



# AMITECH

## WHITE PAPER

Patent Cliff



# THE PATENT CLIFF

The patent cliff refers to decrease in revenue upon expiration of a patent of one or more leading products in a firm. In the pharmaceutical industry, which the patent cliff is almost exclusively associated with, when the patent of a medication expires, other companies are able to make generic versions of these medications and sell them at a lower price. Over the last few years, pharmaceutical companies have lost billions of dollars because of this patent cliff. Smaller pharmaceutical companies took advantage of this and began mass-producing generic versions of these major drugs with expiring patents and selling them for a lower price.

## The Pharmaceutical Industry

The patent cliff phenomenon was at its peak in 2012, and the effects are still present. As a result of the patent cliff, pharmaceutical companies focused their research on specific areas exclusive to prescription drugs, because they no longer had prescription drug dominance in various areas of treatment. Pharmaceutical companies were able to spend a lot more of their time on research and development. Companies also have to make changes in the development phase of their products, specifically in their market segmentation and brand development.

Amitech Solutions wants to show you how your business can use this disruption to create and capture huge opportunities, retain and grow market share, provide value while lowering cost, and increase consumer engagement.

## How?

Amitech Solutions assist in improving sales operations, sales force management, and marketing efforts. Through data warehouse solutions, employees can manage KPIs and drill downs per business requirements.

This data can enable companies to make better decisions, assign appropriate resources, and develop actions to continuously improve performance.

## Case Study

An industry-leading pharmaceutical company wanted to improve their business operations and marketing efforts to overcome some of the implications of the pharmaceutical industry. In their company, they struggled with gathering data and the quality of the data: In the pharmaceutical company, employees spend 70% of their time hunting, gathering, and assembling information for use, and 75% of employees are affected by poor, missing, or inaccurate data. Additionally, 88% of the sales force could improve sales with better, more insightful, and timely information for prescribers.



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## Results:

The expected improvement on controllable operation expenses for the company is to attain a 4% year over year improvement, resulting in \$800,000 in savings per year. The time spent gathering information by employees will be reduced, as well as the amount of poor or inaccurate data, thus improving sales operations within the company. The sales force will be able improve sales by having better information for customers. Moreover, the company will be able improve their marketing efforts by determining at-risk customers and retain them before they leave.

## About Us

As a leading healthcare analytics and strategy consulting firm, we guide our clients by focusing on the most innovative approaches to data analysis in healthcare to discover insights for healthcare systems and insurers. We believe in change. We believe in data. We can help you use data to change and ultimately lower costs, improve quality of care and achieve better business outcomes. Amitech is based in St. Louis and has more than two decades of experience as well as industry-leading talent in the business analytics, information management, strategy consulting, population health, clinical analytics, care management, digital health and big data fields.

