

Takeda Loses Sole Lead Among Admired Companies

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International Alliances Limited (IAL) is pleased to present the results of its 11th annual survey of Japan's most admired pharma companies. A summary of the report follows, but the complete analysis is available from IAL for ¥30,000, 10% of which will be donated to the Children's Cancer Association of Japan. To order, contact IAL as follows:

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Methodology

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

Japanese	Foreign
Astellas	Abbott
Daiichi Sankyo	AstraZeneca
Dainippon Sumitomo	Eisai
Banyu	Bayer Yakuhiin
Kissei	Bristol-Myers
Kyorin	Chugai
Kyowa Hakko Kirin	Eli Lilly
Meiji Seika	GlaxoSmithKline
Mitsubishi Tanabe	Janssen Pharma
Mochida	Nippon Boehringer Ingelheim
Nippon Shinyaku	Novartis
Ono	Novo Nordisk
Otsuka	Pfizer
Shionogi	sanofi-aventis
Takeda	UCB

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.**

There were three categories of responders: employees of pharma companies, wholesalers, and service providers. These industry "insiders" are well positioned to objectively evaluate the eight categories of performance for each company.

The full report analyzes the responses by each group of responders, possibly of greater value than the summary to follow which is the combined score for each performance category. The report also gives the results for most companies over a period of 11 years, a good measure of improving or deteriorating performance.

Summary

For the first time in 11 years Takeda lost its sole lead as the most admired pharma company in Japan. It now shares that coveted position with Novartis. Takeda did top the rankings in Quality of Management, Quality of Development, and Quality of MRs. Its lowest ranking was in Potential for Growth, a category where Novartis was the leader. Novartis also was in the top tier in Quality of Products, New Drug Discovery Potential, and Profitability in the Future.

Chugai and GSK were evenly ranked in second place, an improvement for both companies. Eisai came in third, to be followed by Astellas, AstraZeneca, sanofi-aventis, and Pfizer with equal scores. Rounding out the top 10 were Daiichi Sanyo and Banyu, a drop in position for the former and an improvement for the latter.

Seven companies were the least admired among the 30 companies. They were Kissei, Mitsubishi Tanabe, Meiji Seika, Kyorin, UCB, Nippon Shinyaku, and Mochida.

Merged company performance is interesting because none existed when we started the survey in 1999. Kyowa Hakko Kirin has a better score than Kyowa Hakko alone but about the same as Kirin alone. Astellas is ranked higher than Fujisawa but less than Yamanouchi. Daiichi Sankyo is ranked higher than Daiichi but about the same as Sankyo. Bayer plus Schering is ranked higher than either company alone. Dainippon Sumitomo is ranked higher than either company.

In Quality of Products there were few major moves, but Lilly improved the most while AstraZeneca and Ono lost ground.

In Potential for Growth Banyu, Abbott, and Shionogi had significant improvement while Takeda had the largest drop followed by Kissei and Astellas.

GSK and Novartis once again topped the category of New Drug Discovery Potential. Takeda and Eisai were the only Japanese companies in the top tier.

Not much movement in the Quality of Development category in 2009. Leading companies included Takeda, GSK and Novartis. At the bottom of the list were Nippon Shinyaku, UCB, and Mochida.

In Quality of MRs Takeda's score declined but the company is a clear leader. Astellas, Eisai and Daiichi Sankyo follow. Shionogi's position continues to decline.

Chugai and Novartis lead the Profitability in the Future category. Pfizer and Banyu got back into the top 10 with the latter showing the most improvement, possibly due to its merger with Schering Plough. Daiichi Sankyo had a significant drop and fell out of the top 10, possibly because of its problems with the

Ranbaxy acquisition.

As mentioned earlier Takeda and Novartis had identical scores in the Overall Opinion category as Takeda's score declined and Novartis improved over 2008.

Domo Arigato

We are deeply indebted to the many people who responded to our survey. The report is widely read as a guide to company performance over time and is only possible because we have so many responders.
