

## Japan's Most Admired Pharma Companies in 2006

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International Alliances Limited (IAL) has conducted annual surveys since 1999 to determine Japan's most admired pharma companies. The latest (our 8th) was conducted in November/December of 2006. The full report, available from IAL for ¥30,000, analyses responses by each category of responders, overall responses, and trends over time. To order, contact IAL as follows:

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Also important is the trend over time in individual company rankings. Eight years is a good measure of improving or deteriorating performance.

### Summary

As the complete report contains a wealth of information difficult to summarize, I will focus on several significant trends.

Takeda retained its position as the most admired company, in fact it ranked number one in all eight categories of performance. Astellas was number two with an improvement over 2005. The most admired foreign companies were Novartis and Chugai Roche.

The ranking of newly merged companies is of interest. We noted in 2005 that merged companies ranked higher than their individual premerger scores. These included Chugai/Roche, Astellas, Sanofi/Aventis, Daiichi/Sankyo, and Dainippon/Sumitomo. This trend continued in 2006 for Bayer/Schering, but it did not hold true for Taisho/Toyama with a lower score than Taisho alone. In short, our responders see Chugai/Roche, Astellas, Sanofi/Aventis, and Daiichi/Sankyo as above average, Dainippon/Sumitomo as average, and Taisho/Toyama as below average. Next year we will note if Bayer/Schering improves its rank, if Mitsubishi/Tanabe improves on their individual average scores, and if Kowa improves on its below average scores after consolidating with Nikken.

We are seeing some interesting trends in certain categories. In the past, Japanese companies dominated the **Quality of MRs** category. In 2006 five of the top 10 were foreign companies. An opposite trend is seen in **New Drug Discovery**. Foreign companies dominated this category, but in 2006 four of the top 10 were Japanese companies.

In terms of **Potential for Growth**, five companies were ranked close to Takeda, namely Chugai/Roche, Novartis, Astellas, Pfizer and GSK. At the bottom were Asahi Kasei, Kowa, Mochida, and Torii.

The best managed companies included Takeda, Eisai, and Astellas. Daiichi/Sankyo made an impressive gain over 2005, while Pfizer's rank in this category declined.

Unfortunately this summary cannot comment on the many other companies evaluated in our survey. Nevertheless, I hope my brief comments convey the fact that company images are not static. Significant shifts occur at a fairly rapid pace.

*The opinions expressed herein are those of over 100 responders, not P. Reed Maurer.*

### Methodology

Thirty companies, 15 Japanese, and 15 foreign affiliates were evaluated. They included:

Japanese	Foreign
Astellas	Abbott
Asahi Kasei	AstraZeneca
Daiichi Sankyo	Banyu
Dainippon Sumitomo	Bayer + Schering
Eisai	Bristol Myers
Kowa	Chugai
Kissei	Boehringer Ingelheim
Kyorin	GlaxoSmithKline
Mitsubishi	Janssen
Mochida	Novartis
Taisho Toyama	Novo Nordisk
Torii	Pfizer
Shionogi	sanofi-aventis
Takeda	Schering-Plough
Tanabe	Wyeth

Each company was evaluated on eight categories of performance: Quality of Management; Quality of Products; Potential for Growth; New Drug Discovery; Quality of Development; Quality of MRs; Profitability in the Future; Overall Opinion.

It is important to note that this survey solicits the opinions of people working in or with the pharma industry. They include employees of pharma companies, wholesaler personnel, and service providers. We believe these industry insiders are best positioned to objectively evaluate the eight categories of performance mentioned above. How these three groups of responders rank companies is an important aspect of the full report.