.png; image027.png; image028.png; image029.png; image031.png; image033.png; image035.png; image037.png; image039.png; image041.png; image042.png

I apologize for missing the past few weeks for these weekly reports. The holiday break, followed by the National Sales Meeting, pulled me away from this. These will resume on a weekly basis from this point forward

- During the past few weeks of reporting, total TRxs are down. This appears to be due to shortened weeks for the holidays and decreased call activity due to the week of Christmas where our sales force was off.
- The share has dropped slightly and we are currently analyzing why. Early indicators point to discontinuation rates for the 5 mcg/hr patch being higher than we have been seeing. We are analyzing this further. Based on feedback from the field, some of this may be a result of lack of appropriate titration on the part of the physician from 5 mcg/hr to the 10mcg/hr patch. At the recent National Sales Meeting, we did increase our training focus on patient selection, improving the reps skills around discussions on conversions and titration and the principles of titrating Butrans.
- The final monthly report from IMS will be available shortly. That report will include all classes of trade and will provide a final TRx report for 2011. Once that report is available, I will forward for review.



Weekly Prescriptions and Stocking Report for the Week Ending January 6, 2012

**Please note:*

- Prescriptions are inclusive of retail, long term care, and mail service channels.
- Stocking data reflects the week ending December 30.
- The store count and patches ordered data reflect all channels of trade.
- The store count reflects the number of outlets that ordered products during the given time period.
- Wal-Mart, Target and Kroger data are not included in the stocking data.

1. Weekly Rx Snapshot for Week 51 of Butrans Launch

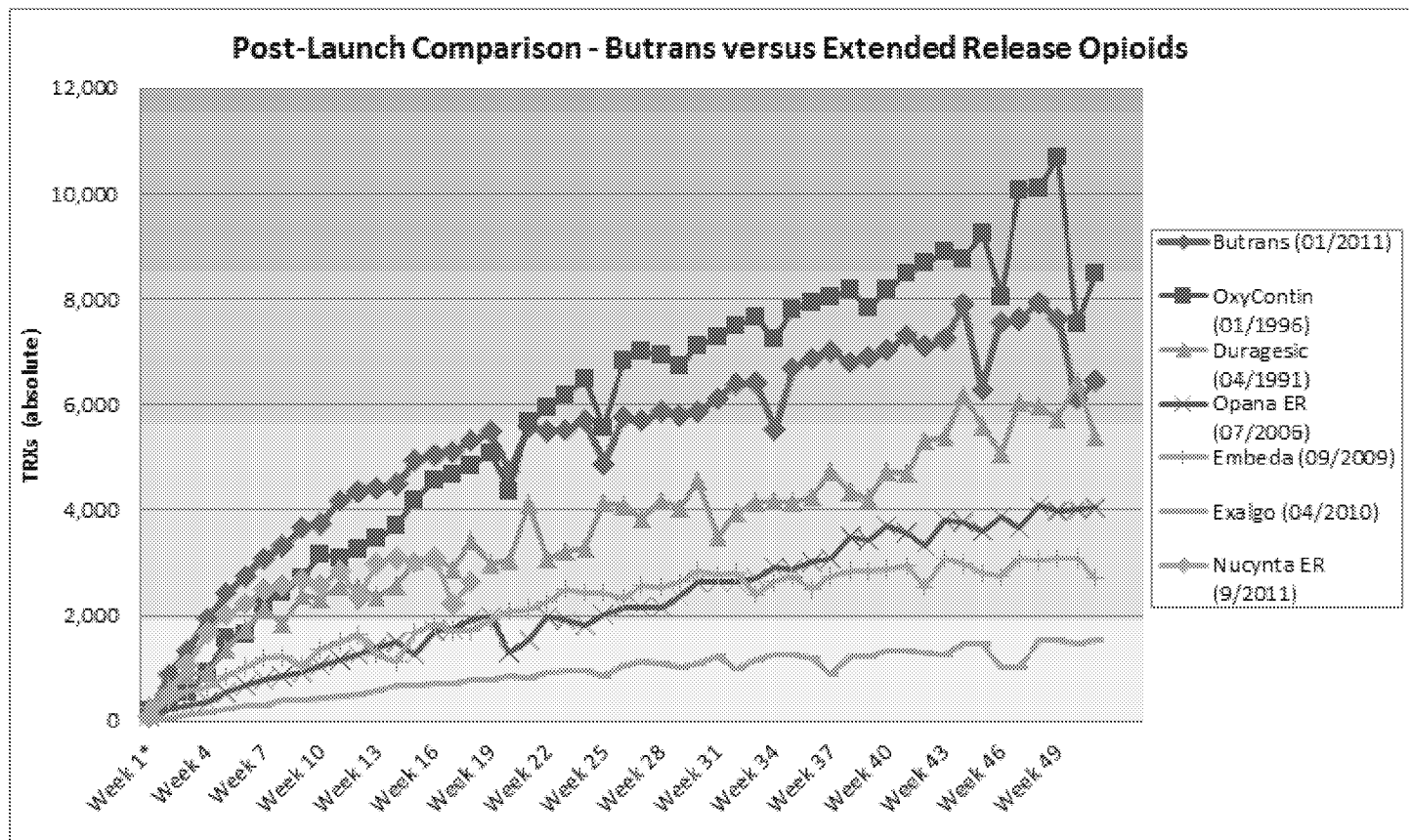
- All prescriptions this week were **affected by the New Year's Holiday**.
- Butrans total prescriptions for week of January 6, accounted for 6,770 Rxs compared to last week's prescription count of 6,399.
- Butrans share of ERO Rx segment was 1.37% this week, compared to 1.48% last week.

Key Metrics		Actual	
Latest weekly Butrans TRx volume		6,770	
Latest weekly Butrans NRx volume		5,297	
Year to date 2012 TRxs		6,770	
Latest weekly Butrans growth rate		5.8%	
Latest weekly distribution by Butrans dosage strength		TRxs	%
	5mcg	1,880	27.8%
	10mcg	3,107	45.9
	20mcg	1,783	26.3
	Total	6,770	100.0%
Latest weekly growth rate for Extended Release Opioids (EROs)		14.3%	
Latest weekly Butrans share of Extended Release Opioids (EROs)		1.37%	

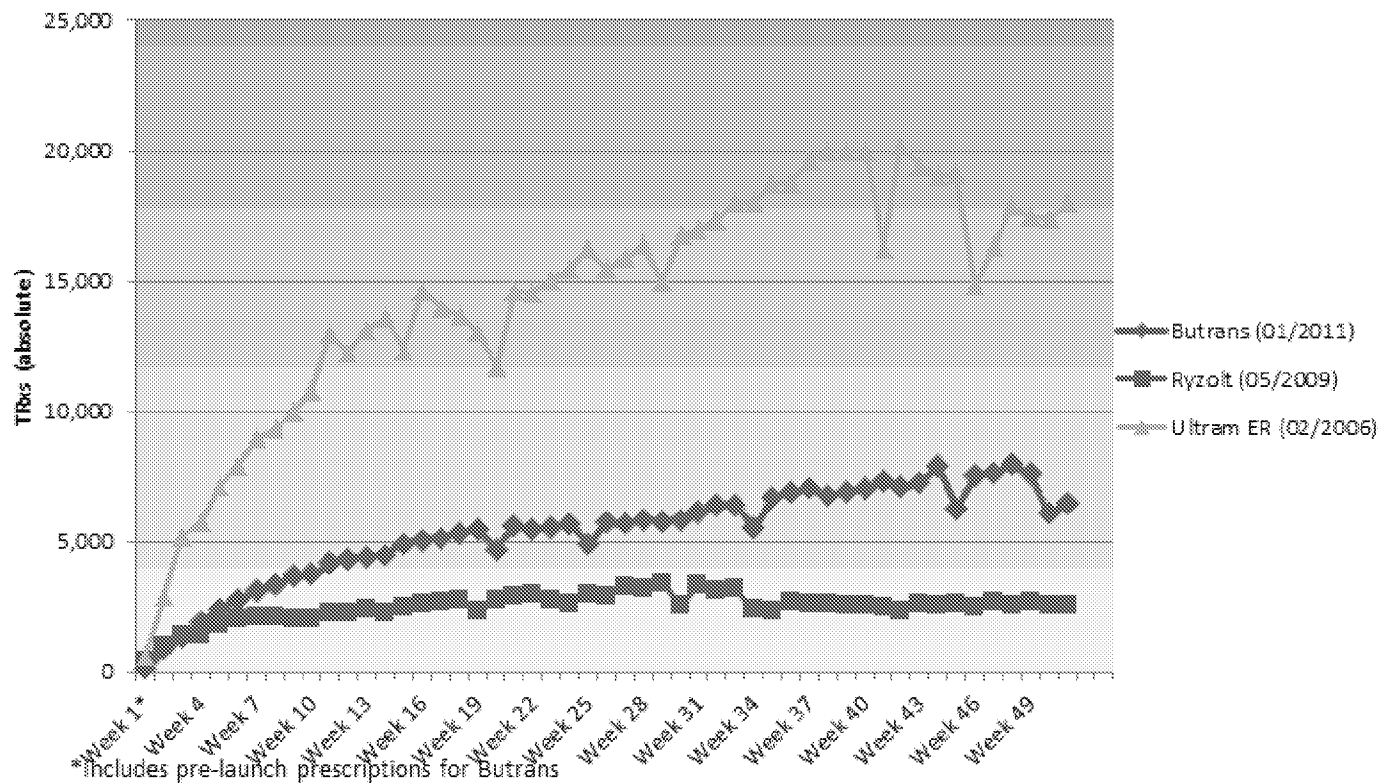
2. Launch Comparison (Retail Only)

- The following is a post launch comparison of Butrans versus other extended release opioids and Butrans versus extended release Tramadol products. At 51 weeks post-launch, Butrans retail Rxs (6,770) continued to outpace all launched EROs with the exception of OxyContin.

- At 18 weeks post-launch, Butrans outpaced all EROs, including recently introduced Nucynta ER which is tracking similarly to Duragesic's launch.



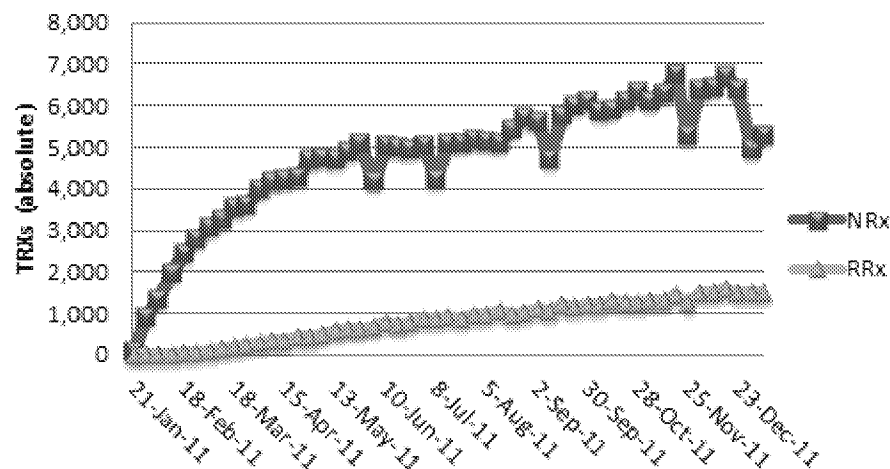
Post-Launch Comparison - Butrans versus Extended Release Tramadol Products



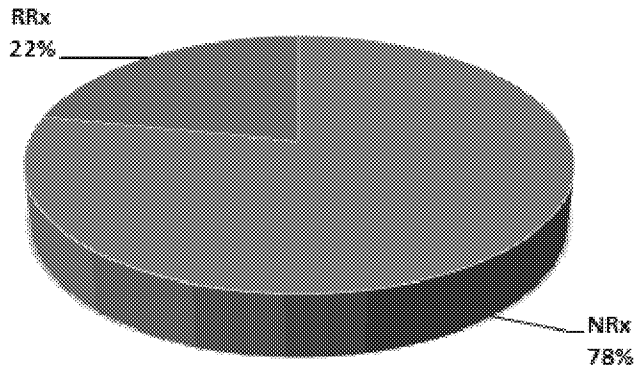
3. New vs. Refill Prescriptions

- Latest weekly new and refill Rx's are shown as follows:

Butrans New vs. Refill Rx's



**Butrans NRx vs. RRx
Week ending January 6, 2012**

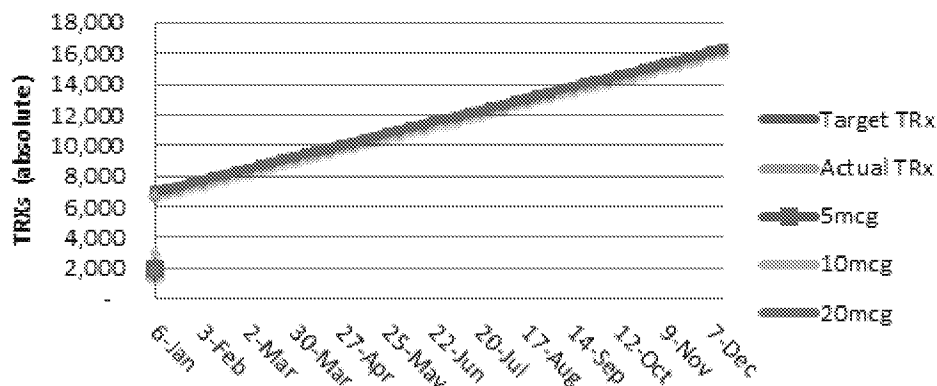


4. Prescriptions by Dosage Strength

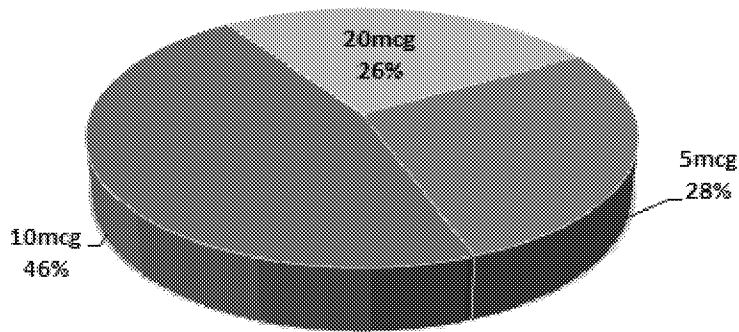
- In order to meet the 2012 prescription target of 604,500 Rxs, Butrans prescriptions must increase at an average of 190.5 Rxs each week, starting with the Rx total for the week ending January 6th (6,770). Butrans Rxs must also achieve a year end distribution of 5mcg/hr at 30%, 10mcg/hr at 45% and 20mcg/hr at 35% in order to meet demand forecast of \$132mm. Progress against the Rx target is shown in the following figures:

	<u>Week Prior</u>	<u>Last Week</u>	<u>Current Week</u>	<u>YTD</u>	<u>Goal</u>
5mcg	29.6%	27.4%	27.8%	27.8%	30.0%
10mcg	44.8%	45.9%	45.9%	45.9%	45.0%
20mcg	25.6%	26.8%	26.3%	26.3%	35.0%

Butrans Total Prescriptions by Dosage Strength

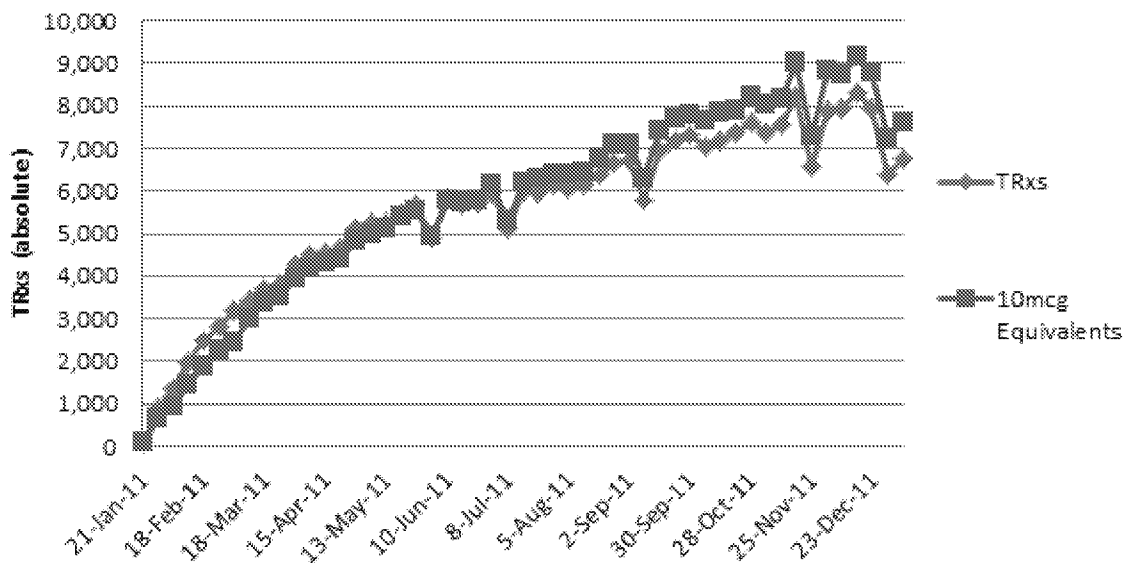


**Butrans Rx's by Dosage Strength
Week ending January 6, 2012**



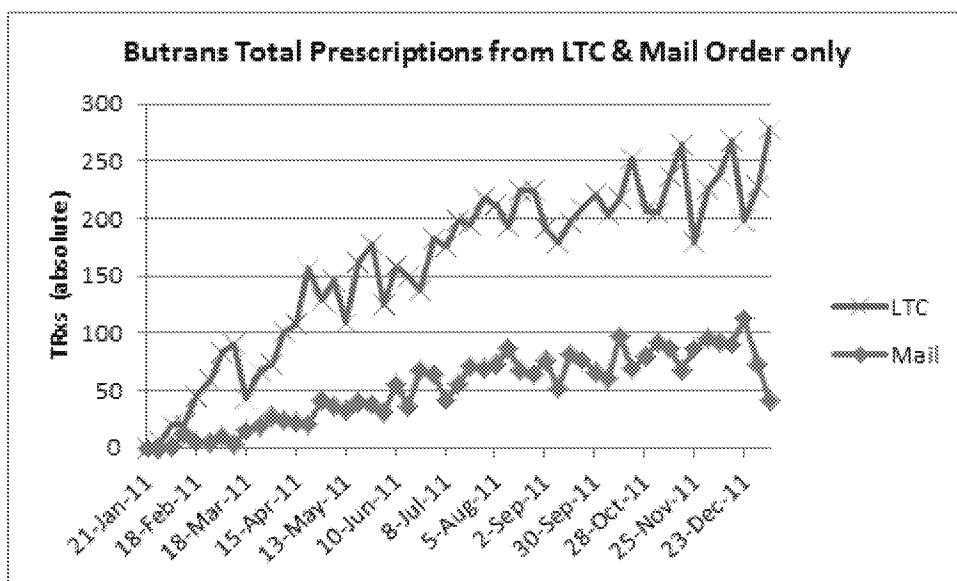
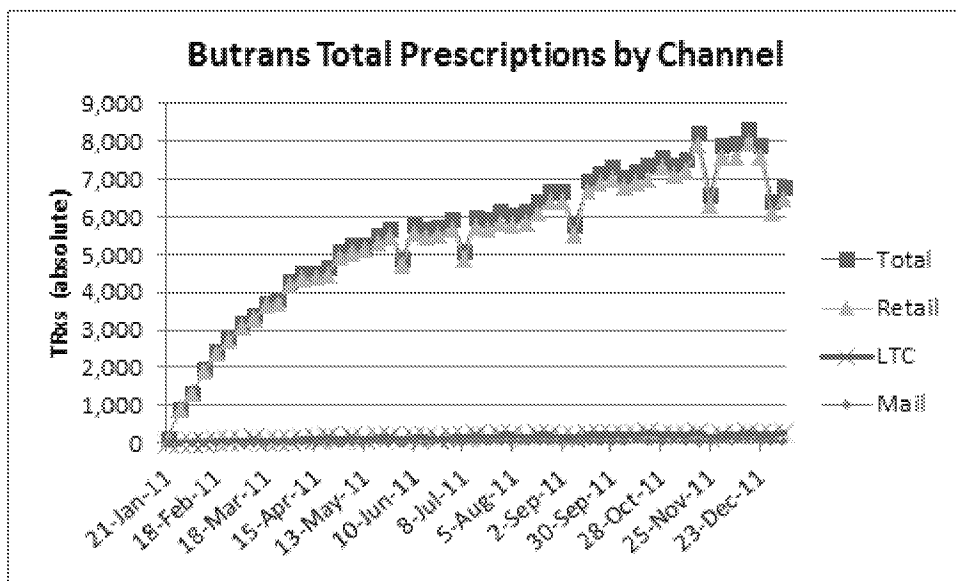
- 10mcg equivalents Rx's:

Butrans TRxs versus 10mcg Equivalents



5. Prescriptions by Channel

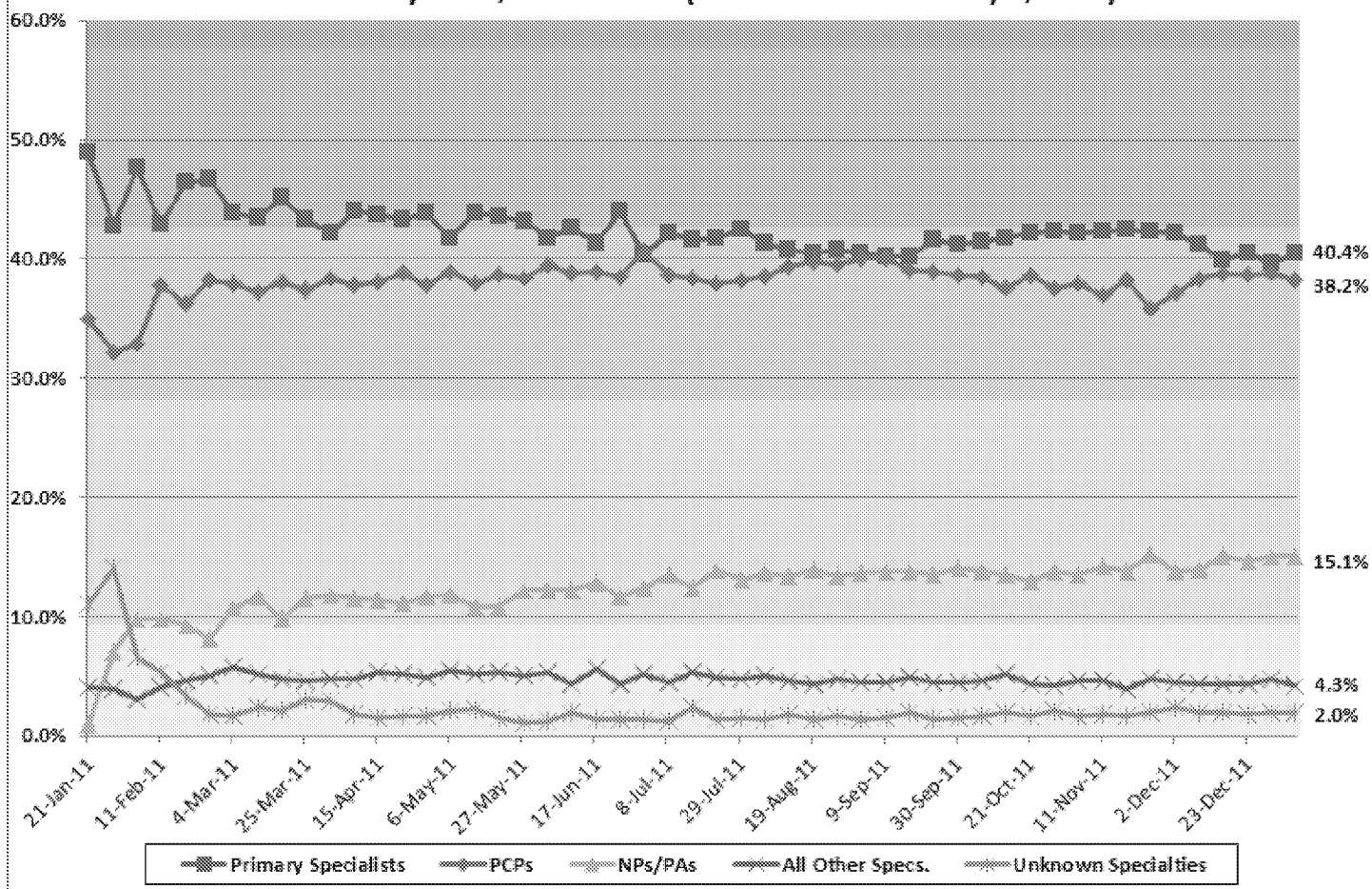
- Retail pharmacy scripts continue to dominate Butrans total Rx's by channel, accounting for 95%, followed by 4% in LTC and 1% from Mail order.



6. Prescriptions by Specialty

- By specialty group, Primary Specialists continue to garner largest share of Butrans Rx's, accounting for 40% this week, followed by PCPs with 38%, and NP/PAs with 15%.
- Anesthesiology/pain medicine (20.1%), FP/GP (14.9%), Physical Medicine (11.8%) and Osteopathic Medicine (13.1%), were leading individual specialties this week.

Percent Share of Butrans Total Rx's, by MD Specialty Groupings
By week, since Launch (as of Week 51 - January 6, 2012)



7. Stocking Overview

- For the week ending December 30 (reflecting Christmas week holiday), the number of unique stores declined 24.5% from the previous week, while the number of patches ordered declined by 27.4%.

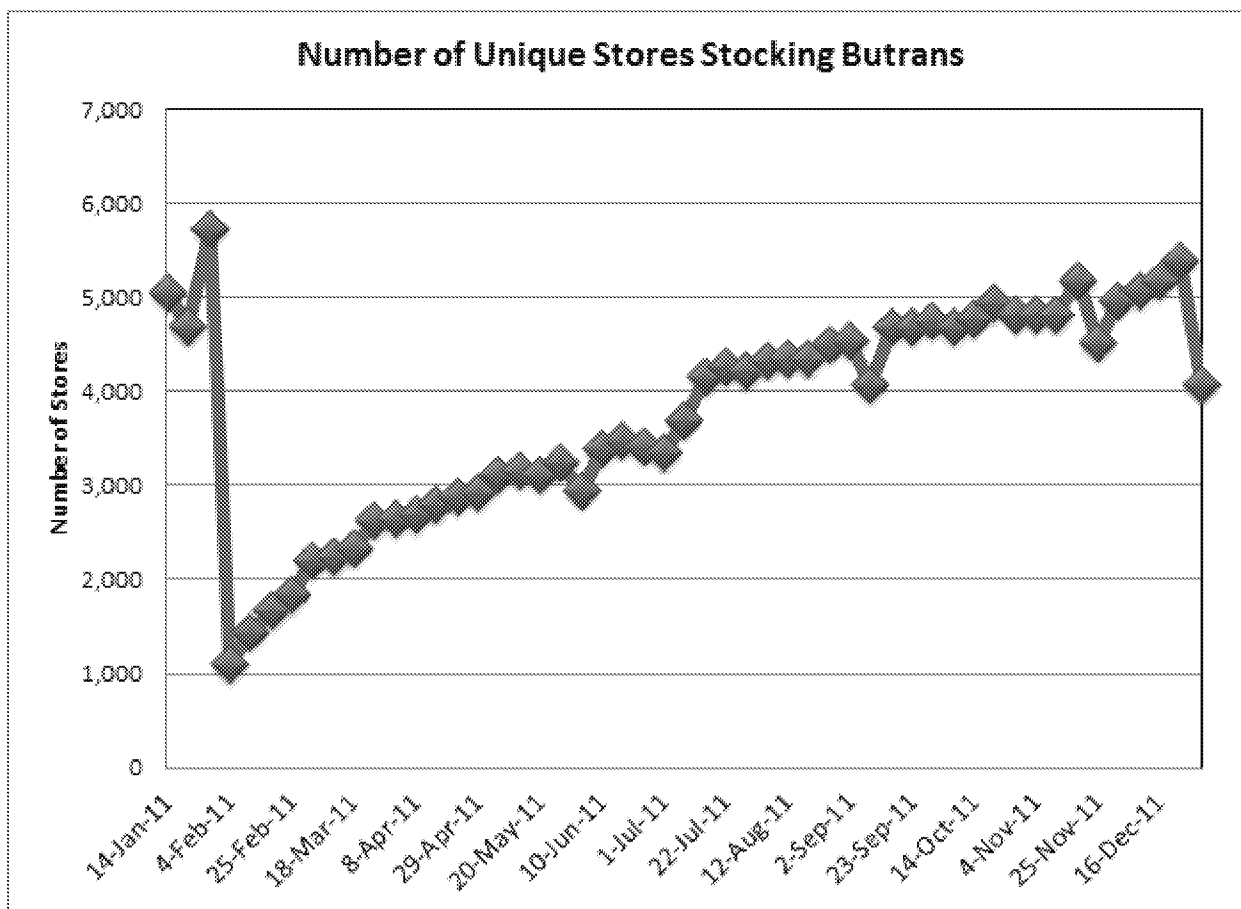
Butrans Overview	16-Dec-11	23-Dec-11	30-Dec-11
Total Prescriptions	8,306	7,924	6,399
Total Unique Store Count	5,181	5,381	4,061
Total Patches Ordered	31,092	32,864	23,864

8. Unique Store Count

Butrans Unique Store Count	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	1,682	1,758	1,260
10mcg	2,547	2,676	1,924
20mcg	1,498	1,542	1,249
Total	5,181	5,381	4,061

Butrans Unique Store Count %*	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	32.5%	32.7%	31.0%
10mcg	49.2%	49.7%	47.4%
20mcg	28.9%	28.7%	30.8%

* Percent is based on the total number of unique outlets that ordered Butrans



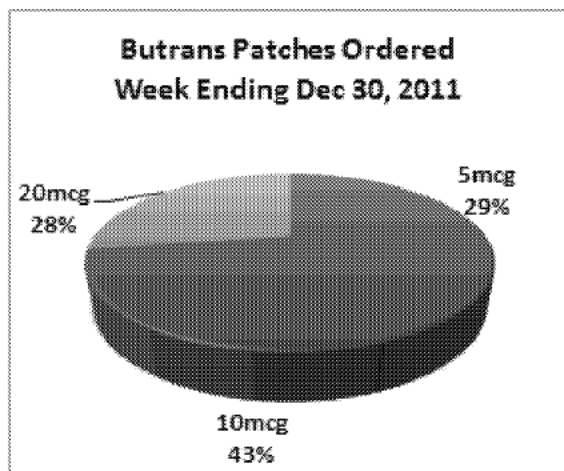
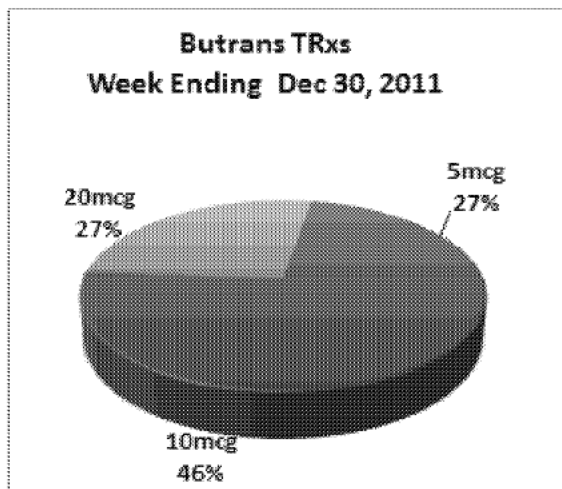
9. Patches Ordered

Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	8,816	9,500	6,972
10mcg	14,292	15,168	10,332
20mcg	7,984	8,196	6,560
Total	31,092	32,864	23,864

% of Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	28.4%	28.9%	29.2%
10mcg	46.0%	46.2%	43.3%
20mcg	25.7%	24.9%	27.5%
Total	100.0%	100.0%	100.0%

10. Prescriptions Dispensed versus Patches Ordered

- The distributions of prescriptions dispensed and patches ordered by dosage strength are displayed below:



[Redacted] Manager, Market Research | Purdue Pharma L.P.
One Stamford Forum | 201 Tresser Blvd. | Stamford, CT 06901

Redacted

Email: [Redacted]@pharma.com

Produced Natively

Weekly Report

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		Butrans New, Refill and Total Prescriptions by Strength													
		Total			5mcg			10mcg			20mcg			Total	
<u>Week #</u>	<u>Week Ending</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>
Week 45	25-Nov-11	5,305	1,255	6,560	1,626	305	1,931	2,363	573	2,936	1,316	377	1,693	80.9%	19.1%
Week 46	2-Dec-11	6,390	1,498	7,888	1,909	336	2,245	2,860	718	3,578	1,621	444	2,065	81.0%	19.0%
Week 47	9-Dec-11	6,461	1,479	7,940	1,933	360	2,293	3,031	677	3,708	1,497	442	1,939	81.4%	18.6%
Week 48	16-Dec-11	6,712	1,594	8,306	2,009	477	2,486	3,070	659	3,729	1,633	458	2,091	80.8%	19.2%
Week 49	23-Dec-11	6,419	1,505	7,924	1,967	382	2,349	2,875	671	3,546	1,577	452	2,029	81.0%	19.0%



		Distribution of Butrans Prescriptions by Strength									Distribution of Butrans Ne					
		5mcg				10mcg			20mcg			Total			5mcg	
<u>Week #</u>	<u>Week Ending</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>	<u>NRx</u>	<u>RRx</u>
Week 45	25-Nov-11	100.0%	24.8%	4.6%	29.4%	36.0%	8.7%	44.8%	20.1%	5.7%	25.8%	80.9%	19.1%	100.0%	84.2%	15.8%
Week 46	2-Dec-11	100.0%	24.2%	4.3%	28.5%	36.3%	9.1%	45.4%	20.6%	5.6%	26.2%	81.0%	19.0%	100.0%	85.0%	15.0%
Week 47	9-Dec-11	100.0%	24.3%	4.5%	28.9%	38.2%	8.5%	46.7%	18.9%	5.6%	24.4%	81.4%	18.6%	100.0%	84.3%	15.7%
Week 48	16-Dec-11	100.0%	24.2%	5.7%	29.9%	37.0%	7.9%	44.9%	19.7%	5.5%	25.2%	80.8%	19.2%	100.0%	80.8%	19.2%
Week 49	23-Dec-11	100.0%	24.8%	4.8%	29.6%	36.3%	8.5%	44.8%	19.9%	5.7%	25.6%	81.0%	19.0%	100.0%	83.7%	16.3%



		w, Refill and Total Prescriptions by Strength							Weekly Growth in Butrans New, Refill and Total Presc							
Week #	Week Ending	10mcg			20mcg				Total			5mcg			10mcg	
		TRx	NRx	RRx	TRx	NRx	RRx	TRx	NRx	RRx	TRx	NRx	RRx	TRx	NRx	RRx
Week 45	25-Nov-11	100.0%	80.5%	19.5%	100.0%	77.7%	22.3%	100.0%	-21.8%	-12.2%	-20.2%	-21.4%	-18.9%	-21.1%	-24.0%	-9.0%
Week 46	2-Dec-11	100.0%	79.9%	20.1%	100.0%	78.5%	21.5%	100.0%	20.5%	19.4%	20.2%	17.4%	10.2%	16.3%	21.0%	25.3%
Week 47	9-Dec-11	100.0%	81.7%	18.3%	100.0%	77.2%	22.8%	100.0%	1.1%	-1.3%	0.7%	1.3%	7.1%	2.1%	6.0%	-5.7%
Week 48	16-Dec-11	100.0%	82.3%	17.7%	100.0%	78.1%	21.9%	100.0%	3.9%	7.8%	4.6%	3.9%	32.5%	8.4%	1.3%	-2.7%
Week 49	23-Dec-11	100.0%	81.1%	18.9%	100.0%	77.7%	22.3%	100.0%	-4.4%	-5.6%	-4.6%	-2.1%	-19.9%	-5.5%	-6.4%	1.8%



Prescriptions by Strength

<u>Week #</u>	<u>Week Ending</u>	20mcg			
		<u>TRx</u>	<u>NRx</u>	<u>RRx</u>	<u>TRx</u>
Week 45	25-Nov-11	-21.5%	-18.1%	-11.1%	-16.6%
Week 46	2-Dec-11	21.9%	23.2%	17.8%	22.0%
Week 47	9-Dec-11	3.6%	-7.6%	-0.5%	-6.1%
Week 48	16-Dec-11	0.6%	9.1%	3.6%	7.8%
Week 49	23-Dec-11	-4.9%	-3.4%	-1.3%	-3.0%



[Butrans 10mcg Equivalents](#)
[Distribution of 10mcg Equivalents](#)
[Weekly Growth in 10mcg Equivalents](#)

<u>Week #</u>	<u>Week Ending</u>
Week 44	18-Nov-11
Week 45	25-Nov-11

Butrans 10mcg Equivalents			
Total	5mcg	10mcg	20mcg
<u>TRx</u>	<u>TRx</u>	<u>TRx</u>	<u>TRx</u>
9,023	1,223	3,740	4,060
7,288	966	2,936	3,386

Distribution of Butrans 10mcg Equiv		
Total	5mcg	10mcg
<u>TRx</u>	<u>TRx</u>	<u>TRx</u>
100.0%	13.6%	41.4%
100.0%	13.2%	40.3%



		Valents
<u>Week #</u>	<u>Week Ending</u>	<u>20mcg</u> <u>TRx</u>
Week 44	18-Nov-11	45.0%
Week 45	25-Nov-11	46.5%



[TRxs by Channel](#)

[Distribution of Rx's by Channel](#)

[Weekly Growth in Butrans TRxs by Channel](#)

		Butrans TRxs (absolute) by Channel			
		Total	Retail	LTC	Mail
<u>Week #</u>	<u>Week Ending</u>				
Week 44	18-Nov-11	8,216	7,884	264	68
Week 45	25-Nov-11	6,560	6,293	180	87
Week 46	2-Dec-11	7,888	7,567	226	95
Week 47	9-Dec-11	7,940	7,609	239	92
Week 48	16-Dec-11	8,306	7,947	268	91
Week 49	23-Dec-11	7,924	7,613	199	112
Week 50	30-Dec-11	6,399	6,099	228	72
Week 51	6-Jan-12	6,770	6,450	279	41
TOTAL	2011	276,395	265,903	7,908	2,584

Distribution of Butrans TRxs by Channel			
Total	Retail	LTC	Mail
100.0%	96.0%	3.2%	0.8%
100.0%	95.9%	2.7%	1.3%
100.0%	95.9%	2.9%	1.2%
100.0%	95.8%	3.0%	1.2%
100.0%	95.7%	3.2%	1.1%
100.0%	96.1%	2.5%	1.4%
100.0%	95.3%	3.6%	1.1%
100.0%	95.3%	4.1%	0.6%
100.0%	96.2%	2.9%	0.9%

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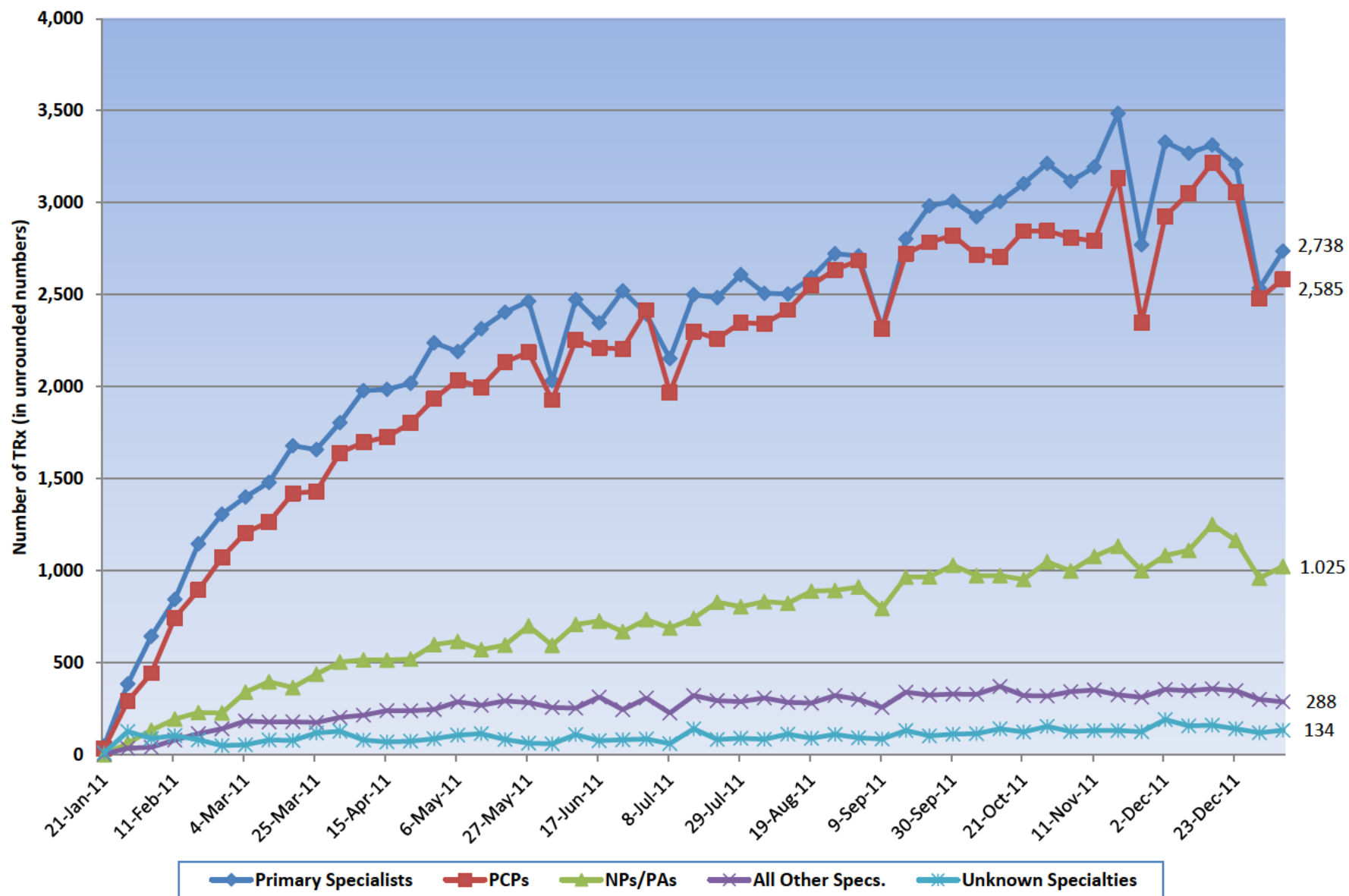
Week # **TOTAL**
Week Ending **2011**

Week # **TOTAL**
Week Ending **2011**

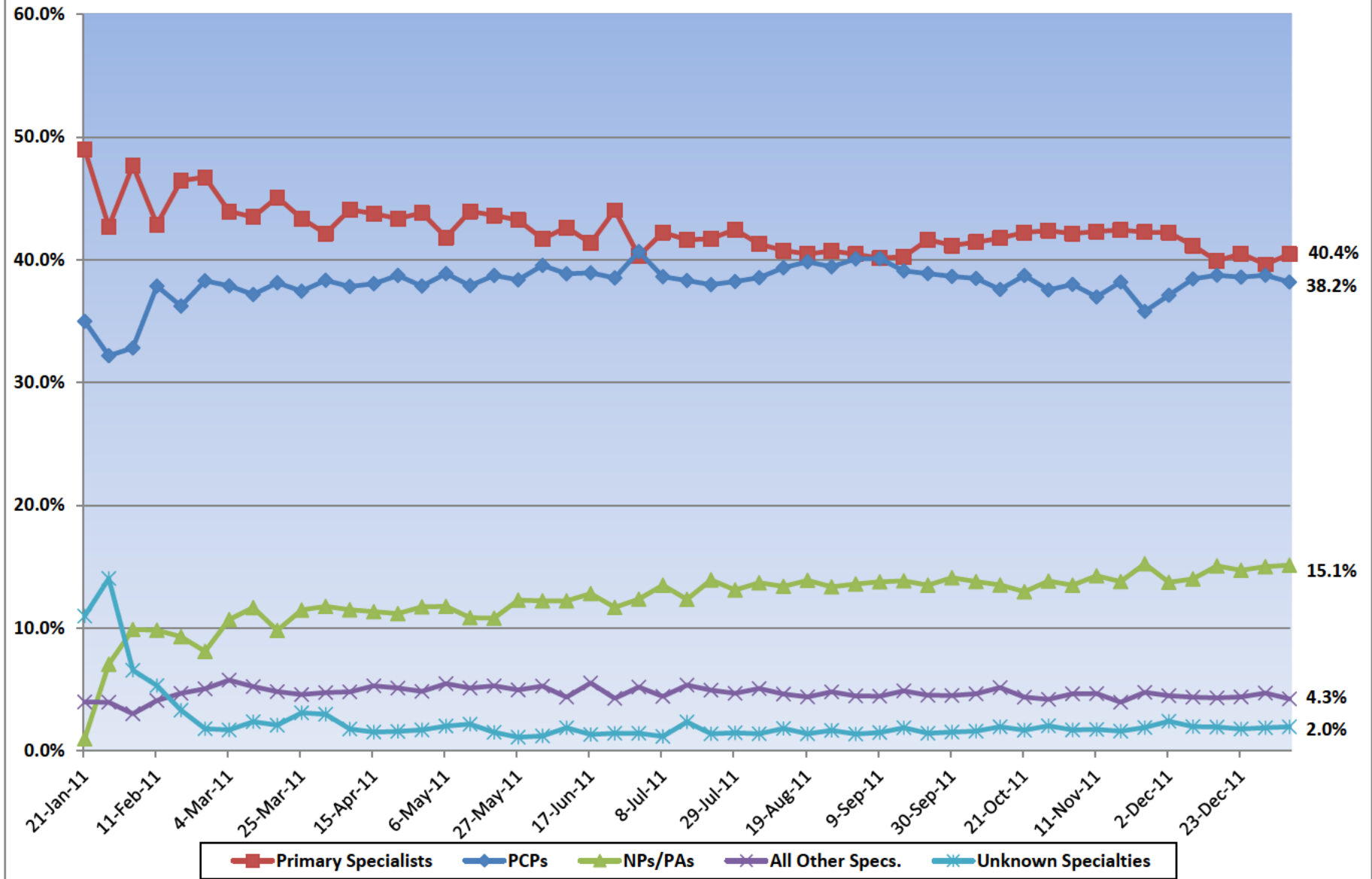
Primary Care	38.4%
IM	9.8%
FP/GP	15.1%
Osteopathic Medicine	13.5%
NPs / PAs	13.0%
Nurse Practitioners	6.3%
Physician Assistants	6.7%
Primary Specialists*	42.0%
Anesthesiology/Pain	20.4%
Phys. Med. & Rehab	12.7%
Neurology	3.6%
Rheumatology	2.9%
Orthopedic Surgery	2.4%
All Other Specialties	4.7%
All Other Specialties	4.7%
Unspecified/Other	1.9%
Total Butrans Prescriptions	100.0%

	Week Forty-Eight as of 12/16				Week Forty-Nine of 12/23			
	<u>5mcg</u>	<u>10mcg</u>	<u>20mcg</u>	<u>Total Butrans</u>	<u>5mcg</u>	<u>10mcg</u>	<u>20mcg</u>	<u>Total Butrans</u>
<u>PCP's</u>	<u>956</u>	<u>1,424</u>	<u>838</u>	<u>3,218</u>	<u>873</u>	<u>1,364</u>	<u>821</u>	<u>3,058</u>
FP/GP	364	538	330	1,232	346	520	339	1,205
Osteopathic Physicians	307	520	289	1,116	265	486	297	1,048
Internal Medicine	285	366	219	870	262	358	185	805
<u>NP's/PA's</u>	<u>364</u>	<u>549</u>	<u>339</u>	<u>1,252</u>	<u>339</u>	<u>511</u>	<u>316</u>	<u>1,166</u>
Physician Assistant	169	309	188	666	177	243	167	587
Nurse Practitioner	195	240	151	586	162	268	149	579
<u>Primary Specialists</u>	<u>992</u>	<u>1,554</u>	<u>768</u>	<u>3,314</u>	<u>985</u>	<u>1,450</u>	<u>774</u>	<u>3,209</u>
Anesthesiology/Pain	476	765	371	1,612	467	718	372	1,557
Physical Medicine	311	492	214	1,017	312	452	221	985
Neurology	73	112	72	257	58	95	86	239
Rheumatology	63	116	47	226	85	90	53	228
Orthopedic Surgeons	69	69	64	202	63	95	42	200
<u>All Other Specialties</u>	<u>128</u>	<u>154</u>	<u>78</u>	<u>360</u>	<u>107</u>	<u>165</u>	<u>77</u>	<u>349</u>
<u>Unknown/Other Specialty</u>	<u>46</u>	<u>48</u>	<u>68</u>	<u>162</u>	<u>45</u>	<u>56</u>	<u>41</u>	<u>142</u>
Grand Total	2,486	3,729	2,091	8,306	2,349	3,546	2,029	7,924

Number of Butrans Total Rx's, by MD Specialty Groupings
By week, since Launch (as of Week 51 - January 6, 2012)

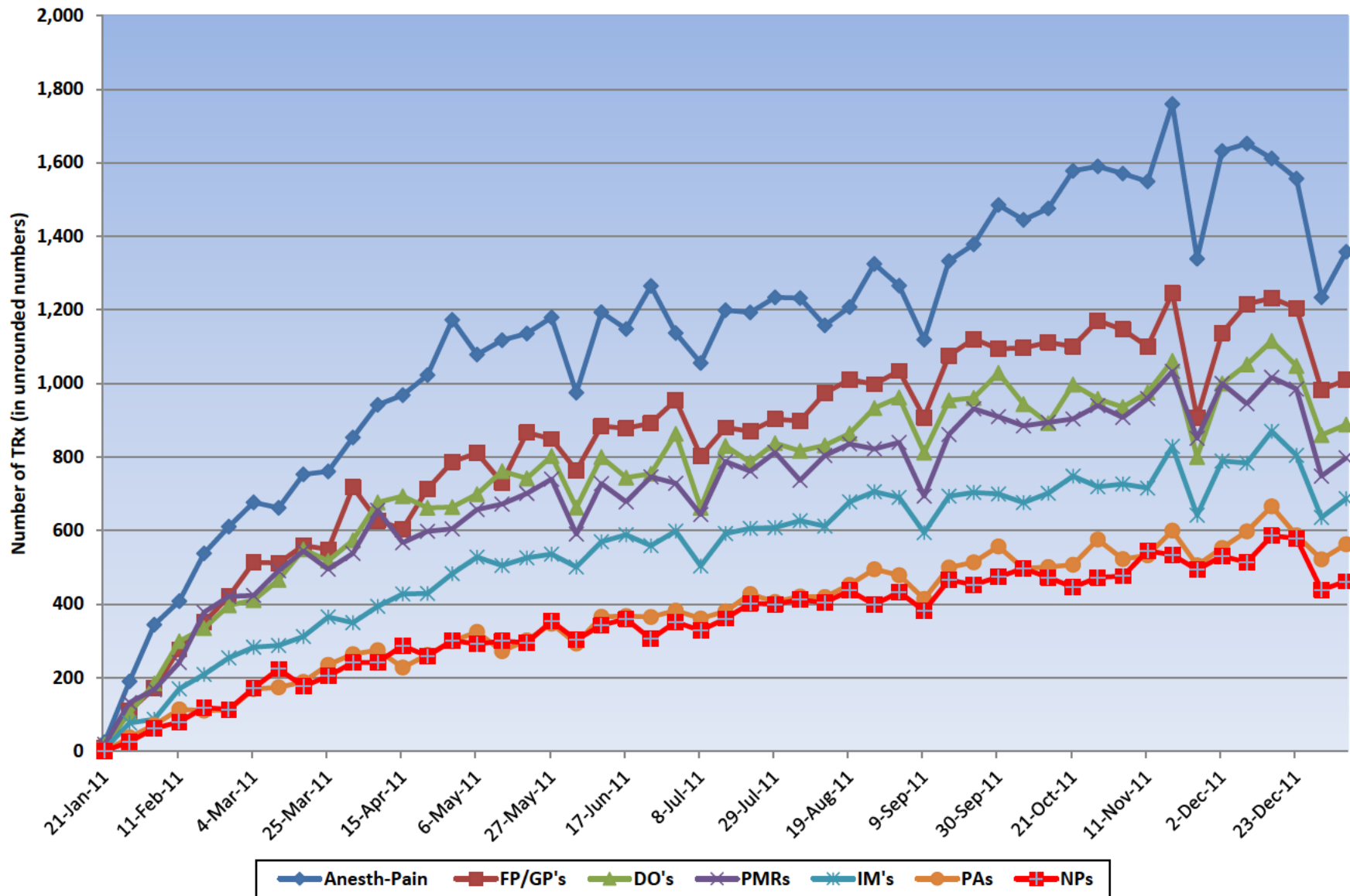


Percent Share of Butrans Total Rx's, by MD Specialty Groupings
By week, since Launch (as of Week 51 - January 6, 2012)



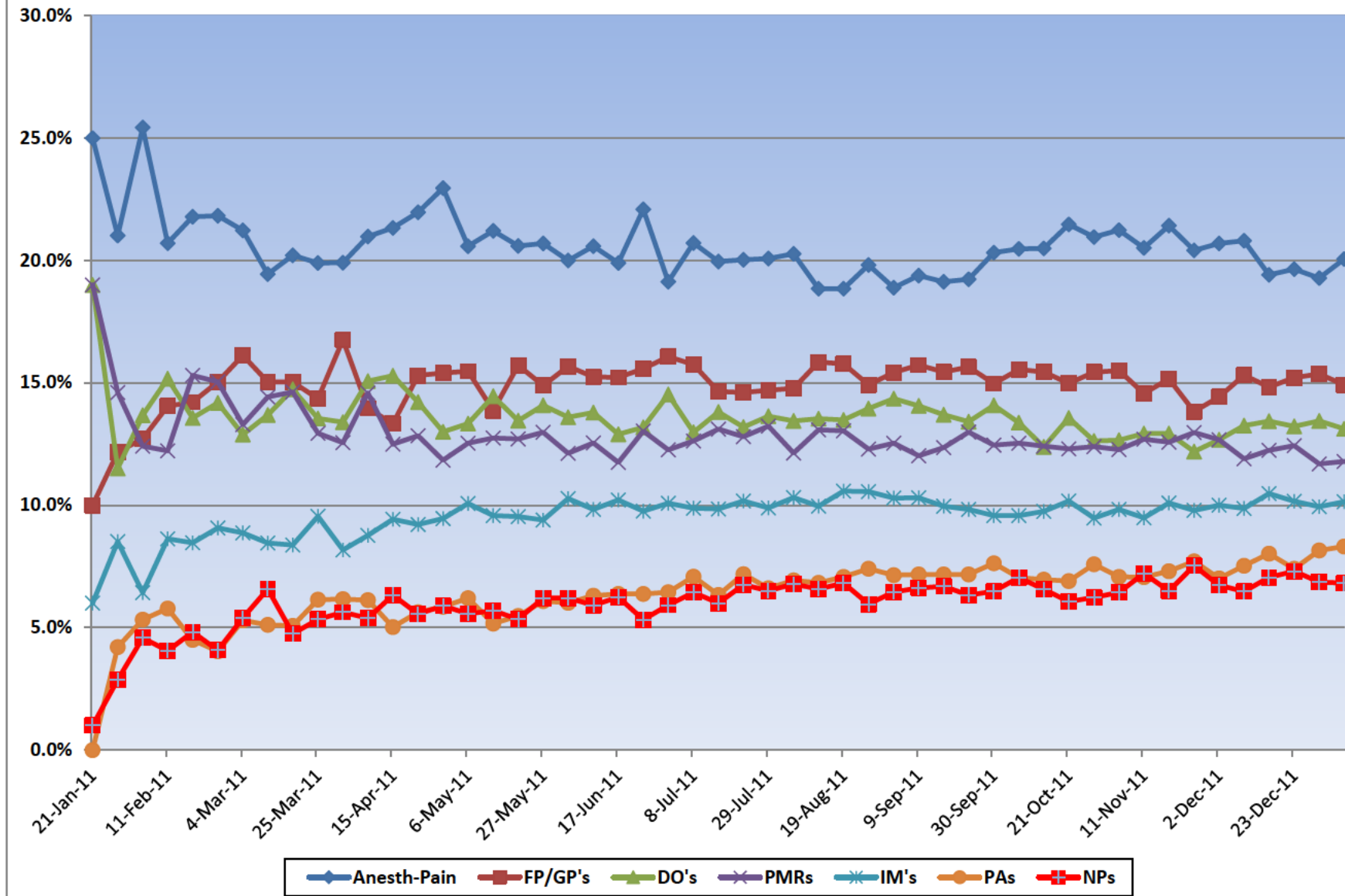
Number of Butrans Total Rx's, by Leading Individual MD Specialties

By week, since Launch (as of Week 51 - January 6, 2012)



Percent Share of Butrans Total Rx's, by Leading Individual MD Specialties

By week, since Launch (as of Week 51 - January 6, 2012)



<u>Week #</u>	<u>Week Ending</u>	Number of Total Rx's (in absolute numbers)			
		<u>Anesth-Pain</u>	<u>FP/GP's</u>	<u>DO's</u>	<u>PMRs</u>
Week 45	25-Nov-11	20.4%	13.8%	12.2%	13.0%
Week 46	2-Dec-11	20.7%	14.4%	12.7%	12.7%

<u>Week #</u>	<u>Week Ending</u>	<u>IM's</u>	<u>PAs</u>	<u>NPs</u>	<u>All others</u>
Week 45	25-Nov-11	9.8%	7.7%	7.5%	13.6%
Week 46	2-Dec-11	10.0%	7.0%	6.7%	13.3%

<u>Week #</u>	<u>Week Ending</u>	<u>Unknown Specialties</u>	<u>Grand Total</u>	<u>Neurology</u>	<u>Rheumatology</u>
Week 45	25-Nov-11	1.9%	100.0%	3.4%	2.8%
Week 46	2-Dec-11	2.4%	100.0%	3.5%	2.8%

<u>Week #</u>	<u>Week Ending</u>	<u>Orth. Surgeons</u>
Week 45	25-Nov-11	2.7%
Week 46	2-Dec-11	2.6%



[Extended Release Opioid Market - TRxs](#)
[Rx Share of Extended Release Opioid Market](#)
[Weekly Growth in Extended Release Opioid Market](#)

All channels of trade, combined

		Extended Release Opioid Market - Total Prescriptions						
<u>Week #</u>	<u>Week Ending</u>	<u>Butrans</u>	<u>Oxycodone ER</u>	<u>Fentanyl Patch</u>	<u>Morphine SR</u>	<u>Methadone</u>	<u>Oxymorphone ER</u>	<u>Exalgo</u>
Week 44	18-Nov-11	8,216	122,841	129,136	132,213	83,074	27,755	2,399
Week 45	25-Nov-11	6,560	108,349	114,425	114,875	73,415	24,061	1,989



				Share of Extended Release Opioids				
<u>Week #</u>	<u>Week Ending</u>	<u>Nucynta ER</u>	<u>Total EROs</u>	<u>Butrans</u>	<u>Oxycodone ER</u>	<u>Fentanyl Patch</u>	<u>Morphine SR</u>	<u>Methadone</u>
Week 44	18-Nov-11	2,875	508,509	1.62%	24.2%	25.4%	26.0%	16.3%
Week 45	25-Nov-11	2,401	446,075	1.47%	24.3%	25.7%	25.8%	16.5%



		Opioid Market		
<u>Week #</u>	<u>Week Ending</u>	<u>Oxymorphone ER</u>	<u>Exalgo</u>	<u>Nucynta ER</u>
Week 44	18-Nov-11	5.5%	0.5%	0.57%
Week 45	25-Nov-11	5.4%	0.4%	0.54%



[Share of the Butrans Market TRXs](#)
[Weekly Growth in the Butrans Market](#)

All channels of trade, combined

		Butrans Market - Total Prescriptions					
<u>Week #</u>	<u>Week Ending</u>	<u>Butrans</u>	<u>Total EROs*</u>	<u>Total IROs</u>	<u>Total Tramadol (IR & ER)</u>	<u>Total Opioids</u>	<u>Butrans</u>
Week 44	18-Nov-11	8,216	508,509	4,187,029	733,745	5,429,283	0.151%
Week 45	25-Nov-11	6,560	446,075	3,554,527	620,380	4,620,982	0.142%



		Share of the Butrans Market Prescriptions			
<u>Week #</u>	<u>Week Ending</u>	<u>Total EROs*</u>	<u>Total IROs</u>	<u>Total Tramadol (IR & ER)</u>	<u>Total Opioids</u>
Week 44	18-Nov-11	9.4%	77.1%	13.5%	100.0%
Week 45	25-Nov-11	9.7%	76.9%	13.4%	100.0%

	Comparison of Butrans TRXs at		
<u>Weeks Post-Launch</u>	<u>Butrans (01/2011)</u>	<u>OxyContin (01/1996)</u>	<u>Duragesic (04/1991)</u>
Week 1*	100	208	307
Week 2	900	347	651
Week 3	1,332	534	867
Week 4	1,940	904	933
Week 5	2,421	1,555	1,368
Week 6	2,737	1,633	1,739
Week 7	3,097	2,217	2,125
Week 8	3,312	2,447	1,843

	Comparison of Butrans TRXs at Launch versus Other			
<u>Weeks Post-Launch</u>	<u>Butrans (01/2011)</u>	<u>OxyContin (01/1996)</u>	<u>Duragesic (04/1991)</u>	<u>Opana ER (07/2006)</u>
Week 1*	100	208	307	100
Week 2	900	347	651	218
Week 3	1,332	534	867	297
Week 4	1,940	904	933	370
Week 5	2,421	1,555	1,368	533
Week 6	2,737	1,633	1,739	678
Week 7	3,097	2,217	2,125	778
Week 8	3,312	2,447	1,843	855

	Comparison of Butrans TRXs at Launch versus Other Extended Release				
<u>Weeks Post-Launch</u>	<u>Butrans (01/2011)</u>	<u>OxyContin (01/1996)</u>	<u>Duragesic (04/1991)</u>	<u>Opana ER (07/2006)</u>	<u>Ryzolt (05/2009)</u>
Week 1*	100	208	307	100	404
Week 2	900	347	651	218	1,012
Week 3	1,332	534	867	297	1,407
Week 4	1,940	904	933	370	1,427
Week 5	2,421	1,555	1,368	533	1,851
Week 6	2,737	1,633	1,739	678	2,058
Week 7	3,097	2,217	2,125	778	2,113
Week 8	3,312	2,447	1,843	855	2,110

	Comparison of Butrans TRXs at Launch versus Other Extended Release				
<u>Weeks Post-Launch</u>	<u>Butrans (01/2011)</u>	<u>OxyContin (01/1996)</u>	<u>Duragesic (04/1991)</u>	<u>Opana ER (07/2006)</u>	<u>Ryzolt (05/2009)</u>
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Week 7	3,097	2,217	2,125	778	2,113
Week 8	3,312	2,447	1,843	855	2,110

Butrans Overview	16-Dec-11	23-Dec-11	30-Dec-11
Total Prescriptions	8,306	7,924	6,399
Total Unique Store Count	5,181	5,381	4,061
Total Patches Ordered	31,092	32,864	23,864

Butrans Total Prescriptions	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	2,486	2,349	1,751
10mcg	3,729	3,546	2,936
20mcg	2,091	2,029	1,712
Total	8,306	7,924	6,399

% of Butrans Total Prescriptions	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	29.9%	29.6%	27.4%
10mcg	44.9%	44.8%	45.9%
20mcg	25.2%	25.6%	26.8%
Total	100.0%	100.0%	100.0%

Butrans Unique Store Count	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	1,682	1,758	1,260
10mcg	2,547	2,676	1,924
20mcg	1,498	1,542	1,249
Total	5,181	5,381	4,061

Butrans Unique Store Count %*	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	32.5%	32.7%	31.0%
10mcg	49.2%	49.7%	47.4%
20mcg	28.9%	28.7%	30.8%

* Percent is based on the total number of unique outlets that ordered Butrans

Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	8,816	9,500	6,972
10mcg	14,292	15,168	10,332
20mcg	7,984	8,196	6,560
Total	31,092	32,864	23,864

% of Butrans Patches Ordered	16-Dec-11	23-Dec-11	30-Dec-11
5mcg	28.4%	28.9%	29.2%
10mcg	46.0%	46.2%	43.3%
20mcg	25.7%	24.9%	27.5%
Total	100.0%	100.0%	100.0%

Butrans®	1 Week Growth	4 Week Growth	8 Week Growth
Total Prescriptions	-19.2%	1.2%	4.7%
Total Unique Store Count	-24.5%	1.2%	2.7%
Total Patches Ordered	-27.4%	0.4%	3.8%

Total Prescriptions

Strength	1 Week Growth	4 Week Growth	8 Week Growth
5mcg	-25.5%	-0.4%	-2.2%
10mcg	-17.2%	1.3%	5.4%
20mcg	-15.6%	2.9%	12.8%

Total Store Count

Strength	1 Week Growth	4 Week Growth	8 Week Growth
5mcg	-28.3%	-3.2%	-3.0%
10mcg	-28.1%	2.1%	3.8%
20mcg	-19.0%	-0.4%	8.7%

Total Patches Ordered

Strength	1 Week Growth	4 Week Growth	8 Week Growth
5mcg	-26.6%	-4.9%	-2.0%
10mcg	-31.9%	3.8%	5.9%
20mcg	-20.0%	0.9%	7.3%

Week Ending
December 2, 2011
December 9, 2011
December 16, 2011

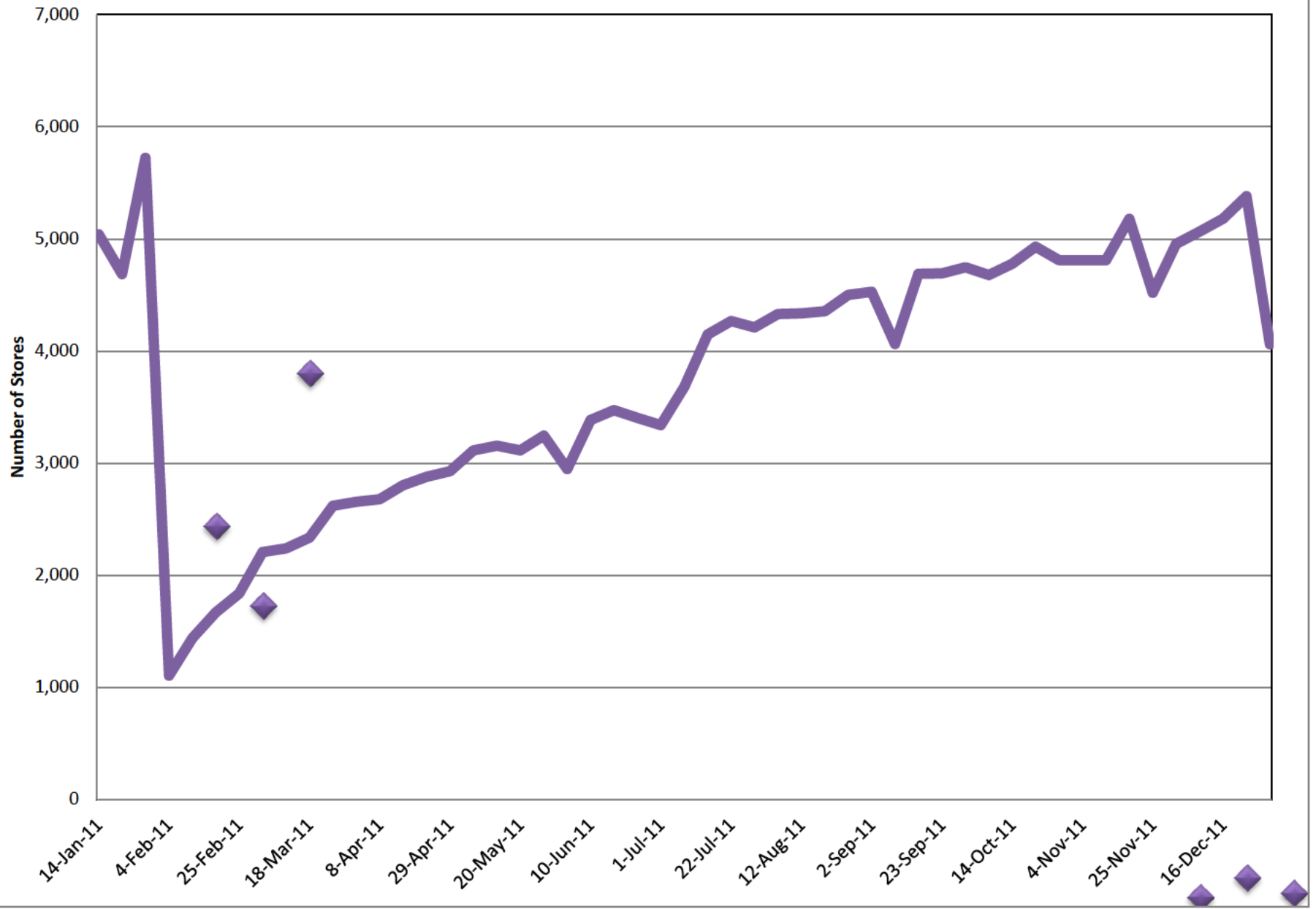
TOTAL PRESCRIPTIONS			
5mcg	10mcg	20mcg	TOTAL
2,245	3,578	2,065	7,888
2,293	3,708	1,939	7,940
2,486	3,729	2,091	8,306

TOTAL STORE	
5mcg	10mcg
1,592	2,354
1,651	2,537
1,682	2,547

<u>Week Ending</u>	COUNTS		TOTAL PACKAGES (OF 4) ORDERED				
	20mcg	TOTAL	5mcg	10mcg	20mcg	TOTAL	5mcg
December 2, 2011	1,559	4,955	2,151	3,256	2,058	7,465	8,604
December 9, 2011	1,431	5,066	2,177	3,690	1,955	7,822	8,708
December 16, 2011	1,498	5,181	2,204	3,573	1,996	7,773	8,816

<u>Week Ending</u>	TOTAL PATCHES ORDERED		
	10mcg	20mcg	TOTAL
December 2, 2011	13,024	8,232	29,860
December 9, 2011	14,760	7,820	31,288
December 16, 2011	14,292	7,984	31,092

Number of Unique Stores Stocking Butrans



Message

From: Sackler, Dr Richard [REDACTED]
Sent: 1/19/2012 9:45:15 AM
To: [REDACTED]
Subject: <no subject>
Attachments: Presentation1.pptx

Produced Natively

2011 Annual Bonus Business Success Scorecard

Performance – Actual Year-End Viewpoint the Board?

Category	Components	Factor Weight	Actual Performance Level	Payout Level	Payout
Sales	<ul style="list-style-type: none"> • Net Branded Sales Goal Attainment versus 2011 Budget of \$3,259.0 million 	30%	Net Sales of \$2,295 million	33.3%	10%
	<ul style="list-style-type: none"> • Butrans prescription attainment versus objective of 529,000 prescriptions 	20%	277,626 prescriptions	52.5%	10.5%
Operating Efficiency	<ul style="list-style-type: none"> • Efficiently operating the business • Target Payout at \$15 million in qualified savings; • Maximum payout at savings of \$45 million 	20%	Qualifying savings calculated at \$47.56 million	100%	20.0%
Research & Development	<ul style="list-style-type: none"> • Advancement of drug development projects through R&D, clinical research, and regulatory milestones 	15%	See discussion	100%	15%
Licensing & Business Development	<ul style="list-style-type: none"> • Assessment of the extent to which BD and IP operations contribute to diversification / commercial success 	15%	See discussion	30%	4.5%
	Total Business Measures	100%			60%
	Overarching Objective – Compliance Multiplier				102 %
	Overall Performance Score				61.2%

Message

From: [REDACTED]
Sent: 1/19/2012 10:16:16 AM
To: Sackler, Dr Richard [REDACTED]
Subject: updated slide - for your records
Attachments: Presentation1.pptx

From: Sackler, Dr Richard
Sent: Thursday, January 19, 2012 9:45 AM
To: [REDACTED]
Subject: <no subject>

Produced Natively

2011 Annual Bonus Business Success Scorecard

Performance – Actual Year-End Viewpoint the Board?

Category	Components	Factor Weight	Actual Performance Level	Payout Level	Payout
Sales	<ul style="list-style-type: none"> • Net Branded Sales Goal Attainment versus 2011 Budget of \$3,259.0 million 	30%	Net Sales of \$2,295 million	33.3%	10%
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Operating Efficiency	<ul style="list-style-type: none"> • Efficiently operating the business • Target Payout at \$15 million in qualified savings; • Maximum payout at savings of \$45 million 	20%	Qualifying savings calculated at \$47.56 million	100%	20.0%
Research & Development	<ul style="list-style-type: none"> • Advancement of drug development projects through R&D, clinical research, and regulatory milestones 	15%	See discussion	80%	12%
Licensing & Business Development	<ul style="list-style-type: none"> • Assessment of the extent to which BD and IP operations contribute to diversification / commercial success 	15%	See discussion	50%	7.5%
	Total Business Measures	100%			60%
	Overarching Objective – Compliance Multiplier				102 %
	Overall Performance Score				61.2%

Message

From: [REDACTED]
Sent: 1/21/2012 8:24:06 PM
To: Stewart, John H. (US); [REDACTED] Sackler, Dr Richard [REDACTED] Long, David
CC: Lewent, Judy; [REDACTED] Boer, Peter; [REDACTED] Boer, Peter; [REDACTED] Sackler, Dr Kathe; [REDACTED] Baker, Stuart D.; [REDACTED]
BCC: Stewart, John H. (US)
Subject: RE: 2010 Business Success Scorecard
Attachments: 2010 Bonus Letter w- summary-final.docx

Here is the summary of the payout levels for the 2010 Business Success Scorecard:

Net Branded Sales (40% of Total) – 87.9% payout based upon sales at 93.5% of budget
Operating Efficiency (30% of Total) – 160.9% payout based on savings and efficiencies identified well in excess of target
Research & Development (15% of Total) – 112.1% payout based primarily upon the NDA approvals for Oxycontin and Butrans
LBD – (15% of Total) – 95% payout

Overall payout based upon Business Measures – 114.5% of target

Overarching Compliance Objective – multiplier of 102.5%

Overall Business Success Scorecard: 117.3%

Attached is the summary of the scorecard performance which was attached to the bonus payout information for all Purdue Colleagues who received a bonus related to the Scorecard. It presents a brief summary of each of the factors and the Company performance which resulted in that payout.

If anyone has any further questions or needs additional details, I'll get that information to you tomorrow.

From: Stewart, John H. (US)
Sent: Saturday, January 21, 2012 5:02 PM
To: Sackler, Dr Richard; [REDACTED] Long, David
Cc: Lewent, Judy; Boer, Peter; Boer, Peter; Sackler, Dr Kathe; [REDACTED] Baker, Stuart D.; Stewart, John H. (US)
Subject: 2010 Business Success Scorecard

I don't have the component-by-component results at hand, but from other documents know that the 2010 overall score came out at 117.3%. Doug can likely access the actual scoring sheet from the 2010 BSS, so that you can see the individual scores for each of the components (Compliance, R&D, Sales, etc.).

JS

From: Sackler, Dr Richard
Sent: Saturday, January 21, 2012 3:51 PM

To: [REDACTED] Long, David; JHS (US)
Cc: Lewent, Judy; Boer, Peter; Boer, Peter; Sackler, Dr Kathe; mda
Subject: Please send me the 2010 score card results, please
Importance: High

It would be best to have the 2010 this weekend.
Please send it to all of us.



March 11, 2011

Dear Colleague,

2010 was another good year for the company. The approval and transition to the new formulation of OxyContin was a major milestone – as was the approval of Butrans. Thanks to the dedication and hard work of our colleagues, overall performance on the key business success measures was strong. Since a substantial portion of your bonus award is based upon the Company's overall performance - a summary of the results of the Business Success Scorecard is attached.

Achievement of individual objectives is also an important component of your bonus, so in recognition of your contributions and their impact on Purdue's overall performance, I am pleased to enclose the details of your 2010 bonus award.

On behalf of the Executives and Board of Directors, I want to express appreciation for your efforts and wish you and your family a happy and healthy 2011.

John H. Stewart
President and Chief Executive Officer

Purdue Pharma L.P.
2010 Annual Bonus Plan
Business Success Scorecard Results

Company business results as reflected by the 2010 Business Success Scorecard are detailed below. The Scorecard accounts for 75% of the total payout to be made under the Annual Bonus Plan. The remaining 25% is based on individual performance. This performance scorecard summary reflects the recommendations of Management, as submitted to and agreed upon by the Board of Directors.

Business Measures

Net Branded Sales - Performance for this factor was based upon the Company's attainment of 2010 Net Branded Sales of \$2,410.9 million versus an objective of \$2,579.6 million. This represents an attainment of 93.5% of the Company's objective.

In assessing the Company's performance on this factor, management evaluated the impact of licensed generic competition and changes in trade and retail inventory. Additionally, the effect of the Ranbaxy settlement and Health Care Reform on Medicaid rebates paid (a reduction in Net Branded Sales) was considered in calculating the sales goal attainment. It was decided that adjustments for these factors were necessary to fairly evaluate performance on this factor. After adjustments, it was determined that the payout level should be increased to 87.9% for Net Branded Sales.

Operating Efficiency - For 2010, the measures reviewed by Management in determining a rating for Operating Efficiency once again showed a very strong level of performance on this factor. The primary measure for this portion of the Scorecard was management's ability to identify and generate meaningful operational savings. Functional managers fulfilled their responsibilities while maintaining their expense budget levels, and in many cases identified significant operational savings through effective negotiation with vendors and a substantial number of efficiency/ productivity enhancements.

In determining this payout level, Management excluded the effect of instances where savings related solely from projects or staffing decisions being delayed into 2011 or put on hold due to unanticipated delays. Additionally, savings relating to programs put in place in prior years which were reflected in the 2009 bonus payout and non-efficiency related savings were excluded in evaluating this performance factor.

Based upon this assessment, the savings realized were well in excess of the \$10 million target established for this measure. Based upon this strong performance, Management recommended a payout of 160.9% on this portion of the Scorecard.

Research & Development – Overall, Research & Development objectives were exceeded. The two primary accomplishments in this area were the approvals of the NDA's for OxyContin and Butrans. The approvals for both of these NDAs were received in advance of the target dates included in the 2010 objectives.

While substantial progress was made in the development of Targin (Oxycodone with Naloxone); the originally established objectives were not achieved. Several other important development projects

also saw significant progress in 2010, including the development of a new Hydrocodone product, the development of new extended release technology, and the filing of an IND for TRPV-1. These accomplishments set the stage for the continued development of those products.

Based upon these accomplishments a payout of 112.1% of target was recommended.

Licensing & Business Development – Business Development results were strong but slightly below fully meeting objectives. The Business Development group supported several key projects, most notably the completion of the licensing agreement for FAAH with Infinity Pharmaceuticals. After it progresses through current early clinical studies at our research partner, this product will be an important addition to Purdue's research development candidates.

Additionally, the Business Development efforts resulted in the attainment of other Intellectual Property and Business Development objectives to strengthen the Company.

In reviewing performance on this component of the scorecard, Management determined that these successes, while notable, were slightly below target, and recommended a payout of 95% for this portion of the Scorecard.

Compliance

For 2010, the compliance objectives were achieved by the Company. Compliance activities across the manufacturing, marketing and sales, and research organizations met requirements and at times, exceeded the levels required. Progress on issues specified in the Corporate Integrity Agreement met those requirements. Employees completed all required training. When any issue in this area arose during the year, it was appropriately resolved.

Based upon this performance, it was determined that a payout multiplier of 102.5% of target would be used for the Scorecard.

Overall Scorecard

The combined total performance for the Business Measures was 114.5%. This total was then multiplied by the Compliance factor of 102.5% which results in an above target payout of 117.3% for the Annual Bonus portion related to the Scorecard (75% of total bonus target).

The remaining 25% of the 2010 Annual Bonus is determined by each supervisor based on the individual's job performance and attainment of individual objectives.

To: Sackler, Dr Richard [REDACTED]
Cc: Stewart, John H. (US) [REDACTED]; Innaurato, Mike [REDACTED]
From: Gasdia, Russell
Sent: Sun 1/22/2012 9:40:42 PM
Subject: Purdue: Launch Presentation
Purdue Launch Excellence - 120211.pdf

Dr Richard

This is the presentation Mike and I mentioned during our phone call last week.

If you like, IMS is willing to come to Purdue to present this, as well as a "year in review" presentation for the Board. We are setting a date for the "year in review" for the organization. Once set, I'll let John know in the event Board members would want to attend.

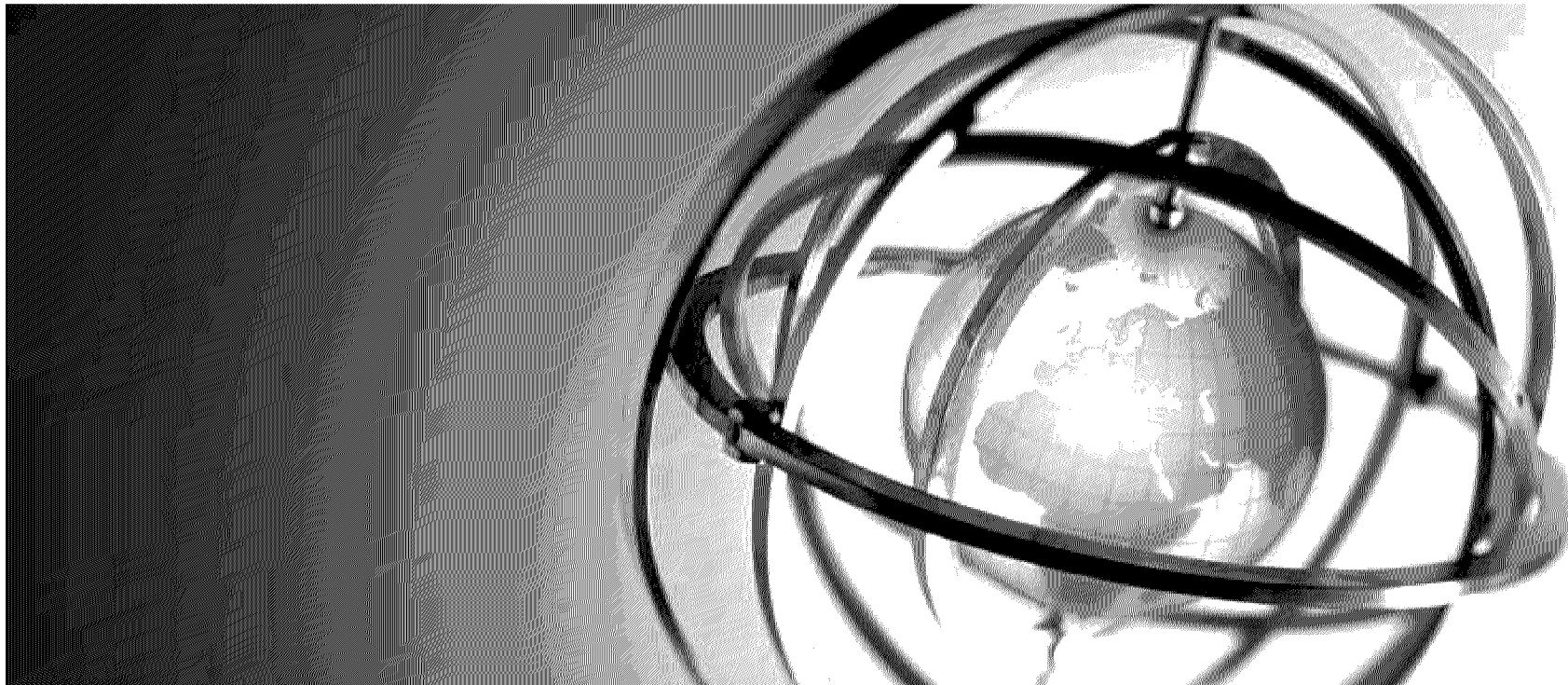
Russ



Launch Excellence

Discussion with Purdue Pharma

December 2nd, 2011

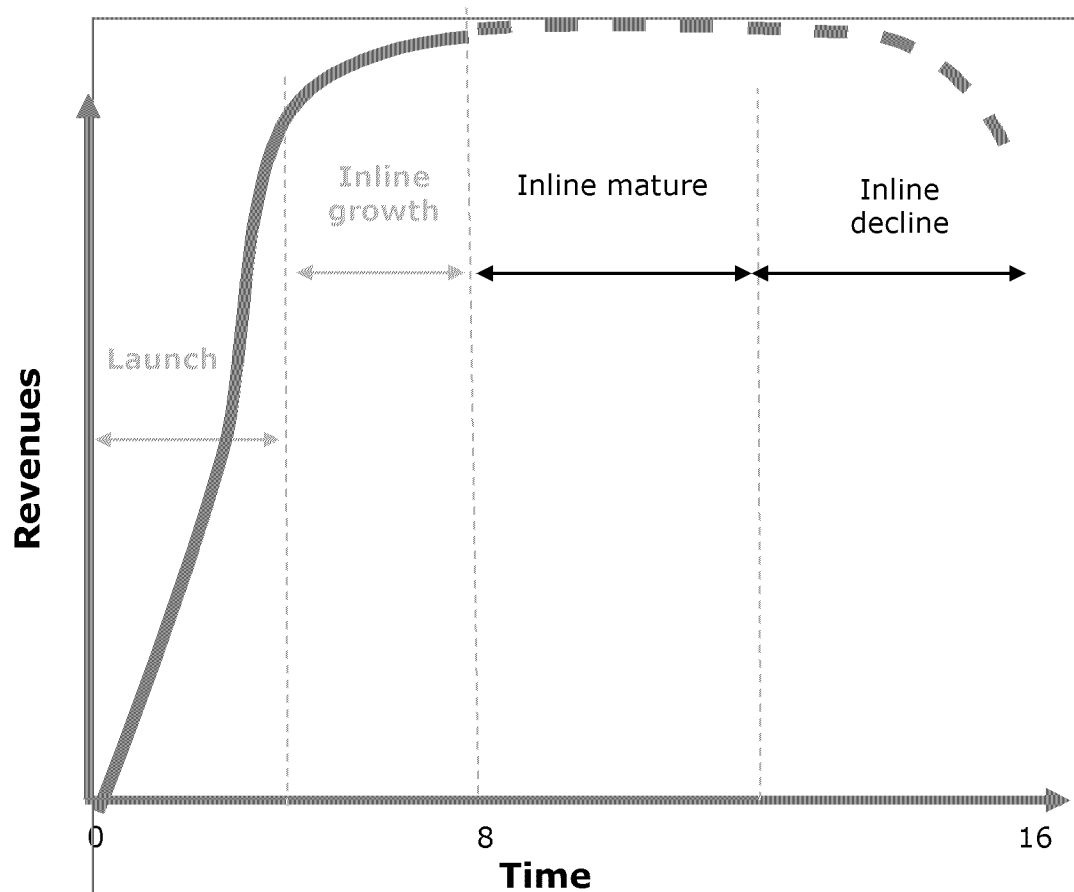


Launch Excellence

- Launch Excellence – an elusive play
 - The importance of the dynamic market
 - Launch success factors and drivers of uptake
 - Case study review
 - Deconstructing the launch forecast
 - Discussion

On average, a brand's protected life spans 16 years from launch

Initial launch trajectory is set in as early as three months



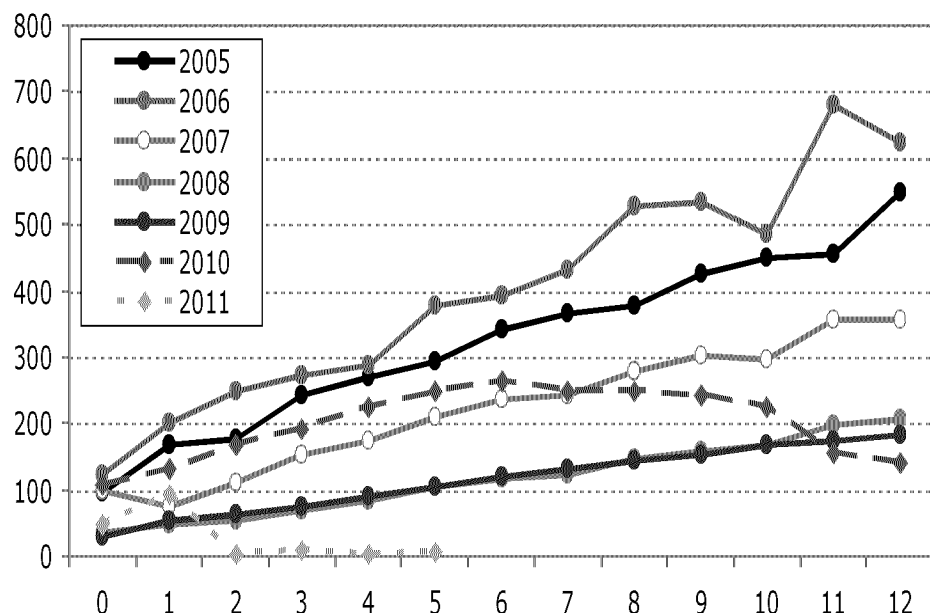
Source: IMS analysis of 8 key countries (US, Canada, EU 5, Japan) - unique molecule records

Key considerations

- Average drug development timelines 10-15 years
- Demand for greater evidence from regulators and payers has led to requirement for larger clinical trials
- Cost of developing a new drug - >\$1 billion
- Large products facing LOE between 2011-2014
- Launch success is critical

The uptake of new products has slowed year by year however the class of 2010 broke the trend

Launches of Branded Products



Key issues impacting uptake

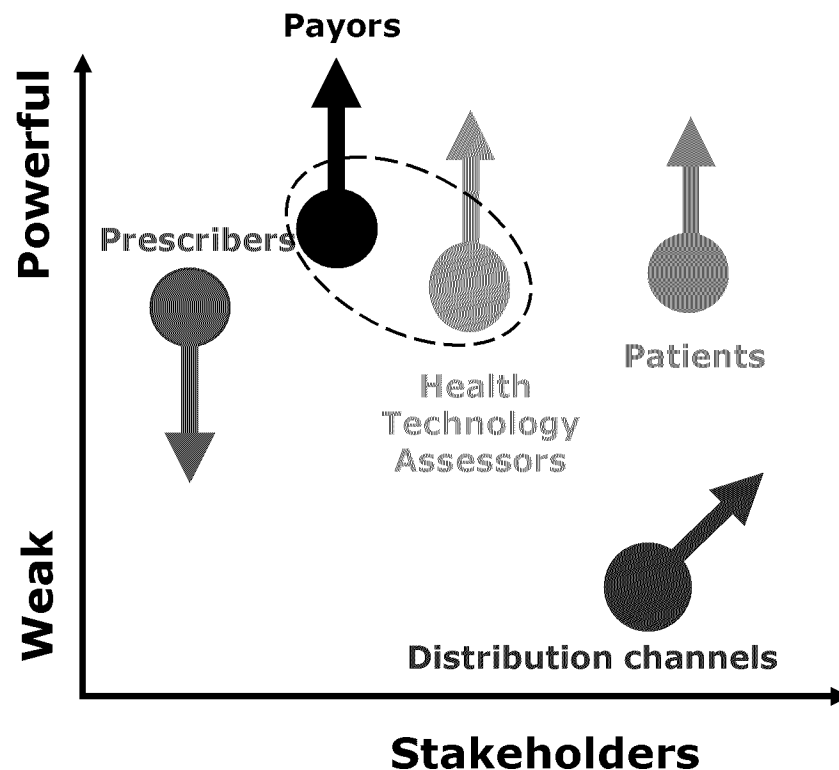
- A shift in the power of stakeholders away from prescribers
- Changing value criteria and requirements for stronger and broader levels of evidence
- Economic downturn has impacted overall market
- Technology changes (Social media, e-prescribing) have changed patient and prescriber behavior

Dotted lines represent incomplete data. Slope will change as more products become complete

Source: IMS Health National Sales Perspectives Dec 2010

Shift in stakeholder power and changing value criteria undermines prescriber as key launch decision maker

Stakeholder dynamics

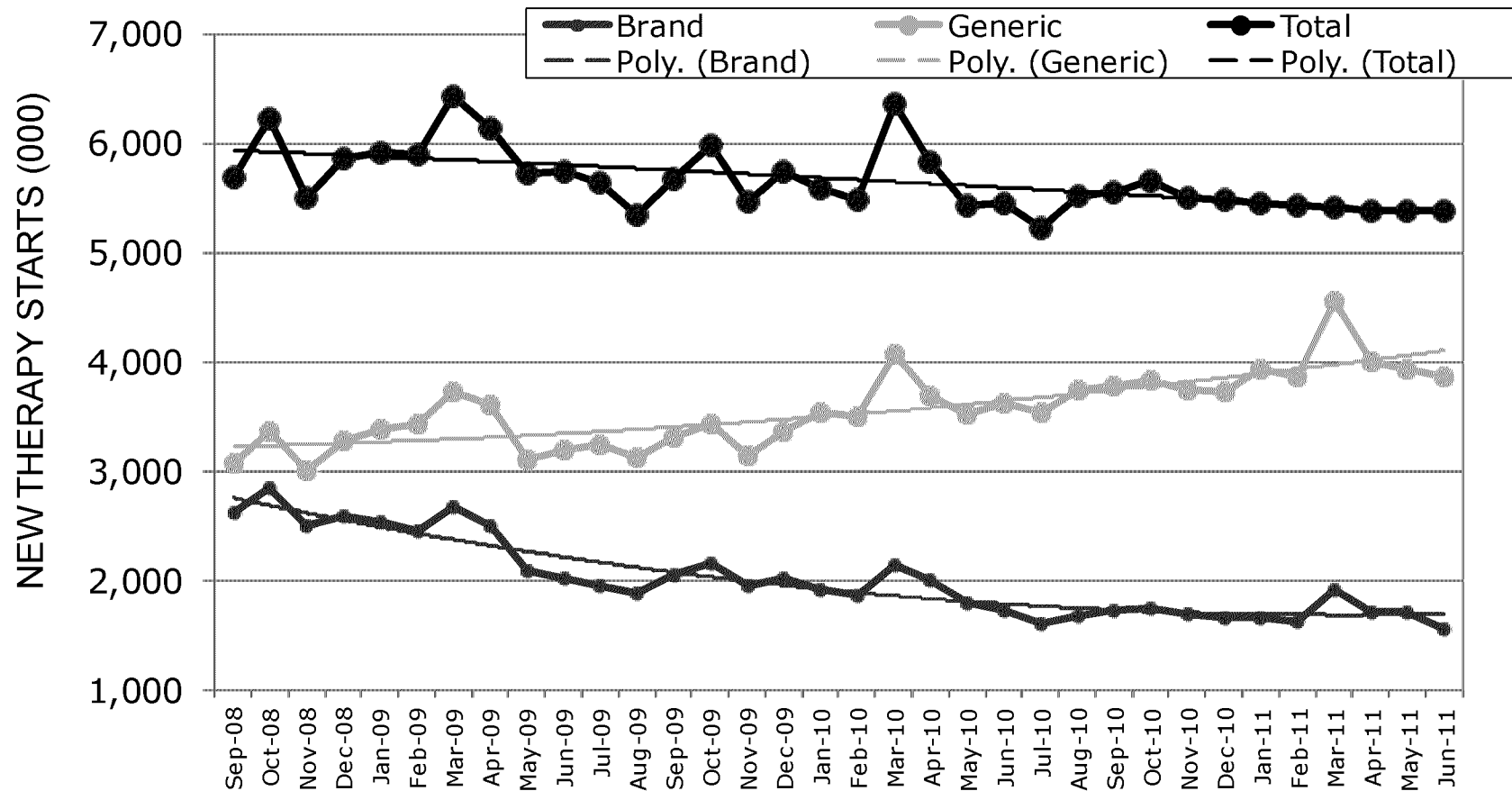


Changing criteria

- RCT - placebo controlled
- Patient centered outcomes
- Cost effectiveness trials
- Budget impact assessments
- Comparative effectiveness research
- Real world Evidence (RWE) requirements
- Impact of payer/gov't sponsored trials

The economic downturn has led to added challenges for new products in US

New Therapy starts are moving away from brands in 17 chronic therapy classes



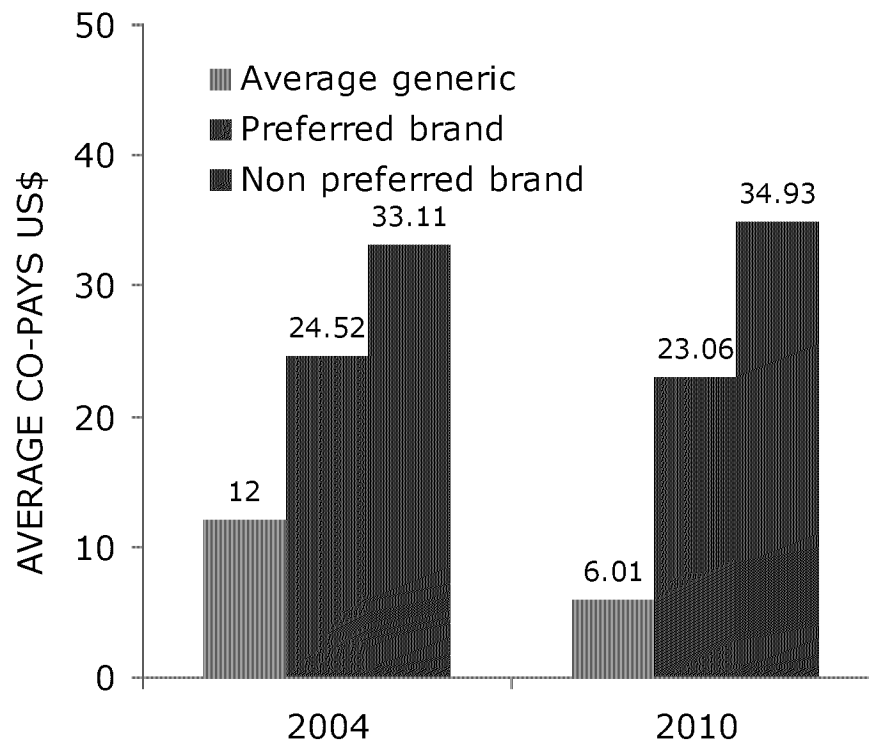
Source: IMS NPA Market Dynamics, Jun 2011



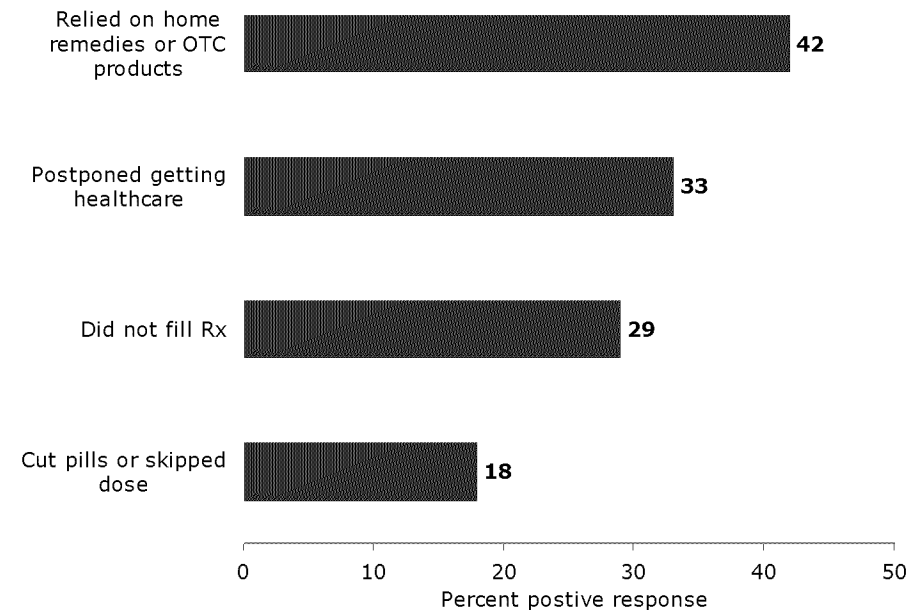
Increased cost-shifting and economic conditions led to decline in Rx demand, particularly on brands

US: Supply and Demand Dynamics

US Average Co-Pays (US\$)



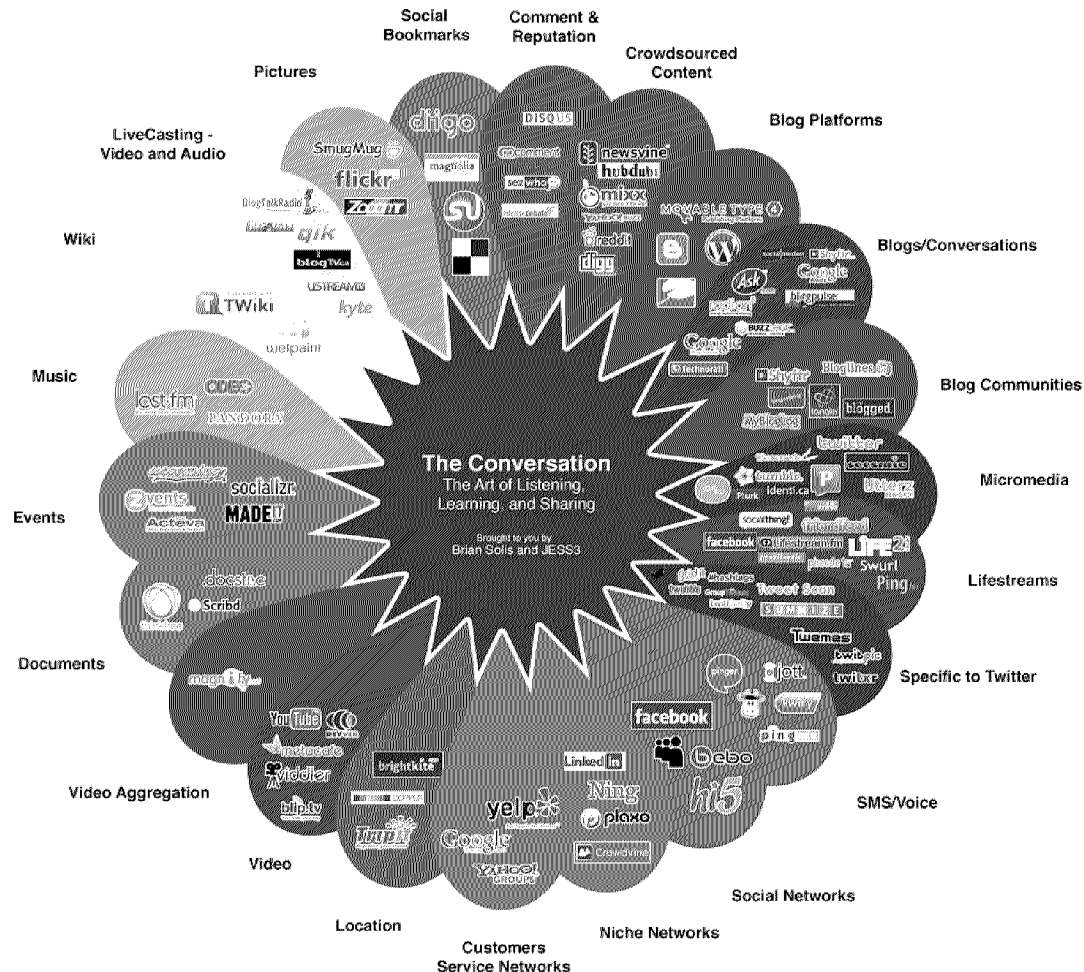
In the past 12 months, have you or another family member living in your household done each of the following because of the cost, or not?



Source: IMS Xponent & Formulary Focus Dec 2009

Source: Kaiser Family Foundation Health Tracking Poll (conducted Apr 2-8, 2009)

In recent years, the explosion of the use of Social Media has transformed how patients access information



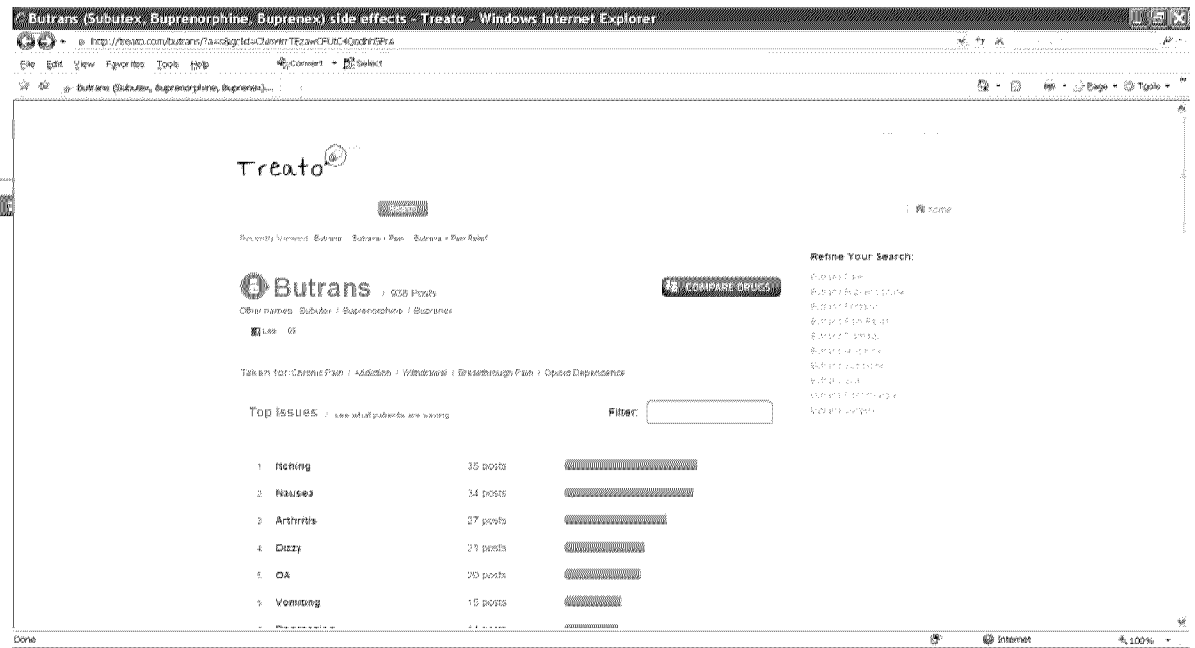
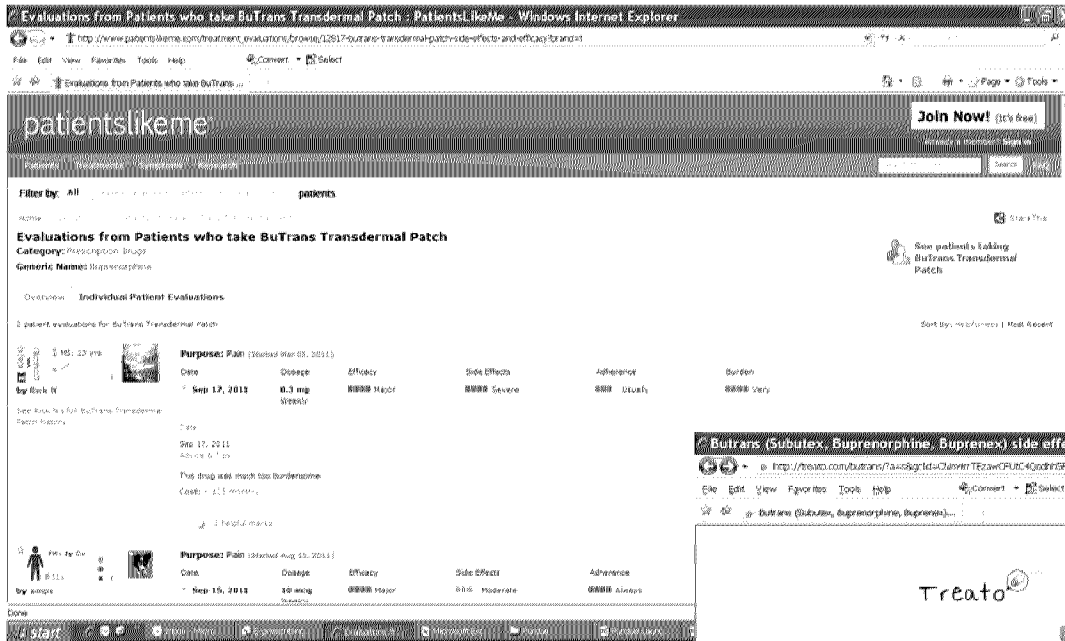
Social Networks – communities of people who share common interests
100 million+ Americans

Blogs & Microblogs – websites, typically maintained by individuals who post regular entries
200 million+ blogs
100 million+ tweets per day

Multimedia Sites – platforms that allow individuals to upload and share
1 hour of video uploaded every second

Forums & Message Boards – communities of people who converse to share and collaborate
3 billion discussions / 50 billion posts

Sites such as Patientslikeme and Treato can impact overall brand perception during critical launch window

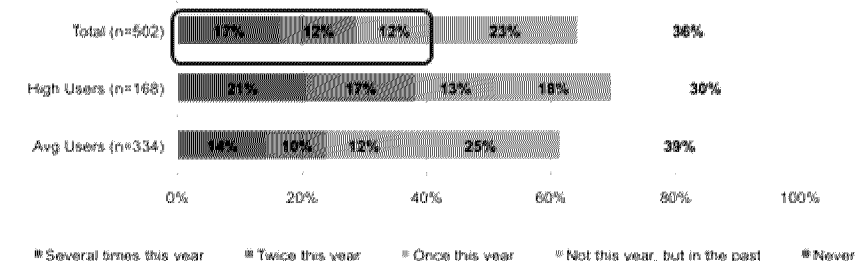


Prescriber-focused sites like Sermo are influencing prescribing behavior

64% of physicians have changed a treatment based on Sermo Interactions

Number of Changes to Treatment and/or Clinical Practice Caused by Sermo

Over 40% changed a treatment at least once this year.



Q23: Has Sermo ever led you to change a treatment or clinical practice?

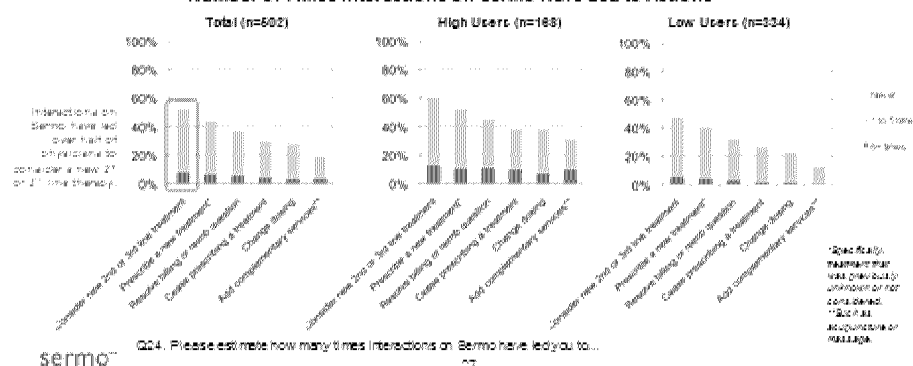
sermo

2010 Confidential | 3

Sermo Leads Most Physicians to 2nd or 3rd Line Therapies

- Sermo leads most physicians to consider new 2nd or 3rd line therapies: Approximately half of all respondents (52%) report that this has been a result of interactions on Sermo.
- For high users, even more physicians (60%) have considered new 2nd or 3rd line therapies because of Sermo. A relatively large fraction (13%) have done so six or more times.
- High users are more likely to take action based on Sermo interactions than low users, but the overall pattern of actions is similar.

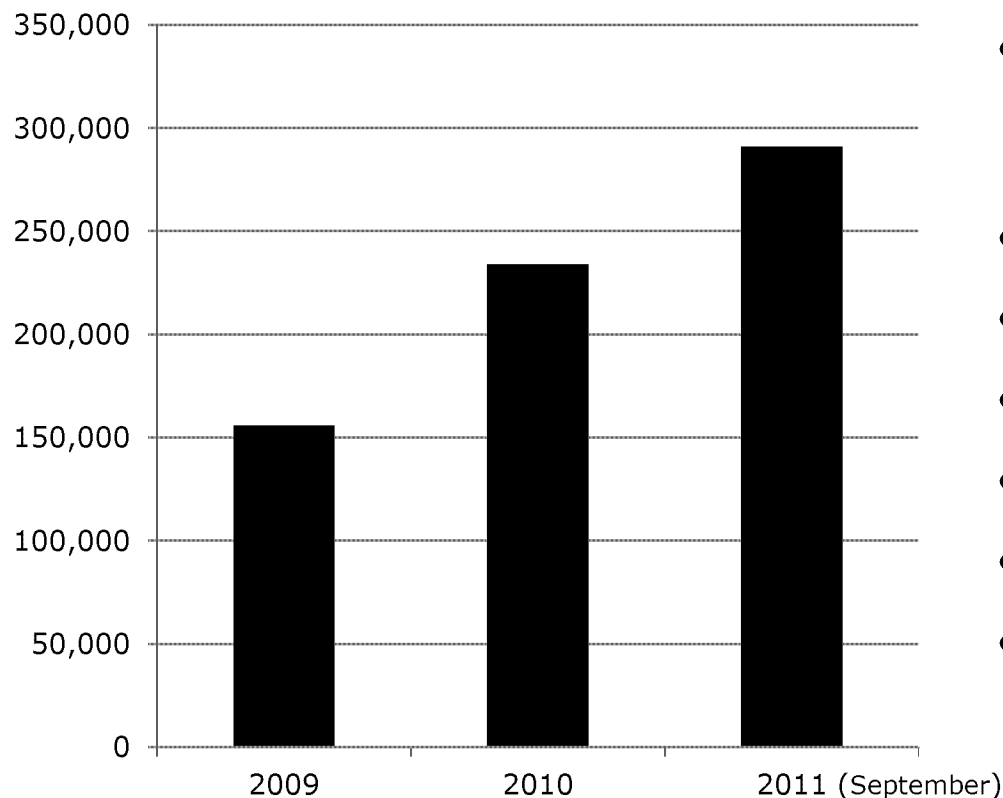
Number of Times Interactions on Sermo Have Led to Actions



E-prescribing has nearly doubled in the last two years impacting physician's prescribing behavior

However, little impact so far on controlled substances

Physicians using e-prescribing



Potential impacts on new brands

- Delays in getting new brand included in on-line benefit and formulary listings
- Co-pay comparisons
- Preferred generics/brands
- NDC blocks
- Prior authorization
- Step edits
- Guideline update delays

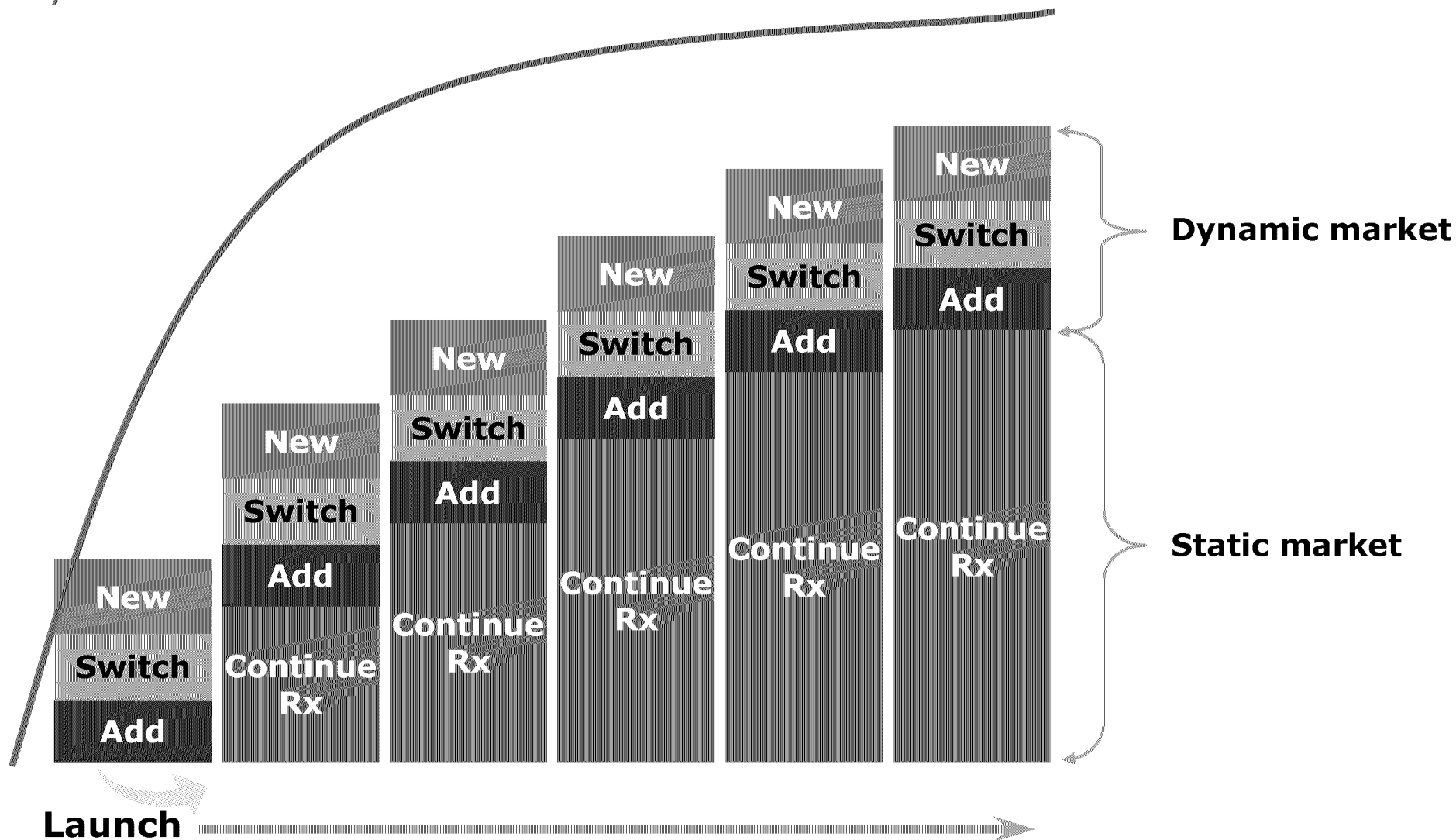
Source: Information Week, SureScripts

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Launch Excellence

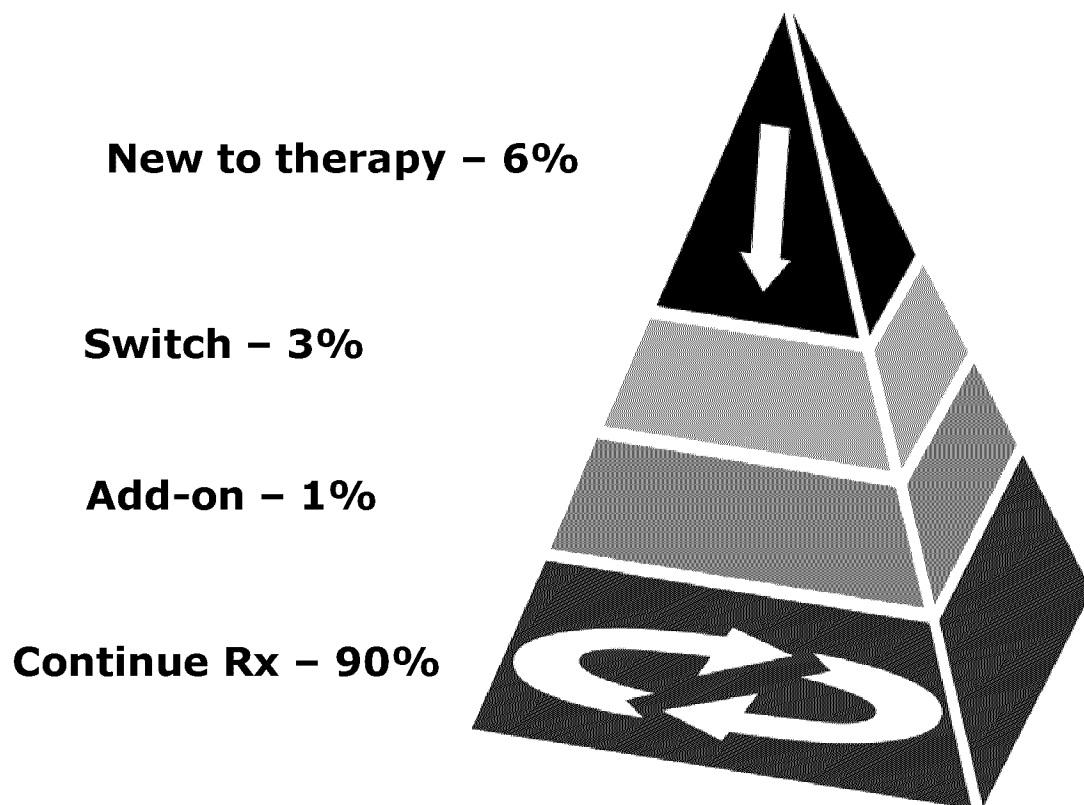
A brand's launch trajectory is primarily built on its performance in the dynamic market



Launch Excellence

Understanding why patients enter the dynamic market is key to informing brand potential and strategy

Prescription market breakdown



Why do patients enter the dynamic market?

New to therapy

- Symptoms (how many, how long)
- Diagnostic test or screening

Switch to another product

- Efficacy
- Adverse events
- Dosing/delivery
- Cost/coverage

Add-on therapy

- Disease/symptom progression assessed by diagnostic aid, screening test
- Increased number/intensity of symptoms
- Dose titration of initial therapy by using complementary MOA

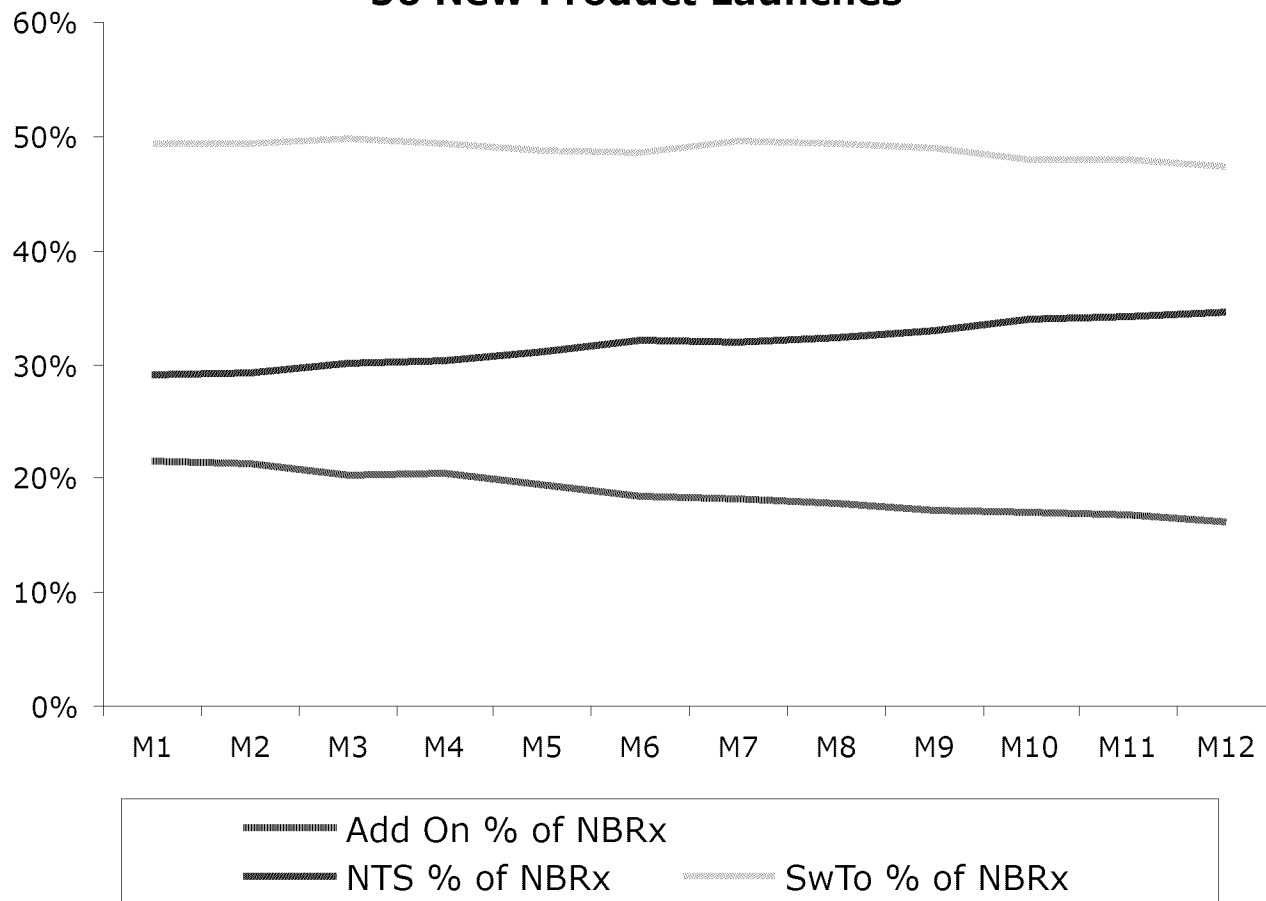
Continuation on therapy

- Prescription repeats
- Refills

Launch Excellence

Understanding brand source of business during the critical launch window

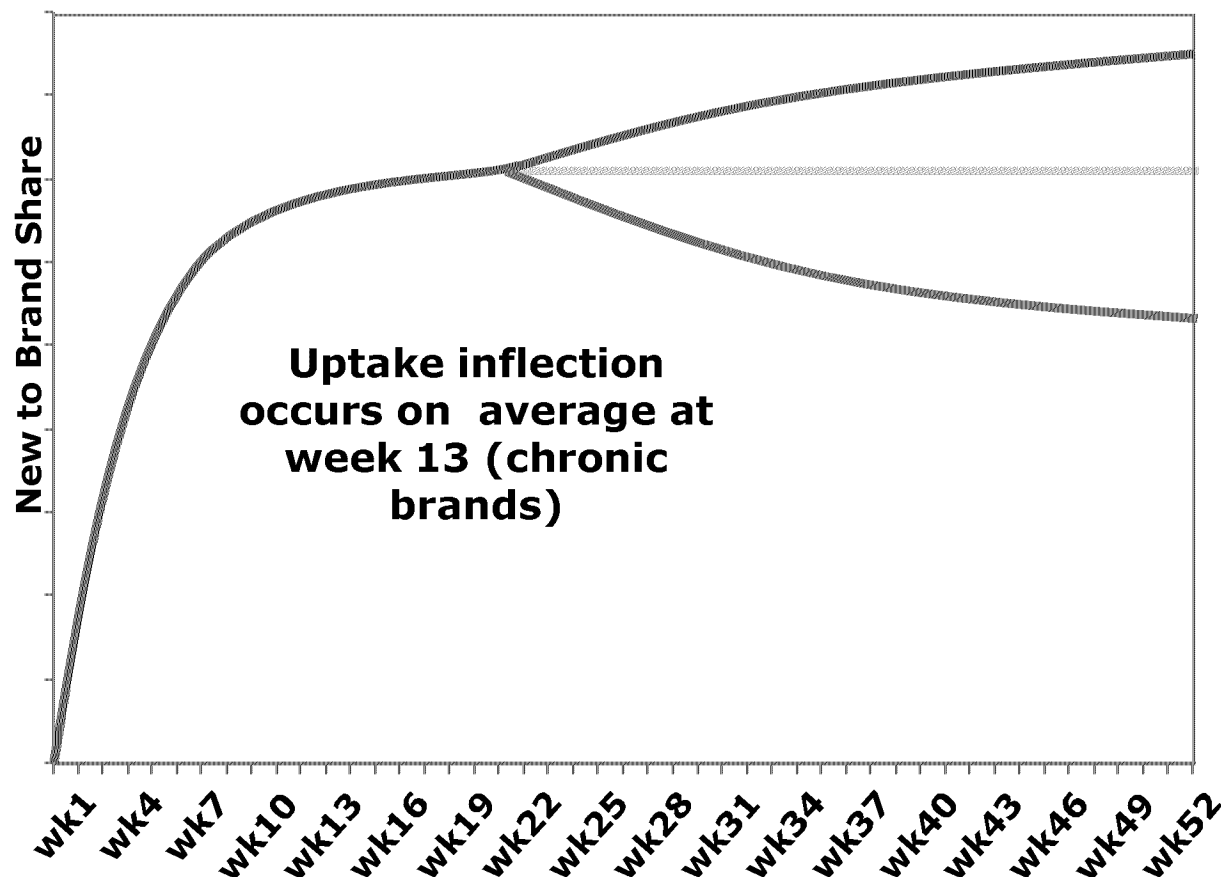
**Source of Business Contribution Across
56 New Product Launches**



- Existing patient switch wins drive NBRx
- Contribution of NTS increases over time
- Add-on therapy contribution decreases as available patient opportunities diminish

Launch Excellence

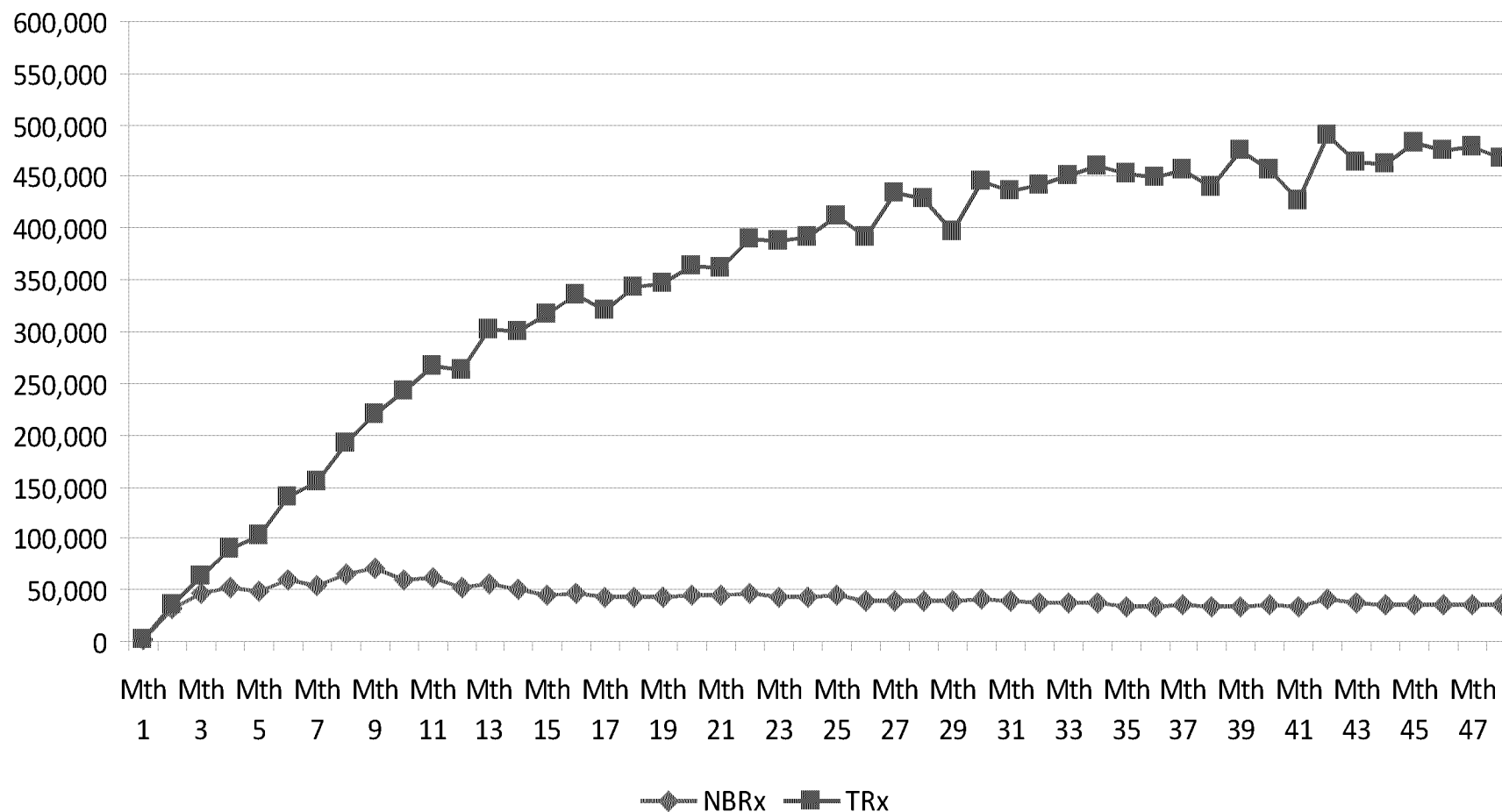
New to brand share is set as early as 13 weeks on the market and is driven by performance in the dynamic market



- In an IMS analysis of 100 launches in the US market (2004-2009), we found that NBRx uptake inflection on average occurs 13 weeks post launch
- Brand prescribing in this period is driven by innovators and high NBRx prescribers
- Only a small minority (<5%) of physicians prescribe during the first 13 weeks.

Launch Excellence

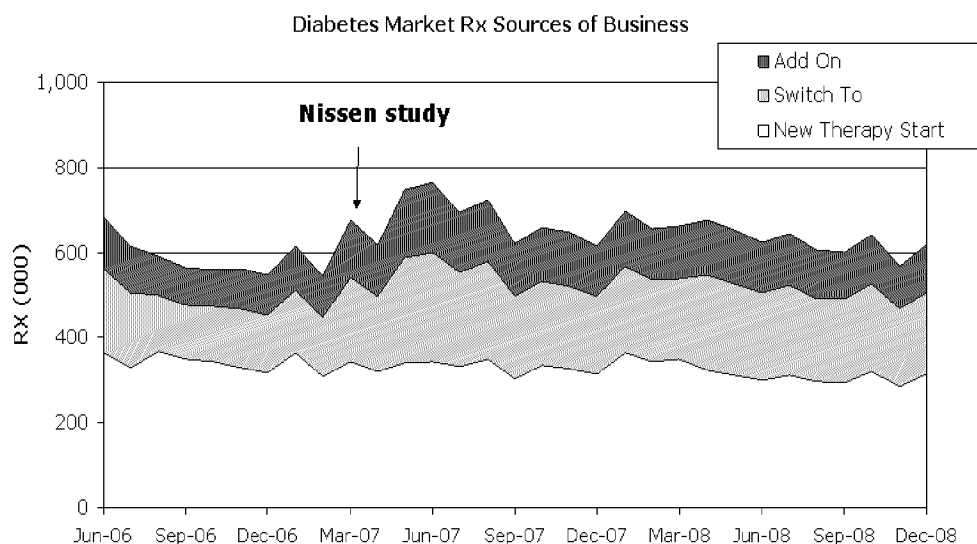
Januvia's monthly NBRx volume peaked three months after launch



Source: NPA Market Dynamics

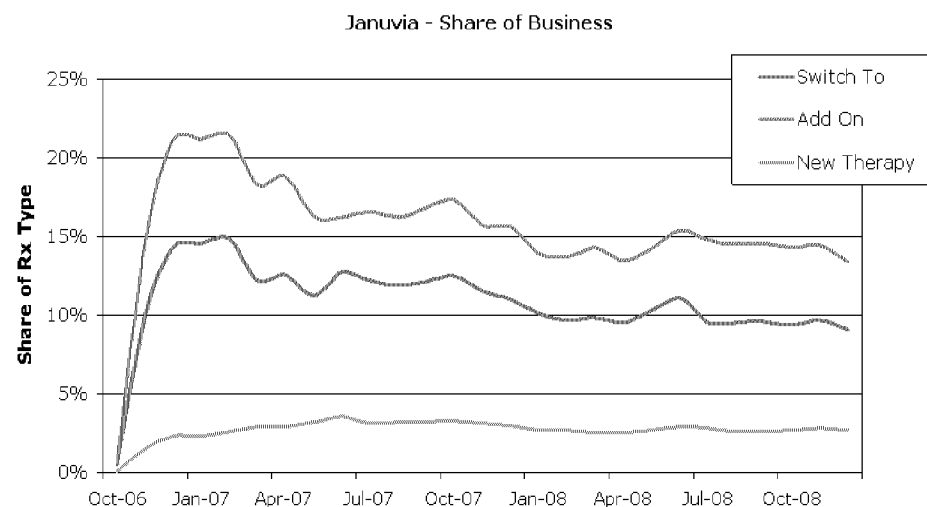
Launch Excellence

Januvia's share performance in the dynamic market helped give a strong boost to its launch trajectory



The dynamic diabetes market is relatively stable with new, switch, and add-on opportunities

Dynamic segment shares illustrate differences in Januvia share penetration at launch

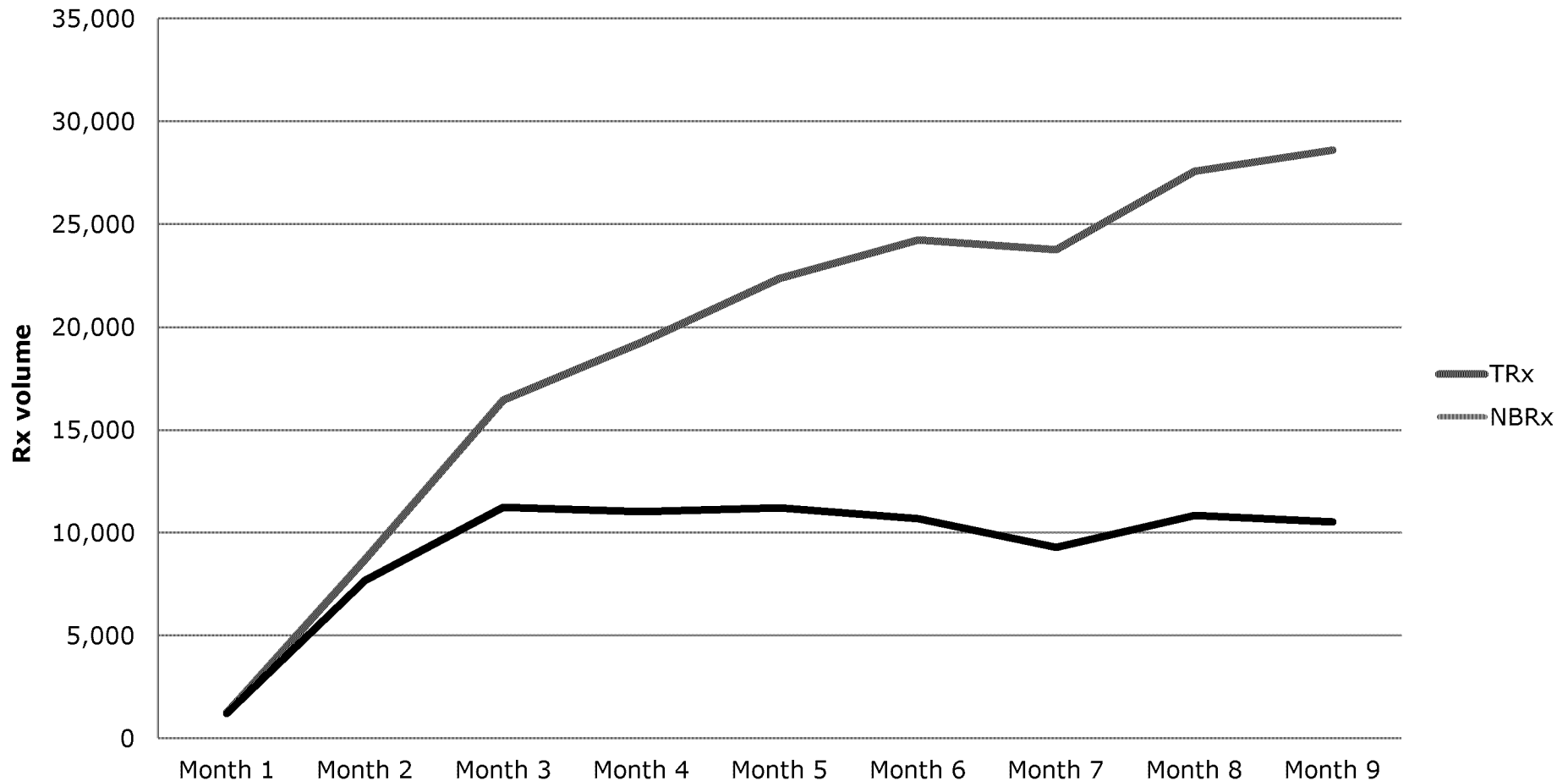


Source: NPA Market Dynamics

Launch Excellence

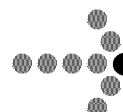
Butran's monthly NBRx volume has been relatively stable since March

Butrans launch performance



Source: NPA Market Dynamics

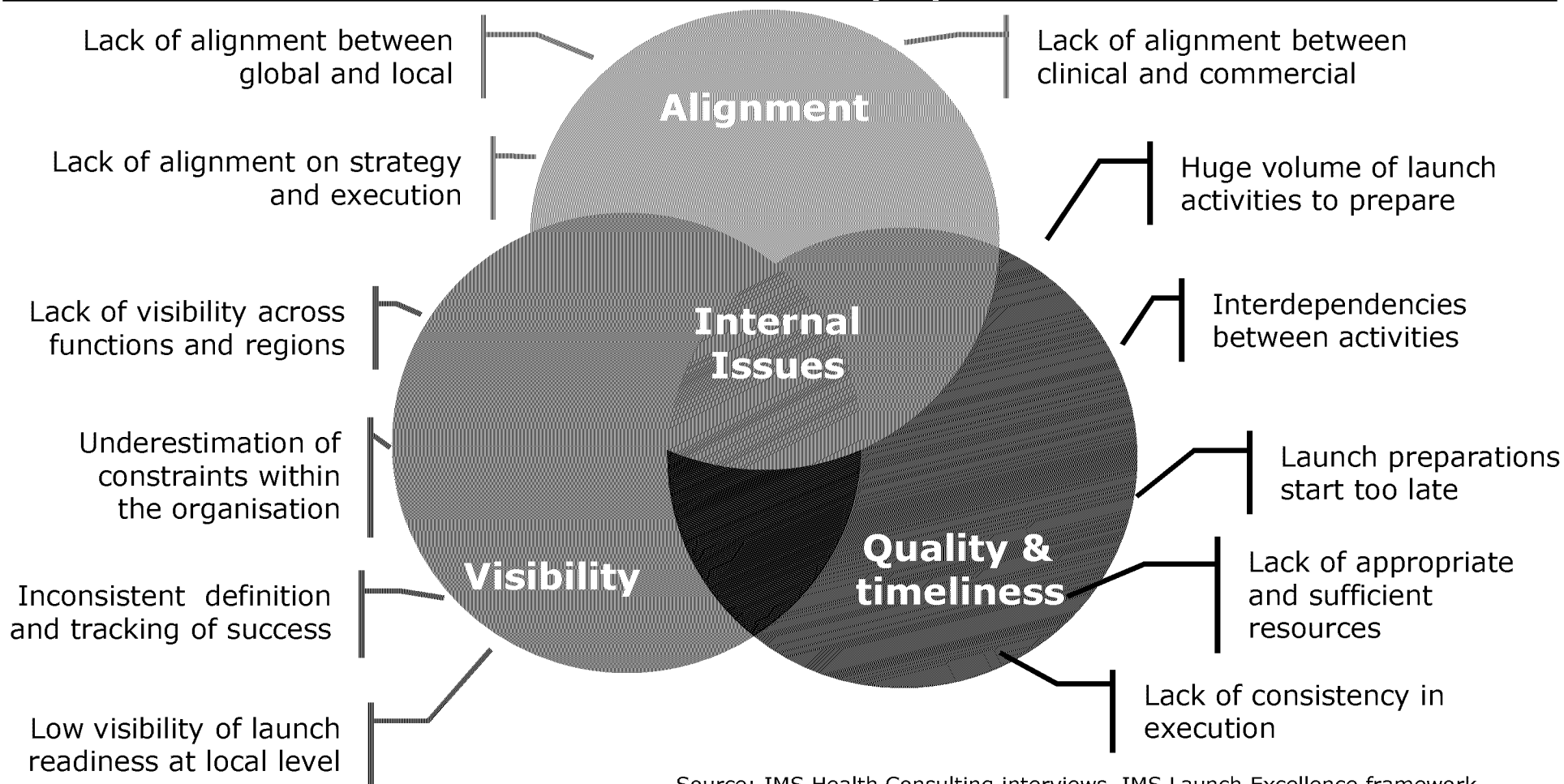
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Launch Excellence

Even with a good product in hand, companies face several internal issues in launching successfully

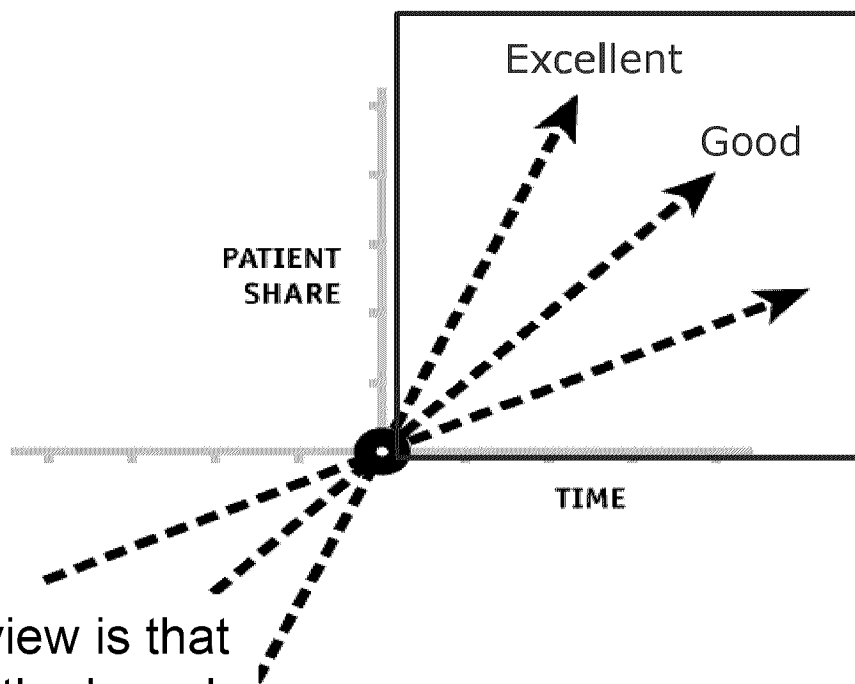
Issues/risks in launch preparations



Source: IMS Health Consulting interviews, IMS Launch Excellence framework

Launch Excellence

Since a product's trajectory is set early, companies need to focus on how they can maximize its trajectory

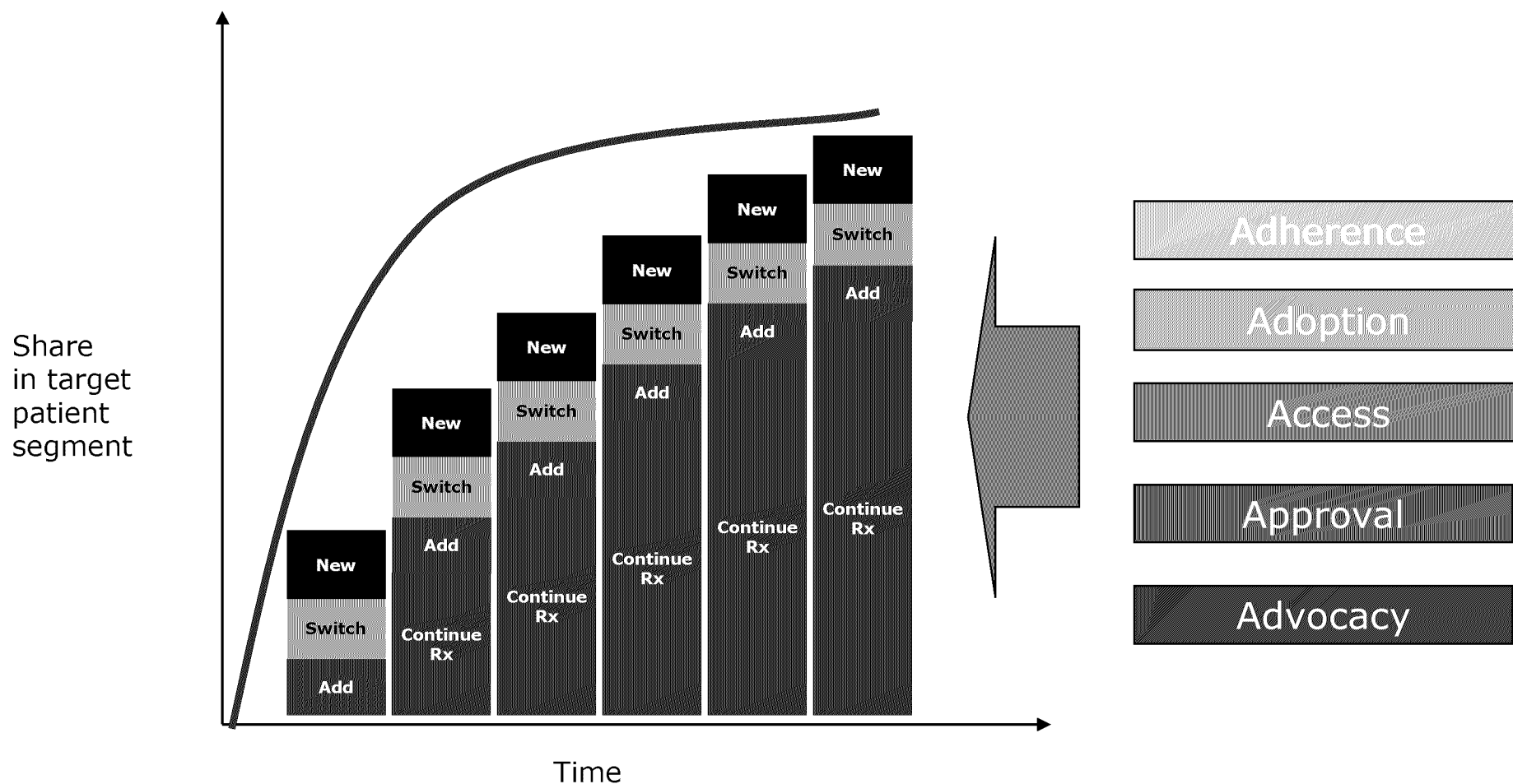


Our analysis shows that the first 3 months are critical for establishing the long term trajectory of the brand

Our point of view is that effort prior to the launch is linked to the slope of your brand's trajectory

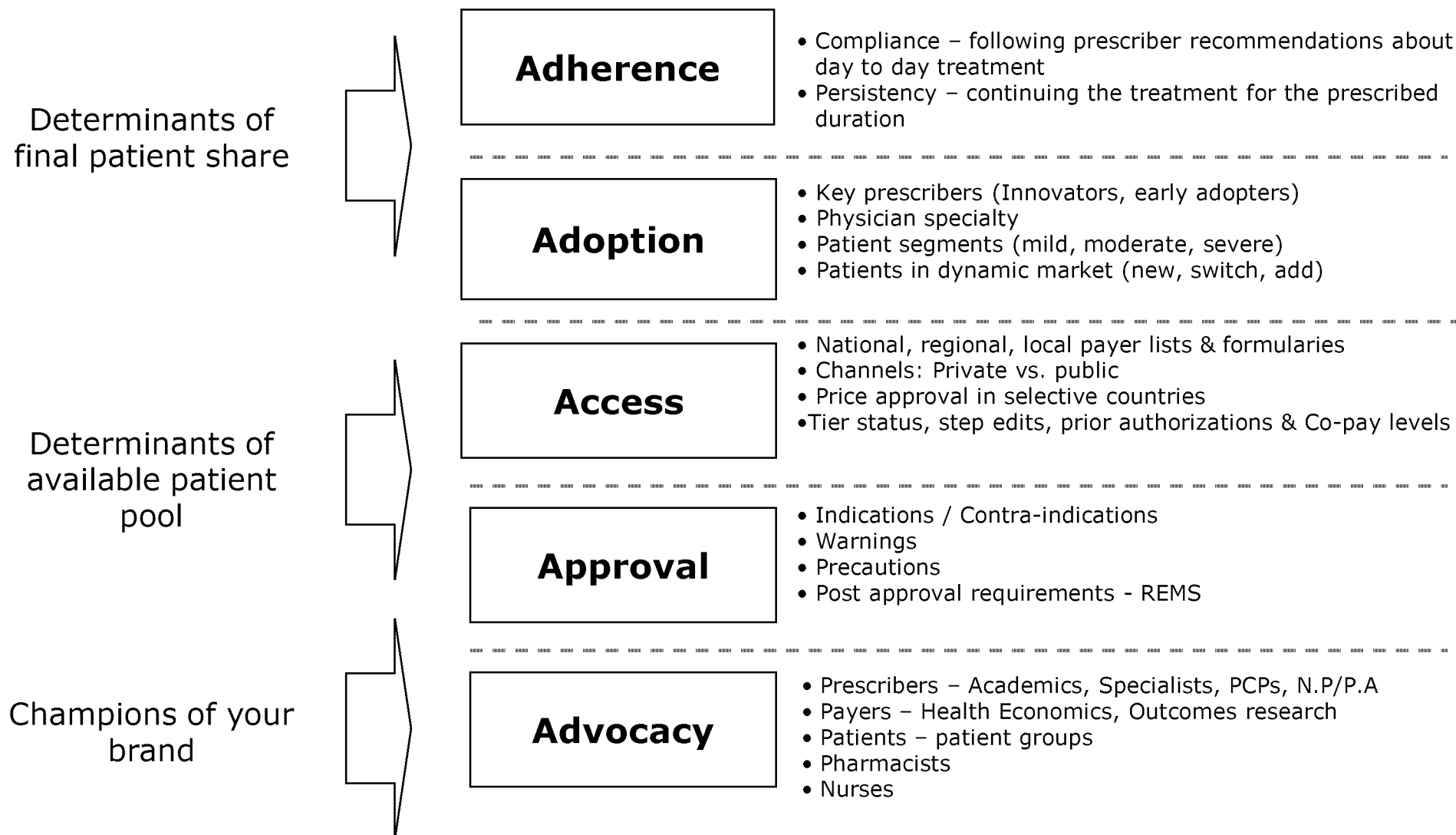
Launch Excellence

To maximize trajectory of a new product organizations must focus on the Five Drivers of Uptake



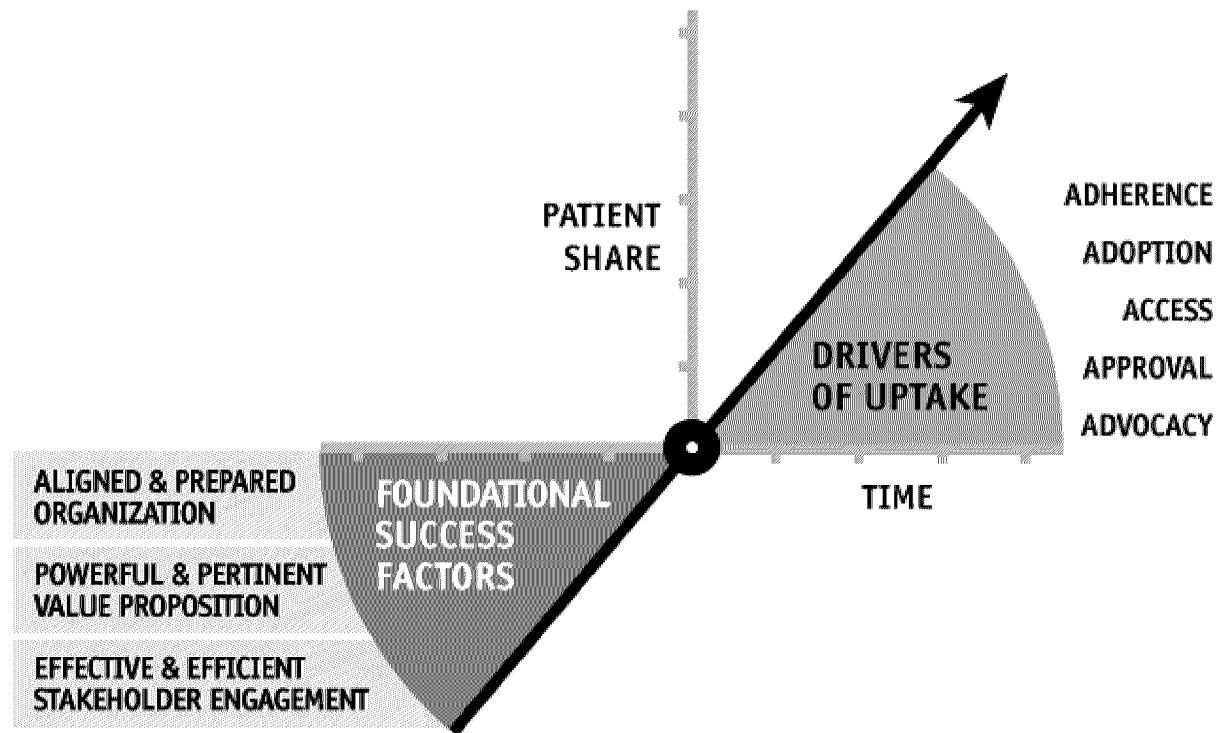
Launch Excellence

The five drivers of uptake determine the size of your patient pool and the share within the patient pool



Foundational Success Factors

Actions taken prior to launch are the only way to increase your product's trajectory

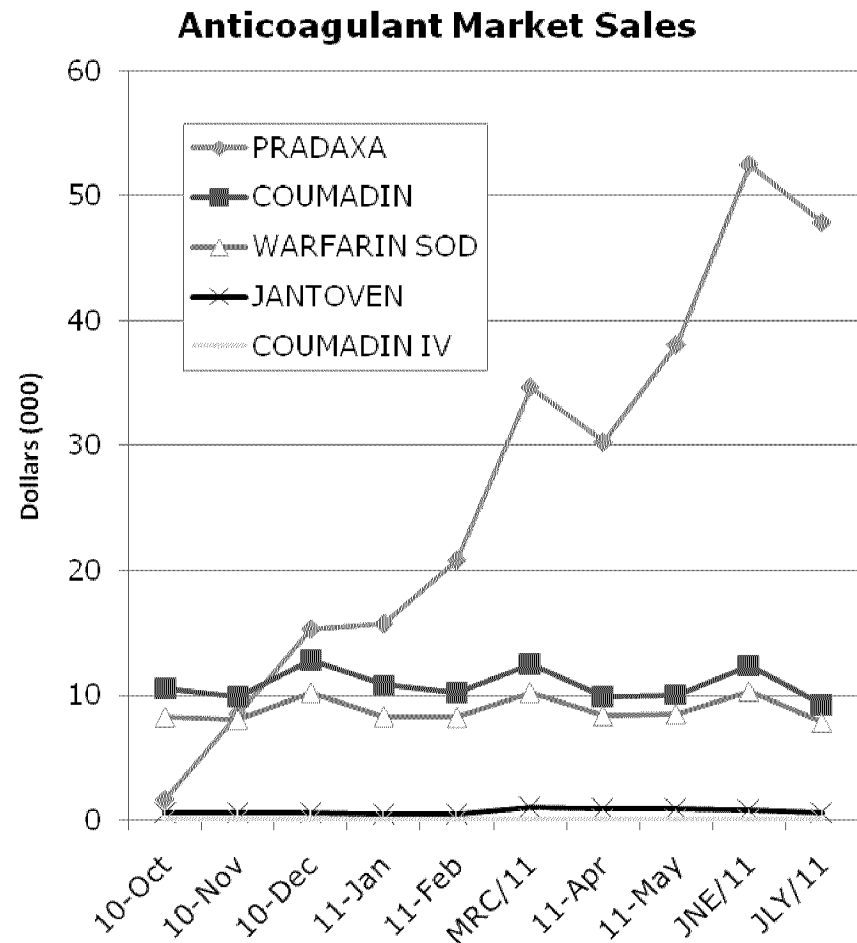


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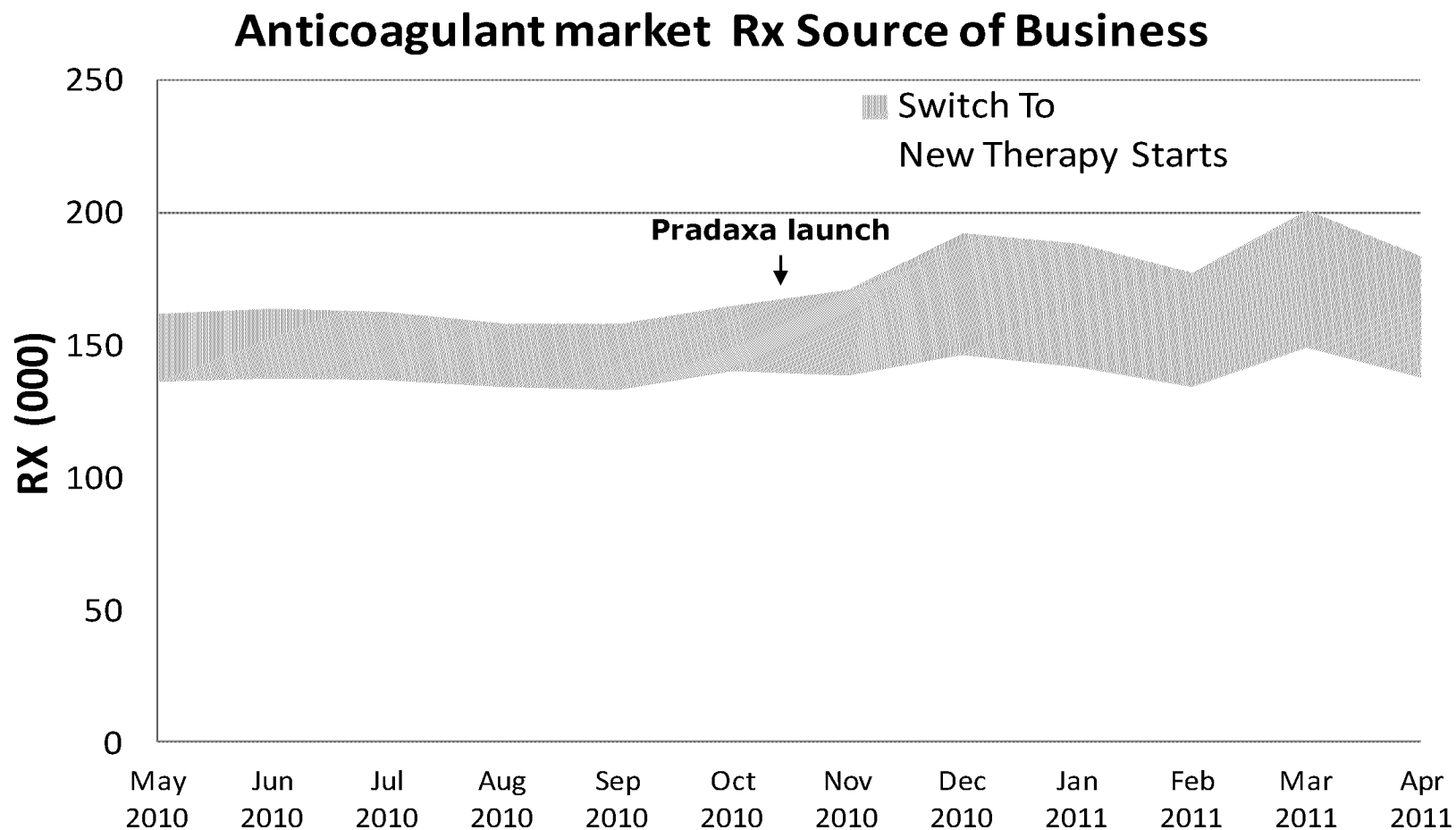
Boehringer Ingelheim's Pradaxa is the first new oral anticoagulant to launch in in 50 years

- Manufacturer: Boehringer Ingelheim
- Launched: October 2010
- First year sales:\$350 million (projected)
- NBRx share July: 20.5% (unfactored)
- Indication: PRADAXA is a direct thrombin inhibitor indicated to reduce the risk of stroke and systemic embolism in patients with non-valvular atrial fibrillation
- Key competitors: Coumadin, generic warfarin
- Market definition: USC 11110 + Pradaxa



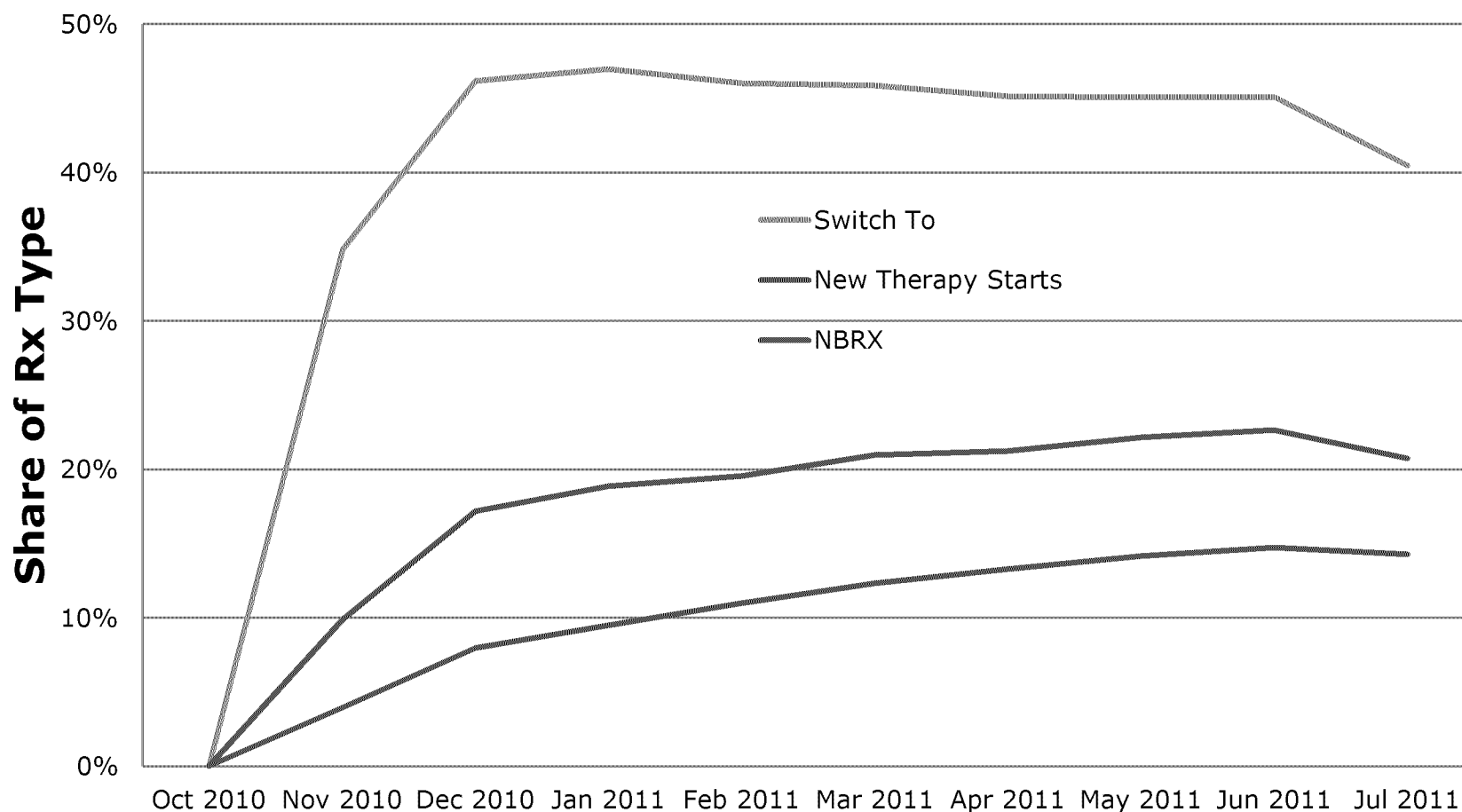
Source: IMS National Sales Perspectives & National Prescription Audit

Since Pradaxa's launch the dynamic market has increased 15% driven largely by switches



Pradaxa quickly penetrated the market* capturing over 20% share of dynamic prescriptions since launch

Pradaxa-Share of Business

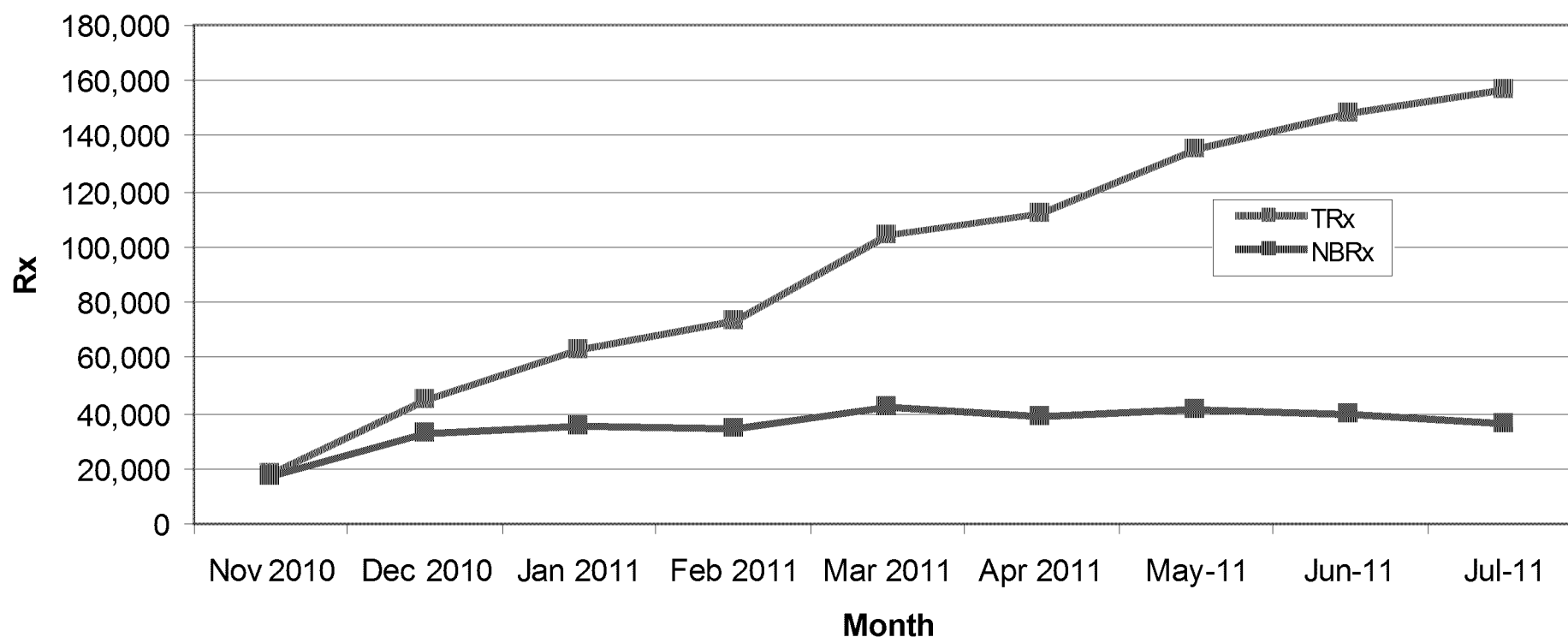


* Anticoagulant market – all indications

Source: NPA Market Dynamics

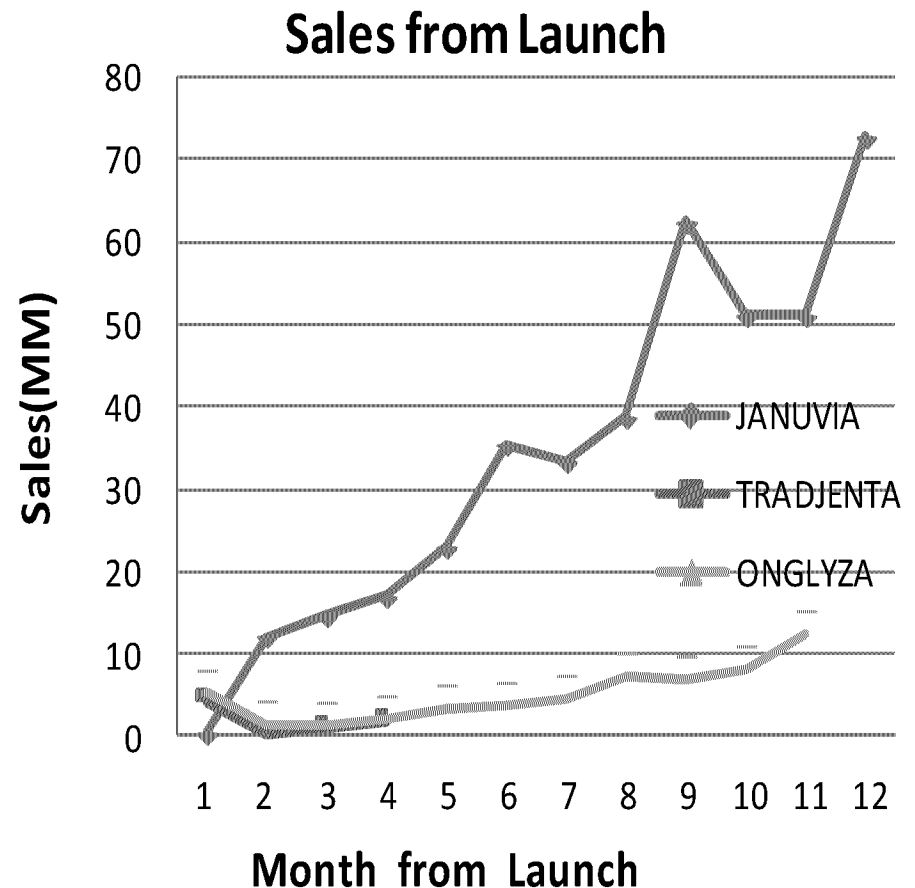
Pradaxa's monthly NBRx volume has leveled off at ~40k while TRx continue to grow

Pradaxa Monthly Rx Volume



Boehringer Ingelheim's Tradjenta is the third DPP-IV inhibitor launched in the U.S.

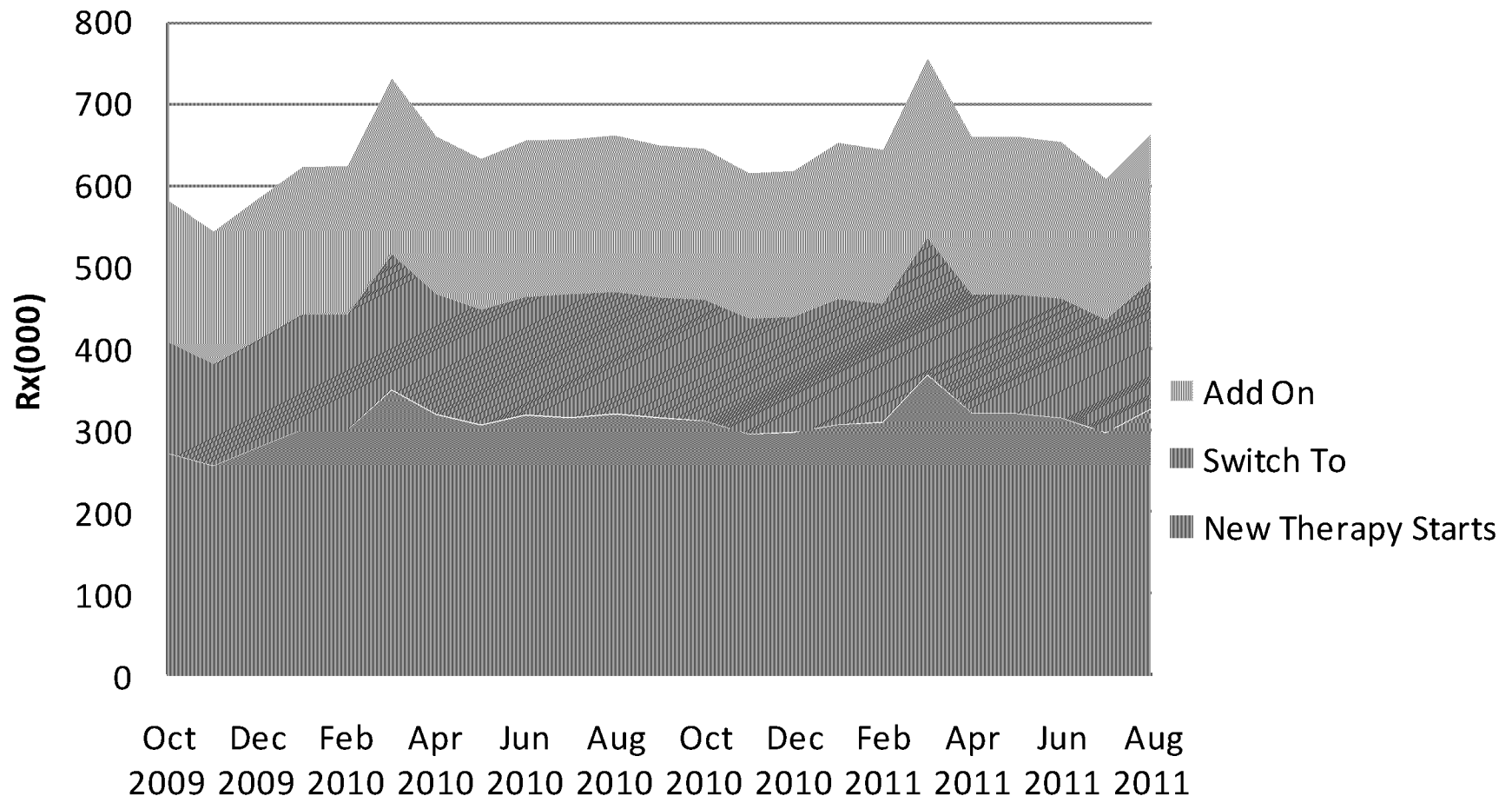
- Manufacturer: Boehringer Ingelheim/Lilly
- Launched: June 2011
- First year sales: \$60 million (projected)
- NBRx share August: 0.8%
- Indication: Tradjenta is a dipeptidyl peptidase-4 inhibitor indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus
- Key competitors: Januvia, Janumet, Onglyza, Kombiglyze
- Market definition: : USC 39100 – insulins, and USC 39200 – non-insulins



Source: IMS National Sales Perspectives & National Prescription Audit

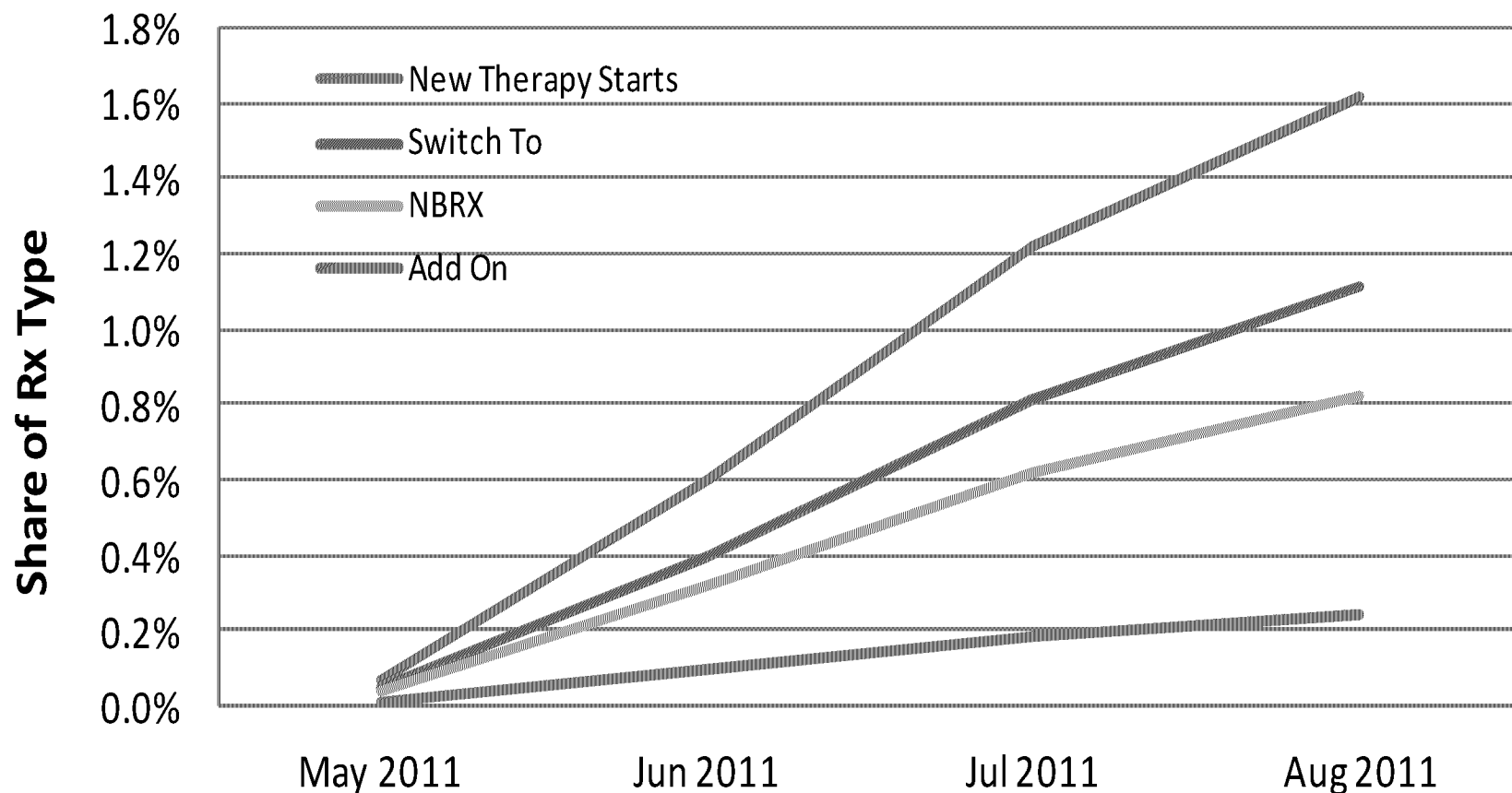
The dynamic market has remained relatively stable since Tradjenta's launch

Diabetes market RX Source of Business



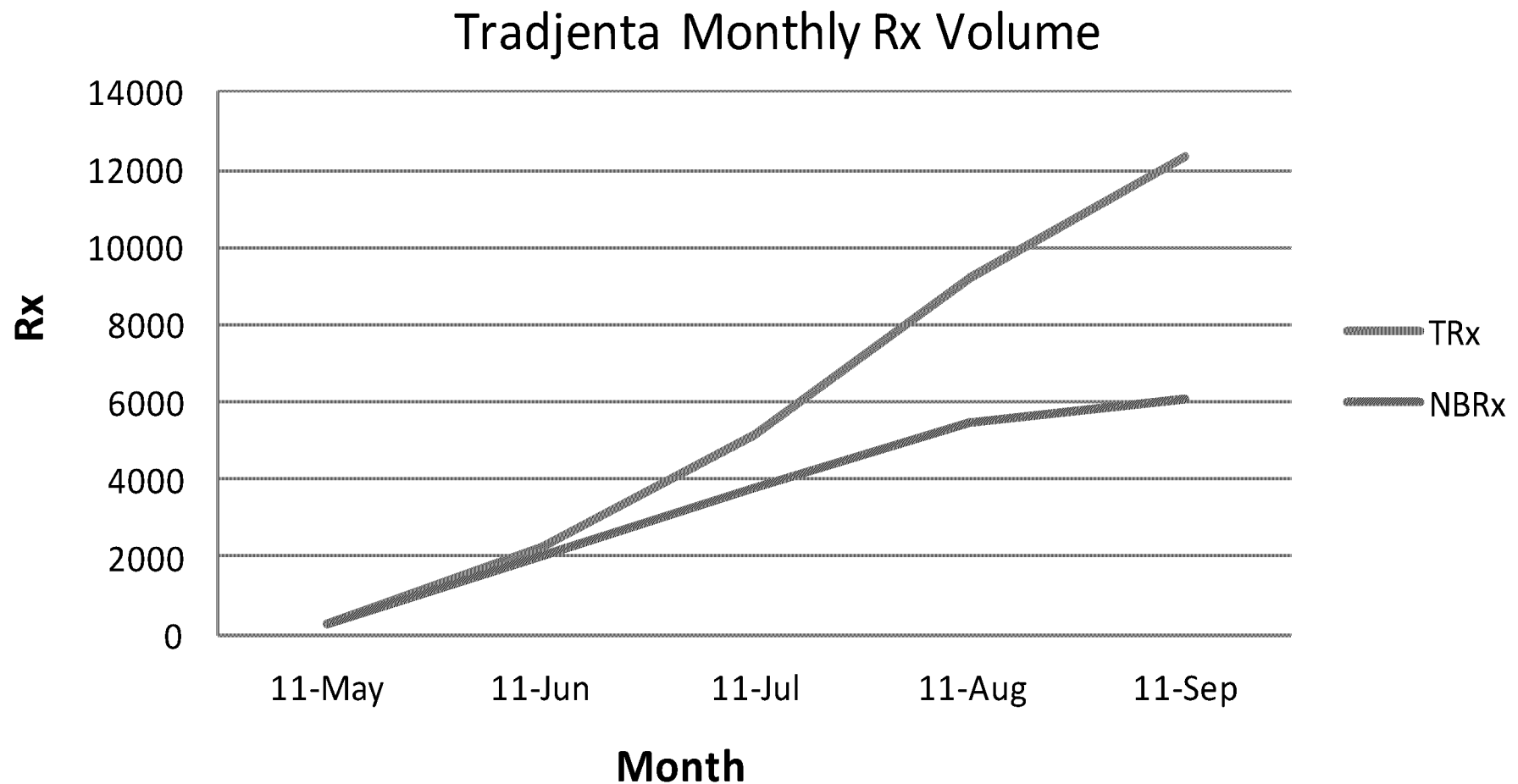
Tradjenta has captured just under 1% share of dynamic prescriptions since launch

Tradjenta-Share of Business

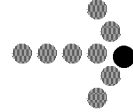


Source: NPA Market Dynamics

Tradjenta's monthly NBRX volume has reached ~ 6k while TRx continue to grow



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The accuracy of launch forecasts has been a hot topic of late due to high profile misses in the last few years

Launch forecast accuracy

- A recent analysis of new product launches published in The Pink Sheet (July 2011) reported that of 13 products analyzed
- Eight lagged the 2010 consensus forecasts made at one month prior to launch and at six months post-launch

The Dendreon Effect

- Dendreon's high profile product Provenge missed company and analyst expectations
- This has led some analysts to consider "shorting" company stocks with upcoming product launches
- "People tend to short the launches. They figure they'll go worse than expected," Lazard Capital Markets analyst William Tanner