Answers That Matter.
Zyprexa Product Team
2001 Priorities

• Manage Weight Gain / Hyperglycemia

• Competitive Blunting and Differentiation
  - focus on Zeldox, Risperdal

• The Bipolar Patient
  - mania, maintenance, depression

• The Acutely Ill Patient
  - IM, high dose, Zydis

• The Chronically Ill Patient
  - depot, relapse prevention

• Brand Strategy
  - position, health outcomes, pricing
# Team Structure

<table>
<thead>
<tr>
<th>Mood</th>
<th>Acute</th>
<th>Maintenance</th>
<th>Safety</th>
<th>Competitive</th>
<th>Dementia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mike Greaney</td>
<td>Stacy David</td>
<td>Barry Jones</td>
<td>Patrizia</td>
<td>Tim Parshall</td>
<td>Jamie Street</td>
</tr>
<tr>
<td>Bipolar depression, mania, and maintenance</td>
<td>Agitated patients (schizo., mania, and dementia)</td>
<td>Relapse prevention</td>
<td>Glycemia &amp; weight clinical plans</td>
<td>Differentiation (risperidone, quetiapine, valproate ..)</td>
<td>Dementia</td>
</tr>
<tr>
<td>Depression</td>
<td>RALM</td>
<td>Depot</td>
<td>Regulatory response</td>
<td>Zelodox blunting</td>
<td>Market conditioning</td>
</tr>
<tr>
<td>Recognition/Diagnosis</td>
<td>Zydus/Velotab</td>
<td>Cognition/Neg. symptoms/TD</td>
<td>Safety review</td>
<td>Health Outcomes</td>
<td>Health Outcomes</td>
</tr>
<tr>
<td>Positioning</td>
<td>1st Episode, Prodromal</td>
<td>Health outcomes</td>
<td>Core data sheet</td>
<td>Scientific comm plan</td>
<td>Scientific comm plan</td>
</tr>
<tr>
<td>Health outcomes</td>
<td>High dose, onset of act.</td>
<td>Scientific comm plan</td>
<td>Health Outcomes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scientific comm plan</td>
<td>Health outcomes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scientific comm plan</td>
<td>Scientific comm plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8/27/2004

Company Confidential

Copyright © 2000 Eli Lilly and Company
Market & Brand & Science

Effective Brand Building requires an understanding of the customer landscape (Market) and a Brand’s equity and the Science.

Market landscape

- Brand Architecture
- Brand Positioning
- Brand Character
- Brand Book
- Brand Delivery
- Communication Plan
- Measurement/Tracking

Scientific Inventory

Brand
Brand Equity Model

What the brand offers and how it provides it

Brand Delivery (what)

Brand Identity (who)

Who the brand is and what it stands for

Intangibles

Perceived Value

Evolution

Personality

Reputation

Origin

Emotional/Expressive Benefits

Tangibles

Channel/Availability

Functional Benefits

Activities

Presentation
Treatment Goal Need States

- Common need states exist across specific disease stages and Physician Orientation segments.

---

Patient 3
Major Depression

Patient 10
Schiz-Acute

Patient 9
BP-Mixed/Rapid Cycling

Patient 8
BP-Manic

Patient 1
Schiz-First Break

Patient 6
Depressive Psychosis

Patient 4
Schiz-Controlled

Patient 7
BP-Controlled

Patient 5
Alz-type w/Psychosis

Patient 11
Alz-type Dementia

Patient 2
Mild Dementia

Certainty Seeker

Independent Skeptic

Holistic Experimenter

Referrer

Cautious Practitioner
Treatment Goal Need States

Need State 1 - Prevent Threat & Stabilize

- Primary goals for this need state are focused around prevention of suicide and prevention of threat/injury to self or to others.
  - Increasing compliance is important as an ongoing goal

<table>
<thead>
<tr>
<th>Need State</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preventing suicide</td>
<td>40</td>
</tr>
<tr>
<td>Preventing them from being a threat to themselves and/or others</td>
<td>60</td>
</tr>
<tr>
<td>Increasing compliance</td>
<td>34 H</td>
</tr>
<tr>
<td>Controlling the symptoms of their disorder</td>
<td>84</td>
</tr>
<tr>
<td>Preventing hospitalization</td>
<td>41</td>
</tr>
<tr>
<td>Getting the patient well enough to be able to hold a job</td>
<td>10</td>
</tr>
<tr>
<td>Helping patient gain insight into their illness</td>
<td>24</td>
</tr>
<tr>
<td>Preventing institutionalization</td>
<td>14</td>
</tr>
<tr>
<td>Helping patient reestablish their social/family relationships</td>
<td>14</td>
</tr>
<tr>
<td>Helping the patient feel motivated and interested in caring for self</td>
<td>16</td>
</tr>
<tr>
<td>Prevent relapse</td>
<td>17</td>
</tr>
<tr>
<td>Helping the patient feel productive</td>
<td>8</td>
</tr>
<tr>
<td>Lessening caregivers burden</td>
<td>6</td>
</tr>
</tbody>
</table>
Evolutionary Brand Positioning

Brands cannot often achieve their ultimate positioning goal immediately. Therefore, an evolutionary process is required.
Positioning Evolution Plan

Launch
- Vision:
- Customer Target:
- Key Needs:
- Positioning:
- Products:
- Services:
- Other:
- Key Communication:

Wave II
- Vision:
- Customer Target:
- Key Needs:
- Positioning:
- Products:
- Services:
- Other:
- Key Communication:

Ultimate Snapshot
- Vision:
- Customer Target:
- Key Needs:
- Positioning:
- Products:
- Services:
- Other:
- Key Communication:
Positioning Evolution Plan

Ultimate Positioning
- Delivery
- Identity

Competitive Differentiation

Launch
Customer Target:
Key Needs:
Market Positioning
Product:
Services:
Other:
Key Communication

Wave II
Customer Target:
Key Needs:
Market Positioning
Product:
Services:
Other:
Key Communication

Ultimate Snapshot
Customer Target:
Key Needs
Market Positioning
Products:
Services:
Key Communication
Competitive Strategy
Team Charter

To proactively position our competitors in the eyes of our customer and drive Zyprexa competitive differentiation
Strategy

Build a competitor strategy that is focused on the competitor brand but designed to support an alternative position.

The specific intent would be to create and manage a counter brand.

The focus of tactics can be then directed towards the elements of brand equity that are most important in the customers mind but support the alternative position.

The marketing mix would be phased to match the positioning evolution.

Proactively move the competitors to new points of differentiation and hence de-focuss their activities.
Goal and Objective

• Initially focus on Ziprasidone and Risperidone competitor strategies targeting brand. Seroquel and Depakote will be evaluated in Q3

• Build an alternative brand position
  • Targeting position provides both long term and short term goals

• Focus activities to erode/create brand equity

• Programs directed to most highly leveraged components of the brand's equity

• Measure impact of strategy through brand equity erosion
Competitive Team KRA's 2001

• Establish team KRA's and Structure

• Develop an integrated Strategy Framework aligned to Zyprexa Brand Architecture

• Continuously monitor competitive environment to find position competitors and manage emerging points of differentiation
### Ziprasidone KRA's

<table>
<thead>
<tr>
<th>Condition the market for Ziprasidone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategically evolve the Ziprasidone marketing mix over time to support desired positioning</td>
</tr>
<tr>
<td>Mine and generate clinical and HO data to support positioning</td>
</tr>
<tr>
<td>Communicate data and tools to affiliates in a timely fashion</td>
</tr>
<tr>
<td>Measure Ziprasidone Band Equity in Top 9 markets every 6 months</td>
</tr>
</tbody>
</table>
## Deliverables by Functional Area Q1, 01

<table>
<thead>
<tr>
<th>Deliverables</th>
<th>Status</th>
<th>KRA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marketing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refine strategy positioning &amp; KRAs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ziprasidone Label analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Updated Ziprasidone Info. Package</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi competitor war game</td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTc slide update</td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTc story at all meetings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Public Relations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication around PEP cases and MPA a.e. reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Scientific Communications</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Case studies from PEP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Slides from PEP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Publication plan for adverse events reported</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Market Research</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTc awareness study</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor QTc SOV (through affiliates)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitive information analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ECNP, AEP, CINP, APA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PEP's</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- ZOZO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- ZIMZIM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8/27/2004
File name/location
Company Confidential
Copyright © 2000 Eli Lilly and Company
Risperidone KRA's

- Refine competitive Risperidone Strategy
- Provide Tools to affiliates to implement the strategy
- Measure impacts
Success Metrics

Brand equity dimensions

Affiliate usage of tools and templates

Alignment with Marketing Plan
Brand Delivery and Brand Identity elements are modeled against consumer relevance and competitive differentiation.

- **Points of Parity**
  - **Antes**
    - The brand equity requirements that are the minimum expectations for the segment
  - **Neutrals**
    - Elements of the brand equity that have little or no impact

- **Points of Difference**
  - **Drivers**
    - Relevant and unique brand equity elements that help build profitability
  - **Distinct**
    - Unique brand equity elements

- **Liabilities (issues)**
  - Elements that detract from the brand equity

Relevance:
- Low
- High
Brand Equity Tracking

Positioning Progress

- Tracking brand equity elements indicates where the brand is delivering on it’s promises and where it falls short.
- Tracking against competition yields further information around differentiation.

Hypothetical - Schizophrenia

![Diagram showing % Agreement and Agreement vs. Competition with T1, T2, T3, and T4 stages.]

<table>
<thead>
<tr>
<th>Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ - Positive Symptom Efficacy</td>
</tr>
<tr>
<td>▲ - Weight Gain</td>
</tr>
</tbody>
</table>

Difference vs. Competition

<table>
<thead>
<tr>
<th>Differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ - Positive Symptom Efficacy</td>
</tr>
<tr>
<td>▲ - Weight Gain</td>
</tr>
</tbody>
</table>
Key Heavyweight Team Learning Points

Participants:

Gary D. Tollefson, M.D., Ph.D.
Vice President, Lilly Research Laboratories, Olanzapine Heavyweight Team

Alvin H. Rampey, Ph.D.
Manager, Information Sciences, Olanzapine Heavyweight Team

SITUATION:

The need to submit a comprehensive global registration package while optimally utilizing finite resources; expedite launch in two-thirds of the global major markets; optimize the early commercialization of the product.

ACTION:

Utilizing the concept of a Heavyweight Team as presented by Stephen Wheelwright, we established Team Olanzapine. The resulting organizational structure afforded us an opportunity to compare the efficiency and effectiveness of Team Olanzapine relative to historical data regarding drug development in the medical organization.

RESULTS:

Following completion of stage 1 of Team Olanzapine’s lifecycle we have achieved a worldwide regulatory submission ahead of proposed timelines. This was accomplished by creating a superior work environment for the Heavyweight Team. This better employed valuable and finite resources to deliver both quality and speed, resulting in a superior EVA to Lilly shareholders.