



## LUNDBECK CANADA INC.

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### ACHIEVING SUCCESS THROUGH THE STRENGTH OF OUR EMPLOYEES

*Talking with Mr. Jeffery MacLean, President  
and General Manager, Lundbeck Canada Inc.*

#### **What are your key business priorities and objectives for 2007 at Lundbeck?**

Lundbeck is the only fully-integrated pharmaceutical company in the world focusing exclusively on diseases of the central nervous system (CNS). We have competencies throughout the value chain, from idea conception, development and production, to sales and marketing.

Our long-term success has been dependent on our ability to attract and retain the best employees in the industry. Success hinges on competence and competence hinges on highly qualified and motivated employees. Our employees make our vision come true.

My goal is to demonstrate that we are the employer of choice for highly qualified and competent individuals in Canada. In our first 10 years, we have built a strong, modern organization. At Lundbeck, we talk about having the right-sized organization based on our skills and competencies. Due to the size of our customer base and the nature of our medications, Lundbeck will continue to succeed based on quality. We have not fallen prey to the quantity trap in which many pharmaceutical organizations find themselves mired.

Lundbeck will strengthen its commercial platform in 2007 with the market development of **Cipraxel®** and **Ebixa®**. Our most precious resource is our people and our people are very

close to our customers. With our sales and marketing teams we will continue to optimize the value that our medications offer by staying close to our customers. We will continue to improve our ability to conduct our sales and marketing activities effectively. Supportive of these efforts, our clinical packages and growing approved indications will differentiate our medications and allow our customers greater freedom of choice.

**Cipralext<sup>®</sup> and Ebixa<sup>®</sup> were recently launched in Canada. Have they become successful in all markets? To what do you attribute the success of Cipralext<sup>®</sup> and Ebixa<sup>®</sup>?**

The worldwide CNS market in which Lundbeck offers medications had a value of \$107 billion CAD in 2005, growing at a 5% annual rate (IMS Global Review 2006). Escitalopram, prescribed as **Cipralext<sup>®</sup>** in Canada, has a global value share of 20%. In the US, where escitalopram is marketed as **Lexapro<sup>®</sup>** by our partner, Forest Laboratories, the medication is the most widely prescribed of the class. Memantine, known as **Ebixa<sup>®</sup>** and **Namenda<sup>®</sup>** in the major markets of the world, has crossed the threshold of 20% value share and continues to grow. The success for Lundbeck in Canada must be placed in perspective. Our success for these medications is defined by the response of clinicians and caregivers to the combined efforts of all our employees. The sales and marketing brute-force approaches used in the past have been linked with significant associated costs and has proved to be an artifact. This is not our path. We have been successful in Canada with **Cipralext<sup>®</sup>** and **Ebixa<sup>®</sup>** due to an unerring commitment in the face of barriers to reimbursement. We understand the limitations and partner with clinicians whose aim is to help their patients in the face of increasing constraints upon obvious choices. Our success has been measured by the positive results of the patients we serve.

Our sales and marketing team works daily at understanding the ever-evolving mindset of physicians and we employ a different approach to selling by focusing on the needs of our customers, not the needs of the company. This stunningly simple approach exposes what selling vs. telling actually is. Too many sales and marketing teams have told their customers what to do, rather than listen to them. In the process, the industry has drowned out the selling voice of quality. The industry has done a great disservice to our customers. The voice of Lundbeck is truly harmonious in a discordant environment. Our investment in a quality approach is what sets us apart. Our customers remind us of this fact daily.

**Can you please give us an idea of what other new products are in your pipeline and when you expect to market these products?**

Lundbeck is truly dedicated to research and development and has a long history of creating innovative CNS therapies, using latest research and product development technologies. Lundbeck's selective serotonin reuptake inhibitor (SSRI), citalopram (**Cipramil®/Seropram®/Cipram®**), has established the company amongst the antidepressant market leaders. The launch of Lundbeck's **Cipralextm** (escitalopram) further secured our position in the antidepressant market.

Since the 1950s, Lundbeck has had a strong position in the market for antipsychotic drugs and was one of the first companies to develop and market several effective antipsychotic treatments. With the development of **Serdolect®** (sertindole), Lundbeck also became a front runner in the development of atypical antipsychotic drugs. Lundbeck has two other atypical antipsychotic drug candidates in its pipeline.

Over the last five years, Lundbeck has built a strong product portfolio and pipeline in neurology, with compounds for the treatment of Alzheimer's disease and Parkinson's disease. **Ebixatm** (memantine) for the treatment of Alzheimer's disease is Lundbeck's first major neurological product and is the first compound in an innovative therapeutic class.

At the time of writing, good things are happening in early research and progress continues well in existing projects. A total of four development candidates for Parkinson's disease, depression and psychosis have been selected. These are very important for us. It is also significant that there is progress in development. Global applications for regulatory approval of escitalopram for the treatment of obsessive-compulsive disorder (OCD) support current indications.

In the late end phase of our pipeline, we have also filed for regulatory approval of bifeprunox in the US. Our hypnotic gaboxadol is in the decisive Phase III of clinical study and as such, we can file for regulatory approval in the US in the upcoming months.

We are in the process of preparing a pivotal Phase III study for desmoteplase, our substance for the treatment of stroke. Finally, LU AA21004 is well into Phase II and, if all goes as currently expected, we will have a successor for **Cipralextm**. We are also making good progress in filling our development portfolio with our own inventions and there are two new substances in Phase I.

## What is your opinion of global branding and assigning global brands to a single global ad agency?

We aim to be a truly global organization to ensure that our medications are available to all. Currently, Lundbeck has a presence in 61 countries with the aim of covering CNS specialists, as well as high-prescribing primary care physicians. In certain regions, Lundbeck's key tasks are to build an organization, launch products and develop critical mass in the markets. In other regions, where Lundbeck's subsidiaries are more mature, the key tasks concern efficiency improvements, continued penetration of products and refinement of sales force quality.

In major global corporations it comes as no surprise that a global brand evolves on its journey from development to local markets. As such, I feel it is natural that local marketing organizations will have better insights into their respective markets than the global brand team. That having been noted, our local team adheres to the global brand and works in a partnership, knowing that input from our major markets is critical to our local understanding.

Our product managers have an amazing degree of autonomy. They are asked to give and take from our entire management team whose responsibility it is to embrace all options with critical thought. Although our local management team knows it should implement the findings for our global brands, when one of our product managers argues the case for a local version, they often find themselves with an approval. This process by which approval is sought and granted is what helps us differentiate ourselves from our competition.

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**Many pharmaceutical companies, including Lundbeck Canada, have established joint development and marketing agreements with other pharmaceutical companies. Do you foresee Lundbeck getting involved in additional joint agreements in the future?**

Lundbeck Canada Inc. is part of a global organization whose main objective is to secure the continued, worldwide, commercial growth of Lundbeck. Partnerships, the development of new markets and the introduction of new products play a key role in achieving this objective. Our basic strategy is to launch a new product with major sales potential every three years to five years. In order to attain our growth targets, Lundbeck aims to develop a product pipeline that represents a balance between in-house projects and in-licensed projects. It is our objective to in-license at least one late-stage compound (in Phase II or Phase III clinical trials), plus one or two early-stage development projects every year.

We are also interested in establishing research and development agreements, as well as co-promotion, cross-promotion and co-marketing agreements with other organizations. We continually work on expanding Lundbeck's portfolio of marketed products and are also actively seeking new products for single subsidiary/country, region, but preferably for global distribution. Our main interest is in products and projects that expand our range of pharmaceuticals for the treatment of diseases of, or associated with, CNS disorders.



From left to right: Marcel Chénard, Vice-President, Sales; Sylvain Dupuis, Vice-President, Finance, Human Resources and Administration; Lorena Di Carlo, Vice-President, Marketing; Marie Gagné, Vice-President, Scientific Affairs; Jeffery MacLean, President and General Manager.



**Tell us a little about the growth in marketing personnel over the past few years and what you do to keep the turnover in personnel so low?**

Although the marketing department has grown steadily over the last few years, we are still considered a small team by industry standards. The advantage of this is that each team member is able to develop her/his skills beyond what a marketer would be exposed to in a large organization. This allows for growth and enrichment within the position because of exposure to cross-functional teams and the involvement in operational planning and decisions. We have a great deal of autonomy in our daily work and an excellent team spirit, not just with marketing, but across departments and functions. The sense that each individual's contribution has a direct impact on the success of the organization helps to keep motivation and job satisfaction high.

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**You have enjoyed very impressive sales growth over the last several years. What are your plans for the future to maintain this remarkable growth rate?**

As Lundbeck Canada Inc. enters its second decade, our employees share in the knowledge that the measures of our past success are many. For our organization to continue to grow, our path must provide a sense of purpose for all our employees.

In the purest form, this is our path:

- Firstly, support our teams with the necessary investment of resources for our customers and employees
- Secondly, practice teamwork. A team will outperform an individual
- Thirdly and finally, simplify constantly

We break down our objectives into small pieces that can be accomplished today. Lundbeck Canada Inc. strives to keep clear its vision of becoming a world leader in psychiatry and neurology.

**CPM**