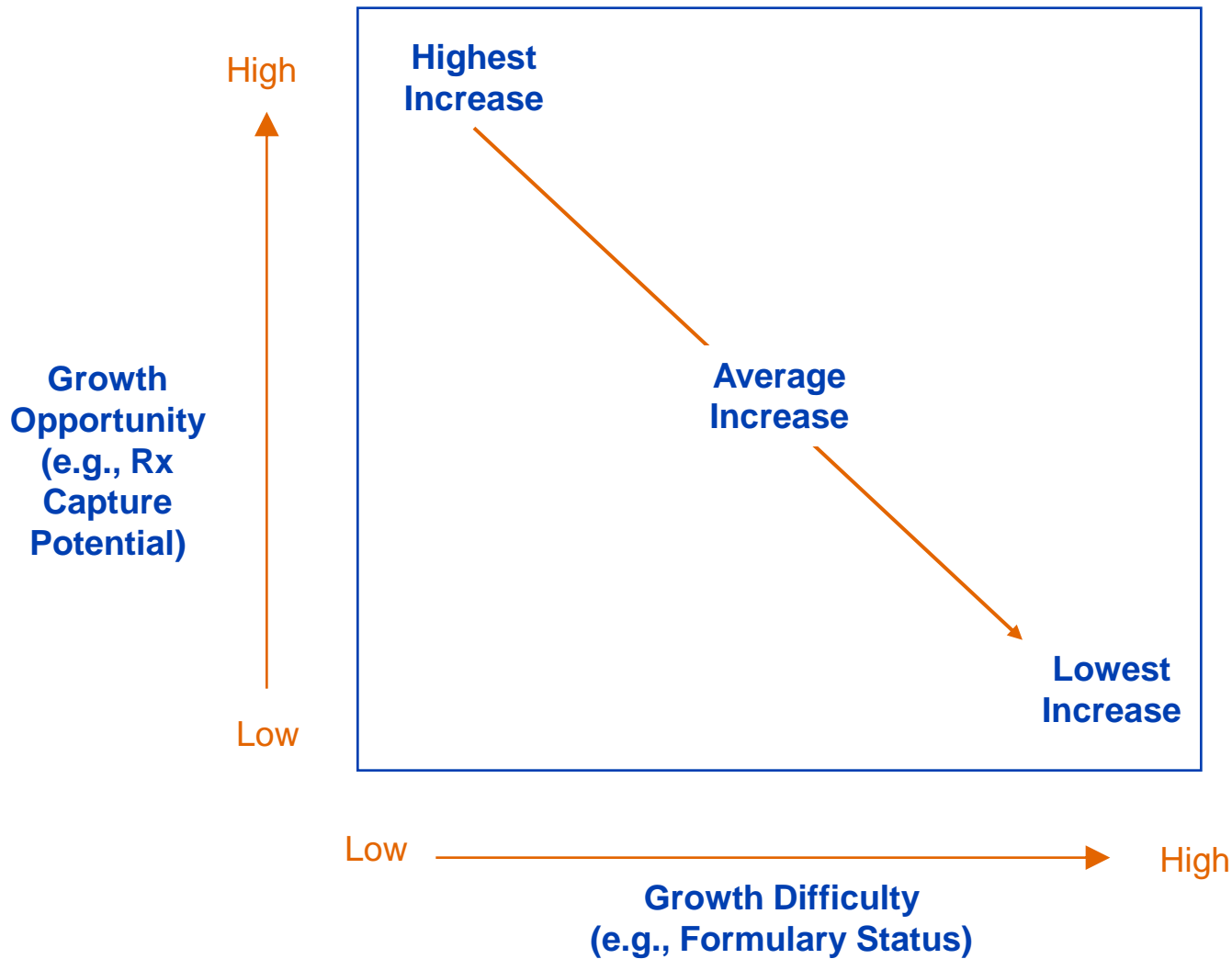
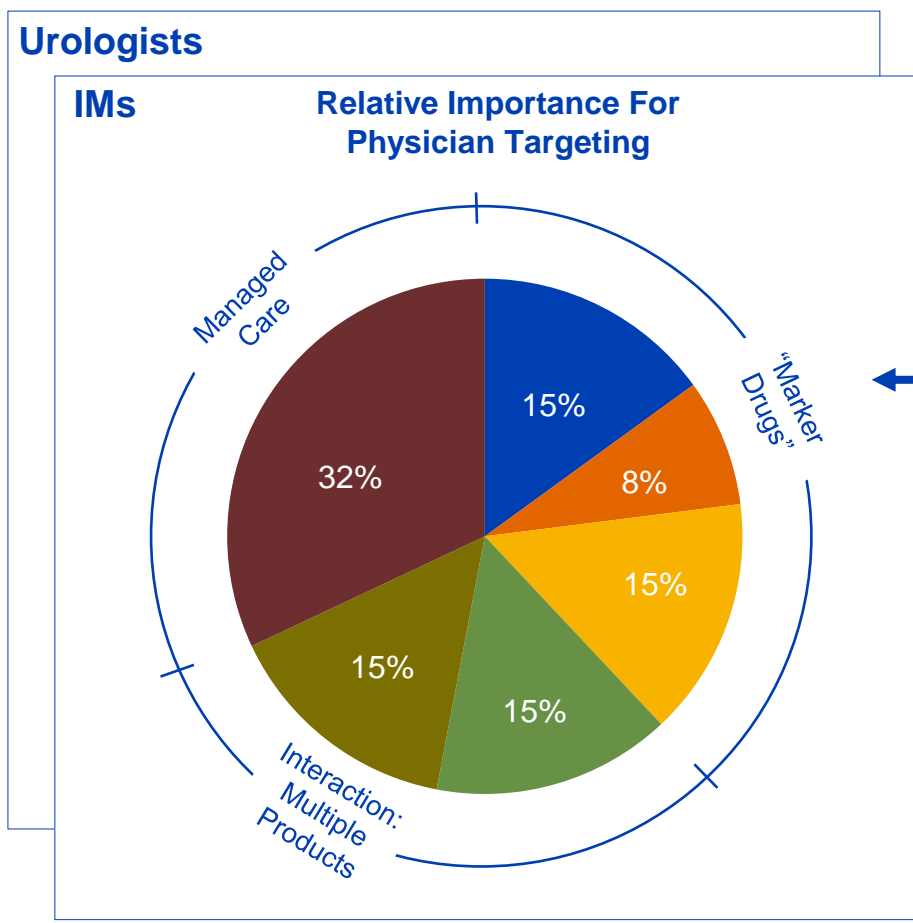


# 1. Goaling System Theory: “Same Stretch” Goals Do Not Mean “Same Increase” Goals



## 2. Potential: Models Initially Developed For Physician Targeting Can Be Used to Establish Same Stretch Goals



**Potential Model Drivers:**

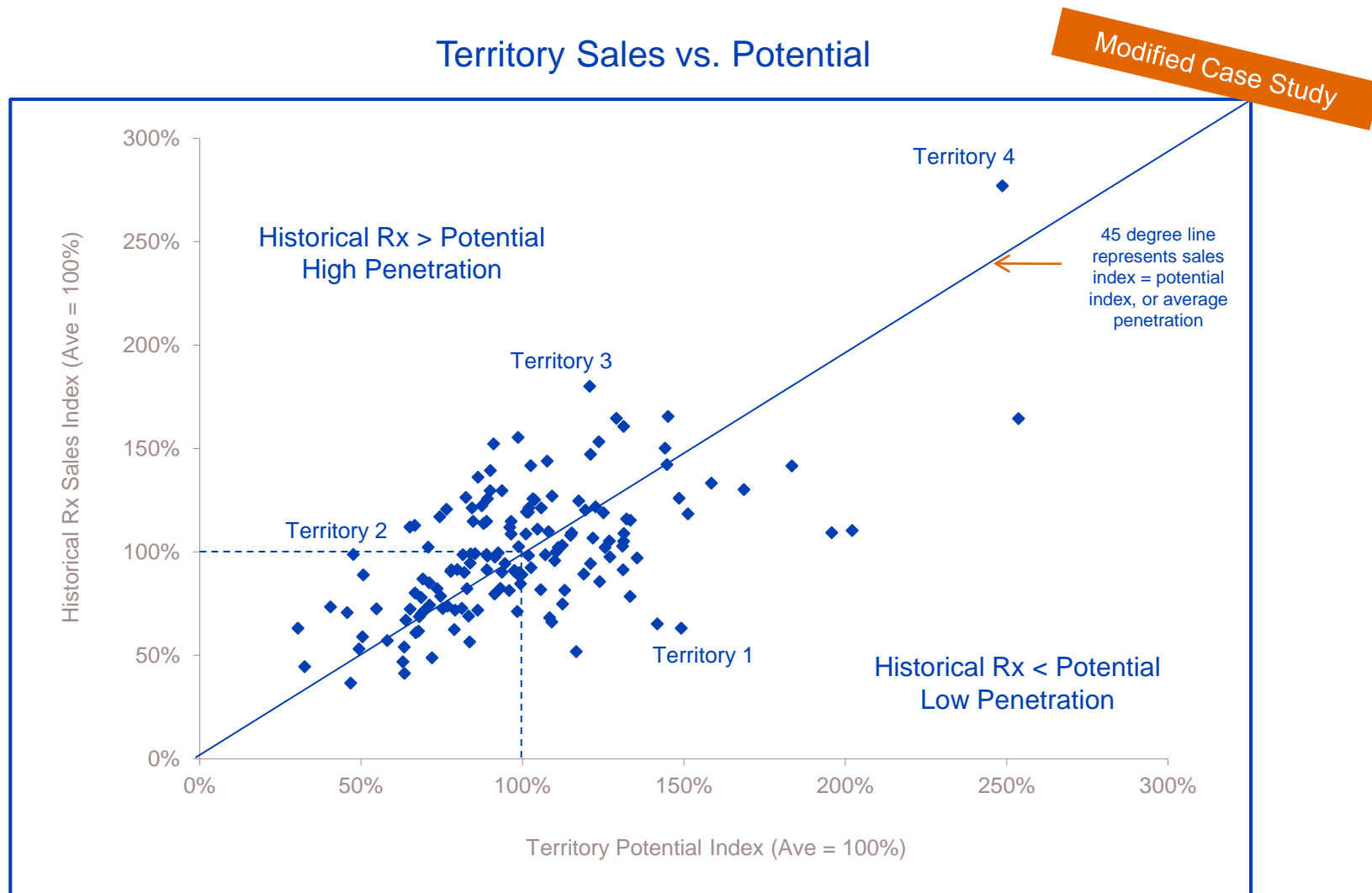
- Branded products in adjacent category
- Directly competitive generic drugs
- Interaction of above – physicians writing both branded and generic marker products count more
- Managed Care



**Physician-Level Potential Is Then Rolled Up To The Territory Level To Define Potential To Be Considered For IC Goaling**

- Branded Drug A
- Branded Drug B
- Generic Drugs
- Interaction: Branded A & Generic
- Interaction: Branded B & Generic
- Managed Care

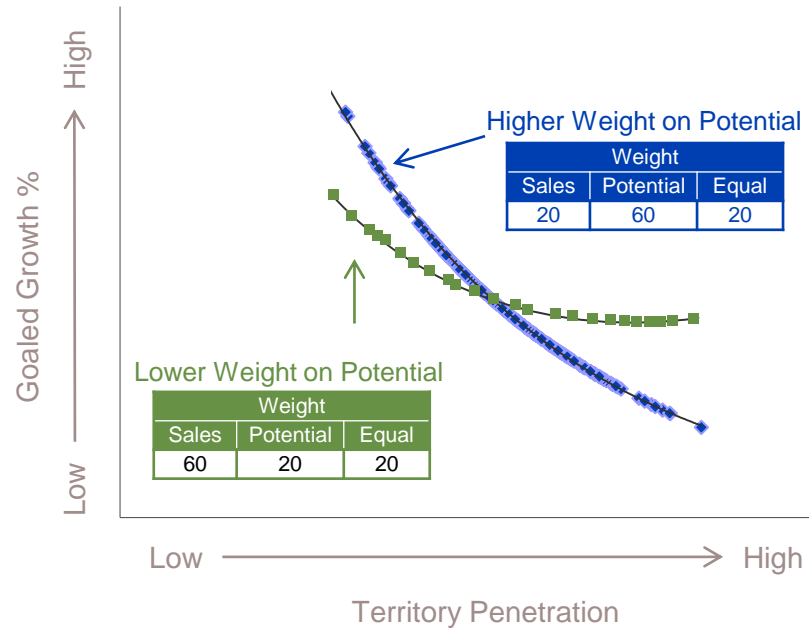
### 3. Territory Sales Relative to Potential Can Vary Widely



## 4. Goaling Weights Must Result in Goaled Growth Ranges That Are Consistent With The Opportunity That Can Be Captured in The Plan Period

**Modified Case Illustration**

Impact of Territory Penetration on Goaled Growth



\*  $\text{Pct National Volume Contribution} / (\text{Pct National Volume Contribution} + \text{Pct National Potential})$

# 5. Fairness Testing

## Attainment Vs. Historical Sales

**Modified Case Illustration**

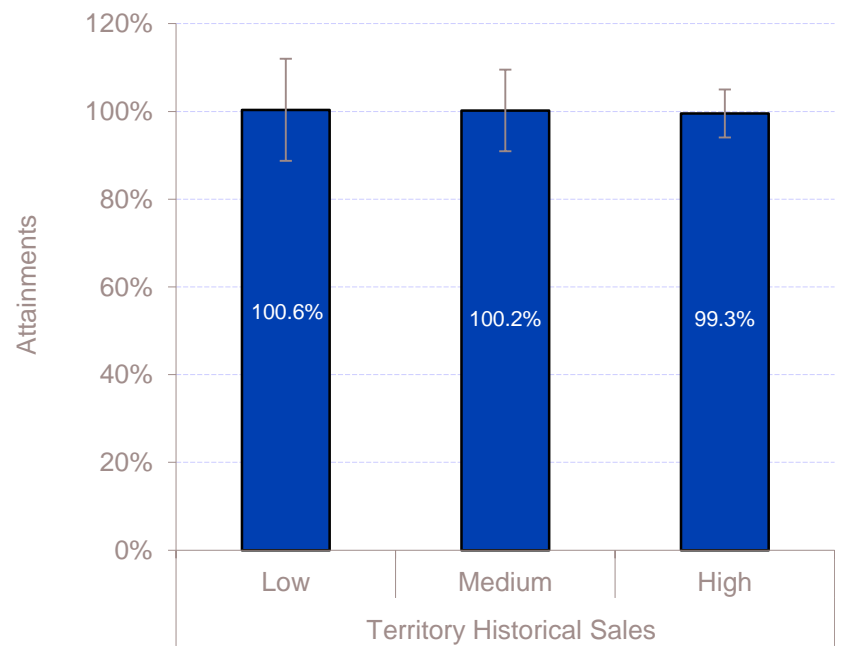
### Territory Specific

Attainment vs Historical Product Sales



### Territory Groupings

Fairness of Attainments



## 6. Impact of Different Goaling Algorithms

### Goaling Weights

### Average Territory Attainments

Hist TRx	Potential	Equal	Historical Sales			Penetration		
			Low	Med	High	Low	Med	High
0%	0%	<b>100%</b>	<b>92%*</b>	100%	<b>107%*</b>	<b>106%*</b>	99%	<b>94%*</b>
<b>100%</b>	0%	0%	<b>106%*</b>	100%	<b>95%*</b>	<b>105%*</b>	100%	<b>94%*</b>
<b>50%</b>	<b>50%</b>	<b>0%</b>	101%	100%	99%	101%	99%	101%
<b>40%</b>	<b>40%</b>	<b>20%</b>	98%	100%	102%	100%	99%	101%
<b>30%</b>	<b>50%</b>	<b>20%</b>	100%	100%	100%	101%	99%	102%
<b>25%</b>	<b>75%</b>	<b>0%</b>	99%	100%	102%	<b>94%*</b>	100%	<b>106%*</b>

*Fairest Alternatives*

**\* Sign of Unfairness**