

## Japan's Most Admired Pharma Companies in 2010

P. Reed Maurer

International Alliances Limited (IAL) is pleased to present the results of its 12th 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:

Tel: 03-3401-4375

Fax: 03-3401-5715

Email: nppial@gol.com

### Methodology

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

Japanese	Foreign
Asahi Kasei	Abbott
Astellas	Alcon
Daiichi Sankyo	AstraZeneca
Dainippon Sumitomo	Bayer Yakuin
Eisai	Bristol-Myers
Kaken	Chugai
Kyorin	Eli Lilly
Kyowa Hakko Kirin	GlaxoSmithKline
Mitsubishi Tanabe	MSD
Mochida	Nippon Boehringer Ingelheim
Otsuka	Novartis
Santen	Novo Nordisk
Shionogi	Pfizer
Takeda	sanofi-aventis
Zeria	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 analyses responses by each group of responders, possibly of greater value than the sum-

mary to follow which is the combined score for each performance category. The report also gives the results for most companies over a period of 12 years, a good measure of improving or deteriorating performance.

### It's a Close Call at the Top

#### Total Average Score Ranking

Over the past 12 years Takeda lost its dominant first place position and in 2009 tied with Novartis. In 2010 Takeda nudged back into first place but was closely followed by Novartis and Chugai. Takeda was the sole leader in only three of the eight categories of performance. In two other categories it was a co-leader. Its lowest rank was in the **Potential for Growth** category, in which Novartis was the leader. Takeda's highest score was in **Quality of MRs**. Chugai was a co-leader in **Quality of MRs** and in **Profitability in the Future**.

GSK and Eisai tied for fourth place as the latter improved over 2009. Astellas, AstraZeneca, Pfizer and Daiichi Sankyo followed with equal scores. Rounding out the top 10 were MSD and sanofi-aventis, a slight improvement for the former.

At the bottom, the least admired were Kaken, Mochida, and Zeria. Merged companies continue to be more admired than either of the separate parties. Bayer and Daiichi Sankyo made the largest improvement over the prior year.

#### Quality of Management

Takeda led this category but was closely followed by Eisai, Astellas, and Chugai. Otsuka joined the top 10. Outside the top 10 Bayer had the most improvement. Only Kyorin declined. Might it be due to their fight with Sawai?

#### Quality of Products

In this category Eisai jumped up to third place from eighth in 2009. In the top 10 AstraZeneca improved, as did Bayer in a lower ranking. Alcon, a newcomer to our survey, made a respectable showing.

#### Potential for Growth

In the top 10 Daiichi Sankyo, MSD and Eli Lilly made the most improvement. Below the leaders Bayer and Dainippon Sumitomo improved their positions. At the bottom Kyorin and Kaken declined.

### New Drug Discovery Potential

Lots of movement in this category with eight companies improving their scores. The biggest gainers were Bayer and Bristol-Myers. Takeda was ranked fourth in this category. Foreign companies dominated the top 10 i.e., 7 out of 10.

### Quality of Development

Once again eight companies made significant improvements. Takeda was the leader but was closely followed by 10 companies. Novo Nordisk continued to improve, as did Bayer, Boehringer Ingelheim, and Bristol-Myers.

### Quality of MRs

In this category the top tier companies continue to outpace lower ranked companies, thus creating a dichotomy between those who are good and those who are not so good. The top four were Japanese companies, and Shionogi may have halted its longer term decline.

### Profitability in the Future

This category is fairly stable with Chugai, Novartis, Takeda, and GSK leading as they did in 2009. Daiichi Sankyo climbed back up the ranking, possibly because their Ranbaxy troubles are over?

### Overall Opinion

Takeda and Novartis tied for first place in this category with Chugai a close second. Boehringer Ingelheim, Otsuka, and Bayer improved their scores. Daiichi Sankyo regained a position in the top 10.

As mentioned above, the full report shows the ranking of companies by different responders, a most useful measurement. Also, the trends over time are of interest.

### Thank you

Our survey is only possible through the cooperation of responders. We appreciate your cooperation.

### Quality of Management

Rank	Company	Score
1	Takeda	4.2
2	Eisai	4.1
3	Astellas	3.9
3	Chugai	3.9
5	Novartis	3.8
6	GlaxoSmithKline	3.7
6	AstraZeneca	3.7
6	Daiichi Sankyo	3.7
9	sanofi-aventis	3.6
9	Pfizer	3.6
9	Otsuka	3.6

### Quality of Products

Rank	Company	Score
1	Takeda	4.1
1	Chugai	4.1
3	Novartis	4.0
3	Eisai	4.0
5	GlaxoSmithKline	3.9
5	Astellas	3.9
5	AstraZeneca	3.9
5	MSD	3.9
9	Pfizer	3.8
9	Daiichi Sankyo	3.8

### Potential for Growth

Rank	Company	Score
1	Novartis	4.1
2	Chugai	4.0
3	GlaxoSmithKline	3.9
4	Daiichi Sankyo	3.8
4	MSD	3.8
6	AstraZeneca	3.7
6	Takeda	3.7
6	Eisai	3.7
9	sanofi-aventis	3.6
9	Pfizer	3.6
9	Eli Lilly	3.6

### New Drug Discovery Potential

Rank	Company	Score
1	Novartis	4.1
2	GlaxoSmithKline	3.9
2	Chugai	3.9
4	Takeda	3.8
4	Pfizer	3.8
4	AstraZeneca	3.8
4	MSD	3.8
8	sanofi-aventis	3.6
8	Eisai	3.6
8	Daiichi Sankyo	3.6

### Quality of Development

Rank	Company	Score
1	Takeda	4.0
2	Novartis	3.9
3	GlaxoSmithKline	3.8
3	Chugai	3.8
3	Pfizer	3.8
3	Daiichi Sankyo	3.8
3	Eisai	3.8
8	Astellas	3.6
8	AstraZeneca	3.6
8	sanofi-aventis	3.6
8	MSD	3.6

### Quality of MRs

Rank	Company	Score
1	Takeda	4.4
2	Astellas	4.0
2	Eisai	4.0
4	Daiichi Sankyo	3.8
5	Chugai	3.7
6	Novartis	3.5
6	Pfizer	3.5
6	Shionogi	3.5
9	GlaxoSmithKline	3.4
9	AstraZeneca	3.4
9	sanofi-aventis	3.4
9	MSD	3.4

**Profitability in the Future**

Rank	Company	Score
1	Chugai	3.9
1	Novartis	3.9
3	Takeda	3.8
3	GlaxoSmithKline	3.8
5	Eisai	3.7
5	Daiichi Sankyo	3.7
7	Astellas	3.6
7	sanofi-aventis	3.6
7	AstraZeneca	3.6
7	MSD	3.6

**Overall Opinion**

Rank	Company	Score
1	Takeda	4.1
1	Novartis	4.1
3	Chugai	4.0
4	GlaxoSmithKline	3.8
4	Astellas	3.8
4	Eisai	3.8
4	AstraZeneca	3.8
4	Daiichi Sankyo	3.8
9	sanofi-aventis	3.7
9	Pfizer	3.7