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**Welcome to the June 2008 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 June issue.

*The PharmSource Team*

**Pharma Sales: Lead Activity Report**

**PharmSource Lead Sheet: May Opportunities**

243 overall leads for pharma vendors were reported by the *PharmSource Lead Sheet* in May.

Lead Type	May-08	2008 Y-T-D
Non-US Leads	83	413
Early development candidates	50	257
Late development candidates	51	298
Large molecule candidates	28	191
Small molecule candidates	76	391
Newly-funded companies	63	262
New sourcing executives	28	117
Parenteral dosage form candidates	41	225
Oral candidates	48	234
<b>Total Leads*</b>	<b>243</b>	<b>1,189</b>

\* 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)*, the weekly, web-based information service that delivers new business opportunities and key market intelligence information to companies serving Bio/Pharma. It reports new information on products in development, acquisitions, alliances, financing transactions, and more, and delivers 40-70 fresh leads each week.

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

FOR WEEK OF:  
**05-25-2008**

- Products in Development ●
- Product Acquisitions ●
- Corporate Finance ●
- Other Sponsor Events ●
- Key Appointments ●

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### Products in Development

Phase I	
<b>Company:</b>	<a href="#">Ardea Biosciences, Inc.</a>
<b>HQ Location:</b>	San Diego, CA
<b>Product:</b>	RDEA119
<b>Dosage Form:</b>	Oral
<b>Nature of API:</b>	Chemical - Normal potency
<b>Therapeutic Area:</b>	Oncology
<b>Comment:</b>	Ardea reports positive preclinical data with RDEA119 for the treatment of colitis in mouse models. RDEA119 is an orally available MEK inhibitor. Ardea plans to initiate a Phase I trial with RDEA119 for inflammatory diseases. The product is currently in a Phase I study in advanced cancer patients.
<b>Research Contact:</b>	<a href="#">Colin Rowlings, PhD</a>
<b>Regulatory:</b>	<a href="#">Kimberly J. Manhard</a>
<a href="#">Print Lead</a> <a href="#">Email Lead</a>	

### Corporate Finance, Alliances, and Acquisitions

Corporate Finance	
<b>Company:</b>	<a href="#">Allos Therapeutics, Inc.</a>
<b>HQ Location:</b>	Westminster, CO
<b>Financing Type:</b>	Secondary public offering
<b>Amount Raised:</b>	\$56.60 million
<b>Description:</b>	Allos prices 10.8 million shares of common stock that will raise approximately \$56.6 million in net proceeds. The funds will be used for clinical and preclinical research and development of its product candidates, manufacture of clinical trial material and pre-commercial scale-up activities for PDX, working capital and general corporate purposes.
<b>Strategy:</b>	Allos Therapeutics develops drugs for improving cancer treatments.
<b>Clinical Research Contact:</b>	<a href="#">Pablo Cagnoni, MD</a>
<b>Manufacturing and Packaging contact:</b>	<a href="#">Bruce Bennett</a>
<a href="#">Print Lead</a> <a href="#">Email Lead</a>	

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## Sales Article

*Editor's Note: Trade show season is in high gear, but regardless of the month, the topic of trade shows always stays on the front burner. This issue of **PERISCOPE** brings you two articles on trade shows. They come from very different perspectives: 1) literature and information flow to trade show attendees (your prospects), and 2) transportation of trade show freight. Each of these short articles provides valuable tips and insight into cost efficiencies that can make a difference to your budget.*

## Re-Thinking Tradeshow Literature

*By Jan Koren*

This information comes from our own firsthand experience - because every couple of years we go to a show as an exhibitor. First there is the frenzy in the office, "what are we going to use for literature at the show?" So we design new literature minutes before a show. Then there is the overtime and rush charges to get it printed and to the show. Do not forget the extra drayage bills for all of those boxes of brochures, fliers, and other sales collateral. Now you are at the show - what do you do with all of this stuff?

### Consider these thoughts and act accordingly:

1. If a prospect leaves every booth on just your aisle alone with some type of literature - what is the chance that by aisle 4 most of that will go in a trash can, and not even make it out of the convention hall door?
2. What happens if the literature actually makes it back to the hotel room or better yet, their office, and when they review it the prospective customer gets lost in the text and decides he just cannot find "just what he needs?" Simply never hand out an entire product catalogue at a show. Take the opportunity after the show for a follow-up call to talk with the client and then send appropriate materials.
3. Let prospective clients quickly thumb through your literature and take a literature order - just a quickly filled in card or a card reader swipe and an indication to send particular catalogues after the show.
4. Have special show literature - something small and manageable - and of course, enticing, as a quick reminder of your highlighted show products and a toll-free number to call you.
5. Best literature test - ask your father, girlfriend, best friend, team-mate to read your literature and tell you what you do, what you are selling, and how to contact you. Strangers are even a better test audience. Do not take the offensive - listen, learn, and act upon suggestions!

## Oil Prices Lead the Way to Higher Exhibiting Costs

*By Jan Koren*

Call it whatever you like - a recession, and economic downturn, a slump - everyone in the country is being hurt as are clients out of the country that are coming here and paying what they already consider staggering prices. In the tradeshow industry, last month, we were given a 28% fuel surcharge from all of the trucking companies. In Absolute Exhibit's case we run our own trucks in combination with a number of freight movers - believe me, 28% is kind. All day long we answer to sales people and their clients - why is this rental exhibit so much more expensive this year.

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Simple - oil prices have taken shipping costs over the top - along with the products within your exhibit that are petroleum based. Moving your exhibition equipment can be a budget buster. Planning ahead is the single biggest cost saver. If you can go by rail you save over trucking, and if you must go by truck, the cost is far less than air freight - but in each case time is the major issue.

Work with a company that handles freight regularly. Usually exhibit houses move enough freight that they have better deals with carriers than a single user would have. They also have the contacts necessary to coordinate tricky logistics for large items. Always get at least three quotes on every move. There can be a 30-percent difference in pricing on the same move by the same class of carrier.

When going by truck during the summer months, avoid end-of-month shipments. Typically that is when the highest concentrations of household moves occur. Availability of trucks during that time is limited. Consider "buying" the truck. With van lines and common carriers check to see if it is less expensive to pay for a full truckload shipment, even if your freight won't fill the truck. On a short trip it may very well be more economical to pay a full truckload rate than the chargeable weight. If you are sending a heavy shipment by common carrier but it doesn't fill a full-sized trailer, see about using a "pup" trailer - which is smaller in length. You may be able to save 25 percent to 30 percent rather than shipping on a regular-sized trailer.

Check out your shipping options on a case-by-case basis. Don't ever assume. Sometimes it is less expensive to ship by van line than common carrier; sometimes air freight is actually your best bet. The best money-savings advice is by no means to presume you know the answer without checking your resources!

*Absolute Exhibits offers a wide range of trade show equipment and marketing services. They are full service exhibit house that primarily rents and sells exhibit and display booths. In addition to design, engineering, graphic, and fabrication departments, Absolute Exhibits holds a union-affiliated installation and dismantle company with contracts in several cities. They can be reached at 888-760-6555 or 714-974-8544, or visit them online at [www.absoluteexhibits.com](http://www.absoluteexhibits.com).*

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## Prospect Profile - IPO Spotlight

### Aldagen, Inc.

**Aldagen** is a biopharmaceutical company that develops regenerative cell therapies. Using its proprietary technology, specific populations of adult stem cells are isolated to create product candidates. R&D expenditures in 2007 were over \$4.8 million.

#### Corporate Highlights

- Formed as a Delaware corporation in March 2000 as StemCo Biomedical, Inc.
- Changed name to Aldagen, Inc. in November 2005.
- 18 total employees (R&D: 12; Sales, General & Administrative Activities: 5; Part-time: 1).
- Facility: Corporate Headquarters (includes a manufacturing facility), Durham, NC: 11,000 sq. ft.

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### Manufacturing Status

- Aldagen owns and operates a manufacturing facility that produces:
  - Aldagen’s technology and stem cell populations.
  - Aldagen’s products, although the company is open to forming development agreements. Please see the below section entitled “Sourcing Opportunities”.
- Aldagen is currently developing an advanced cell sorting device to improve its technologies and process.

### Business Relationships

- Clinical trials are conducted by third parties, including contract research organizations, clinical investigators, research institutions, and academic centers.

### IPO Filing

- Registration statement filed with the SEC for an initial public offering (IPO) of its common stock (as reported in the May 11, 2008 issue of the *PharmSource Lead Sheet*).
- As of June 15, 2008, the number of common shares offered and the price range for the offering have yet to be determined.

### Use of Proceeds

- To continue and expand R&D activities, including clinical trials of product candidates and further development of product pipeline.
- To improve its manufacturing processes and increase manufacturing capacity as demand increases.
- With its internal sales force, commercialize product candidates that receive regulatory marketing approval.
- Working capital and other general corporate purposes.

### Sourcing Opportunities

- Collaborative agreements for the development and commercialization of ALD 201 and ALD 301.
- Manufacturer of a specialized catheter to be used for the injection of ALD-201 into a patient’s heart muscle.

### Pipeline

Product Candidate	Indication	Dosage Form	Status	Next Anticipated Step
ALD-101	Pediatric inherited metabolic diseases	Parenteral	Phase III	Complete Enrollment in H2 of 2009; Results Expected in H1 of 2010
ALD-151	Leukemia	Parenteral	Phase I (in pediatrics)	Results Expected in Q1 of 2009
ALD-301	Critical limb ischemia	Parenteral	Phase I/II	Results Expected in Q3 of 2008
ALD-201	Ischemic heart failure	Parenteral	Phase I	Results Expected in Q4 of 2008

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**Finances**

(In \$ thousands)	2005	2006	2007
Revenues	59	105	211
R&D Expenditures	2,846	3,239	4,842
Selling, General & Administrative Expenditures	1,120	1,058	1,761
Total Operating Expenses	3,984	4,343	6,678
Capital Expenditures	9	11	502

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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.

**\* Subscribe by June 30<sup>th</sup>, 2008 and  
 Get a 10% discount!**

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 product activity and Bio/Pharma financings.
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