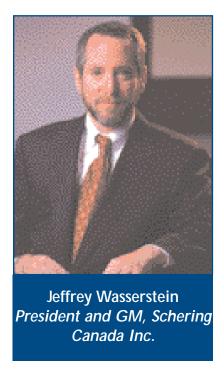
Making a Difference

An Expanding Schering Thinks Big and Delivers

Jeffrey Wasserstein, president and general manager of Schering Canada, tells us about his company's competitive edge, upcoming products and the future of the pharmaceutical industry in Canada.



Please describe Schering's structure, both in Canada and abroad.

Wasserstein: Schering Canada is a wholly owned subsidiary of Schering-Plough Corporation with over 600 employees in our pharmaceutical operations across Canada. Our Canadian headquarters are located in Pointe-Claire, Que., on the West Island of Montreal.

Schering-Plough, as a global organization, is highly decentralized. The Canadian operation, like the rest of our national operations, has a large degree of autonomy over day-to-day affairs. We have three marketing units structured along business lines: prescription pharmaceuticals, pharmacy care, and biotech and oncology. There are also divisions dedicated to medical affairs, regulatory affairs, finance. operations. human resources and market access.

Our sister company, Schering-Plough Health Care Products, is located in Mississauga and the Animal Health business also operates out of Pointe-Claire.

Schering-Plough Corporation is a worldwide pharmaceutical company, with headquarters in Kenilworth, New Jersey, It is divided into US domestic (Schering Laboratories, Key Pharmaceuticals), Schering-Plough International (with operations in over 126 countries), Schering-Plough Research Institute. Schering-Plough HealthCare Products and Schering-Plough Animal Health.

In a time of major pharmaceutical mega-mergers, how does Schering maintain its competitive edge?

Wasserstein: By sticking to the fundamentals of a strong research pipeline, vigorous marketing strategies and solid financial management. And by maintaining a sense of urgency in everything we do. Our challenge is to "Think Big" and then to "Get it Done!"

It is our management philosophy to hire the best people, give them

Employee Testimonials

Since I joined Schering Canada in August 2000, I have experienced a unique corporate culture focused on a sense of urgency. The empowerment process sets Schering apart as a company that can react rapidly to the changing market environment.

Steeve Neron

Marketing Manager

At Schering Canada, everyone is attentive to our needs and career objectives. After two years as a GP sales rep, I have been given the opportunity to work as a hospital rep for our exciting new product, Remicade.

Guillaume Fleury

Pharmaceutical Representative

I have had a 14-year career in the pharmaceutical industry—the last three with Schering Canada. What makes me appreciate Schering as a great company to work for is its flexible management style and true sense of a team approach.

Liette Landry

Manager, Sales and Marketing Oncology

the support and resources they need to be successful and then let them do their jobs. Everyday, we ask ourselves to "Make a Difference."

Our product managers are more than "promotions managers." Rather they are product champions responsible for driving the success of their brands. Likewise, our sales representatives are the general managers of their territories.

New research has always been our primary engine for growth. Schering-Plough has also built research collaborations and strategic alliances, which have enabled the company to grow and deliver superior financial results year after year. We are especially proud of our diversified product portfolio.

In Canada, we either lead, or are in the top two of all therapeutic categories in which we compete. Claritin® (loratadine), our non-sedating antihistamine in six formulations, continues to lead the way. It is the largest selling antihistamine in Canada and number one in the world. Nasonex®, a once-daily nasal spray for seasonal and perennial rhinitis, is in second position after only two years on the market. Intron A®, is the world's leading alpha interferon and leads the Canadian market. Rebetron Combination Therapy®, has established itself as the gold

Career Focus

Jeffrey Wasserstein traces his career path to his current position as president and general manager of Schering Canada.

I have had a somewhat non-traditional path for our industry. I trained as a lawyer and began my career in corporate law in New York City. I joined Schering-Plough's law department in 1990 and served as staff vice-president and associate general counsel. I also served as chief counsel to Schering-Plough's worldwide pharmaceutical operations and to the Health Care Products Division. Prior to joining Schering Canada as president and general manager in March 1998, I was staff vice-president, corporate business development, strategic planning and internal consulting.

standard for hepatitis C treatment.

Schering recently won the Prix Galien International Award for the biological response modifier Remicade[®]. What does this mean for the company?

Wasserstein: We are very proud of this achievement because there were a number of outstand-

ing products nominated for the International Prix Galien. It means a lot to us and to our American Remicade partners. Centocor/Johnson & Johnson, to have the importance of Remicade recognized by the international scientific community. This award will focus increased attention on the positive impact that Remicade is making in the lives of over 100,000 patients worldwide suffering from rheumatoid arthritis and Crohn's Disease. The irony in all of this is that Canada is the only country in the industrial world that is still reviewing Remicade for commercial use.

Why is that?

Wasserstein: Health Canada's Therapeutic Products Program has a backlog in its approval process for new drugs and Remicade is continuing to wait unnecessarily in the queue. In both the US and the European Union, Remicade was approved within 10 months of submission to the FDA and the EMEA. In Canada, it has taken twice as long—over 20 months—and the product has only recently begun its review. In my opinion, the delay in regulatory approvals is one of the biggest problems facing patients in Canada.

Tell us about the products that Schering Canada has recently launched, or will launch in the near future.



Bernard Landry (left), Quebec premier, Richard J. Kogan, chairman and CEO of Schering-Plough Corporation and Jeffrey Wasserstein, president and GM of Schering Canada open Schering Canada's expanded administrative offices and modernized manufacturing plant.

Wasserstein: Over the past three years, we have launched 14 new products and significant line extensions. Our oncology product line expanded with Health Canada approval for Temodal[®], a chemotherapy agent for treating certain types of brain tumors. Caelyx[®], a form of the anticancer drug doxorubicin, received a new indication for ovarian cancer. Intron A. was launched in a new injectable pen format. The nasalinhaled steroid, Nasonex®, gained expanded approval as a treatment for seasonal and allergic rhinitis in children as young as three years of age.

The coming year will be very busy and exciting for Schering Canada. We have applications pending for Remicade, for the treatment of Crohn's Disease and rheumatoid arthritis, and Aerius®,

a long-acting, nonsedating antihistamine and a metabolite of Claritin. In addition, we are in the process of launching Asmanex,® a potent new corticosteroid for treating asthma, and PEG-Intron®, a longer-acting formulation of Intron A, for treating chronic hepatitis C.

What new initiatives is Schering Canada taking with respect to communications with physicians?

Wasserstein: We are in the process of expanding and upgrading our ecommerce capabilities. However, our focus will continue to be on the one-to-one interface between the sales representative and physician. This is the moment of truth in terms of communication with physicians. We also are reaching

CLARITIN



out to pharmacists and to nurses. For example, we have just developed an accredited continuing education program for pharmacists on counseling allergy patients.

What are your views on direct-to-consumer (DTC) advertising in Canada?

Wasserstein: In my opinion this is a progressive step, but it needs to be done within a regulatory framework which safeguards the interests of patients and consumers. Consumers are hungry for information about the latest treatments in order to make effective choices about their health care. Based on Schering-Plough's experience with Claritin in the

US, DTC advertising has been very positive. Canadians already receive therapy or product-specific information through advertising spillover from the US, via the Internet and from media reports.

Advertising may generate increased demand for some pharmaceutical products, but no matter what our message, the patient or consumer will still have to consult with their physician before being able to use any product. I have great respect and confidence in the physicians in this country. I really believe that better-informed consumers working closely with their physicians will benefit the health-care system because it will lead to better prescribing, utilization and compliance. That, in

turn, should lead to a reduction in the costs of care. Empower consumers with information that will enable them to manage their health care and let them decide, in consultation with their physician, what medicines are best for them.

How is the role of the pharmaceutical industry changing in the marketplace?

Wasserstein: Pharmaceuticals are, and will remain, the most cost-effective means for delivering quality health care to Canadians. I believe that to deliver on the promise of better outcomes, there will be increasing collaboration with government. Pharmaceutical companies increasingly will be



Schering Canada's recently expanded head office and manufacturing plant, Pointe-Claire, Quebec.

relied upon for their expertise in pharmacoeconomics and for information about diseases. The pharmaceutical industry will be called upon more and more to fill gaps in the health-care system as governments continue to cut back in funding for research and to disease groups. There needs to be further collaboration to break down the current budgetary "silos" and focus on total outcomes for patients and health-care budgets. I also see partnerships with government for drug surveillance programs as well as increased consultation about industrial development and investment by the pharmaceutical sector.

What does the future hold for Schering Canada and for Schering-Plough abroad?

Wasserstein: The future is very bright for Schering Canada. In June 2000, we announced a twoyear, \$24.9 million expansion of our administrative offices and manufacturing operations in Pointe-Claire, as well as the creation of 176 permanent jobs in the scientific, marketing and technological areas. We are now manufacturing tablets, creams, ointments and liquids for sale in

the Canadian market and for export to a number of our sister companies in the Asia Pacific region.

Globally, Schering-Plough Corporation is also in excellent shape. We have a diversified portfolio of products, our businesses are performing well, we are increasing our spending on R & D and we are adding to our sales forces. Schering-Plough is a recognized leader in biotechnology, genomics and gene therapy. Our company has consistently demonstrated its ability to think big and then deliver. There is much to look **GPIW** and to in the