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Mr. Donald S. Clark Secretary Federal Trade Commission Room H-135 (Annex J) 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

Re: Authorized Generic Drug Study: FTC Project No. P062105 Comments of IMS Health Incorporated

Dear Secretary Clark:

IMS Health Incorporated ("IMS"), hereby respectfully responds to the Federal Trade Commission's ("Commission's") request for comments in the above matter.

IMS is the world's leading provider of information, research, and analysis to the health care industry. Proprietary IMS information is specifically called for in the questions that the Commission proposes to ask of approximately 190 different drug companies. <u>See</u> Agency Information Collection Activities; Comment Request ("Comment Request") at 10-11. IMS therefore has a particular interest in the proposed authorized generic drug study.

## 1. The Commission Could Collect Necessary Information More Efficiently By Purchasing It Directly From IMS.

By explicitly calling for IMS information, the Commission's proposed questions recognize the importance of IMS information regarding the pharmaceutical industry. IMS information is frequently used by the Commission in investigations regarding merger transactions in the pharmaceutical industry, and IMS has been consistently cooperative in agreeing to its customers' provision of limited amounts of relevant information to the Commission for those purposes.

The proposal for an "Authorized Generic Drug Study" calls for the collection of IMS information regarding hundreds of different drugs from hundreds of different pharmaceutical companies. It is important in this regard for the Commission to understand that a substantial portion of the information provided by IMS to its pharmaceutical customers is customized to reflect the particular needs and circumstances of that customer. As a result, the information provided by IMS to one customer may differ substantially -- in selection criteria, level of detail, and other parameters -- from the information provided to another customer. Therefore, the existing reports in the hands of IMS customers are likely not to be consistent and comparable across manufacturers, products, and time periods.

The existing reports in the possession of IMS's customers also will likely be produced by pharmaceutical companies in different media and different formats and will require extensive analysis by Commission personnel. As the Commission recognizes in the Comment Request, the collection of this information will also place certain burdens on the companies that receive the requests.

IMS respectfully suggests that the Commission could obtain information it seeks more efficiently by licensing the information directly from IMS. IMS would be pleased to work with the Commission to identify information products and services which meets the Commissions' needs for this important study. Obtaining the information from IMS would be more efficient than the piecemeal collection of IMS information from hundreds of sources. It could save countless hours of Commission time and would reduce the burden on the companies receiving requests.

## 2. IMS Information Constitutes Confidential Trade Secret And Commercial Information.

Regardless of whether the Commission chooses to purchase IMS information or request it in the form of existing reports in the possession of pharmaceutical companies, IMS information constitutes confidential trade secret and commercial information that is protected from disclosure under section 6(f) of the FTC Act, 15 U.S.C. § 46(f). The Commission's proposal envisions that IMS information would be submitted to the Commission by pharmaceutical companies. Regardless of who provides IMS information to the Commission, IMS information remains the intellectual property of IMS; IMS therefore respectfully requests that the Commission treat IMS information as designated confidential, regardless of whether it is so designated by each pharmaceutical company. The Commission has recognized that this information belongs to IMS -- it refers to the information as "IMS data" and requests specific IMS products by name. IMS therefore hopes and expects that the Commission would treat such information as confidential and provide any notice pursuant to 15 U.S.C. § 57b-2(c) regarding IMS information directly to IMS.

## 3. Question (f) Requesting IMS Information Is Needlessly Broad.

The proposed questions regarding IMS information call for massive amounts of information. Proposed question (f) calls for "any other IMS data, or the equivalent thereof, used in the ordinary course of business." Comment Request at 11. This very broad request will require the disclosure of IMS information that is not necessary to the Commission's proposed study. Such a production will unnecessarily expose IMS to the risk of disclosure of its proprietary and trade secret information with no offsetting benefit to the Commission. It will also add to the burden on Commission staff and pharmaceutical companies by requiring the

production and review of unnecessary and extremely voluminous information. IMS respectfully requests that the Commission narrow its request to encompass only the information actually needed for the study.

In addition to the broad range of products the Commission has explicitly requested, IMS sells many other standard information services that are unlikely to contain any relevant information to support the Commission's study. IMS also performs numerous custom consulting projects for clients unrelated to authorized generics that would be called for by this broad request. This broad request is unnecessary because the Commission has already requested extensive IMS information specifically. IMS respectfully suggests that this request be eliminated from the Commission's final document request

IMS appreciates the opportunity to comment on the proposed collection of information. I would be pleased to answer any questions the Commission staff may have concerning these matters. I can be reached at the address or telephone number specified above.

Respectfully submitted,

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