ON THE UP

Something good's going on. Professional journal advertising has rebounded in spectacular fashion in the first-half 2010. James Chase reports on the biggest advertisers and most advertised brands

JOURNAL AD REVIEW
2010 MID-YEAR

This is the part of *MM&M* where, normally, you would expect to read about the continued decline of medical publishing because of further evaporation of professional advertising expenditures. Not this time.

Almost everywhere you look, the news is good, or, at the very least, better. Overall the total healthcare market (including pharmacy, nurse practioners/physician assistants, managed care, etc) grew by 7.2% to $332.5 million for the first half of 2010. Medical/surgical spending was up 14.3% to $179.6 million, while pharmaceutical spending rose by 13.7% to $184.5 million between January and June. Meanwhile, the Top 100 most advertised pharmaceuticals increased expenditures by a whopping 69.4% to $119.4 million.

Before publishing execs begin launching new print titles and taking lavish lunches, it's worth bearing in mind that revenues are still around 20% short of 2008 levels. Nevertheless, it's been a long time since there has been any good news at all, so the upturn is welcome.

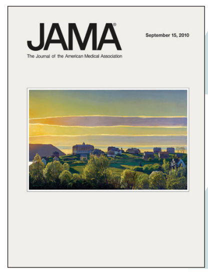
Multi-specialty titles, somewhat surprisingly, led the rebound with 29% year-on-year growth, representing $13.5 million more in the market. Internal medicine, pediatrics, rheumatology and oncology rounded out the top five performing markets in terms of dollar growth

TOP 5 MEDICAL/SURGICAL JOURNALS RANKED BY AD REVENUE, JAN-JUNE 2010

1

New England Journal of Medicine — ad pages up 42% vs. first-half 2009

2



Journal of the American Medical Association —ad pages up 54% vs. first-half 2009

3

American Family Physician — ad pages up 46% vs. first-half 2009

4

Monthly Prescribing Reference — ad pages up 29% vs. first-half 2009

5

Family Practice News — ad pages up 22% vs. first-half 2009 over 2009. Of the 38 markets tracked by Kantar Media, 23 showed growth, with nursing—and its dwindling print recruitment advertising base—having the biggest negative impact on ad dollars.

Publishers

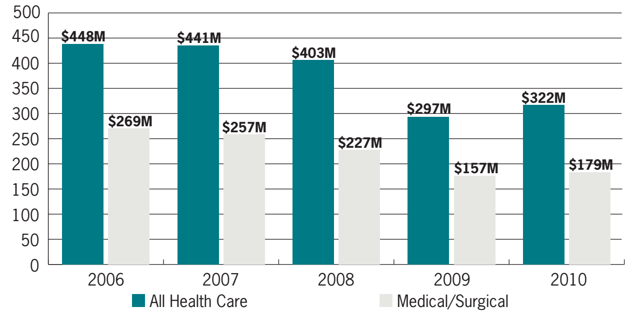
At the individual publication level, the market leaders had an extraordinary first six months of the year, recording both revenue and page-count hikes of anything from 20% to 50%. For instance, number one title, *The New England Journal of Medicine*, posted almost 500 additional pages in the first half of the year (up 42%), while number two, the *Journal of the American Medical Association*, did even better with a 54.4% explosion in ad pages.

Meanwhile, *American Family Physician* bulked up by 45.6%, *Monthly Prescribing Reference* went up 28.8% and *Family Practice News* saw an increase of 22%.

So what's been going on this year to cause such a reversal of fortunes? Alan Imhoff, president of IMNG Elsevier, the largest medical publisher in terms of ad revenues, thinks there are a number of factors at play. "There is still uncertainty about how pharma can use the web to promote [brands], particularly when it comes to things like search, so I think that some monies that might have been originally earmarked for digital promotion went to print instead," says Imhoff, whose company enjoyed a 7.2% gain in ad pages for the first six months of the year.

"Related to that, there isn't a lot of inventory on the digital side, and most of it is sold. Additionally, there have been some significant

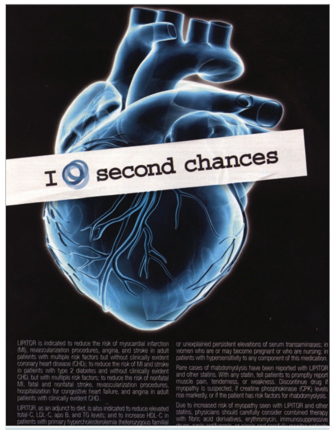
Journal ad revenue, first half 2006-2010



Source: Kantar Media

TOP 25 ADVERTISED COMPANIES, JAN-JUNE 2010

Rank 2010	Rank 2009	Company	$ ad spending in thousands 2010	2009	2008	% change 2010 vs 2009	2009 vs 2008
1	1	Pfizer	21,364	14,574	24,096	46.6	-39.5
2	2	Forest Pharmaceuticals	20,829	13,170	18,970	58.2	-30.6
3	7	Novartis	8,893	4,972	7,379	78.9	-32.6
4	5	Eli Lilly & Co.	8,040	5,877	15,664	36.8	-62.5
5	3	Johnson & Johnson	7,665	6,803	13,844	12.7	-50.9
6	10	Merck & Co.	6,369	4,491	9,290	41.8	-51.7
7	8	Roche	5,778	4,749	3,971	21.7	19.6
8	6	Novo Nordisk	5,483	5,448	4,581	0.6	18.9
9	18	Sanofi-Aventis	5,337	2,082	3,374	156.3	-38.3
10	16	GlaxoSmithKline	4,078	2,159	1,603	88.9	34.7
11	12	Bayer	3,222	2,936	3,459	9.8	-15.1
12	23	Amgen, Inc.	3,056	1,835	1,309	66.5	40.2
13	9	Takeda	2,877	4,708	7,313	-38.9	-35.6
14	25	King Pharmaceuticals	2,699	1,773	2,949	52.2	-39.9
15	20	Alcon Laboratories	2,631	2,042	4,131	28.8	-50.6
16	169	Otsuka America Pharmaceuticals	2,470	56	0	4,320.0	NA
17	30	Allergan	2,153	1,428	2,834	50.7	-49.6
18	11	Shire US	2,122	3,181	4,214	-33.3	-24.5
19	17	Endo Pharma	2,045	2,134	2,069	-4.2	3.1
20	27	Amylin/Lilly	2,035	1,693	2,109	20.2	-19.7
21	26	Genentech/Biogen Idec	1,999	1,708	2,269	17.1	-24.7
22	19	Gilead Healthcare	1,938	2,074	812	-6.6	155.4
23	29	Bausch Lomb	1,862	1,580	961	17.9	64.3
24	49	Boehringer Ingelheim	1,825	714	2,834	155.6	-74.8
25	13	AstraZeneca	1,705	2,744	7,041	-37.9	-61



MOST ADVERTISED COMPANY

Pfizer, the longtime top advertised company, held onto the top spot with a 47% increase in overall ad spend (even with a 24% decrease in spend for blockbuster Lipitor as it approaches the patent cliff) for the first-half 2010. Forest Pharmaceuticals held its second position on top of 58% increases in spend, just falling short of the lead position. Novartis climbed from the seventh position in its continued ascent to the number one position, on top of 79% increase in ad dollars, most on Tasigna. Lilly inched up to number four with 37% more ad dollars spent in the first half

MOST ADVERTISED BRANDS

Forest held onto the top three spots with 2009's #32 fibromyalgia product, Savella (and 721% increase in spend), snagging the coveted lead. Pfizer's Lyrica, also a fibromyalgia drug and new product, took the fourth position with $3.3 million in ad spend. Humalog and Lantus (unbranded) increased spend by 574% and 1,290%, respectively to hold down the fifth and sixth spots

new products this year, and going against most of the predictions they have been primary care products as well as specialty products, and we have some good old fashioned competition in some categories."

Other notable gainers were the McMahon Group (up 30% in ad pages), Quadrant HealthCom (up 12%), Jobson Medical Group (up 10%) and Slack Incorporated (up 6% in pages).

Pharma companies

Pfizer (including its subsidiary companies) is—just by a whisker—the top professional advertiser in the first half of 2010, almost back at 2008 levels with $21.4 million, representing a 47% increase over the previous year. Forest Pharmaceuticals is right on Pfizer's heels, with 58% growth to $20.8 million. Next is Novartis, which jumped up from 7th to 3rd on the back of a massive 79% increased in ad outlays.

The biggest increase in the top 10 was by Sanofi-Aventis which spent 156.3% more than in the first six months of 2009. While the top two, Pfizer and Forest, together make up more than 20% of pharma professional spend, collectively the top 10 biggest spenders account for one-half of pharma outlays, having bumped up spending by 45.9% this year.

Products

The top 25 products accounted for just under 20% of all ad spend in the market, with $65.4 million in ad spend. It's quite remarkable that Forest owns the three most-advertised brands—Savella, Lexapro and Bystolic—plus the number nine brand to boot (Namenda) and yet, as we've already discussed, Pfizer is the (slightly) bigger advertiser

TOP 25 ADVERTISED BRANDS, JAN-JUNE 2010

Rank 2010	Rank 2009	Product	Company	$ ad spending in thousands 2010	2009	2008	% change 2010 vs 2009	2009 vs 2008
1	32	Savella	Forest Laboratories	8,281	1,008	0	721.4	NA
2	1	Lexapro	Forest Laboratories	6,549	5,505	4,410	19	24.8
3	2	Bystolic	Forest Laboratories	3,504	4,075	11,314	-14	-64.0
4	0	Lyrica	Pfizer	3,321	0	3,735	NA	-100.0
5	84	Humalog Kwikpen	Eli Lilly & Co.	3,081	457	674	573.9	-32.1
6	177	Lantus - non-branded	Sanofi-Aventis	2,979	214	27	1,289.80	696.9
7	3	Pristiq	Wyeth	2,941	3,481	943	-15.5	269.0
8	4	Lipitor	Pfizer	2,576	3,368	4,523	-23.5	-25.5
9	6	Namenda	Forest Laboratories	2,495	2,582	2,579	-3.4	0.1
10	0	Chantix	Pfizer	2,471	0	26	NA	-100.0
11	0	Samsca	Otsuka	2,289	0	0	NA	NA
12	0	Saphris	Schering-Plough	2,271	0	0	NA	NA
13	7	Levemir injection	Novo Nordisk	2,065	2,387	2,772	-13.5	-13.9
14	0	Embeda	King Pharmaceuticals	2,059	0	0	NA	NA
15	9	Byetta	Amylin/Lilly	2,035	1,693	2,109	20.2	-19.7
16	8	Rituxan	Genentech/Biogen Idec	1,957	1,708	2,264	14.6	-24.6
17	172	Simponi Golimumab	Centocor Ortho Biotech	1,934	221	0	776.9	NA
18	88	Tasigna	Novartis	1,690	441	174	283.1	153.6
19	0	Onglyza	BMS/AstraZeneca	1,625	0	0	NA	NA
20	10	Avastin	Genentech BioOncology	1,610	1,619	1,140	-0.6	42.1
21	42	Zyvox	Pfizer	1,569	860	1,002	82.3	-14.1
22	115	Afinitor	Novartis	1,539	357	0	330.6	NA
23	12	Januvia	Merck & Co.	1,532	1,489	1,417	2.9	5.0
24	159	Sutent	Pfizer	1,498	243	982	516.5	-75.3
25	0	Victoza injection	Novo Nordisk	1,489	0	0	NA	NA

with a greater depth to its portfolio.

Interestingly, eight of the top 25 brands had no advertising in first half of 2008, and seven did not advertise the first six months of 2009. Hence, this group added $15.5 million in new advertiser ad spend.

New products (or at least new indications/new messaging) continue to help drive the market. Only one of last year's top 10, Abbott's Trilipix, dropped out of the top 25 (to 85th); two of 2008's top 10 also left the top 25 (Lilly's Cymbalta, and Janssen's Invega).

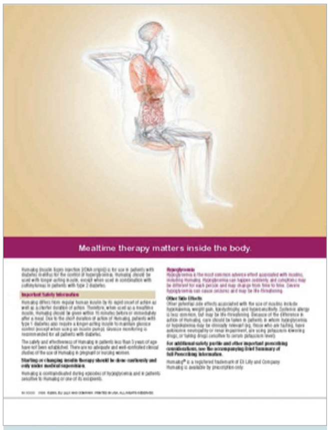
The future

Kantar Media has recently launched an online tracking service and, according to Dave Emery, VP media sales and client service, professional health, an early glance at the data shows Lilly's Cymbalta is the most widely advertised brand on professional health sites this year.

"There doesn't appear to be a ton of overlap between the top print advertisers and those that seem to be spending online," he says of the initial numbers.

Emery says he is not surprised by the reversal of fortunes in medical publishing. "Our research documents that medical journals in print and online continue to offer pharma marketers an unbeatable combination of reach, frequency of exposure and importance as an information source among the physicians they're trying to communicate with," he says. "Doctors read their professional publications as frequently and thoroughly today as in the past; they're supplementing them, not replacing them, with a growing range of other information options. So it's no surprise that—even in the increasingly complex, multimedia environment that everyone in healthcare is operating within these days—that leading brands and leading companies are increasing their investment in a proven promotional tactic like journal advertising. It's cost-effective, and it works."

IMNG Elsevier's Imhoff believes print still has a lot to offer, too. "Let's face it, advertising works," he says. "All the data indicates doctors still read and get most of their information from publications, and it's hard to launch a product without print." And "the pages keep coming," according to Imhoff. "I think the second half might be stronger than the first. It will be interesting to see how things pan out in 2011. There may yet be clarification on the digital dos and don'ts, but I think we'll see a relatively strong market next year as well." ■



MOST ADVERTISED CATEGORY

Diabetes Insulin rose from the number four spot to become the top advertised category (for the first time), with much of the credit due to a 574% increase in spend on Eli Lilly's Humalog. SSRI/SNRI has long dominated the category but fell in first-half 2009 to the number two spot and fell again in 2010 to the fourth position. Cytostatic (last year's top advertised category) increased spend over the year-ago period to claim the second spot. Ehitcal Drugs Misc. held steady at the number three position, despite a 32% increase in ad spend. Cancer Therapy held onto the number five spot

TOP 25 ADVERTISED CATEGORIES, JAN-JUNE 2010

Rank	Rank		$ ad spending in thousands			% change	
2010	2009	Category	2010	2009	2008	2010 vs 2009	2009 vs 2008
1	4	Diabetes Insulin	13,925	9,028	8,333	54.2	8.3
2	1	Cytostatic	13,164	12,692	14,352	3.7	-11.6
3	3	Ethical Drugs Misc.	12,525	9,485	11,477	32.0	-17.4
4	2	SSRI/SNRI	10,755	11,098	17,320	-3.1	-35.9
5	5	Cancer Therapy	9,933	7,609	7,837	30.5	-2.9
6	38	Antidepressants	8,281	1,064	52	678.3	1,947.10
7	13	Antipsychotics-Other	5,719	2,599	11,461	120.0	-77.3
8	21	Seizure Disorders	5,518	1,545	4,740	257.1	-67.4
9	9	Beta-Blocking Agents	4,118	4,165	11,423	-1.1	-63.5
10	7	Alzheimer-type Dementia	3,749	4,637	5,913	-19.2	-21.6
11	11	Non-Specific Promo Advert	3,749	3,026	3,294	23.9	-8.2
12	31	Transplant/Immunosuppressives	3,419	1,196	1,039	185.7	15.2
13	6	Chol Red Rx Statins	3,187	6,077	7,510	-47.6	-19.1
14	10	Proton Pump Inhibitors	2,934	3,028	2,210	-3.1	37
15	0	Smoking Deterrents Rx	2,471	0	113	NA	-100
16	12	Dermatologica-Other	2,324	2,841	4,568	-18.2	-37.8
17	133	Analgesics-Narcotic	2,059	130	3	1,487.90	4,925.00
18	110	Antiarthritics Systemic Dmards	1,934	221	0	776.9	NA
19	26	Hemat. Iron Alone	1,917	1,382	640	38.7	115.9
20	23	Ext Spec Macrolide	1,868	1,507	3,269	23.9	-53.9
21	14	Morphine & Opium Non-Inject	1,804	2,244	3,257	-19.6	-31.1
22	28	Estrogens Oral	1,784	1,281	1,383	39.3	-7.4
23	197	Diabetes Therapy	1,686	16	3	10,504.1	416.3
24	18	Diabetes Oral	1,590	1,883	1,576	-15.6	19.5
25	22	Anesth-Other Local & Top	1,524	1,499	364	1.7	312.2