

TOP 5 MEDICAL/SURGICAL JOURNALS RANKED BY AD REVENUE, 2011

Total ad pages for top journals up 4% vs. 2010
Source: Kantar Media

1



Journal of the American Medical Association—ad pages **down 1.1%** vs. 2010

New England Journal of Medicine —ad pages **down 17.6%** vs. 2010



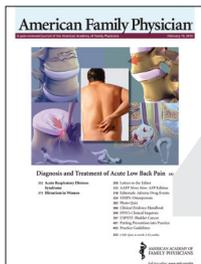
2

3



Monthly Prescribing Reference —ad pages **up 28%** vs. 2010

American Family Physician —ad pages **down 10%** vs. 2010



4

5



Medical Economics —ad pages **up 30%** vs. 2010

ON A TEAR

Medical/surgical journal advertising grew in 2011, the second consecutive year it's been in the black. **Marc Iskovitz** on which categories and brands attracted the most advertising dollars

Call 2011 the year of restrained recovery. Sounds paradoxical? Perhaps, but we've learned to look at professional journal advertising as the glass that's both half-empty and half-full. The optimist sees growth in medical/surgical journals last year. The realist, a slower fourth quarter and a professional ad market echoing the fits and starts of the general economy.

Medical/surgical dollars managed a \$24-million increase to \$401 million for the year. That translates to 6% more in spending and the second straight rebounding year, driven by newly advertised products coupled with a number of market leaders from the past two years still maintaining high visibility.

So the market grew in 2011, but growth lagged slightly behind 2010's 8% surge. This comparison is a bit unfair; since 2009 was a low point, 2010 growth was from a smaller base. Optimists also note that in the total healthcare market (pharmacy, nurse practitioners/physicians assistants, managed care, etc.), 2011 outpaced 2010 in terms of actual dollar growth (\$40 million vs. \$28 million).

It's not like publishers need to worry about the friction in med/surg, what with 3,200 more ad pages filling their books. Pharmaceutical spending grew by 9% to \$420 million. And the top 100 most advertised pharmaceuticals increased outlays 53% to \$260 million.

Those familiar with the market say the modest increases in print ad spend are due to a simple if seemingly anachronistic answer: journal advertising continues to be an effective promotional tactic and cost-efficient part of a multimedia marketing program.

"This is like no other time in my memory that there's so many new forms of media coming out," says Mike Guire, director of commercial sales for Elsevier and 2011 president, Association of Medical Media. "So to expect significant growth in a traditional

JOURNAL AD REVIEW 2011 MEDICAL/SURGICAL FULL YEAR

media sense, it wouldn't be prudent. We were thinking conservatively and it ends up being a little better than we expected."

Multispecialty, almost 20% of the overall healthcare market, was up almost 10%, representing \$11 million more in the market. And the rise in multispecialty impacted the overall market. Internal medicine and cardiology rounded out the top-performing doctor markets in terms of dollar growth over 2010. Oncology, still the biggest specialty other than primary care/multispecialty, fell 3% to \$44 million.

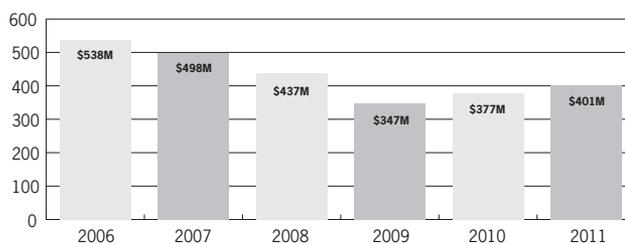
Of the 37 markets tracked by Kantar Media, 25 were up; among the doctor books, pediatrics had the biggest decline (down 24.7%, as vaccine advertising, which saw growth a few years ago, tapered off.)

Publishers

There was quite a bit of fluctuation among the top five med/surg journals. Number-one *Journal of the American Medical Association* (which unseated last year's leader, *The New England Journal of Medicine*) finished the year slightly down in terms of page count.

Two out of the other four—*NEJM* (down 665 pages) and *American Family Physician* (down 148)—saw leaf counts drop, but two others—

Medical/surgical journal ad revenue, 2006-2011



Source: Kantar Media

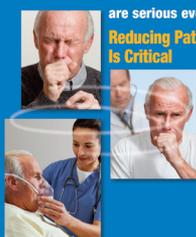
Monthly Prescribing Reference (up 28%) and *Medical Economics* (up 30%)—saw gains, with 354 and 269 more ad pages, respectively.

Diving deeper, only five of the top 25 declined in 2011, with the other 20 showing page increases. Perhaps the result of ownership change, *Consultant* moved back into the top 25 after a dip to 63 in 2010.

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MOST ADVERTISED COMPANY

Runaway top advertiser Forest boosted its advertising expenditures by 58.7% to \$60 million. The extra \$30 million that the company spent was allocated to a mixture of new and established brands. The company locked up seven of the top 20 brands, easily outpacing runner-up Eli Lilly, which lifted its outlays 56% to \$31 million and accounted for three of the top 20 products. Abbott (up 117% to \$11 million), Purdue (up 160% to \$8.7 million) and Boehringer Ingelheim (up 83% to \$7.2 million) were some of the other standouts.

TOP 25 ADVERTISED COMPANIES, 2011

Rank 2011	Rank 2010	Company	\$ ad spending in thousands			% change	
			2011	2010	2009	2011 vs 2010	2010 vs 2009
1	2	Forest	\$60,155	\$37,904	\$37,721	58.7%	1.8%
2	4	Eli Lilly	\$31,265	\$19,989	\$15,929	56.4%	25.5%
3	5	Novartis	\$21,068	\$18,515	\$12,457	13.8%	48.6%
4	1	Pfizer	\$19,634	\$39,451	\$36,129	-50.2%	9.2%
5	6	Johnson & Johnson	\$16,296	\$14,371	\$16,783	13.4%	-14.4%
6	3	Sanofi	\$11,956	\$20,486	\$7,973	-41.6%	156.9%
7	15	Abbott	\$11,039	\$5,084	\$9,740	117.1%	-47.8%
8	9	Merck	\$10,928	\$11,534	\$11,244	-5.3%	2.6%
9	8	Roche	\$10,586	\$12,365	\$10,203	-14.4%	21.2%
10	11	Takeda	\$10,300	\$7,232	\$10,216	42.4%	-29.2%
11	7	Novo Nordisk	\$9,627	\$13,028	\$9,345	-26.1%	39.4%
12	27	Purdue	\$8,788	\$3,372	\$2,744	160.6%	22.9%
13	20	Boehringer Ingelheim	\$7,236	\$3,943	\$1,899	83.5%	107.6%
14	14	Bayer	\$6,954	\$6,225	\$5,439	11.7%	14.4%
15	13	AstraZeneca	\$6,847	\$6,617	\$6,011	3.5%	10.1%
16	24	Bristol-Myers Squibb	\$6,681	\$3,601	\$3,909	85.5%	-7.9%
17	12	Amgen	\$6,659	\$6,941	\$4,988	-4.1%	39.2%
18	10	GlaxoSmithKline	\$6,367	\$8,030	\$5,324	-20.7%	50.8%
19	18	Otsuka America	\$5,611	\$4,270	\$2,298	31.4%	85.8%
20	17	Allergan	\$4,974	\$4,389	\$4,007	13.3%	9.5%
21	16	Alcon Labs	\$4,675	\$4,399	\$3,224	6.3%	36.5%
22	19	Daiichi Sankyo/Lilly	\$4,421	\$3,957	\$724	11.7%	446.3%
23	25	Endo Pharmaceuticals	\$4,401	\$3,544	\$31,820	24.2%	-7.2%
24	66	Sunovion	\$4,143	\$811	\$0	410.7%	N/A
25	44	Janssen Biotech	\$3,927	\$1,734	\$256	126.4%	578.7%

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MOST ADVERTISED BRAND

Forest's Viibryd took top honors for most advertised brand, thanks to a \$16-million push, which is more than most companies' entire professional ad budget. The launch brand beat out an established product, Lilly's Cymbalta, and was joined by four other Forest drugs in the top 10: Teflaro, Savella, Daliresp and Bystolic. Newly approved drugs were a growth driver—nine of the top 20 were approved in 2010 or 2011, including Viibryd and Toflaro, as well as Purdue's Butrans, J&J's Xarelto and Takeda's Edarbi.

Clinical developments and news within specialties drove many of these increases. Starting Q4 2010, several significant NMEs entered the market, including Boehringer Ingelheim blood thinner Pradaxa, Sunovion antipsychotic Latuda, and Eisai oncology drug Halaven.

"Of the 15 NMEs that were approved in 2010, eight were in the last two quarters, so that clearly drove the first half of 2011," says Tammy Chernin, VP of drug information and product development for MPR, which is published by Prescribing Reference, LLC, a subsidiary of Haymarket Media Group, which also owns MM&M.

Last year was relatively fruitful, with 23 NMEs approved across several specialties. Elsevier, whose portfolio touches most if not all of these markets, saw revenue leap by 8.5% to \$94 million. Haymarket Media, also with coverage in the major specialty areas and on multiple media platforms, enjoyed 27% revenue growth to \$30 million.

Forest is far and away the top advertiser, having upped spend by a whopping 59% (\$22 million) to \$60 million. Nearly \$30 million separates it from second-place Eli Lilly, which hiked spend by 56% to \$31 million. Pfizer, however, cut print buys by 50%, to \$19 million.

Among other top spenders, Abbott made the top 10, thanks to

Neurology Today jumped seven places to 16th on 48% page growth in 2011; AM News is up 57% over the past two years and poised to break into the top 10 this year; and Arthritis Care & Research grew 97% in the same time period, moving from 67th to 22nd.

TOP 25 ADVERTISED BRANDS, 2011

Rank 2011	Rank 2010	Product	Company	\$ ad spending in thousands			% change	
				2011	2010	2009	2011 vs 2010	2010 vs 2009
1	—	Viibryd	Forest	\$16,344	\$0	\$0	N/A	N/A
2	10	Cymbalta	Eli Lilly	\$15,510	\$4,472	\$3,778	246.8%	18.4
3	322	Teflaro Injection	Forest	\$12,571	\$236	\$0	5,229.2%	N/A
4	1	Savella Tablets	Forest	\$8,684	\$13,909	\$9,988	-37.6%	39.3
5	—	Daliresp	Forest	\$8,393	\$0	\$0	N/A	N/A
6	52	Pradaxa	Boehringer Ingelheim	\$6,413	\$1,551	\$0	313.3%	N/A
7	3	Bystolic	Forest	\$5,710	\$6,382	\$8,889	-10.5%	-28.2%
8	—	Butrans Transdermal	Purdue	\$5,670	\$0	\$0	N/A	N/A
9	4	Lantus Injection	Sanofi	\$5,465	\$5,352	\$871	2.1%	514.6
10	16	Dexilant	Takeda	\$5,066	\$3,861	\$0	31.2%	N/A
11	2	Lexapro	Forest	\$4,723	\$13,114	\$13,485	-64.0%	-2.7%
12	11	Nucynta	Johnson & Johnson	\$4,355	\$4,456	\$1,762	-2.3%	152.9%
13	—	Xarelto Tablets	Johnson & Johnson	\$4,329	\$0	\$0	N/A	N/A
14	9	Victoza Injection	Novo Nordisk	\$4,295	\$4,649	\$0	-7.6%	N/A
15	53	Humalog Insulin	Eli Lilly	\$4,224	\$1,551	\$2,107	172.3%	-26.4%
16	15	Samsca Tablet	Otsuka	\$4,193	\$3,966	\$2,018	5.7%	96.5
17	17	Effient	Daaichi Sankyo/Lilly	\$3,979	\$3,773	\$716	5.5%	426.6
18	348	Latuda	Sunovion	\$3,959	\$204	\$0	1,836.2%	N/A
19	12	Namenda	Forest	\$3,725	\$4,263	\$4,860	-12.6%	-12.3%
20	54	Dulera	Merck	\$3,504	\$1,520	\$0	130.5%	N/A
21	7	Pristiq	Pfizer	\$3,421	\$4,900	\$7,400	-30.2%	-33.8%
22	8	Levemir Injection	Novo Nordisk	\$3,239	\$4,692	\$4,747	-31.0%	-1.2%
23	—	Edarbi Tablets	Takeda	\$3,208	\$0	\$0	N/A	N/A
24	68	Forteo Injection	Eli Lilly	\$3,175	\$1,283	\$0	147.5%	N/A
25	21	Oxycontin Tablets	Purdue	\$3,005	\$3,325	\$1,842	-9.6%	80.5%

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TOP 10 ONLINE BRANDS, 2011

Brands ranked by frequency of ad occurrences

Rank 2011	Brand/Manufacturer	% of all occurrences
1	Xgeva/Amgen	8.2%
2	Effient/Daiichi Sankyo/Lilly	7.8%
3	Victoza/Novo Nordisk	7.7%
4	Humalog/Eli Lilly	7.6%
5	Prolia/Amgen	7.4%
6	Evoxac/Daiichi Sankyo	4.7%
7	Alimta/Eli Lilly	3.3%
8	Lantus/Sanofi	3.2%
9	Byetta/Amylin	2.9%
10	Xarelto/Johnson & Johnson	2.5%

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TOP 10 ONLINE BRANDS, 2011

Brands ranked by quantity of sites used

Rank 2011	Brand/Manufacturer	# of sites used
1	Xarelto/Johnson & Johnson	17
2	Humalog/Eli Lilly	17
3	Prolia/Amgen	15
4	Lyrica/Pfizer	14
5	Viagra/Pfizer	13
6	Alimta/Eli Lilly	13
7	Evista/Eli Lilly	12
8	Forteo/Eli Lilly	11
9	Brilinta/AstraZeneca	11
10	Viibryd/Forest	11

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a 117% increase (\$6 million) in print spend, to \$11 million. And newcomers to the top 20 included Purdue (#27 last year, #12 this year), which spent 160% more (mostly for pain patch Butrans) to \$8.8 million, and Bristol-Myers Squibb (last year's #24, this year's #16), which padded outlays by 86% to \$6.7 million behind a number of drugs.

Products

Newly advertised products accounted for almost a quarter (\$57 million of \$260 million) of the top 100 products, observes Dave Emery, VP/general manager, professional health, Kantar. But eight of 2010's top 10 were in 2011's top 25. "Companies appear to be seeing value in ongoing advertising support for established brands," he says.

Emery also sees less dominance by a handful of products or product categories—a sign of our post-blockbuster age. SSRI/SNRI, Cancer Therapy, and Diabetes Insulin, the most-advertised drug classes (for the past several years), only represent 16% of all advertising. The top 25 products in 2011 accounted for 20% of the advertising in the market; the top hundred for only 37%.

This type of advertising environment might be healthier for marketers, says Emery. "A wider range of products and companies can gain meaningful share of voice and field impactful campaigns in a more evenly distributed marketplace."

Online

According to Kantar's Evaliant online advertising intelligence tool, nine of the top 10 print advertisers (based on number of insertions) were also in the top 36 companies online (based on occurrences), with most falling in the top 20. Top print firm Forest ranks 17th online.

But brands show greater differentiation between print and online, with several top online brands (based on occurrences) not showing up in the top 100 print brands (based on insertions), and vice versa.

"Even though reach can be negatively impacted, there are many factors that can lead a brand to avoid a particular channel altogether, making the channel mix choice highly personal and often difficult," notes Jackie Singley, SVP, managing director, Ogilvy CommonHealth Medical Media. New tools like Evaliant make competitive activity online more tangible. That can cause other brands to follow course—or take advantage of a greater share of voice in print, she says.

The future

Since Q4 2011 saw only two new approvals, which *MPR's* Chernin says happened to be insignificant ones, this coupled with some rather big patent expirations (Pfizer's Lipitor, Eli Lilly's Zyprexa and Janssen's Levaquin) is resonating in the New Year.

Indeed, 2012 began slow, with the market down 14% in pages for February. Plus, says Chernin, "Print is pulsing the ad schedule." (staggering promotion month to month). She blames pharma budget constraints, and slower starts in both print and digital. "Budget approvals are occurring later than in previous years—not until January or February." But at least companies are advertising.

Chernin thinks momentum will pick up in the second quarter. "Uncertainty is almost the world we live in now," she says, "given the fluctuations we see in our economy. It's an election year. But I do see glimmers of hope." ■

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SEEN ON THE MOST SITES

The #13 brand in print, J&J's Xarelto was one of the two most widely advertised branded drugs on sites tracked by Kantar's Evaliant tool and #10 in terms of online occurrences. Tied for first place was Lilly's Humalog, the #15 print brand. But many other top 100 print brands do not show up among the top online brands (based on occurrences). The decision to avoid a particular channel depends on many factors, says one media director.