

To:

Entire Sales Force

From: Windell Fisher

Number:

23

Date: March 2, 2007

Oxycodone ER Generic Frequently Asked Questions

Enclosed with this bulletin you will find an updated version of the oxycodone ER generic frequently asked questions document. The most significant update deals with the announcement that Watson has ceased distribution of their authorized generic on February 28, 2007.

Please review this document and be prepared to respond to questions that may be asked by Healthcare Practitioners. Please note that question number 17 contains four responses. When responding to this question, utilize only the response that is appropriate for your customer type. You should not enter into a dialogue concerning the Watson decision unless a specific question is asked by the HCP. **The enclosed Q&A document is not for distribution.**

If you have any questions, please contact your manager.

Attachment

PLAINTIFFS TRIAL EXHIBIT
P-29948_00001



POK003278476



Q&A Guidance for Oral Discussions Regarding the oxycodone ER Market NOT FOR DISTRIBUTION

Guidance for Use by Purdue Employees and Agents: This document is intended to be used by Purdue employees and agents in responding to questions they may receive about Purdue's plans to regain exclusivity for OxyContin® (oxycodone HCl controlled-release) Tablets and the status of generic product formulations. This document is for training and informational purposes only and is not intended for distribution. Contact Andrew Udell/Marketing (203) 588-8090 or James Heins/Public Affairs (203) 588-8069 with questions.

1. What is the status of Watson's authorized generic?

Watson Pharma Inc. will not sell, ship or distribute its generic version of OxyContin Tablets after February 28, 2007.

2. Why did you pull Watson's authorized generic?

I am not privy to the details behind this decision, but have been told that we feel it is in the best interest of our company at this time.

3. What are the terms of your agreement with Endo Pharmaceuticals?

As part of a settlement agreement, Purdue Pharma L.P. and Endo Pharmaceuticals Inc. ended the patent infringement lawsuit between them concerning certain Purdue Pharma patents on OxyContin Tablets. Under the agreement, Endo stopped selling its generic versions of OxyContin at the end of 2006. Per the agreement, Endo no longer disputes that the OxyContin patents are valid, enforceable and infringed by Endo's extended-release oxycodone product. In exchange, Purdue Pharma will not pursue damages against Endo for Endo's past infringement of its OxyContin patents.

4. What are the terms of your agreement with Teva Pharmaceuticals?

As part of a settlement agreement, Purdue Pharma L.P. and Teva Pharmaceuticals USA, Inc. ended their lawsuit concerning certain Purdue Pharma patents on OxyContin Tablets. Under the terms of the settlement agreement, Teva will continue to sell its generic version of OxyContin Tablets under a license from Purdue until certain contingencies under the agreement are met.

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5. Have you granted a license to Teva to market their generic formulation? If so, when does that license expire?

Under the terms of the settlement agreement, Teva may continue sales of its generic version of OxyContin Tablets under a license from Purdue until certain contingencies under the agreement are met. At this time, I do not know when that will occur.

6. Why did you waive damages if you were so confident of your legal position in the patent litigation?

We are confident that we would have prevailed in the litigation with Endo and Teva and the court eventually would have ordered those companies to stop selling their infringing products. We believe these agreements give us those results and spare us the risks, uncertainty and costs of continuing the litigation. Because of these agreements, we are closer today to our goal of regaining the exclusivity for OxyContin Tablets that is our right under the patent laws of this country. These matters have been resolved in a manner that respects our invention of an important medicine and we will continue to protect our patent rights against any company that infringes our patents.

7. Are you pursuing agreements with other generic manufacturers?

We will continue to protect our patent rights for OxyContin Tablets and will work to prevent other companies from selling and distributing generic versions that infringe our patents.

8. In addition to Teva and Endo, what other companies are manufacturing and distributing generic oxycodone ER?

Currently, Impax Laboratories manufactures an infringing oxycodone ER formulation that is distributed by Dava Pharmaceuticals. Purdue has filed litigation against Impax to protect our patent rights.

9. Do you anticipate that all generic oxycodone ER products will come off the market? If so, when?

We cannot provide a timetable for when other companies will stop infringing our patents. We will continue our efforts to protect our patent rights for OxyContin Tablets, which is our right under the patent laws of this country, and to stop other companies from selling infringing generic versions.

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10. How much stock of generics remains on the market? (how many months supply, etc.)

I do not know how much supply of generic product remains on the market.

11. When do you expect Teva to stop shipping?

I do not know the answer at this time.

12. Can Teva and Impax make up for Watson and Endo leaving the market?

I do not have any information about their manufacturing capacity or their current inventory. Those manufacturers may be able to provide that information.

13. What is this I hear about product shortages? (or pharmacies can't get the generic, the MAC is too low, etc.)

I don't have any information about the supply of generic products. I can tell you that Purdue has the capacity to meet all demand with its branded product. We will work with wholesalers, retailers, and other customers to ensure that patients have appropriate access to this medication. We will also continue our ongoing efforts to protect the security of the supply chain and help prevent illegal trafficking and abuse of our products.

14. What will this do to generic pricing?

I cannot speculate on how generic manufacturers will price their products.

15. How long is your patent good for?

April 2013

16. What is your distribution capability and could you supply demand?

We have the manufacturing capacity to supply the entire oxycodone ER market. We do not anticipate any supply disruptions. We will work with wholesalers, retailers, and other customers to ensure that patients have appropriate access to this medication. We will also continue our ongoing efforts to protect the security of the supply chain and help prevent illegal trafficking and abuse of our products.

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17. What will you do with price (and rebating)?

[National Account Managers response to questions from the Trade]

As part of a company wide price increase on many of its brands, the wholesale acquisition cost of OxyContin to distributors will increase by four percent on March 1st.

[GPO/Institutional/Hospice Rebates/FSS contracts]

As part of a company wide price increase on many of its brands, the wholesale acquisition cost of OxyContin to distributors will increase by four percent on March 1st. Purdue will honor the terms of its existing contracts. For any new contracts, our discounting will be determined by the marketplace at that time.

[Managed Care/Medicaid Supplemental Contracts]

As part of a company wide price increase on many of its brands, the wholesale acquisition cost of OxyContin to distributors will increase by four percent on March 1st. Purdue is negotiating competitive rebates with managed care organizations and other insurers to allow healthcare coverage for the product. Purdue will honor the terms of its existing contracts. For any new contracts, our discounting will be determined by the marketplace at that time.

[Field Force Response to questions from healthcare professionals]

We realize the cost of prescription medications is one of the most important issues facing consumers today. If someone is prescribed OxyContin, we don't want them to be denied access to the medication they need due to cost. We are concerned that the temporary availability of generic versions of OxyContin may mean some patients will now have to pay more for their medication at the pharmacy counter. That is why we have proactively taken a number of steps to help reduce patients' out of pockets costs, including:

- negotiating with managed care organizations and other insurers to encourage healthcare coverage of, and reasonable patient co-payments for, OxyContin
- offering discount cards through physicians and pharmacists that patients can use to reduce their out-of-pocket costs at the pharmacy counter (except where prohibited by state or federal law or by the insurer)
- maintaining a patient assistance program to provide OxyContin to eligible low-income patients.

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18. What does this mean to your company?

We will continue to protect our inventions and patents against all infringers. Because of these agreements, we are closer today to our goal of stopping other companies from selling and distributing infringing generic versions of OxyContin Tablets which is our right under the patent laws of this country. Protecting our patent rights and stopping other companies from infringing our patents will allow us to expand and accelerate our efforts to bring important new medications to the market. We continue to offer programs aimed at improving the management of pain and curbing illegal trafficking and abuse of pain medications.

19. What does this all mean to patients?

Purdue has the capacity to meet all demand with its branded product. We will work with wholesalers, retailers, and other customers to ensure that patients have appropriate access to this medication. Purdue is negotiating with managed care organizations and other insurers to encourage healthcare coverage of, and reasonable patient co-payments for, OxyContin. Further, except where prohibited by state or federal law or insurers, Purdue is offering discount cards to help reduce out-of-pocket costs to patients.

20. Will you regain market exclusivity for long-acting oxycodone?

While another infringing product is still on the market, we will continue to protect our intellectual property rights for this important medication. These developments put us closer to stopping other companies from selling infringing generic versions of OxyContin Tablets, which will, in turn, allow us to expand and accelerate our efforts to bring important new medications to the market.

21. Will this change the eligibility criteria for the Purdue Individual Patient Assistance Program (IPAP)?

No. Not at the present time. Purdue's Individual Patient Assistance Program (IPAP) provides assistance to individuals who meet certain financial need criteria (which include, but are not limited to, individuals whose income is at or lower than 200 percent of the Federal poverty level). Additionally, Purdue has provided a charitable contribution to the Patient Advocate Foundation (PAF), a non-profit organization that provides professional case management services to Americans with chronic, life threatening and debilitating illnesses to include financial support to patients who meet financial and medical criteria. Patients and physicians should contact PAF directly to request assistance.

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22. Will the patient out-of-pocket expenses for the branded product return to their previous levels prior to the introduction of generics?

Managed care organizations and other insurers determine the out-of-pocket expenses for the majority of patients. The Company is negotiating with managed care organizations and other insurers to encourage healthcare coverage of, and reasonable patient co-payments for, OxyContin. In addition, except where prohibited by state or federal law or insurers, Purdue is offering discount cards to help reduce out-of-pocket costs to patients. Patients should contact their insurer to determine benefits as they relate to OxyContin Tablets.

23. What is your formulary status? Who is paying?

OxyContin Tablets are available on many insurers' formularies. Purdue is negotiating with managed care organizations and other insurers to encourage healthcare coverage of, and reasonable patient co-payments for, OxyContin. Additionally, except where prohibited by state or federal law or insurers, the Company is offering discount cards to reduce out- of-pocket costs of patients.

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24. What are you doing for the retailer or distributor?

We will continue to evaluate the introduction of programs that provide value to our wholesale and retail customers. I don't have any further information at this time.

25. Is this a short term situation? Should I expect a generic to be back in the near future?

The last of Purdue's patents on OxyContin Tablets expires April 2013. Purdue will continue to protect its patent rights against any companies that manufacture or distribute an infringing generic version of OxyContin Tablets. Endo stopped distributing its oxycodone ER products on December 31, 2006. Teva may continue sales of its generic version of OxyContin Tablets under a license from Purdue until certain contingencies under the agreement are met.

26. Is Purdue providing guidance for pharmacists, physicians, and nurses to give patients and caregivers about the changes?

Healthcare professionals who have concerns or questions about their patients' use of branded OxyContin Tablets instead of a generic oxycodone ER product, or general questions about prescribing, dispensing or taking OxyContin Tablets can contact Purdue's Medical Services department at (888) 726-7535.

27. If a patient taking a discontinued generic product can't get the branded medication, what is Purdue recommending he/she be converted over to?

While we do not anticipate disruptions in the supply of the branded OxyContin Tablets, patients with questions or concerns should consult their prescriber for appropriate medical advice.

Purdue will be communicating to prescribers and pharmacists to provide guidance on appropriate care of patients who, in the judgment of their prescriber, will be or are candidates for use of the branded product.

In order to prevent withdrawal in the physically dependent patient, long-acting opioids should not be abruptly discontinued. All healthcare professionals should read product labeling carefully before prescribing and any healthcare professionals and patients who have concerns or questions about prescribing, dispensing or taking OxyContin Tablets should contact Purdue's Medical Services department at (888) 726-7535.

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28. When can we expect Purdue to have an abuse resistant oxycodone product?

Developing new formulations of pain medications that have abuse deterrent properties is one of Purdue's top research priorities. However, it is important to realize that all medications are susceptible to abuse in one manner or another, and it may not be possible to develop a product that is fully "resistant" to tampering by determined abusers. To date, Purdue has spent more than \$275 million to test and develop novel products and new forms of pain relievers that will be more resistant to product tampering or less attractive to drug abusers, while still providing safe and effective pain control to patients with pain. Purdue Pharma is working to solve the complex patient safety and efficacy issues associated with these products prior to bringing them to market. Because drug research and development take years to complete, and results cannot be guaranteed, we cannot at this time give a timeline for the introduction of an opioid analgesic that may deter some forms of abuse.

The professional product labeling for OxyContin® Tablets contains the following boxed warning:

WARNING:

OxyContin is an opioid agonist and a Schedule II controlled substance with an abuse liability similar to morphine.

Oxycodone can be abused in a manner similar to other opioid agonists, legal or illicit. This should be considered when prescribing or dispensing OxyContin in situations where the physician or pharmacist is concerned about an increased risk of misuse, abuse, or diversion.

OxyContin Tablets are a controlled-release oral formulation of oxycodone hydrochloride indicated for the management of moderate to severe pain when a continuous, around-the-clock analgesic is needed for an extended period of time.

OxyContin Tablets are NOT intended for use as a prn analgesic.

OxyContin 80 mg and 160 mg Tablets ARE FOR USE IN OPIOID-TOLERANT PATIENTS ONLY. These tablet strengths may cause fatal respiratory depression when administered to patients not previously exposed to opioids.

OxyContin TABLETS ARE TO BE SWALLOWED WHOLE AND ARE NOT TO BE BROKEN, CHEWED, OR CRUSHED. TAKING BROKEN, CHEWED, OR CRUSHED OxyContin TABLETS LEADS TO RAPID RELEASE AND ABSORPTION OF A POTENTIALLY FATAL DOSE OF OXYCODONE.

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Full prescribing information for OxyContin is available at http://www.purduepharma.com/PRESSROOM/PI/OXYCONTIN_PI.PDF.

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