

Documentation of Competition; Zantac v. Tagamet

Since the introduction of Glaxo's anti-ulcer drug, ranitidine (Zantac), to the market in July of 1983, the intense competition between this product and SmithKline Beecham's anti-ulcer drug, cimetidine (Tagamet), has been chronicled by a variety of medical and financial publications. The following are selected excerpts:

March 16, 1990, Pharmaceutical Business News: "Glaxo's Zantac, meanwhile has been powering ahead too: it is the world's single best-selling drug with sales of around \$2 billion last year, has won what was essentially a marketing battle with Tagamet hands down...."

March 16, 1990, The Independent: "Zantac's main rival Tagamet is 40 percent cheaper, and its manufacturer SmithKline Beecham says that for the first time since Zantac was launched in 1982, the price differential is starting to tell."

January 27, 1990, The Economist: "Britain's Glaxo turned itself into a leading international drug firm after it spent lavishly to promote Zantac, an anti-ulcer pill which became the world's best-selling drug, even though it was only a slight improvement on Tagamet."

November 6, 1989, Fortune: "Paul Girolami, Glaxo's chief executive from 1980 to 1986.....orchestrated a full-scale attack on the American market. His goal: to overtake SmithKline's best-selling Tagamet on its home ground."

August 3, 1989, The Wall Street Journal: "But Glaxo Holdings PLC has exploited the problem to help vault its own ulcer drug Zantac ahead of Tagamet in one of the pharmaceutical industry's biggest marketing wars ever -- a battle of billion dollar ulcer drugs."

May 29 1989, Chicago Tribune: "The document did not give market-share estimates for Tagamet's key competitors, Zantac from Glaxo Holdings and Pepcid from Merck & Co."

May 22, 1989, Business Week: "The company (Glaxo) beat back competition from Tagamet, SmithKline Beckman Corp.'s anti-ulcer drug."

April 4, 1989, Financial World: "...Glaxo waged its classic battle against SmithKline's Tagamet. Zantac and Tagamet were similar, though Zantac was a bit more potent....."

March 15, 1989, Reuters: "...it (Zantac) cost 40 per cent more than rival Tagamet, made by U.S. group SmithKline, but still went on to lead the market."

March 15, 1989, Reuters: "Analysts have said Zantac could suffer when its main competitor, Tagamet...goes off-patent in the U.S. in 1992."

January 25, 1989, Chemical Week: "Zantac was promoted as having fewer side effects than Tagamet and fewer complications when used in combination with other drugs."

October 12, 1988, Focus: "GASTROINTESTINAL WARS:..Zantac has gained a couple of market advantages on Tagamet."

October 10, 1988, Business Week "HOW GLAXO'S EAGER BEAVERS CHEWED UP TAGAMET'S LEAD": "SKB is fighting Glaxo's fire with its own. A new Tagamet offers the same daily dosage requirement as Zantac."

May 17, 1988, Financial World: "And when SmithKline's competing Tagamet comes off patent in just six more years, it is bound to spawn a slew of generic Zantac-like clones."

May 9, 1988, The Pink Sheet: "While Zantac growth continues, SmithKline's Tagamet is beginning to taper a bit....'The anti-ulcer market is one of the largest and most aggressively marketed categories in pharmaceuticals,' PDS (Pharmaceutical Data Services) observed."

April 18, 1988, The Pink Sheet: "In recent months, SmithKline has increased the size of its own sales force and signed on Dupont's physician detail force to comarket Tagamet to counter Zantac's preeminence in the market."

April 1, 1988, The Wall Street Journal: "Glaxo Inc., following its chief rival in the anti-ulcer prescription drug market, will launch a television advertising campaign aimed at antacid users....Zantac and Tagamet dominate the market for drugs of their type...."

December 23, 1987, The Wall Street Journal: "But the SmithKline move and Glaxo's response sharpen the companies' acute rivalry and mark the latest in a series of co-marketing and cross-licensing agreements in the pharmaceutical industry, largely reflecting intensifying competition."

March 23, 1987, The Pink Sheet, "ZANTAC MAY SUPERSEDE TAGAMET IN U.S. ANTI-ULCER DOMINANCE IN 1987...": "Zantac and Tagamet are now running neck and neck in the U.S. retail market, according to PDS sales figures."

November 18, 1986, Financial Times: "SmithKline's position is now threatened by Glaxo, which a month ago claimed to have edged into the top spot with its own hugely successful drug Zantac. The Glaxo drug, also an ulcer treatment, imitates the Tagamet principle...."

October 20, 1986, The Pink Sheet: "Merck's Pepcid will join Tagamet-Zantac Fray in the anti-ulcer market with its upcoming mid-November launch."

September 2, 1986, Financial World: "The product essentially driving Glaxo is Zantac, a \$900 million anti-ulcer drug that has been fighting head-to-head with SmithKline's own money machine, Tagamet...."

June 9, 1986, The Pink Sheet: "Glaxo's claims of Zantac superiority to Tagamet in recent letters to Hawaii and California Medical Therapeutics and Drug Advisory Cmtes. was criticized by the FDA in a four page notice to the firm."

May 1, 1986, The Wall Street Journal: "The approval will intensify competition between Tagamet and Glaxo Holdings PLC's Zantac anti-ulcer medicine."

December 3, 1984, Forbes: "...Paul Girolami, chief executive of Glaxo Holdings PLC. He promises some real competition for SmithKline's Tagamet...."

May 29, 1984, Financial Times: "The struggle, for dominance of the U.S. market for anti-ulcer drugs, which has already brought Glaxo Holdings across the Atlantic to challenge SmithKline will not become any less fierce in the next five years, but will present new challenges to the gladiators."

September 19, 1983, Fortune, SMITHKLINE'S ULCER MEDICINE 'HOLY WAR': "A success in Europe, Zantac has just come to market in the U.S. and the competitive struggle shaping up will undoubtedly give some SmithKline executives stomach pains."

April 16, 1983, Financial Times: "Much of the excitement about Glaxo has centered on its new anti-ulcer drug Zantac, and what the drug might do to spearhead its attack on the important U.S. market and on SmithKline's Tagamet...."