MARKET WATCH

Sales trends by therapeutic area: 2008–2013E

AVOS Life Sciences has analysed the revenue contribution of each therapeutic area to the major Rx drug portfolios (MRDP; the collection of branded drugs that are each predicted to achieve at least US$500 million in annual sales) of the 14 large-cap pharmaceutical companies (see Supplementary information S1 (box)). For the first time in decades, the oncology therapeutic area has overtaken cardiovascular medicine as the leading revenue contributor to the average MRDP of the group, which is mirrored in the continuing interest of companies in oncology products, despite the risks posed by issues such as uncertain trial endpoints, unprecedented biology and scarcity of trial enrollees. Average revenues from oncology products are predicted to rise from $2.9 billion in 2008 to $3.3 billion in 2013E (with a compound annual growth rate (CAGR) of 3%), accounting for 17.8% of the average MRDP in 2013E, compared with 12.6% for cardiovascular medicine (FIG. 1), which shows a 3% reduction in CAGR.

In 2008, cardiovascular medicine was the leading therapeutic area in terms of revenue for four companies (Bristol–Myers Squibb, Pfizer, Sanofi–Aventis and Schering–Plough), but is the leader for only two companies (AstraZeneca and Sanofi–Aventis) in 2013E. The oncology therapeutic area is the leading revenue contributor for one company (Roche) in 2008 and for two companies (Roche and Novartis) in 2013E. A major reason for the rise of oncology as a revenue contributor in the group overall is Roche's oncology franchise, sales for which are predicted to grow from $17.2 billion in 2008 to $25.9 billion in 2013E at a CAGR of 7%. This growth is driven by the success of bevacizumab (Avastin), with sales of $9 billion in 2013E, rituximab (Mabthera/Rituxan) and trastuzumab (Herceptin). Novartis's oncology MRDP has a CAGR of 4% over the forecast period, growing from $4.9 billion to $5.9 billion, driven primarily by the success of imatinib (Glivec/Gleevec), with sales of $4.6 billion in 2013E. When considering the two leading revenue contributors at each company, Merck is the only company for which both of these change from 2008 to 2013E: Merck's top two therapeutic areas in 2008 (respiratory medicine and antihypertensives) switch to the metabolic therapeutic area and vaccines by 2013E.

In terms of 2008–2013E growth by therapeutic area, the metabolic therapeutic area leads the peer group with 11% CAGR, followed by vaccines (9% CAGR), immunology (8% CAGR) and antifungals (4% CAGR). The therapeutic areas for which revenue most rapidly declines over the forecast period are antihypertensives (–15% CAGR), antibiotics (–14%), gastrointestinal medicine (–10%), and psychiatry (–10%). As a sign of how far revenue from the cardiovascular therapeutic area has fallen, immunology looks set to overtake it as the second highest revenue contributor just beyond the forecast horizon in 2014E.

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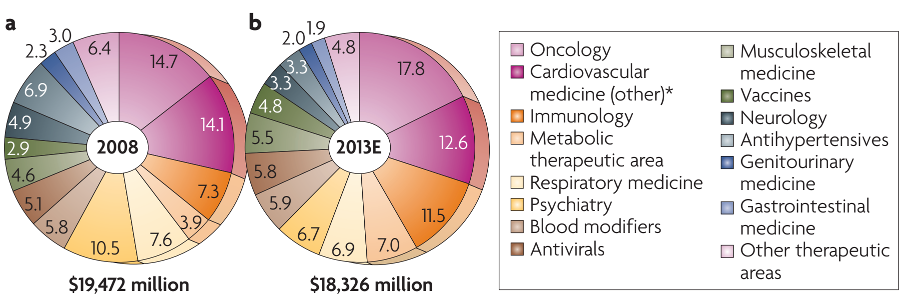

Figure 1 | **Average percentage revenue contribution by therapeutic area: 2008 and 2013E.** The peer-group average MRDP is shown beneath the pie charts. *See Supplementary information S2 (figure) for expanded pie charts and further information on the indications.