
From: Nathalie Leitch
Sent: Thursday, September 10, 2009 3:06 PM
To: Terrence Fullem
Subject: Background Info for tomorrow's Meeting
Attachments: KADIAN Goals.ppt; KADIAN Update Sep 2009.zip; Kadian NSM_Region_20090821.zip

Hi.....I'd written this to John. Feel free to delete note and forward on. Let me know if you want to add anything else.

John,

I understand the primary focus of our meeting tomorrow is going to be the KADIAN formulary/MC strategy however am sending some additional information outlining the various activities we've undertaken during the past few months to support the brand. Below is a list and description of the attached docs.

- 1) Kadian Goals: summarizes high level goals, strategy/tactics and timeline
- 2) Update for National Sales Meeting: focus is YTD performance and results
- 3) Most recent east, west and nation: Shows territory/region trends over time

Looking forward to seeing you tomorrow and hearing your perspective. If you have any questions – drop me a line.

Thanks,
Nathalie

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Kadian®: High-level Goals and Objectives

- Maximize the value of Kadian® (i.e. minimize TRx decline)
 - January forecast: \$225M total sales
 - May re-forecast \$237M
 - >600,000 scripts written
- Reinforce positioning of Kadian® as the “morphine of choice”



Kadian®: Maximizing Value

- Need to communicate to high-volume KADIAN prescribers as well as the broad base of low-volume prescribers — and patients
 - Target high volume prescribers
 - Field sales to be deployed to reach highest prescribers
 - 2 Regional Business Directors, 18 Area Business Managers
 - Target ~1,900 high-volume Kadian prescribers (write ~45% of TRx)
 - Expand reach to include select targets in lower prescriber deciles
 - Inside sales (TMS Health)
 - Initial focus on D6-10 (soften the market, coupon program)
 - Focus will shift to lower decile physicians as field sales team comes on line
 - Current call-list includes approximately 5,000 lower decile prescribers
 - Patient Adherence Program
 - Program to improve patient persistence and increase overall length of therapy
 - Provide patients with education on Kadian®, tips to help manage pain, refill reminders



Kadian®: The Morphine of Choice

- **Morphine of Choice**
 - Remove barriers to prescribing product
 - Communicate MC coverage
 - Kadian® is preferred more often than any other brand across all categories of payors
 - Co-Pay Assistance Program
 - Facilitates patient initiation and persistency on Kadian
 - Patient Assistance Program
 - Focus on core brand messages and differentiators
 - Flexible dosing and administration
 - Most dosing strengths, 3 methods of administration
 - Minimal highs and lows
 - Safe and well tolerated
 - On more reimbursable formularies





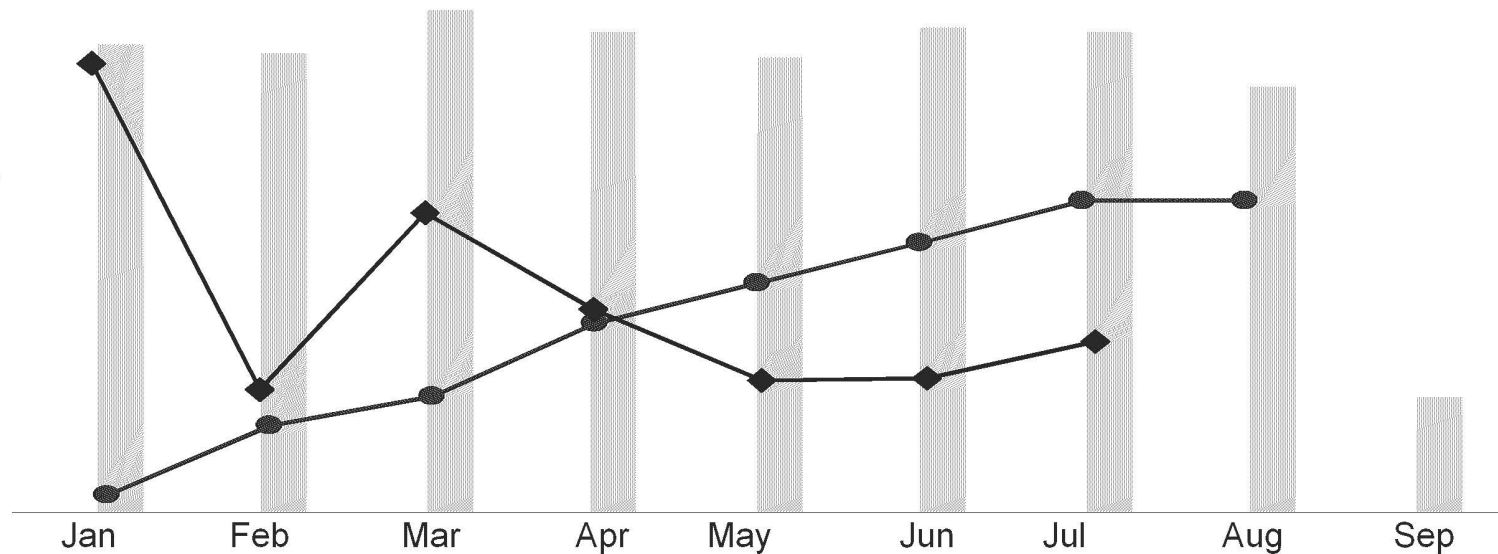
Timeline/Impact

•75000 Co-pay Cards mailed to KADIAN prescribers

•Telesales program goes live, high volume prescribers targeted

•Price Increase
•Telesales targets expanded
•Embeda approved

•Acquisition/integration
•Continuation of Patient Assistance Program
•Co-pay Program re-launched

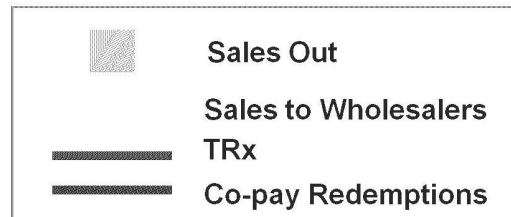


•Price Increase
•Website live with updated information

•Field Sales trained and partially deployed

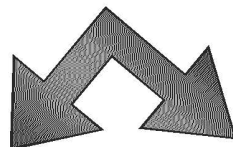
Field Sales team (18 ABMs) fully deployed

•NSM
•Patient Persistency Program launched
•Embeda Commercial Launch expected



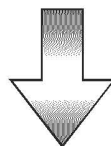
Name	Size	Modified
KADIAN Update Sep 2009.ppt	10,053,632	9/10/2009 6:00 PM

KADIAN®: 2009 Goals



Stabilize Brand Decline in High Volume
KADIAN Prescribers

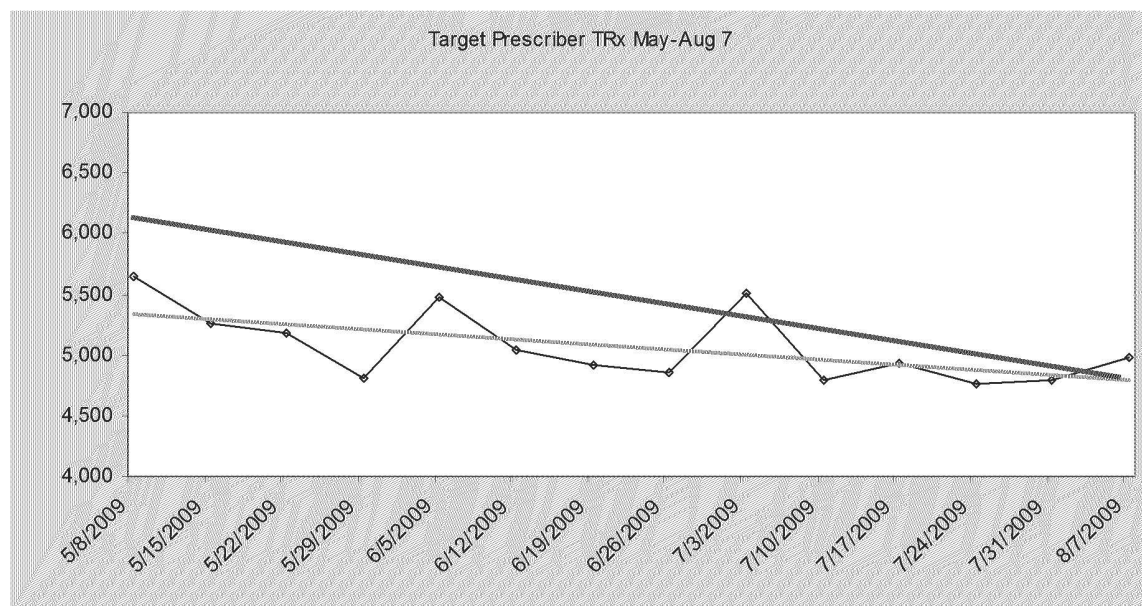
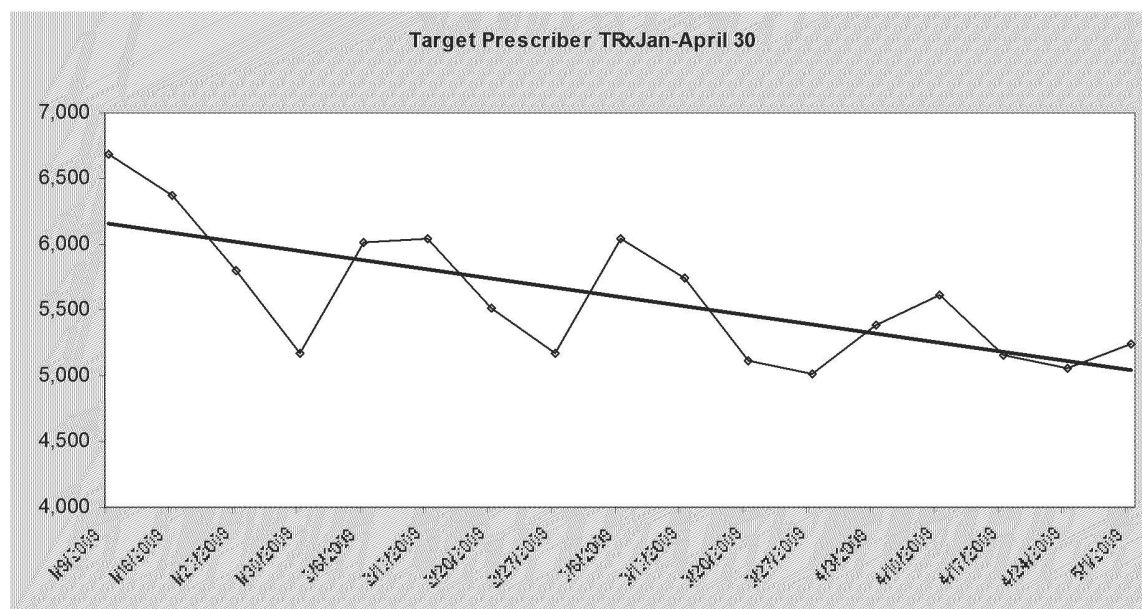
Maximize Brand Value



YTD average monthly scripts 51,180
YTD average weekly scripts 11,811
Annualized >614K TRX !
YTD Sales \$158.1M !



High Volume Prescribers: TRx Stabilized



Trend line for Jan-April vs
May-June is significantly
improved
GREAT WORK!

KADIAN® National Sales Meeting: Agenda

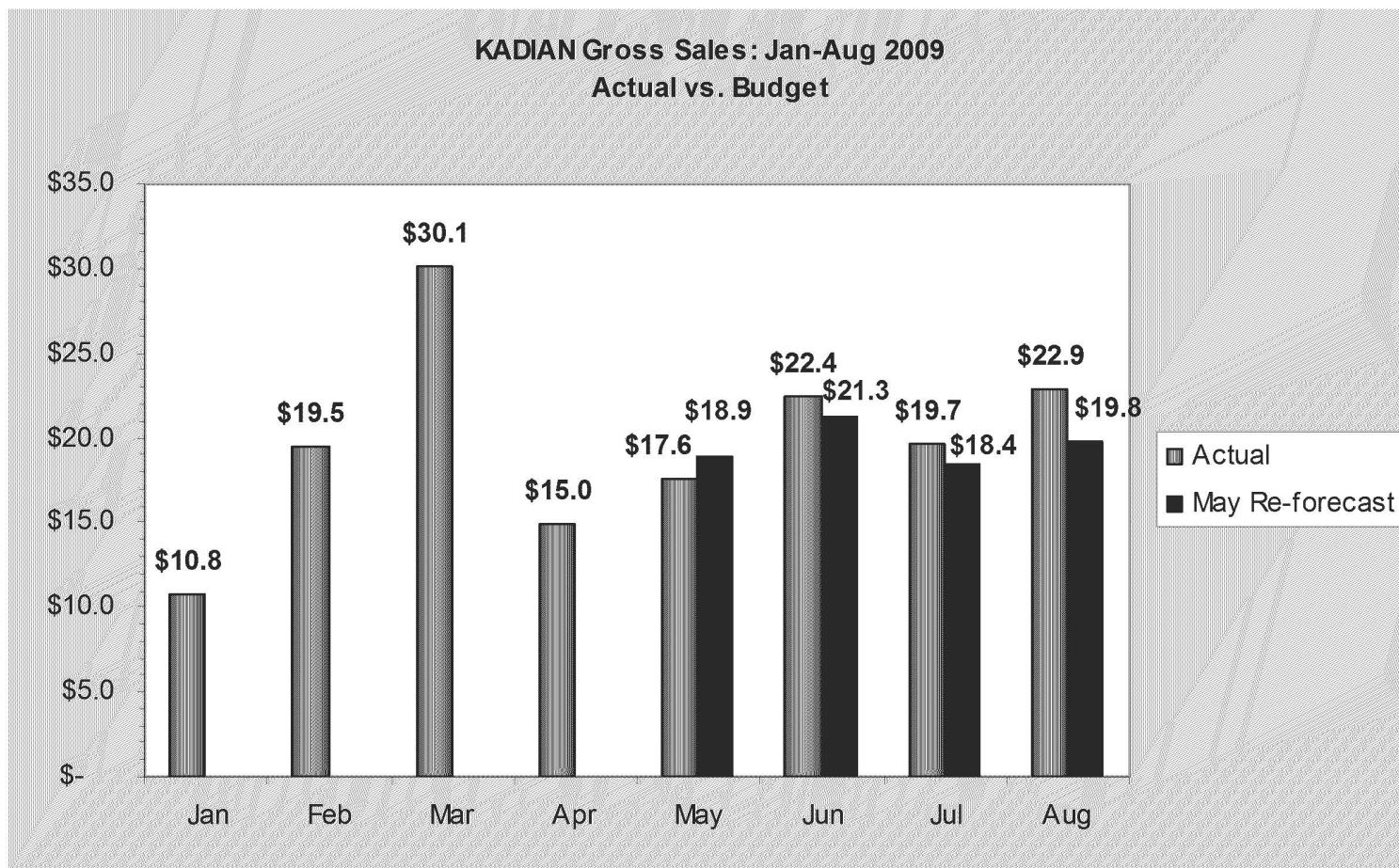
- YTD Results
- Competitive Threats
- Program Updates
- T3 Goals and Priorities



KADIAN® National Sales Meeting: Agenda

- YTD Results

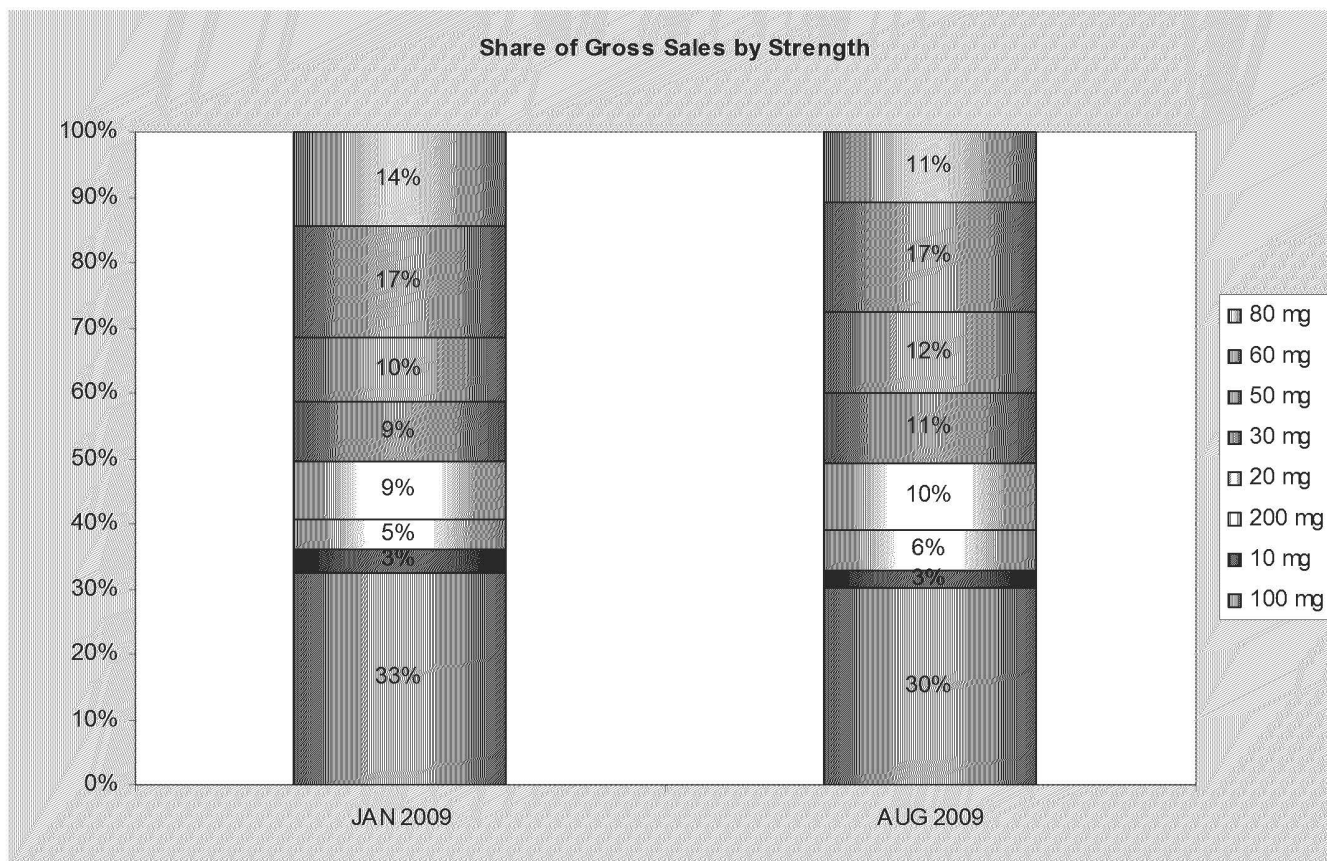
KADIAN® Gross Sales: Actuals vs. Goal



KADIAN® achieved 101% of the gross sales goal for January-August 2009 and 116% of August goal



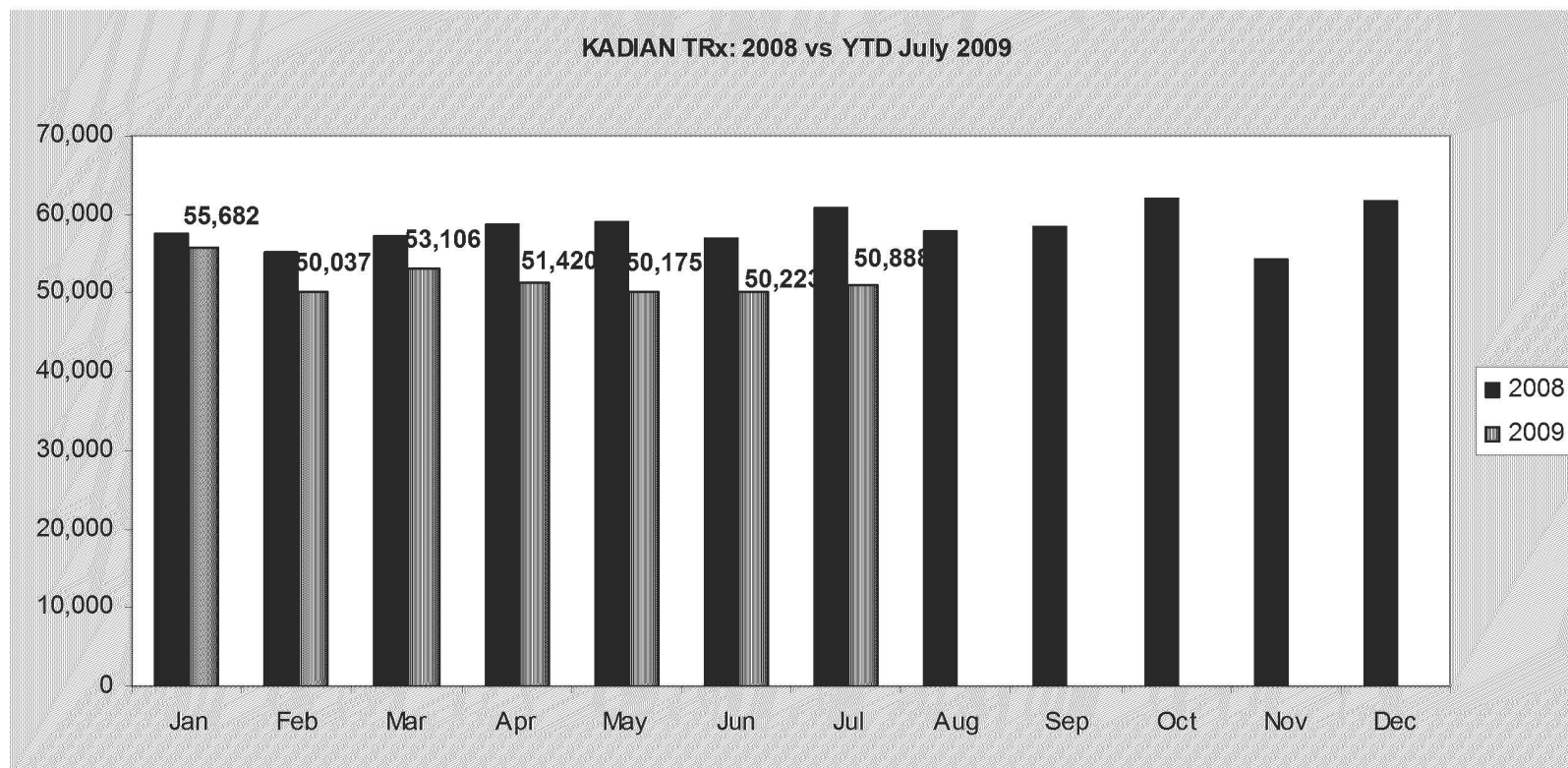
Share of Gross Sales by Strength



Share of gross sales has shifted slightly
from 80mg and 100mg strengths to
the 20 mg, 30 mg and 50mg strengths

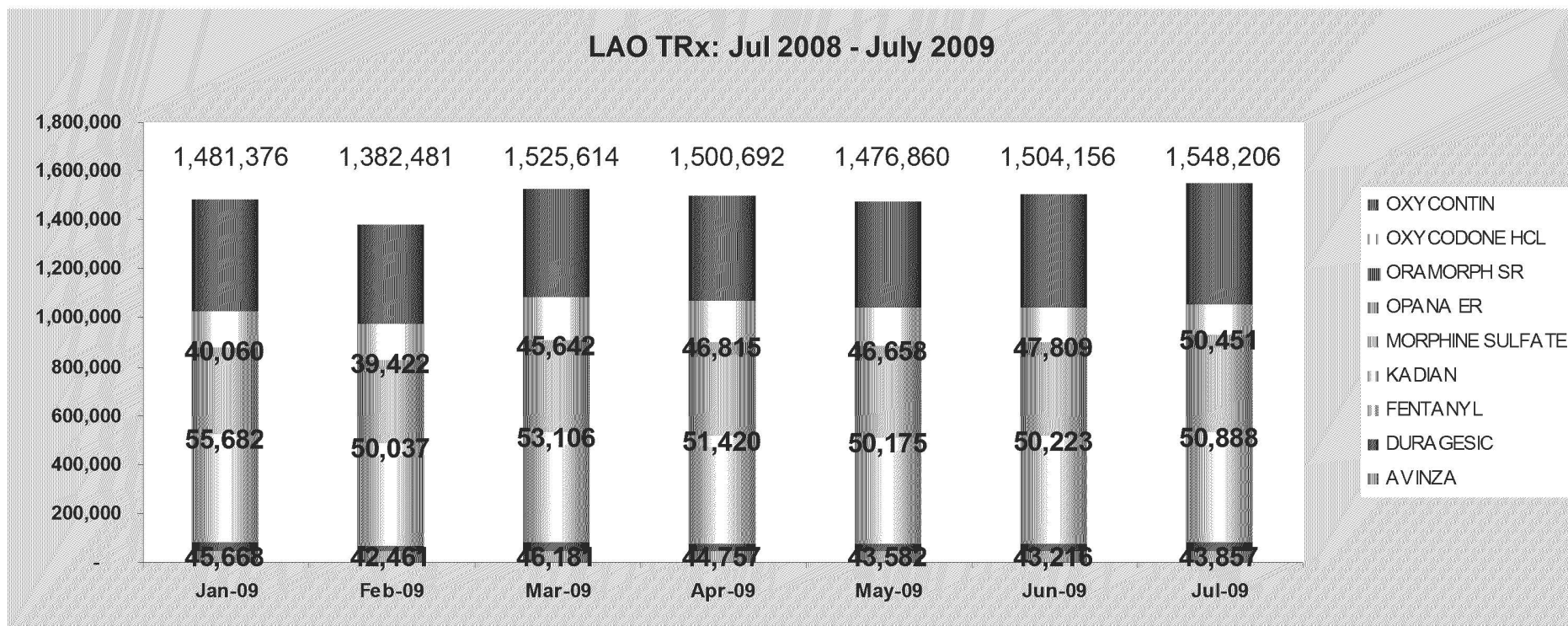


KADIAN® TRx: 2008 versus YTD July 2009



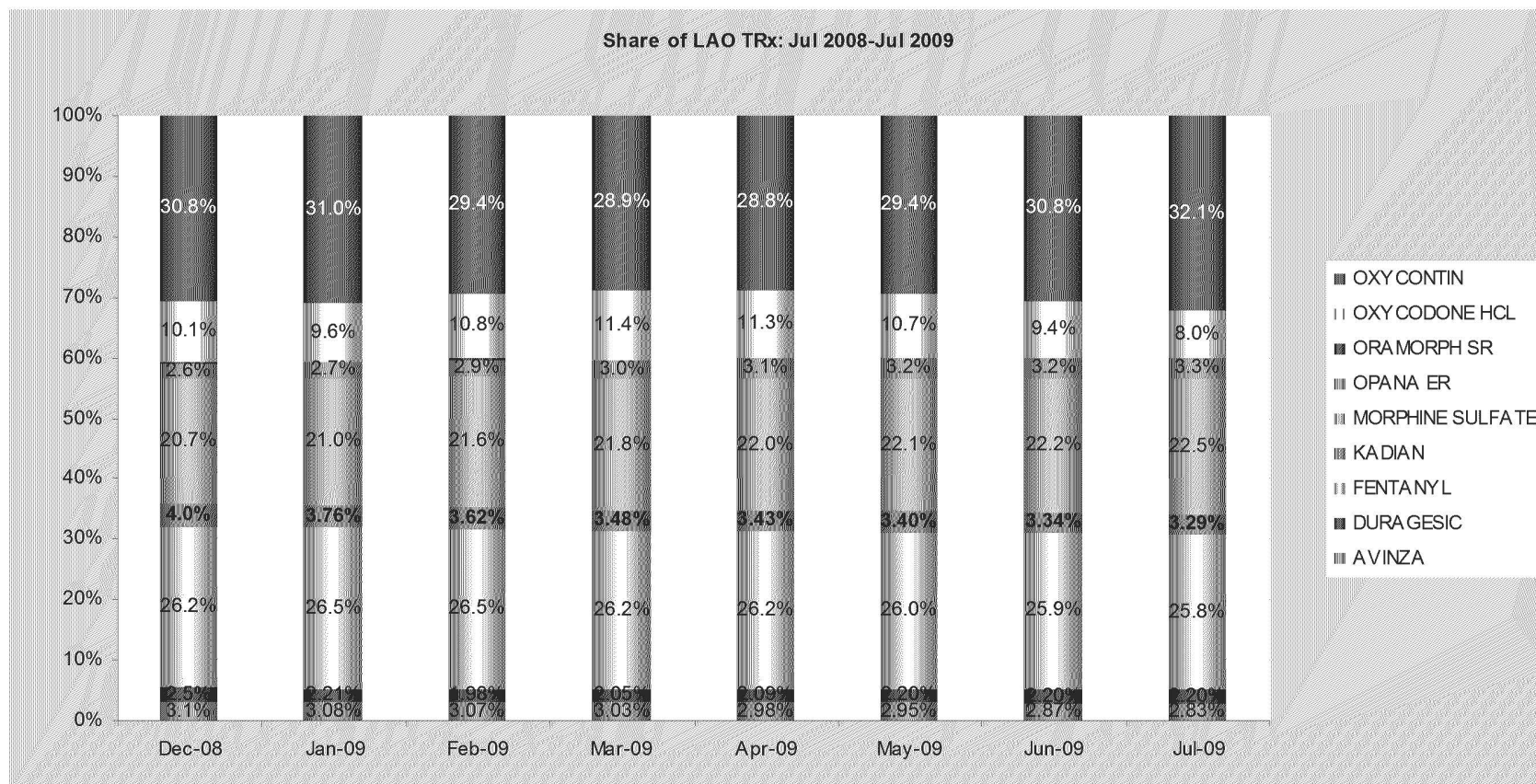
YTD July TRx are down just 10.8%
versus same period 2008 with a >90%
reduction in sales force size





LAO	AVG. MONTHLY CHANGE
AVINZA	-1%
DURAGESIC	1%
FENTANYL	0%
KADIAN	-1%
MORPHINE SULFATE	2%
OPANA ER	4%
ORAMORPH SR	-1%
OXYCODONE HCL	-2%
OXYCONTIN	1%
TOTAL LAO TRx	1%

Long-Acting Opioids: Share of TRx



Changes in LAO Share

Avinza -0.3%

Kadian -0.5%

Fentanyl -1%

Oxycodone -1.6%

Opana ER +0.6%

Morphine Sulfate +1.5%

Oxycontin +1.1%



KADIAN® National Sales Meeting: Agenda

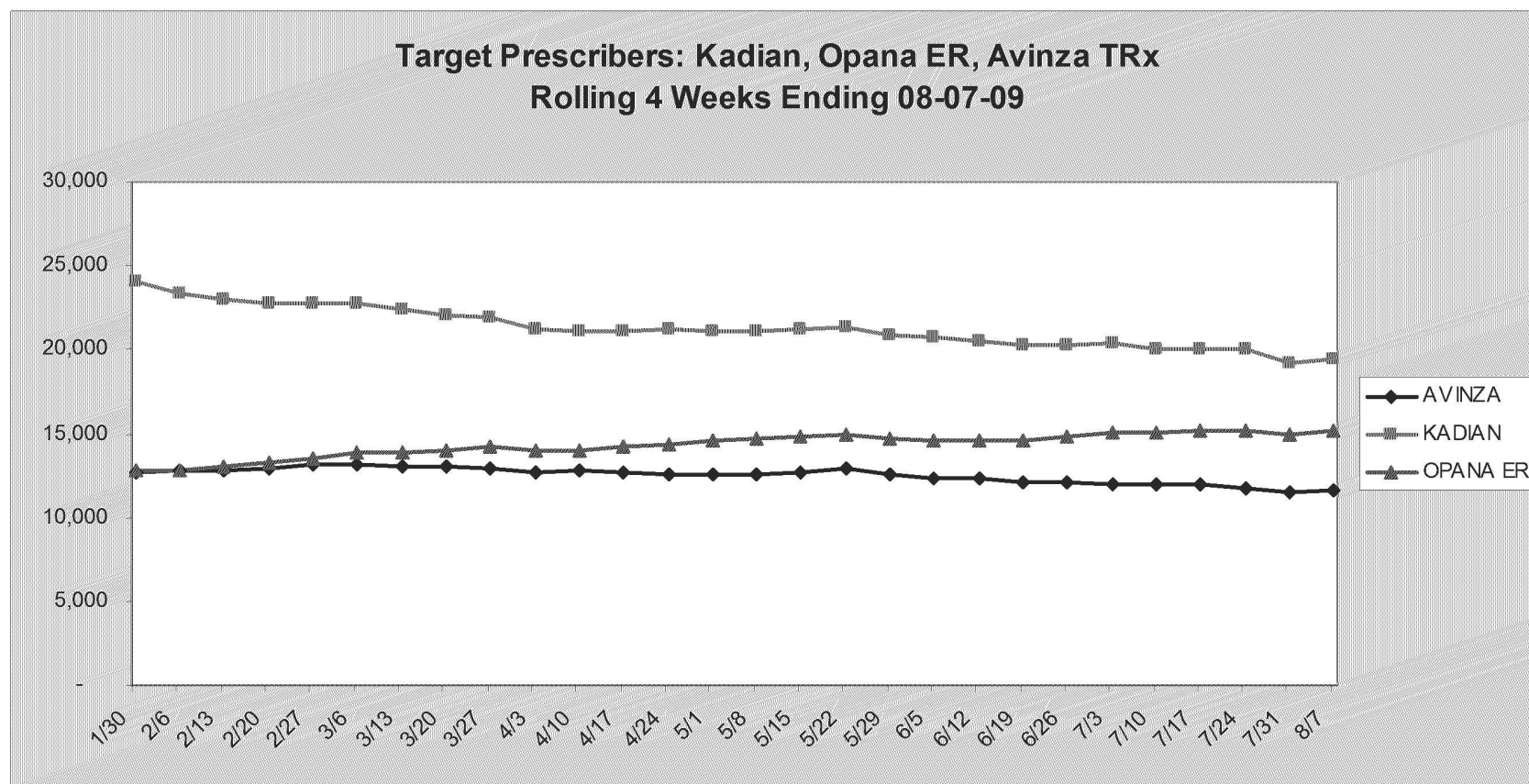
- Competitive Threats



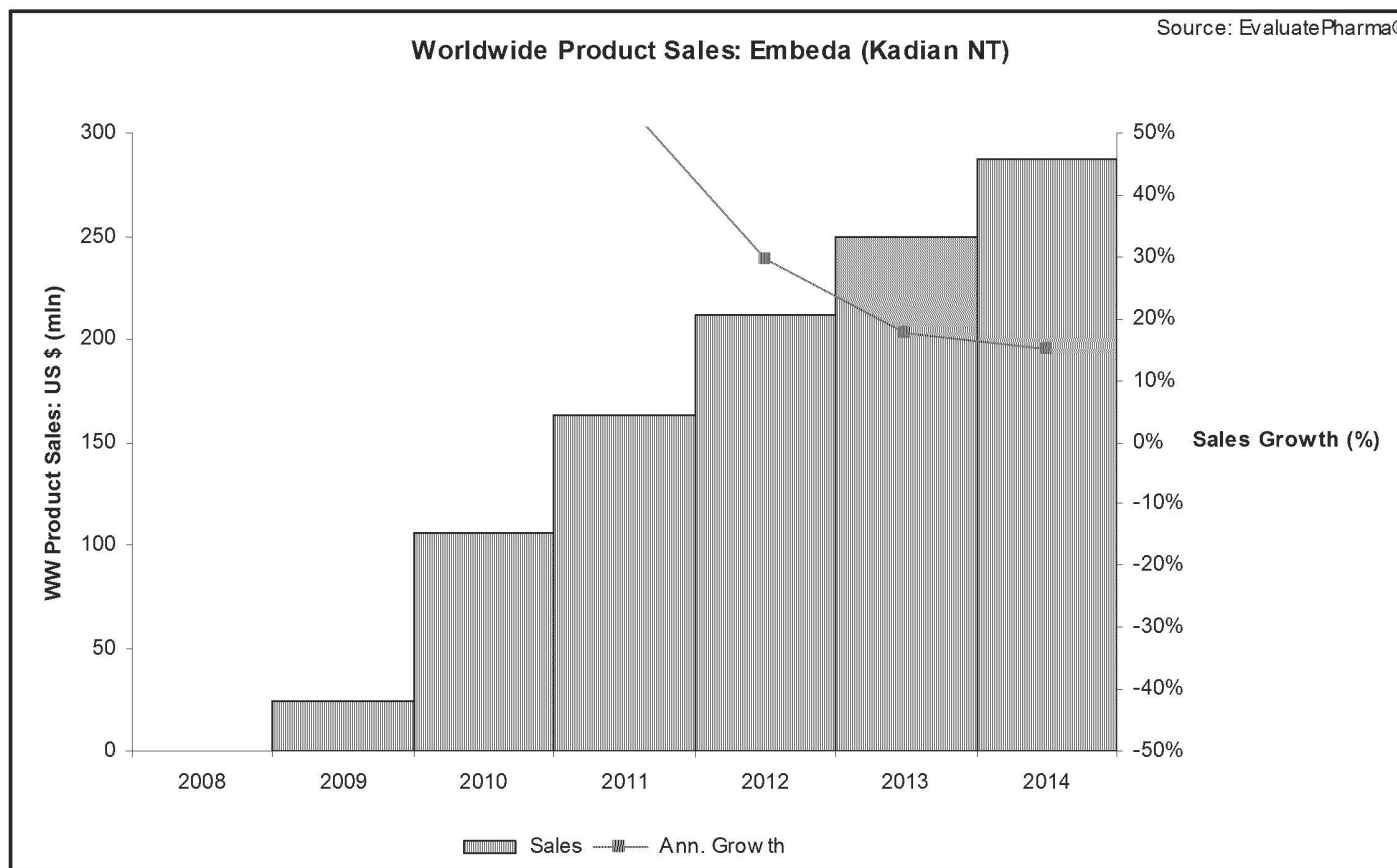
Competitive Threats: Opana ER and Avinza

- Based on '07 and '08 audits, Opana has the highest level of detailing/promotional spend in the category
- Focus on:
 - Unfavorable side effect profile
 - Oxymorphone levels can increase by 50% if taken with food
 - Oxymorphone is potentially fatal if combined with alcohol
 - Oxymorphone clearance may be decreased up to 40% in patients >65
 - Superior MC coverage and coupon program
- Avinza in P2 to Flector
 - Share of LAO TRx sliding slightly
 - Take advantage of reduced call activity
 - Superior MC coverage and coupon program
- Sales aids
 - Objection handling
 - Conversion Guide
 - VisAid

Competitive Threats: Opana ER



- Approved August 13, 2009
 - Embeda contains extended-release morphine pellets, each with an inner core of naltrexone, an opioid receptor antagonist
 - Designed to reduce drug liking and euphoria when tampered with by crushing or chewing
- Launch expected late September or early October
- Product Positioning
 - Product of choice in all patients where there is concern of abuse or diversion
 - Safer alternative to extended release morphine products
- Delayed resubmission of Remoxy NDA likely to impact King's strategy
 - Additional stability data required
 - King expects to resubmit the application mid-2010



All Financial data in US \$ (MM)

	2008	2009	2010	2011	2012	2013	2014
Sales		24	106	164	212	250	287
Ann. Growth			332%	55%	30%	18%	15%



KADIAN® National Sales Meeting: Agenda

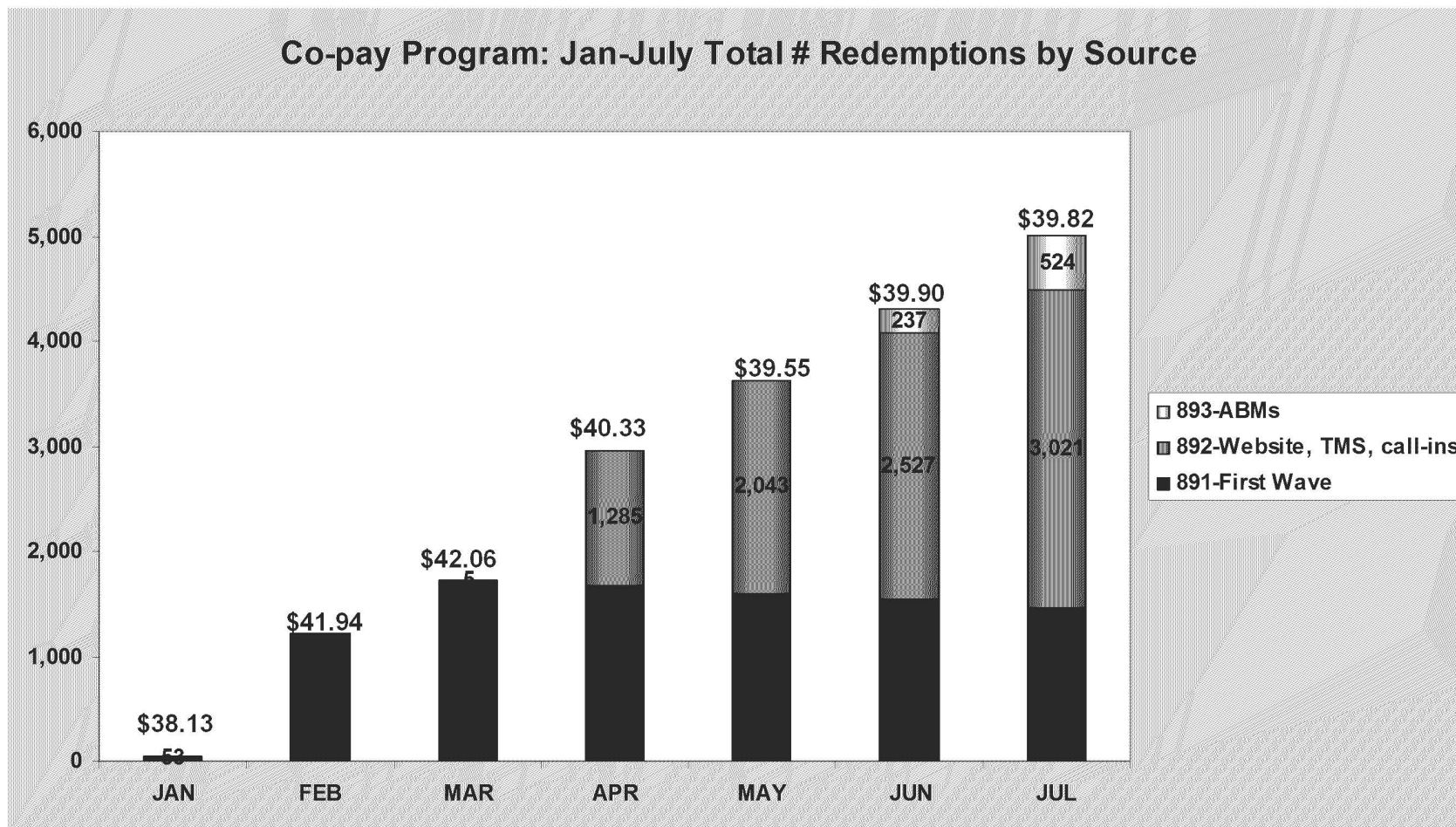
- Program Updates



Program Updates: Telesales and Patient Adherence Programs

- TMS Telesales Team
 - TMS is doing a great job with their targets
 - 3,960 low decile KADIAN prescribers added to existing call list
 - Taking on 1,000 additional high volume Opana ER and Avinza writers
 - Total call list ~6,000
- Adheris Patient Adherence Program
 - The goal of this program is to improve patient persistence and increase the overall length of therapy by providing patients with education on KADIAN®, tips to help manage pain, and timely, behavior-triggered refill reminders
 - Historically ~80% of KADIAN® TRx came from continuing patients; remaining portion from switches in the opioid market and new patients





Total Redemptions: 18,898
 Total Redemption Amount: \$759,927
 Average Redemption Amount: \$40.21
 945 targeted prescribers physicians have used cards —
 room for growth!

KADIAN® National Sales Meeting: Agenda

- T3 Goals and Priorities



T3 2009 KADIAN® Priorities

- Continue to build on positive momentum generated in T2
 - Decline stabilized; upward trend
- Defend against Opana ER, Avinza, *Embeda*
 - Incorporate learnings from this meeting
 - Focus on the core KADIAN® messages
 - “Prescribe KADIAN® and give your patients the morphine of choice”
 - Smooth steady state plasma levels
 - Unique dosing flexibility (q12/q24)
 - Better pain control and sleep scores
 - Unique morphine delivery with innovative pellet technology
 - True once-a-day oral morphine
 - Safety, less pain, more options
- Leverage co-pay cards effectively
 - Tool to communicate superior managed care coverage
 - Drive conversions from Avinza and Opana ER to KADIAN®
 - Facilitate patient initiation



2009 KADIAN®

Key Performance Objectives

Metric	T12009	T2 2009	T3 2009	FY 2009
KADIAN® TRx	210,245	200,626	198,419	609,290
% change		-4.6%	-1.1%	
KADIAN® Target TRx	95,160	89,204	92,631	276,995
% change		-6.3%	3.8%	



T3 2009 KADIAN® Priorities

- Achieve territory budgets!
 - Continue to focus on target prescribers
 - It's working!
 - Convert low KADIAN®, high volume Opana and Avinza writers



Name	Size	Modified
Kadian NSM_20090821.xls	522,752	9/4/2009 2:50 AM
Kadian Region 101_20090821.xls	1,633,792	9/4/2009 2:37 AM
Kadian Region 102_20090821.xls	1,579,520	9/4/2009 2:37 AM

Produced as Natives

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