

In This Issue:

- **Pharma Sales: Lead Activity Report** 1
- **Lead Sampler** 1
- **Key Appointments: August 2010** 3
- **Sales Article: Are You Receiving Enough Customer Complaints?**..... 4
- **User Tip: Preferences Filters: How to Quickly Identify Leads by Territory, Therapeutic Area, Dosage Form, Development Phase and More** 6
- **Prospect Profile: Alexza Pharmaceuticals** 6
- **PharmSource Lead Sheet: Special Offer** 8

Welcome to the September 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 September issue.

The PharmSource Team

Pharma Sales: Lead Activity Report

PharmSource Lead Sheet: August 2010 Results

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

Lead Type	Aug-10	2010 Y-T-D
Non-US Leads	131	1,078
Early development candidates	64	611
Late development candidates	60	534
Large molecule candidates	45	374
Small molecule candidates	100	832
Company financings	78	720
New sourcing executives	17	179
Parenteral candidates	66	587
Oral candidates	63	499
Total Leads*	329	2,700

* 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.

Continued on next page

© 2010 PharmSource Information Services, Inc.

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

www.pharmsource.com
 info@pharmsource.com

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.

<p>FOR WEEK OF: 09-12-2010</p> <p>Products in Development ●</p> <p>Product Acquisitions ●</p> <p>Corporate Finance ●</p> <p>Other Sponsor Events ●</p> <p>Key Appointments ●</p> <p>Download</p> <p>Preferences</p> <p>Comments/Questions?</p> <p>Full Database Search</p> <p>Qualifying Info Search</p> <p>PRINTER FRIENDLY</p> <p>[Export All] [Clear All]</p> <p>Export help</p>	<h2>Products in Development</h2>
	<h3>Phase I</h3>
	<p>Company: Atox Bio</p> <p>HQ Location: Rehovot, Israel</p> <p>Product: AB103</p> <p>Dosage Form: Parenteral - Unspecified</p> <p>Nature of API: Peptide - Chemical</p> <p>Therapeutic Area: Antibacterial</p> <p>Comment: Atox Bio doses the first subject in a Phase I clinical study of AB103 for the treatment of severe bacterial infections and sepsis. AB103 is an immunomodulator that attenuates the excessive T-helper type 1 cytokine responses provoked by many sepsis virulence factors, Gram-positive bacteria, Gram-negative bacteria and superantigen toxins. The Phase I trial will include up to 38 volunteers in Baltimore, MD.</p> <p>Clinical Research Contact: Raymond Kaempfer, PhD, CSO</p> <p>Research Contact: Gila Arad, PhD, R&D Director</p> <p>Print Lead Email Lead</p>
	<h2>Corporate Finance, Alliances, and Acquisitions</h2>
	<h3>Corporate Finance</h3>
	<p>Company: Okairos</p> <p>HQ Location: Pomezia (Rome), Italy</p> <p>Financing Type: Venture capital investment</p> <p>Amount Raised: \$20.50 million</p> <p>Description: Okairos raises \$20.5 million in a Series B round of financing. The funds will be used to develop next-generation vaccines for infectious diseases, including malaria, HIV, hepatitis C and universal influenza, through clinical proof-of-concept.</p> <p>Strategy: Okairos develops genetic vaccines for infectious diseases, including malaria, hepatitis C and universal influenza.</p> <p>Research Contact: Alfredo Nicosia, PhD, CSO</p> <p>Research Contact: Antonella Folgori, PhD, Director, Immunology</p> <p>Print Lead Email Lead</p>

Continued on next page

Key Appointments: August 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:
HQ Location:
Appointee:
Position:

[AstraZeneca plc](#)
Multiple
Patrick Chocat
VP, Manufacturing & Production

Company:
HQ Location:
Appointee:
Position:

[Avid Radiopharmaceuticals Inc.](#)
Philadelphia, PA
Mark A. Mintun
CMO

Company:
HQ Location:
Appointee:
Position:

[Calistoga Pharmaceuticals](#)
Seattle, WA
Langdon L. Miller, MD
EVP, R&D

Company:
HQ Location:
Appointee:
Position:

[CorMedix Inc.](#)
Bridgewater, NJ
Dilip Wadgaonkar
Head of Product Development and Manufacturing

Company:
HQ Location:
Appointee:
Position:

[Cornerstone Pharmaceuticals](#)
Cranbury, NJ
Dorit Arad, PhD
Director, R&D, Israeli Operations

Company:
HQ Location:
Appointee:
Position:

[Curemark, LLC](#)
Rye, NY
James F. Szigethy, BS
Director, New Product Development

Company:
HQ Location:
Appointee:
Position:

[Inspire Pharmaceuticals, Inc.](#)
Durham, NC
Charles Johnson, MD
EVP, R&D and CMO

Company:
HQ Location:
Appointee:

[PharmaGap](#)
Ottawa, ON, Canada
Ken Sokoll
VP, Clinical Development & COO

Continued on next page

Sales Article

Are You Receiving Enough Customer Complaints?

By Jonathan Farrington

It is said that 91% of people don't complain. They prefer to obtain their revenge by not buying from a business that has given them an inferior product or a poor service. They have a passive power and they know it! The following is a true story - only the name of the business has been changed.

Blooming Buds was a well established garden centre on the outskirts of a growing town. Two years before it closed, it had expanded to include a café, a gift shop and an organic fruit and vegetable outlet. As well as employing a core staff of ten, it took on a number of seasonal and part-time staff. The company didn't have a customer service policy nor did it believe in wasting money on training. Customers seemed happy enough. After all they hardly got any complaints; "everything in the garden was rosy."

The manager should have been a bit suspicious. No complaints doesn't mean that all customers are happy. Most of us don't bother complaining. We just walk away and don't go back.

The expansion, unsurprisingly, led to a variety of organizational and logistical problems. There were staffing shortages, managerial inexperience, reduction in quality etc. Gradually business dropped off but still, nothing was done about it.

The staff stopped telling the manager about some of the problems they had encountered because he wouldn't listen. He invested heavily in advertising, and made sizeable capital changes. He never once thought of getting some feedback from the customers. Eventually the inevitable happened. The business had to close.

Complaints Are Opportunities:

Opportunities to do what?

- Evaluate how well you are doing.
- Identify weak points in your system and processes and put them right.
- See situations from the customer's point of view.
- Improve customer satisfaction.
- Create long-term loyalty: handling disgruntled customers well often leaves them feeling more positive about your organization than before.

Some Worrying Facts:

One unhappy customer tells 10 to 15 others about their experience. If it's really bad they'll tell the whole world. For every complaint that could be made, around 20 people don't bother. This means 20 lost opportunities.

If you handle a complaint badly or with a "couldn't care less" attitude or, worse still, if you hide behind the "rule book", you will lose that customer for good. You can't afford to lose [customers due to ignoring their feedback]... because this will mount up according to something known as the "multiplier effect."

Continued on next page

The Income Multiplier Effect:

A potential customer goes into a leisure centre which was built last year. The centre is trying to build up its customer base. It employs 50 staff, part-time and full-time, who haven't received much training in customer service and complaint handling.

The customer asks about booking a gym session for later that day. He doesn't receive a positive reply and the receptionist's attitude is very much "take it or leave it." He shrugs and walks away.

How much has the centre lost in potential revenue? £5.00 primary spend - the price of a gym session + £5.00 secondary spend - a drink, sandwich, possibly a swim, etc. + £500.00 potential membership fees.

He will tell at least seven people about his bad experience so $£510 \times 7 = £3,570$. It is easy for a small amount of lost income to multiply to dangerous proportions.

Make It Easy for Your Customers to Complain:

Customers may well want to tell you they're unhappy about something but they either:

- Feel uncomfortable about doing so;
- Don't know how to; or
- Don't have time; it's easier to let it go.

So, give them a choice of mechanisms. For example:

- Simple questionnaires with pre-paid postage.
- Telephone help line.
- Customer service points.
- Exit surveys - face to face questions.
- Comment cards.

Let them know it's not a waste of time! Now what are you going to do with the information? File it away? Shred it for next year's Christmas decorations?

One company I know maintains a whiteboard in the reception listing the key comments/complaints made by customers, with a note of the action taken, or to be taken and by whom. Customers really feel they are part of the product and service improvement team.

Customers need to know what's in it for them if they do complain. Respond quickly to complaints. If you give a number to ring, make sure someone is always there to answer the phone. Reply within two days if that's what you promised to do.

Have an "escalation procedure" which allows for the more serious complaints to be dealt with by a senior member of staff. Directors need to be accessible, hiding away simply creates suspicion - as you will see from a recent experience I have endured, by reading my [Blog!](#)

Summary:

Unfortunately, when compared over time, the customers' interest levels increase while the vendors' interest levels tend to decrease. This creates a "relationship gap" and is due entirely to complacency.

Continued on next page

Fact: It costs seven times as much to locate and sell to a new customer as it does to an existing one. That reason alone should act as sufficient incentive for us to attempt to build brick walls around relationships in order to deter predatory competitors - and there are plenty of them out there.

We must continually strive to earn the right to receive our customers' business, and one significant stride in that direction is to implement an effective customer care program.

About the Author

Jonathan Farrington is the Managing Partner of [The jfa Group](#). To find out more about the author, read his latest articles or to subscribe to his newsletter for dedicated sales professionals, visit: <http://www.jonathanfarrington.com>. You can also now visit Jonathan's Blog at: <http://www.thejfblogit.co.uk>

This article was reprinted with permission. Article Source: http://EzineArticles.com/?expert=Jonathan_Farrington

User Tip

Preferences Filters: How to Quickly Identify Leads by Territory, Therapeutic Area, Dosage Form, Development Phase and More

The *PharmSource Lead Sheet (PLS)* offers a *Preferences* feature that easily allows individual users to set up filters for your weekly Lead Sheet. This lets you immediately view only those leads that meet specific criteria you've designated. This can be an important time-saver, increasing your efficiency and helping you more quickly identify and follow up on highly targeted opportunities. The options for setting *Preferences* filters include: Development Phase, Dosage Form, Active Pharmaceutical Ingredient (API), Therapeutic Area and/or Geographic Location.

When setting preferences based on geographic criteria, the results show the weekly report for companies in the geographic area selected, including fast access to the territory-specific address and phone number for each company location, and its designation as either a company HQ or manufacturing facility, R&D facility, etc.

Available to Corporate and Premier-level subscribers, the *Preferences* feature takes you directly to leads of specific interest, enabling you to bypass irrelevant information and go straight to highly targeted opportunities. If you have any questions on how to use this, or if you're a Basic-level subscriber interested in upgrading to have access to *Preferences* filters and other advanced features, please contact PharmSource account manager Blythe Moore at blythe.moore@pharmsource.com or call (703)383-4903, ext. 112 (ET USA). We want to make sure you get the most out of the *PharmSource Lead Sheet*.

Prospect Profile

Alexza Pharmaceuticals, Inc.

Alexza Pharmaceuticals is a public pharmaceutical company that develops and commercializes therapies for acute central nervous system conditions. The company utilizes its proprietary technology, the Staccato[®] system, to develop product candidates.

As reported in the August 8, 2010 issue of the *PharmSource Lead Sheet*, Alexza Pharmaceuticals received \$18 million in a registered direct offering. The proceeds will fund R&D, clinical trials,

Continued on next page

administrative and manufacturing expenses. This may represent sourcing opportunities in preclinical studies, clinical trials and manufacturing.

Corporate Highlights

- December 2000: Company was incorporated in Delaware as FaxMed, Inc.
- July 2005: Company changed name to Alexza Pharmaceuticals, Inc.
- The company has 90 total employees, of whom 64 focus on R&D.
- Corporate Headquarters (includes manufacturing and laboratory facilities): Mountain View, CA - 106,894 sq. ft.

Manufacturing Status

- For preclinical and clinical studies, Alexza relies on CDMOs to produce drug materials, API and components, including printed circuit boards, molded plastic airways and heat packages that are used in the company’s Staccato® system device. Alexza currently uses single source suppliers.
- Alexza’s recently licensed pilot manufacturing facility in Mountain View, CA may manufacture:
 - ◆ Materials for toxicology studies
 - ◆ Clinical trial materials for clinical trials
 - ◆ Early commercial-scale batches of products
- November 2007: Alexza entered into a supply agreement with Autoliv for the commercial supply of chemical heat packages for its Staccato® device.

Business Relationships

- Preclinical and clinical trials are conducted by CROs and contract laboratories.
- February 2010: Alexza entered into a license and collaboration agreement with Biovail Laboratories International SRL, whereby Biovail may develop and commercialize Alexza’s AZ-004 in the US and Canada.

Pipeline

Product Candidate	Indication	Dosage Form	Status	Next Anticipated Step
AZ-003	Breakthrough pain	Inhaled	Phase I completed	TBA
AZ-007	Insomnia	Inhaled	Phase I completed	Phase II in H1 of 2011
AZ-001	Migraines	Inhaled	Phase IIb completed	Seeking Partner
AZ-002	Acute panic attacks	Inhaled	Phase IIa completed	TBA
AZ-104	Migraines	Inhaled	Phase IIb completed	TBA
AZ-004	Agitation assoc. w/ schizophrenia or bipolar disorder	Inhaled	NDA Filed	TBA

Continued on next page

Finances

(In \$ thousands)	2008	2009
Revenues	486	9,514
R&D Expenditures	61,565	39,778
General & Administrative Expenditures	17,641	15,406
Total Operating Expenses	79,206	57,221
Capital Expenditures	24,152	23,598

Contact Information

Alexza Pharmaceuticals

2091 Stierlin Court
Mountain View, CA 94043
Tel.: (650) 944 7000
Fax: (650) 944 7999
Web: www.alexza.com

Key Officers

Thomas B. King, President & CEO
James V. Cassella, PhD, SVP, R&D
Michael J. Simms, SVP, Operations & Quality
Robert S. Fishman, MD, FCCP, VP, Clinical Development
Christopher Kurtz, VP, Global Supply Chain

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. 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 September, 30 2010 and
Get 10% off!***

* 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.

The PERISCOPE is a publication of PharmSource Information Services, Inc.

Phone 703-383-4903 ♦ Fax 703-383-4905

info@pharmsource.com ♦ www.pharmsource.com