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Welcome to the April 2010 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 April issue.

The PharmSource Team

Pharma Sales: Lead Activity Report

PharmSource Lead Sheet: March 2010 Results

278 overall leads for pharma vendors were reported by the *PharmSource Lead Sheet* in March, 2010.

Lead Type	Mar-10	2010 Y-T-D
Non-US Leads	102	411
Early development candidates	58	222
Late development candidates	57	188
Large molecule candidates	41	131
Small molecule candidates	73	285
Company Financings	86	280
New sourcing executives	14	77
Parenteral dosage form candidates	71	206
Oral candidates	48	175
Total Leads*	278	1,000

* 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 up to 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:
04-11-2010

Products in Development ●

Product Acquisitions ●

Corporate Finance ●

Other Sponsor Events ●

Key Appointments ●

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Products in Development

Phase I

Company:	CytRx Corporation
HQ Location:	Los Angeles, CA
Product:	Bafetinib (INNO-406)
Dosage Form:	Oral solid
Nature of API:	Chemical - Normal potency
Therapeutic Area:	Oncology
Comment:	CytRx plans to initiate three global Phase II trials of bafetinib for the treatment of metastatic hormone-refractory prostate cancer or high-risk B-cell chronic lymphocytic leukemia in H2 of 2010. The compound is an orally bioavailable dual Bcr-Abl and Lyn kinase inhibitor.
Research Contact:	Scott Wieland , PhD, SVP, Drug Development
Clinical Research Contact:	Daniel Levitt , MD, PhD, CMO
Manufacturing and Packaging Contact:	Scott Geyer , SVP, Manufacturing
	Print Lead Email Lead

Corporate Finance, Alliances, and Acquisitions

Corporate Finance

Company:	Inovio Biomedical Corporation, Inc.
HQ Location:	Blue Bell, PA
Financing Type:	Government grant
Amount Raised:	\$2.80 million
Description:	Inovio and its collaborators from Drexel University, Cheyney University and the University of Pennsylvania have received a \$2.8 million grant to develop a DNA vaccine to treat hepatitis C virus (HCV). The grant will fund preclinical studies to test Inovio's novel vaccines designed to treat persons who are chronically infected with HCV and have not responded to currently available therapies.
Strategy:	Inovio discovers, develops and delivers a new generation of vaccines, called DNA vaccines, to prevent or treat cancers and chronic infectious diseases.
Research Contact:	Niranjan Sardesai , PhD, SVP, R&D
Clinical Research Contact:	Mark L. Bagarazzi , MD, CMO
	Print Lead Email Lead

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User Tip

PharmSource Lead Sheet: What's New & What's Coming

By its very nature, the *PharmSource Lead Sheet* evolves daily. Just as our content is constantly updated, the mechanisms we employ to deliver information to you are a work in progress. Our team is always looking for enhancements and new features that can help you do your job better, faster and smarter. Here are a few new features you'll find today on the *PharmSource Lead Sheet*:

- Company Strategies:** Knowing a company's strategy is an important component of business intelligence. To view a company's strategy, simply click on the company's name in the weekly lead sheet. This is hotlinked to a pop-up box where the company's strategy is summarized at the very top. You will also find the company's strategy shown on weekly and *Full Database Search* spreadsheet downloads in the *Strategy* column (currently Column AJ). Since this was recently implemented, we are adding strategies to every company reported each week moving forward, so it will take some time for company strategies to be added to all of the companies in the database. For the weekly downloads, the company strategy is now populated for all companies reported that week.
- REMS reporting:** Risk Evaluation and Mitigation Strategies (REMS) are required by the FDA for some approved drugs in an effort to ensure that the benefits outweigh the risks. For products in the *Approved* category, we've added a new field directly above the comment, that says "REMS: Yes" or "REMS: No" to indicate whether or not post-approval trials are required. This new categorization lets you swiftly identify another potential new business opportunity.

Here's an advance look at some of the exciting new features that will be added to the *PharmSource Lead Sheet* in coming months:

- Chemical Structures and Molecular Formulas:** For small molecules, product names will be hotlinked directly to renderings of the chemical structures and molecular formulas, when available. This information will be very useful for API manufacturers to identify prospective compounds.
- Coverage of Medical Devices and Diagnostics:** We're building a new capability that will report on devices and diagnostics. You'll be able to quickly identify the changing status of devices / diagnostics and associated companies. Updates on these will be reported by phase; submission type (regulatory pathway); and category.

In addition to our in-house experts' ideas for new features and enhancements, we look forward to hearing your suggestions: send us your feedback and ideas any time. Please contact Brooke Wilson, the *PharmSource Lead Sheet* team leader at brooke@pharmsource.com.

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Key Appointments: March 2010

This section of the *PERISCOPE* summarizes just a small sampling of the many recent appointments of new people to high-level positions in pharma/biotech. For more information of this nature, see the “Key Appointments” section of the weekly *PharmSource Lead Sheet*.

Key Appointments

- Company:** [Afraxis](#)
HQ Location: San Diego, CA
Appointee: David Campbell
Position: CSO
- Company:** [AstraZeneca plc](#)
HQ Location: Multiple
Appointee: Menelas Pangalos, PhD
Position: EVP, Innovative Medicines
- Company:** [Cornerstone Pharmaceuticals](#)
HQ Location: Cranbury, NJ
Appointee: Robert C. Shepard, MD
Position: CMO
- Company:** [iBio, Inc.](#)
HQ Location: Newark, DE
Appointee: Vidadi Yusibov, PhD
Position: CSO
- Company:** [Omeros Corporation](#)
HQ Location: Seattle, WA
Appointee: J. Stephen Whitaker, MD, JD
Position: CMO & VP, Clinical Development
- Company:** [PharmAthene, Inc.](#)
HQ Location: Annapolis, MD
Appointee: Thomas R. Fuerst, PhD
Position: SVP & CSO
- Company:** [Proteostasis Therapeutics, Inc.](#)
HQ Location: Cambridge, MA
Appointee: Peter H. Reinhart, PhD
Position: CSO
- Company:** [VaxInnate Corporation](#)
HQ Location: Cranbury, NJ
Appointee: Alan Shaw, PhD
Position: CSO

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Sales Article

Sales Beliefs That Limit Performance

by Dave Kahle

"Good salespeople are problem solvers." Or, so the illusion goes. That belief ranks high on my all time list of the beliefs that most limit a salesperson's performance. This one is especially insidious because it is so commonly held, without reservation, by such a large percentage of sales managers and salespeople. And it sounds so reasonable.

The world is full of sales managers who gravely proclaim that good salespeople are good problem solvers. Salespeople who use that belief to give direction to their view of their jobs are to be found in every sales force.

The problem with this self-limited belief, as in many such ideas, is that there is a grain of truth in it. Yes, good salespeople are good problem solvers. However, they are so much more than just problem solvers. And, when a salesperson or manager focuses on just that small piece of a salesperson's job, it eclipses all the other more pertinent ideas and limits the salesperson's effectiveness.

It's just human nature to live up to the visions we carry about ourselves and allow our beliefs to dictate our actions. And when our beliefs are out of touch with reality, our actions are not nearly as effective as they could be. We see what we look for. And, we don't see nearly as much of what we don't look for. Salespeople, then, who see themselves as "good problem solvers" naturally look around for problems to solve. In so doing, they miss huge opportunities to assist their customers in ways other than problem solving. In fact, many of the best salespeople don't look for problems to solve, they create discontent in their customers by showing them better ways to do things.

Here's a real-life example of a "problem-solving" salesperson.

I was asked by one of my clients to work with his sales force. The salespeople were having trouble closing the sale. Here's what happened in one sales call I made with one of their salespeople. We were selling HVAC equipment, and the salesperson had an appointment with the prospect. We met the prospect, and he explained that the building had been added onto several years before, but that nothing had been done to expand the capacity of the air conditioning unit. The company now wanted to do something about that.

The salesperson asked to see the area in question. He measured the square footage of the room, taking detailed notes on a form attached to his clipboard. Then he asked to see the existing equipment. We went up into the attic where it was located, and the salesperson studied the existing unit, estimating the distance from the equipment to the addition.

He ended his information-collecting by saying to the prospect, "I'll fax you a proposal in a couple days. Will that be OK?" The prospect said yes.

At this point, the salesperson, who saw himself as a problem solver, had done an adequate job of understanding the technical specifications of the problem, but hadn't even begun to probe into some of the other aspects of the sale. So, I intervened and asked the following questions.

"If you like our proposal, what's the possibility that you'll buy it within the next few weeks?"

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Here's what he said: "Oh, none at all. I'm just collecting information for budgeting purposes. We won't actually buy anything until after the new fiscal year in January."

My salesperson didn't know that because he never asked. Instead, he focused on the problem to solve. Next I asked about the "situation." I said, "When we met, you said that the addition had been completed a few years ago, but that nothing had been done to upgrade the air conditioning. Tell me, what's changed about your situation? Why is this an issue now?"

He said, "Well, we added space to this building several years ago. It's always been stuffy in the new addition, but we got along OK. At least until last week, when we had a heat wave. The air conditioning had to work so hard that it froze up. So we unplugged it to let the ice thaw. As the ice thawed, it dripped through the acoustical ceiling directly onto the president's desk. So, that's why we've decided to do something about it now!"

Then I said, "What are you looking for in a proposal?"

He said, "Just a ballpark figure we can use for budgeting purposes."

I turned to my salesperson and asked, "What's a rough estimate of what it'll take?"

He responded, "About \$3500."

Then I said, "What can we do to make you look good in this process?"

He said, "I just want to get this off my desk. It's an extra project I don't need right now."

I said, "If we get you a ballpark figure, and a set of literature you can show to the boss today, will that help?"

"That would be great," he said.

Finally, I asked, "How will a decision be made?"

"Around here, the president makes all of those kinds of decisions. So, I'll collect the information and give it to him, and he'll decide what to do from there."

"Could we see him?" I asked.

The prospect replied, "Would you?"

"We'd be happy to," I said. At that point, he set an appointment for us to talk to the president.

Let's analyze this experience. Notice that the salesperson, who thought of himself as a "problem solver," focused on the details of the technical problem. After all, what else would you expect him to do?

Unfortunately, in so doing, he missed what the customer wanted entirely. He would have vainly spent hours preparing and faxing the quote, and then wondering why he didn't close the sale. He was well equipped to respond to the technical specifications of the problem, but didn't have the faintest understanding of what the customer really wanted, and therefore, little chance of closing the sale.

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To overcome the limitations and boundaries of this belief, let's consider ourselves to be much more than just problem solvers. Let's consider ourselves to be accomplished salespeople who can understand what a customer wants in a deep and detailed way. Let's consider ourselves people who can put together our products and services into offers that give the customer what he/she really wants.

We're not problem solvers. We're customer understanders.

And when we get that belief, we rid ourselves of the bonds wrapped around our performance, and unleash our capabilities for greater return.

About the Author

Dave Kahle has trained tens of thousands of B2B salespeople and [sales managers](#) to be more effective in the 21st Century economy. He's authored seven books, and presented in 47 states and seven countries. Visit his [website](#) or sign up for his weekly [newsletter](#).

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Prospect Profile

Theravance, Inc.

Theravance is a public pharmaceutical company that discovers and develops small molecule products for the treatment of respiratory diseases, bacterial infections, overactive bladder and gastrointestinal disorders. As reported in the March 21, 2010 issue of the *PharmSource Lead Sheet*, Theravance raised \$93.6 million in a secondary public offering. The company plans to use the proceeds to finance clinical and preclinical studies, drug research activities, manufacture of preclinical and clinical drug supplies, capital expenditures and working capital, acquisitions of technology or drug candidates, funding of obligations under partnership agreements, repayment of debt and other general corporate purposes.

Corporate Highlights

- November 1996: Company was incorporated in Delaware as Advanced Medicine, Inc.
- May 1997: Company commenced operations.
- April 2002: Company changed name to Theravance, Inc.
- The company has 194 total employees, including 146 that work in R&D.
- Corporate Headquarters (includes two leased buildings): South San Francisco, CA - 110,000 sq. ft. and 60,000 sq. ft.

Manufacturing Status

- Theravance relies on CDMOs and collaborators for the manufacture of API and products.
- GSK manufactures RELOVAIR and MABA compounds, for which GSK will manufacture future potential candidates.

Business Relationships

- Preclinical and clinical trials are conducted by CROs and independent clinical investigators.
- November 2002: Theravance and GSK entered into a collaboration for the RELOVAIR program.
- March 2004: Theravance and GSK commenced an alliance whereby GSK gained an option to license rights to candidates under Theravance's drug discovery programs prior to September 1, 2007.
- November 2005: The company and Astellas entered into an agreement to develop and commercialize telavancin.

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Sourcing Opportunities

- Manufacturing
- Clinical trials
- Sales
- Marketing

Pipeline

Product Candidate	Indication	Dosage Form	Status	Next Anticipated Step
TD-1211	Opioid-induced constipation	Oral	Phase I	TBA
TD-8954	Alzheimer's disease	Oral	Phase I	TBA
MABA	COPD	Inhaled	Phase II	TBA
TD-1792	Gram-positive bacterial infections	TBA	Phase II	TBA
TD-5108	Alzheimer's disease/ GI Motility	Oral	Phase II	TBA
RELOVAIR	Asthma/COPD	Inhaled	Phase III	TBA
Telavancin	Nosocomial Pneumonia	Parenteral	Filed	TBA

Finances

(In \$ thousands)	2008	2009
Revenues	23,096	24,374
R&D Expenditures	82,020	77,524
General & Administrative Expenditures	28,861	27,066
Total Operating Expenses	116,300	105,735
Capital Expenditures	16,206	12,927

Contact Information

Theravance, Inc.

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 Web: www.theravance.com

Key Officers

Rick E. Winningham, CEO
 Mathai Mammen, MD, PhD, SVP, Research & Early Clinical Development
 Steve Barriere, VP, Clinical & Medical Affairs
 Rebecca Coleman, VP, Regulatory Affairs & Quality
 Oranee T. Daniels, MD, VP, Clinical Pharmacology

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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 business opportunities. It lowers your prospecting costs, raises the productivity of your sales staff, and helps keep 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.

*** Subscribe by April, 30 2009 and
Get 10% off!**

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 new business opportunities every week, keeping you on top of pipeline product activity and Bio/Pharma financings.
- **Excellent resource for targeted mailing/contact lists:** The *Full Database Search* and *Qualifying Information Search* features can be used to create highly targeted lists of pharma companies to set up site visits in specific territories, for marketing campaigns and for many other intelligence purposes.

* This offer is for new subscribers only at the Corporate- or Premier-level.

To schedule your free **test-drive**, call Judy Miller at (703)383-4903, ext. 103 (ET) or send an email to judy@pharmsource.com.

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