

In this Issue:

- **Pharma Sales: Lead Activity Report** 1
- **Lead Sampler** 1
- **Sales Article: Increase Product Sales with Cross-Selling and Up-Selling** 3
- **Prospect Profile: Anacor Pharmaceuticals Inc.** 4
- **User Tips** 6
- **PharmSource Lead Sheet Special Offer** 7

Welcome to the October 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 October issue.

The PharmSource Team

Pharma Sales: Lead Activity Report

PharmSource Lead Sheet: September Opportunities

245 overall leads for pharma vendors were reported by the **PharmSource Lead Sheet** in September.

Lead Type	Sep-07	2007 Y-T-D
Non-US Leads	61	621
Early development candidates	50	323
Late development candidates	71	483
Large molecule candidates	30	271
Small molecule candidates	95	642
Newly-funded companies	47	469
New sourcing executives	28	231
Parenteral dosage form candidates	49	348
Oral candidates	55	357
Total Leads*	245	1,956

* 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 includes new information on products in development, acquisitions, alliances, financing transactions, and more, and delivers 40-60 fresh leads each week.

© 2007 PharmSource Information Services, Inc.

Tel. 703-383-4903
 Fax. 703-383-4905

www.pharmsource.com
 info@pharmsource.com

Continued on next page

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:
09-30-2007

- 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: [Transgene](#)

HQ Location: Multiple

Product: TG 4040 (MVA-HCV)

Dosage Form: Parenteral – Unspecified

Nature of API: Biologic - DNA - viral vector

Therapeutic Area: Anti-viral
Liver Disease

Comment: Transgene initiates a second Phase I trial with its therapeutic vaccine TG 4040 in chronic hepatitis C patients. The product expresses nonstructural proteins of the hepatitis C virus and is delivered subcutaneously. Results are expected at the end of 2007.

Manufacturing and packaging contact: [Remi Gloeckler](#)

Research contact: [Jean-Yves Bonnefoy, PhD](#)

Corporate: [François Valencony](#)

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

Corporate Finance, Alliances, and Acquisitions

Corporate Finance

Company: [MannKind Corp.](#)

HQ Location: Valencia, CA

Financing Type: Secondary public offering

Amount Raised: \$250.00 million

Description: MannKind raises \$250 million in a secondary public offering of common stock. Allocation of funds was not disclosed.

Strategy: MannKind is developing therapeutic products for diseases such as diabetes, cancer and inflammatory and autoimmune diseases.

Research contact: [Dr. Peter Richardson](#)

Corporate: [Juergen Martens, PhD](#)

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

Continued on next page

Sales Article

Increase Product Sales with Cross-Selling and Up-Selling

By Janice King

Sometimes buying a product is difficult because of the variety of models—with options, add-on items, and services, the customer must choose from in order to obtain a complete solution. Promotional materials for these products must present the choices clearly and take advantage of opportunities for cross-selling and up-selling.

Cross-Selling Adds More Items

Cross-selling promotes an add-on or accessory product or service that, when combined with the primary product, makes a better or complete solution. A classic example of cross-selling is the question, "Do you want fries with that?"

In many cases, cross-selling involves helping customers assemble a tailored product from a variety of options. An effective cross-sell presents these options clearly and makes it easy for customers to choose among them.

Up-selling Adds More Value

Up-selling promotes a more powerful or higher level model than the one the customer is considering. To use the fast-food metaphor again, an up-sell would be "The deluxe burger is not only bigger, but it includes the special sauce and only costs a little more. Would you like that instead?"

A product model that offers greater capabilities, flexibility, or capacity might be suitable for up-sell. In this case, the seller's job is to make sure a customer is aware this model exists and to encourage consideration of both models before the purchase decision.

Promotional Ideas

Both cross-selling and up-selling can be done in print materials and on the Web. The following ideas can be used for print materials such as brochures, catalogs, and selection guides:

- Include a brief "Related Products" section that lists the names or model numbers of up-sell and cross-sell products.
- Present a chart of available options, describing the target use or environment for each.
- Describe typical packages or product combinations, especially when a customer must purchase multiple components. This can be done with a simple bullet list that describes the content of each package.

Because of dynamic links between pages, cross-selling and up-selling are especially easy to implement on a web site. For example, you can create links among catalog pages to show related products, or link to a services page from a product page. The navigation process you define for purchase transactions on a web site can also guide a visitor through pages that present cross-sell or up-sell options.

Continued on next page

More Choices, More Sales

If handled correctly, cross-selling and up-selling can help customers choose the best products for their needs and generate a stronger customer relationship for your company. And of course, more revenue too.

©2006, Janice M. King. All rights reserved; used by permission.

About the Author

Janice is an award-winning freelance copywriter who helps technology companies around the world produce clear, compelling sales and PR materials. This article is excerpted in part from Janice's latest book, Copywriting That Sells High Tech, which has been called "a superb guide to great copy for any technology-based product or service." Learn about the book and find many valuable resources for high-tech marketing at Janice's site: www.writinghightech.com

Article Source: http://EzineArticles.com/?expert=Janice_King

Prospect Profile - IPO Spotlight

Anacor Pharmaceuticals, Inc.

Anacor Pharmaceuticals is a biopharmaceutical company that develops topical therapeutics to treat fungal, bacterial, and anti-inflammatory diseases. The company uses its proprietary boron chemistry platform to create novel therapeutic compounds. R&D expenditures in 2006 were over \$16.63 million. Outsourcing areas of interest are highlighted below in the "Sourcing Opportunities" section.

Corporate Highlights

- 2002: Company began operations.
- 29 total employees (22 R&D, 7 General & Administration)
- Facilities: Corporate Headquarters, Palo Alto, CA: 15,300 sq. ft.

Manufacturing Status

- Anacor 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: Entered an agreement with Schering-Plough for the development and commercialization of AN2690, a treatment of onychomycosis.
- Schering-Plough has responsibility for development and commercialization of AN2690, including obtaining regulatory approvals on a country-by-country basis.
- 2007: Entered into an alliance for the discovery, development and commercialization of novel medicines for viral and bacterial diseases with GlaxoSmithKline (GSK).
- GSK will have the right to license any compound developed through the alliance. In return, Anacor will receive up to \$331 million in royalties per candidate.
- Known contract manufacturing relationships: deCODE chemistry & biostructures (API), Irix Pharmaceuticals (API), Dow Pharmaceutical Sciences (Dosage Form), DPT Laboratories (Dosage Form).

Continued on next page

IPO Filing

- Registration statement filed with the SEC for an initial public offering (IPO) of its common stock (as reported in the September 2, 2007 issue of the **PharmSource Lead Sheet**).
- As of October 8, 2007, the number of common shares offered and the price range for the offering had yet to be determined.
- Schering-Plough paid Anacor a \$40 million up-front fee with the agreement that Schering-Plough will pay up to \$505 million in royalties.

Sourcing Opportunities

- Contract and clinical research organizations for drug trials.
- Manufacturers for preclinical and clinical product candidates.
- Third party suppliers of clinical trial materials for product candidates.
- Commercial manufacturing capabilities.

Pipeline

Product Candidate	Indication	Therapeutic Area	Status	Dosage Form	Next anticipated step
AN2690	Onychomycosis	Dermatologic	Phase II dosing complete	Semi-solid	Phase III trials in 2008
AN2728	Mild to moderate psoriasis	Dermatologic Anti-inflammatory	Phase Ib trial complete	Semi-solid	Phase Ib & Phase II trials in 2007
AN0128	Gingivitis and acne	Dermatologic Anti-inflammatory Antibiotic	Phase Ib trial complete	Semi-solid	Evaluating next step
AN2718	Vaginal candidiasis and tinea pedis	Dermatologic Anti-fungal	Preclinical	Semi-solid	File IND in 2008

Finances

(\$ in thousands)	2004	2005	2006
Total Revenues	7,052	107	861
R&D Expenses	10,586	14,023	16,627
General & Administrative Expenses	1,646	2,827	3,629
Total Operating Expenses	12,232	16,850	20,256
Capital Expenditures	102	198	78

Continued on next page

Contact Info

Anacor Pharmaceuticals, Inc.

1060 East Meadow Circle
Palo Alto, California 94303
Tel.: (650) 739-0700
Fax: (781) 739-0139
www.anacor.com

Key Officers

David Perry, President, CEO
Christine Gray-Smith, SVP, CFO, Secretary
Karl B. Beutner, MD, PhD, CMO
Jacob Plattner, VP, Research
Irwin Heyman, PhD, VP, Toxicology

User Tips

Get the Most Out of Your Resources

Here are some of the top user tips for the **PharmSource Lead Sheet**. Use these to help boost the usefulness of this great resource, and ensure you're getting the most out of it.

- In the weekly leads, get an instant 1-year history of company activity via *Recent Highlights*. To view this, just click on the company name, and then on the *Recent Highlights* link located under *Qualifying Information*.
- Use the weekly *Key Appointments* contacts (and others) to build brand awareness for your company. These people may not need your services immediately, but you should make an introduction and add them to your regular contact list, so they'll think of you when the time comes.
- Identify biotechnology and pharmaceutical companies that are headquartered in your territory via a *Full Database Search*. Don't assume you know every relevant company in your area; even very seasoned salespeople often find new prospects this way.
- Use the *Printer Friendly* feature to make a paper copy of the **PLS** if you'll be traveling without Internet access.

If you have any questions or suggestions, we'd welcome the opportunity to speak with you. Call us toll-free at **1-888-777-9940** or at **1-703-383-4903**, or send an e-mail to info@pharmsource.com.

Continued on next page

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**