

In this issue: Pg.

- **Pharma Sales: Lead Activity Report** 1
- **Lead Sampler** 1
- **Sales Article: Market Segmentation: Making Less Into More** 3
- **Prospect Profile: Jazz Pharmaceuticals, Inc.** 4
- **Users Tip: Finding "Hidden" Prospects in Your Territory** 6
- **PharmSource Lead Sheet: Special Offer** 7

Welcome to the August 2007 Issue!

The **PharmSource PERISCOPE** provides valuable insight into sales issues and trends for companies that sell goods or services to bio/pharma. It helps you recognize new business opportunities, and overcome sales obstacles. Enjoy the August issue.

The PharmSource Team

Pharma Sales: Lead Activity Report

PharmSource Lead Sheet: July Opportunities

244 overall leads for pharma vendors were reported by the *PharmSource Lead Sheet* in July.

Lead Type	July-07	2007 Y-T-D
Non-US Leads	57	510
Early development candidates	45	240
Late development candidates	70	367
Large molecule candidates	36	211
Small molecule candidates	86	497
Newly-funded companies	58	367
New sourcing executives	26	184
Parenteral dosage form candidates	43	266
Oral candidates	41	273
Total Leads*	244	1,523

*Total leads include product acquisitions/alliances, company acquisition/alliances and other sponsor events. Pipeline leads shown are categorized by development, API and dosage form.

Lead Sampler

Below are two actual leads from a recent issue of the *PharmSource Lead Sheet (PLS)*, a weekly, web-based information service that delivers new business opportunities and key market intelligence information to companies serving Bio/Pharma. It includes new information on products in development, acquisitions, alliances, financing transactions, and more, and delivers 40-60 fresh leads each week.

Use the **PLS** to stay on top of opportunities as soon as they're announced, keep attuned to market activity and trends, and as a key resource for targeted marketing.

FOR WEEK OF:
07-15-2007

Products in Development ●

Product Acquisitions ●

Corporate Finance ●

Other Sponsor Events ●

Key Appointments ●

Downloads

Preferences

Comments/Questions?

Full Database Search

[PRINTER FRIENDLY](#)

[\[Export All\]](#) [\[Clear All\]](#)

Products in Development

Phase I

Company: [CardioVascular BioTherapeutics](#)
HQ Location: Las Vegas, NV
Product: CVBT 141F
Dosage Form: Parenteral - Liquid
Nature of API: Biologic - Protein
Therapeutic Area: Stroke
Comment: CardioVascular BioTherapeutics reports positive preclinical results for CVBT 141F in reducing brain damage due to stroke. Results from three independent animal studies demonstrated significantly less neurological defects in animals treated with CVBT 141F vs. the control group. Plans for clinical trials are being developed.

Research contact: [John W. Jacobs, PhD](#)
Clinical research contact: [Thomas Stegmann, MD](#)
Research contact: [Kenneth A. Thomas, PhD](#)

[Print Lead](#) [Email Lead](#)

Corporate Finance, Alliances, and Acquisitions

Corporate Finance

Company: [Pharmasset Inc.](#)
HQ Location: Princeton, NJ
Financing Type: Milestone payment
Amount Raised: \$7.50 million
Description: Pharmasset receives a milestone payment in the amount of \$7.5 million from Roche. This was triggered due to the initiation of long-term chronic toxicology studies in two animal species. This is part of a collaboration with Roche for the development of R7128 for the treatment of hepatitis C virus.
Strategy: Pharmasset develops novel, small molecule therapeutics to treat viral infections and cancer.

Research contact: [Michael J. Otto, PhD](#)
Research contact: [Phillip Furman, Ph.D.](#)
Manufacturing and Packaging Contact: [Darryl G. Cleary, PhD](#)

[Print Lead](#) [Email Lead](#)

*[Editor's Note: This article on market segmentation is a reminder of the importance of understanding the differences between various groupings of your client base, and using this knowledge in a marketing context, to reach each sub-set with a message that uniquely resonates for them. Take advantage of resources like the **PharmSource Lead Sheet** to help you quickly segment companies and new opportunities, and draw attention by using appropriately targeted messages.]*

Market Segmentation: Making Less Into More

When it comes to marketing, “less” really can be “more.” The smartest marketers are taking their big mailing lists and organizing them into sub-lists, each of which has been identified as being relevant to their business in a very specific way.

In life sciences businesses, the ability to differentiate your prospect base by dosage form, therapeutic area, or company size can increase your awareness of the different needs of each of these groups, as well as the different ways in which you might serve each. This, in turn, helps inform you how to best present your goods/services in a way that directly serves the specific needs of each group. When you use this insight to send targeted messages to different market segments, you’ll be speaking to your market in an extremely relevant and personal way.

To redefine your master list into appropriate market segments, you’ll need some knowledge of each of the companies on your list. If your business is like most, you have staff members on board who have had years of experience in the industry. Tap into their high-level knowledge, and also into their insight into individual companies, which is apt to be very keen.

What if your mailing list has hundreds, or even thousands, of companies? While it may sound like a daunting task to categorize each company, it can be very valuable to use the goal of market segmentation as a way to open up staff discussion and rethink marketing tactics and strategies. Begin the process with a staff meeting for the purpose of defining market segments your company needs to reach. Look in a “big picture” way at your current clients, grouping them into different segments by product and other relevant differentiators.

Next, consider whether or not there are other segments that you may not currently serve, but that could potentially present your company with new opportunities. Once you’ve defined a core group of segments, use this list to review your master mailing list. This may help surface additional segments that you will want to add to your marketing efforts.

Following this, circulate a copy of your master mailing list among your staff, asking them to designate the appropriate market segment for each company they know. To spread the labor – and expand the learning experience – you could have small teams of people get together to do this, so that over a few iterations by different small groups, the task can be completed efficiently.

Expect to have some undesignated companies after the first pass is completed. If your staff handles sales by territory, split the undesignated companies into groups by location, and assign the appropriate staff members to research these to identify the appropriate market segment.

Depending on the original source (or sources) of your master mailing list, at this point you may find there are companies on the list that simply are not well suited as prospects for your company. Once this has been confirmed, these should be deleted.

Developing a series of segment-specific marketing campaigns and messages requires advance work and planning, but it also will yield insight into your business and how you can serve different types of clients. Reaching out to prospects with a message that truly shows that you deeply understand their needs will almost certainly get positive attention.

So here are your choices: you can continue sending everything to everyone, using a general blast-marketing approach, or you can use segmented marketing, limiting your message and keeping it highly relevant to each recipient.

When it comes to market segmentation, with proper planning and execution “less” can indeed be “more,” delivering better returns, stronger branding, and deeper insight into your clients and how your business serves the industry.

Prospect Profile: Jazz Pharmaceuticals Inc.

IPO SPOTLIGHT

Jazz Pharmaceuticals is a bio/pharmaceutical company that develops therapeutics for the treatment of neurological and psychiatric disorders. The company uses innovative formulations and drug delivery technology on known compounds in an effort to improve efficacy, safety, and side effects over current therapeutics. R&D expenditures in 2006 were over \$54.9 million.

Corporate Highlights

- 2003: Incorporated in California
- 2004: Reincorporated in Delaware
- 185 total employees (69 Product Development & Clinical Activities, 42 General & Administration, 74 Sales & Marketing)
- Facilities include: Corporate Headquarters, Palo Alto, CA: 44,000 sq. ft.

Manufacturing Status

- Jazz Pharmaceuticals lacks internal manufacturing capabilities, and depends on third party manufacturing for the commercial production of drug candidates, compounds, and preclinical and clinical trials materials.

Business Relationships

- 2007: Product development agreement with Antares Pharma for a CNS disorder.
- 2006: Licensing agreement with UCB Pharma Limited for the marketing rights for its marketed narcolepsy therapeutic, Xyrem.
- 2004: Entered an agreement with GlaxoSmithKline for the worldwide rights to the API in JZP-4, its clinical product candidate for epilepsy and bipolar disorder.

IPO Filing

- Registration statement filed with the SEC for an initial public offering (IPO) of its common stock (as reported in the June 10, 2007 issue of the *PharmSource Lead Sheet*).
- As of June 2007, Jazz offered 6 million shares of common stock at \$18 per share for an estimated financing of \$108 million.

Use of Proceeds

- Launch and commercialization of its marketed sleep disorder therapeutic, Luvox CR
- Phase III clinical trials of JZP-6
- Development and clinical trials of early stage product candidates
- Working capital and general corporate purposes

Sourcing Opportunities

- Contract and clinical research for drug trials and R&D
- Manufacturing of preclinical and clinical product candidates
- Third party supply of clinical trials materials for product candidates
- Commercial manufacturing
- Regulatory services and quality assurance
- US sales and marketing force for Luvox CR and JZP-6

Pipeline

Product Candidate	Indication	Therapeutic Area	Delivery Method	Status	Next Anticipated Milestone
Luvox CR	Obsessive compulsive disorder; Social anxiety disorder	Psychiatric	Oral	NDA submitted	Awaiting approval
Luvox	Obsessive compulsive disorder	Psychiatric	Oral	NDA submitted	Awaiting approval
JZP-6	Fibromyalgia syndrome	Neurology	Liquid	Phase III	Results expected in H2 of 2008
JZP-4	Epilepsy; Bipolar disorder	Neurology	--	Phase I/II	Phase II trial in Q4 of 2007
JZP-8	Repetitive seizure clusters	Neurology	--	Phase I/II	Phase II trial in Q3 of 2007
JZP-7	Restless legs syndrome	Neurology	--	Phase I/II	Phase II trials
JZP-2	Panic attacks	Neurology	--	Phase I/II	Phase II trials

Finances

(\$ in thousands)	2004	2005	2006
Total Revenues	–	24,442	44,856
R&D Expenses	17,988	45,783	54,956
General & Administrative Expenses	7,459	23,551	51,384
Total Operating Expenses	25,447	99,886	122,908
Capital Expenditures	992	1,413	1,682

Contact Info

Jazz Pharmaceuticals Inc.

3180 Porter Dr
Palo Alto, CA 94304
Phone: 650-496-3777
Fax: 650-496-3781
www.jazzpharmaceuticals.com

Key Officers

Samuel R. Saks, M.D., CEO
Robert M. Myers, President
Matthew K. Fust, SVP, CFO
Janne L.T. Wissel, SVP, Development
Michael DesJardin, VP, Product
Development
Mark G. Eller, VP, Research

Users Tip

Finding “Hidden” Prospects in Your Territory

What’s the fastest, easiest way to identify biotechnology and pharmaceutical companies that are headquartered in your territory? With the *Full Database Search* feature of the **PharmSource Lead Sheet (PLS)**. This task is quickly accomplished, and one that every field sales rep should do at least twice a year. In a highly competitive environment, where you and your competitors need to work hard to build brand awareness, you can’t afford NOT to know every prospect—because you need to make sure every prospect knows you!

Pursuing prospects via company headquarters locations can be a successful strategy. It can be equally worthwhile to make contact with people at non-HQ facilities. We make it easy for you to do both of these tasks. The latter is potentially a rich source of new leads, particularly if you’ve been focusing on headquarters contacts. You may find new opportunities with companies that have facilities in your territory (and headquarters outside your territory). Here’s how:

- 1) Start by doing a *Full Database Search* for your geographical territory (for step-by-step instructions on how to conduct a search, contact PharmSource at 703-383-4903 or info@pharmsource.com), then export/download the results into a spreadsheet. The results show companies in the location(s) you have designated; you also probably will see companies located in states/territories other than those you had designated. This is because these latter companies have a non-headquarters presence in your territory (i.e., R&D facilities, manufacturing facilities, etc.).
- 2) To find the address of the facility a company has in your territory, follow these simple steps:
 - Go to the *Full Database Search* page.
 - Clear all settings.
 - Set a date range of January 2003 to present.
 - Go to the “Filter by Company” and select the company name and add it.
 - At the bottom of the page, click on “View Results by Company”.
 - When the results page comes up, just click on the company name in any lead, and it will open the small contact box that includes headquarters and other addresses. You’ll find the address in your territory on this list.
 - The search results page will show you the most recent status for each of the company’s products, as well as the most recent financing activity.

In many cases, these non-headquarters facilities may not get the same attention from field sales people that headquarters receives, and you might make some real headway by building relationships with people at remote locations.

One important caveat: Make sure to coordinate your efforts with those of your colleagues who handle relationships with the associated headquarters office located in their territories.

PharmSource Lead Sheet: Special Offer

The *PharmSource Lead Sheet (PLS)* is the weekly web-based information service that identifies fresh business opportunities for companies serving pharma and biotech. Respected, endorsed and depended on by the top companies, the *PLS* informs you of new product and financing opportunities. It lowers your prospecting costs, raises the productivity of your sales staff, and keeps your lead funnel full.

If you're not yet a subscriber to the *PharmSource Lead Sheet*, we invite you to take a **complimentary test-drive** to see for yourself how this service can be a vital tool for growing your market share. **For a limited time only we are offering new subscribers a 15% discount when you subscribe within 10 days of your test-drive.**

Here are just a few things the *PharmSource Lead Sheet* can do for you:

- **Save money:** The *PLS* costs less than exhibiting at a single trade show, and far less than an internal prospecting staff.
- **On-going source of fresh leads and current market information:** The *PLS* alerts your sales staff of fresh leads every week, and keeps you on top of pipeline trends for products and Bio/Pharma financings.
- **Excellent resource for targeted mailing/contact lists:** The *Full Database Search* feature can be used to create targeted lists of pharma companies for marketing campaigns or to contact for site visits.

The annual subscription renewal rate for the *PLS* is over 90%. This extraordinary rate demonstrates extremely strong customer satisfaction and loyalty, and speaks volumes to the value of the *PLS* as a resource that produces results.

To schedule your free test-drive, call Judy Miller at 703-383-4903, ext. 103 (ET), or click [here](#) to submit a quick online request.



*To view previous issues of this publication
please visit www.pharmsource.com and click on the PERISCOPE link
located at the bottom left side of the PharmSource home page.*

The PERISCOPE is a publication of PharmSource Information Services, Inc.
Phone 703-383-4903 ♦ Fax 703-383-4905
info@pharmsource.com ♦ www.pharmsource.com