

Japan's Most Admired Pharma Companies in 2008

P. Reed Maurer

International Alliances Limited (IAL) has conducted annual surveys since 1999 to determine Japan's most admired pharma companies. The latest (our 10th) was conducted in November of 2008. 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:

Tel: 03-3401-4375

Fax: 03-3401-5715

Email: nppial@gol.com

IAL will donate 10% of the sales price to the Children's Cancer Association of Japan.

Methodology

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

Japanese	Foreign
Asahi Kasei	Abbott
ASKA	AstraZeneca
Astellas	Banyu
Daiichi Sankyo	Bayer Yakuin
Dainippon Sumitomo	Bristol-Myers
Eisai	Chugai
Kissei	GlaxoSmithKline
Kyorin	Nippon Boehringer Ingelheim
Kyowa Hakko Kirin	Novartis
Mitsubishi Tanabe	Novo Nordisk
Mochida	Pfizer
Shionogi	sanofi-aventis
Taiho	Schering-Plough
Takeda	UCB
Torii	Wyeth

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

It is important to note 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.

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

Summary

It probably comes as no surprise that Takeda was the most admired pharma company in 2008. However, unlike in previous years, it did not dominate the rankings in every category of performance. In **Potential for Growth** it shared the top position with Novartis, and in **New Drug Discovery Potential** it was outranked by GlaxoSmithKline and Novartis. Its highest score was in **Quality of MRs**. Erosion was most noticed in the category **Profitability in the Future**.

Astellas, Eisai, and Novartis came in second place, thus Novartis was the most admired foreign company. Pfizer made the top 10 but was last in this elite group. AstraZeneca made the most improvement among the top 10 companies.

Merged company performance is of interest since none existed when we began this survey 10 years ago. Astellas, Chugai, Daiichi Sankyo, and sanofi-aventis are among the top 10. Kyowa Hakko Kirin is ranked significantly higher, just out of the top rank, than Kirin or Kyowa Hakko alone. Bayer and Schering-Plough also improved because of their mergers, as did Dainippon Sumitomo, Mitsubishi Tanabe, and ASKA.

Mochida, ASKA, and Torii were ranked at the bottom of our survey. Asahi Kasei, Kyorin, and UCB came in just ahead of the lowest ranked companies.

A large number of companies improved their **Quality of Management** scores over 2007. Most notable in this regard were Schering-Plough, sanofi-aventis, AstraZeneca, Abbott, Shionogi, Novo Nordisk, Mitsubishi Tanabe, Bristol-Myers, and Pfizer.

In the **Quality of Products** AstraZeneca, sanofi-aventis, Bayer, Novo Nordisk, Bristol-Myers, Torii, GlaxoSmithKline, Schering-Plough, Kyorin, and Asahi Kasei improved their scores. Nine of the 13 companies evaluated as good were foreign companies.

In **Potential for Growth** Kyowa Hakko Kirin and Asahi Kasei improved while Banyu continued a three year decline. Torii ranked lowest in this category.

GlaxoSmithKline and Novartis topped the **New Drug Discovery Potential** category, and Kyowa Hakko Kirin was a newcomer in the top 10. AstraZeneca, Abbott, Novo Nordisk, Kyorin and Shionogi improved while Banyu, Mitsubishi Tanabe, and Taiho declined among the average performers.

Takeda dominated the **Quality of Development** category. Schering-Plough, Kissei, and Kyorin improved while ASKA, its first time to be evaluated, came in below average.

In **Quality of MRs** eight companies were ranked "Good," five of which were Japanese companies. Pfizer improved its score over 2007 as did Novartis. Shionogi, ranked 19 in total average score, once again made the top 10 but its score continues a downward trend.

Pfizer dropped out of the top rank in the **Profitability in the Future** category. Takeda's score continued

a downward trend but ranked number one as none of the other close contenders improved their scores.

This brief summary reflects the scores by all responders. The complete report shows scores by each of the three groups of responders, thus possibly of greater interest because of their different experiences with pharma companies.

Finally, a big "*domo arigato*" to all the people who took time to respond to our survey. Your responses prove that company performance does evolve and can be improved over time.
