

Issues Management: Faster, Bolder, More Visible

6/23/2003

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Agenda

- Issues story development: proposal / deliverables
- Risk of Relapse story development: proposal / deliverables
- Measures of Success
- Summary

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Issues Management

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What is the problem?

- Sales below plan
- Equity indicators concerning
 - Physicians switching / avoiding Zyprexa
 - Attachment to weight gain/diabetes
 - “others?”
- Recent market research APA
 - MD fears :
 - MD: “I know Abilify probably does not work as well, but I don’t have to worry about the weight gain or fear the onset of diabetes” Customer distrust
 - Quote on credibility
- Organizational inconsistency/confidence issues
 - What is strategy?
 - Confidence on implementation
- Surround sound on issue from competitors/media/etc.
 - Combined with mistrust of industry

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Is the issue unsolvable?

- NO!
- But it is serious and need to be addressed clearly, consistently and with brand and company values in mind
 - Do the right thing for the patient

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We have a Zyprexa switch/avoidance problem.

- Business as usual will **not** solve it.
- Solving this is the most important thing the brand does in the next 6 weeks.
- We are losing business daily. This hurts patients!

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Who is going to deliver?

The Issues SWAT Team

- Tom Hardy, 1 U.S. Brand Manager (Vince Truax + Mike Yost), Mike Bandick, Kelly Copes-Anderson, Mike Magdycz (Chair), Jill Welch, McKinsey Representative, Chuck Feehan, Dr. Richard Petty
 - No additional associate involvement. This is the team.
 - Asking for 100% commitment that this is THE top priority for this team. No other priority is as great for the next 6 weeks.
 - Need protection from outside influence while we get this done (Jordan, Torres, Bandick).

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What will we do over the next 6 weeks?

4 things:

- Define the problem – confront and agree upon the facts (see issues)
- Define what we want our customers to think and feel about the issue
- State and determine the approach to do this. Create the “story” that we will tell/live/etc.
 - Must be credible/on brand/right for patients
- Define how we will ensure total integrated saturation of market with “story”
 - All channels in the market / appropriate marketing mix

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When are we going to deliver?

July 28th

We don't have time to wait!

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Success looks like this....

- Organizational alignment around confronting the problem
 - Agreeing upon the facts and what the problem is
 - Agreement from PCNS Lead Team (Santini); SMEC
- Organizational agreement on what you want the customer to believe about this issue
 - Must be credible with customers
- Story that is created is the right tone and content for customers to feel good about Zyprexa delivered July 28th.
- Full plan of how we will make story work in market delivered July 28th
 - Through all channels – not just sales
- Full commitment around implementation of the plan beginning July 28th

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Risk of Relapse

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Risk of Relapse Story Development

- **Overarching Competitive Strategy:**
 - Address competitive threats in the context of the brand promise, executed with tone and content consistent with the brand character.
 - Ideally address those competitive threats with themes that affect multiple competitors at the same time

“Risk of Relapse”

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Overarching Competitive Strategy

- Compete on Zyprexa's superior long-term outcomes and lower risk of relapse
- Bucket the competitors
 - Capture (Risperdal, Depakote) – establish efficacy differentiation by making efficacy matter in maintenance.
 - Retain (Seroquel, Geodon/Zeldox, Abilify) – establish relapse as a side effect. More important to manage the potential weight gain than risk the chance of relapse.

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Ways of looking at Relapse

Ways to Look at It

- Relapse
- Maintaining Response
- Hospitalization
- Discontinuation
- Tolerability
- Long-term effectiveness

Ways to Quantify It

- Relative Risk
- Odds Ratio
- Number Needed to Treat

What it means to Patients

- Less risk of Suicide
- Relationships w/family
- Reintegration to work
- Long term stability
- Better MD/Patient/Staff relationships
- Etc, etc...

“Drives Emotion”

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Consolidated Competitive Strategy Message Elements

Competitive Core Message Elements for Schiz and Bipolar	Risperdal	Seroquel	Geodon / Zeldox	Abilify	Depakote	Lamictal	Lithium	Haldol	Clozaril
Schizophrenia									
Bipolar	In Development					Delp			
Higher risk of relapse	Primary	Primary	Primary	Primary	Primary	Secondary	Primary	Primary	
Limited or Disappointing Efficacy	Secondary	Secondary	Secondary	Secondary					
Dosing: slower onset, complicated titration or ability to dose to efficacy	Secondary	Secondary	Secondary			Primary			
Risk of EPS / TD	Secondary							Secondary	
Risk of Hyperprolactinemia	Secondary							Secondary	
Unpredictable/ Life Threatening Risk			Secondary - QTc		Secondary - hepatic failure	Secondary - rash	Secondary - toxicity		Secondary - agranulocytosis

Primary – all channels and highest priority; Secondary – select channels (e.g. DTP)

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Success looks like this....

- Organizational agreement on what you want the customer to believe about risk of relapse
 - Must be credible with customers
- Story that is created is the right tone and content for customers to feel good about Zyprexa delivered July 28th
- Full plan of how we will make story work in market delivered July 28th
 - Through all channels – not just sales
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Timetable

- Issues Management Plan:
 - July 28th- New Message,
 - July 28th – Marketing Mix
 - Marketing mix including specific goals for new message in all channels
- Risk of Relapse Plan:
 - July 28th - New Message,
 - July 28th – Marketing Mix
 - Marketing mix including specific goals for new message in all channels

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How will we measure success?

1. The brand equity and issues tracker show improvement
2. We win our patient type.
3. We tell our story and we have other advocates telling our story as well.
4. Switching data improves. Number of patients switched from Zyprexa remains the same by end of 2003, and decreases by 20% by end of 2004.
5. The market views us as “credible”, “concerned”, “offering solutions”, “addressing their fears” and “confident but not detached” through market research.
6. All customers are touched. All communications channels used. Mix and exposures are deeply analyzed and impact is documented.
7. Sales representative confidence around diabetes issue improves as measured by market research.
8. Sales representative recall of new message elements is greater than 90% in each segment.

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What do the next 3 months look like?

- July:
 - Issues Management Market Research and story development with deliverable on July 28th
 - Risk of Relapse Market Research and story development with deliverable on July 28th
- August:
 - Kick-off new Issues and Risk of Relapse campaign in all marketing channels
 - Input new stories in to sales materials integrated with brand strategy
- September:
 - Roll-out new Issues and Risk of Relapse campaigns to sales reps at cycle meetings
 - Issues and Risk of Relapse campaigns in all marketing channels

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Summary

- Issues Management / Risk of Relapse market research and story development is top priority for next 6 weeks
- Kick-off of Issues / Risk of Relapse new message implementation in August

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