



Jay W. Forrester Award Acceptance Speech

27 July, 2010

Who We Are



Corey Peck - Managing Director



Jason Valant – Founding Partner

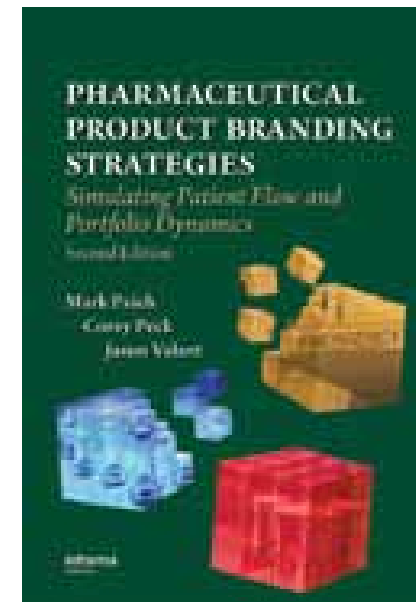


Mark Paich - Inmate



What the Book is About

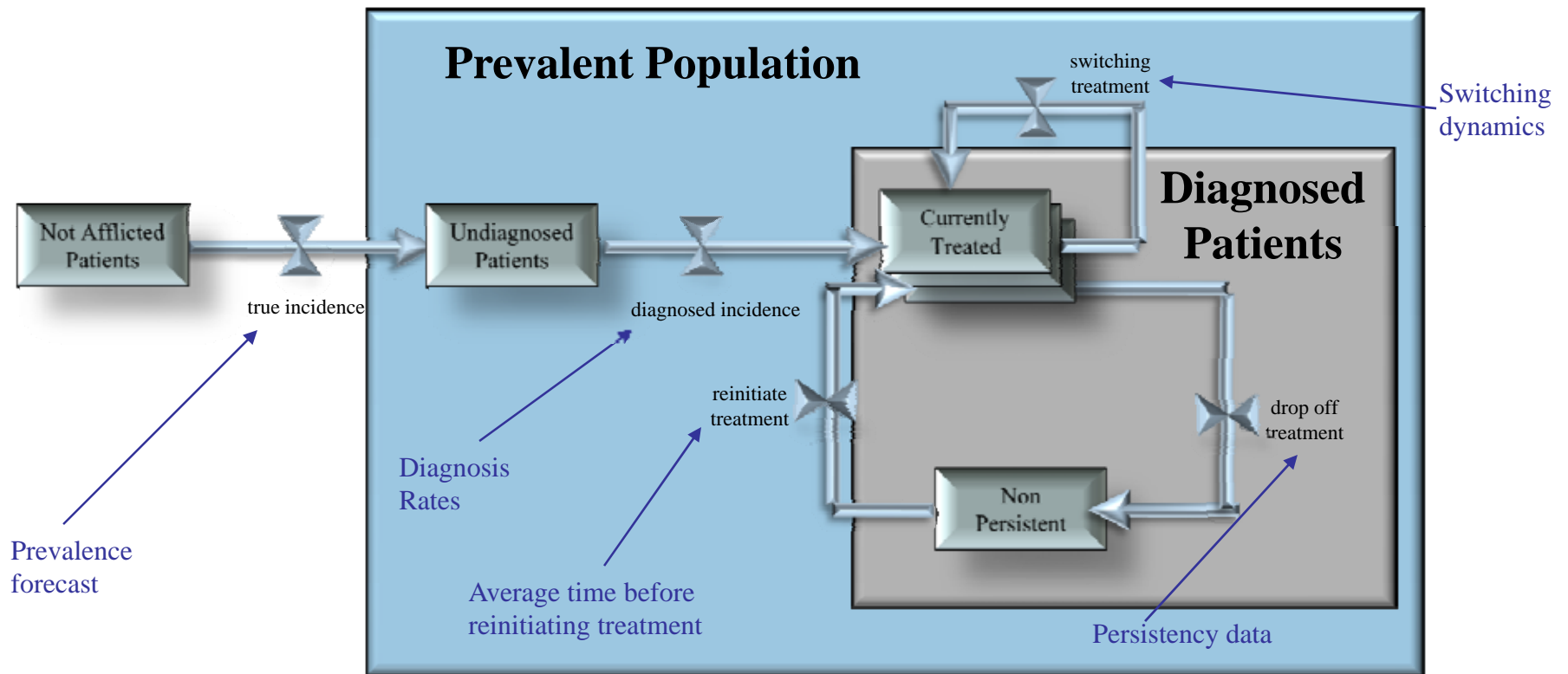
- Important Problems
 - Determine a product's market potential under different scenarios
 - Formulate effective marketing strategies
 - Determine what benefits to stress during Phase 3 trials
 - Determine resource allocation between products (Portfolio problem)



History - Previous Approaches to These Problems

- Product diffusion models – Bass
- Macro – flow models – Urban & Hauser
- Portfolio optimization models
- Product choice models
- SD
 - Jack Homer PhD thesis
 - Art Cook / Steve Peterson – Syntex Labs
 - Mason Tenaglia – Smith Kline

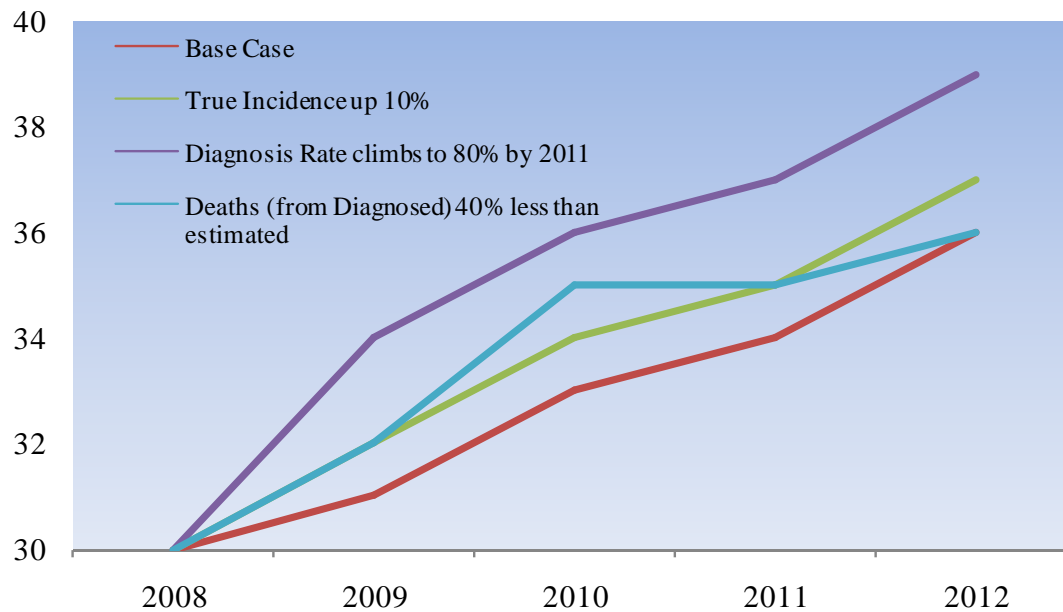
The book pulls multiple modeling approaches together into a set of common structures



Structure and Behavior



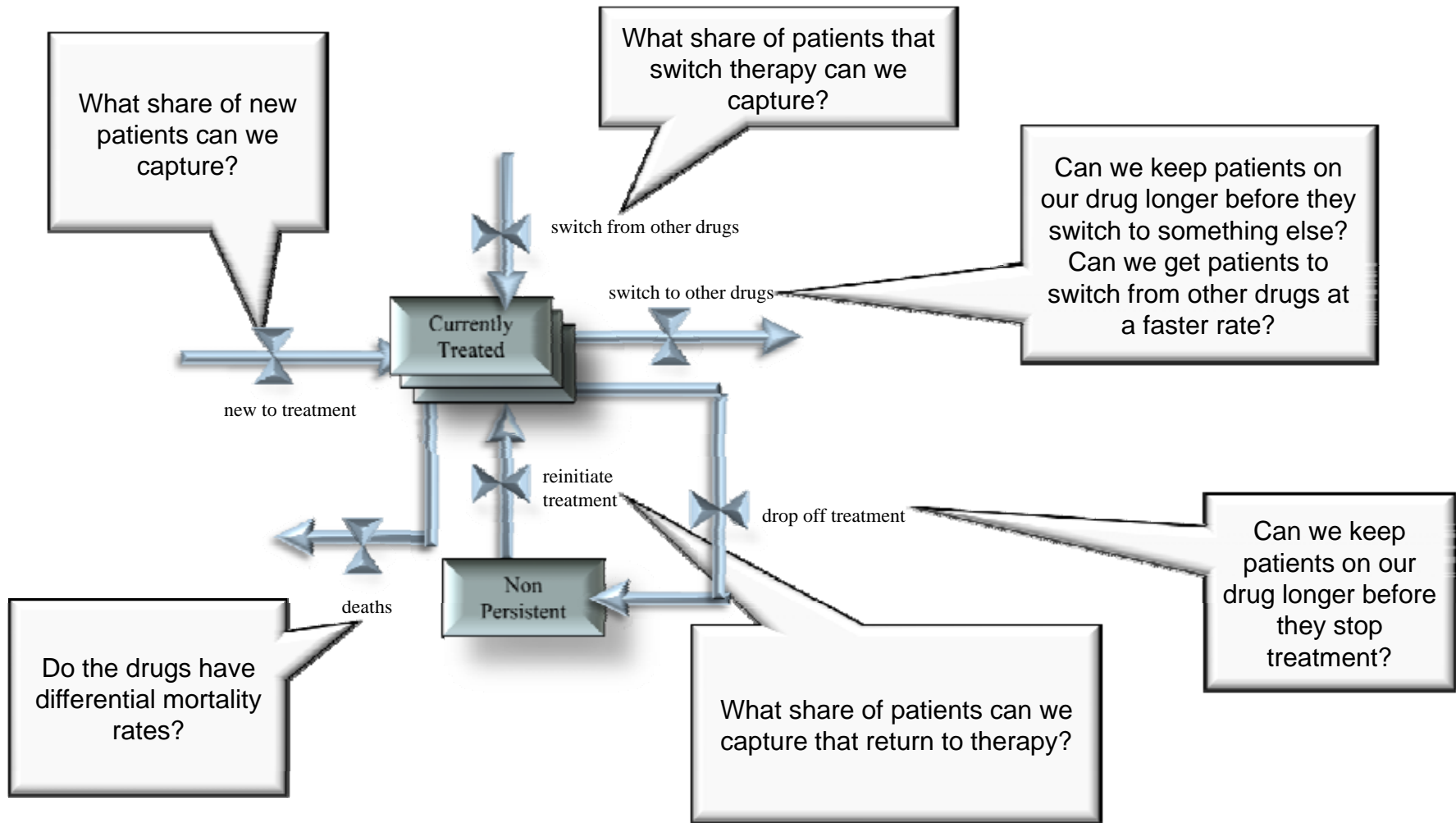
Diagnosed Patients Under Various Scenarios



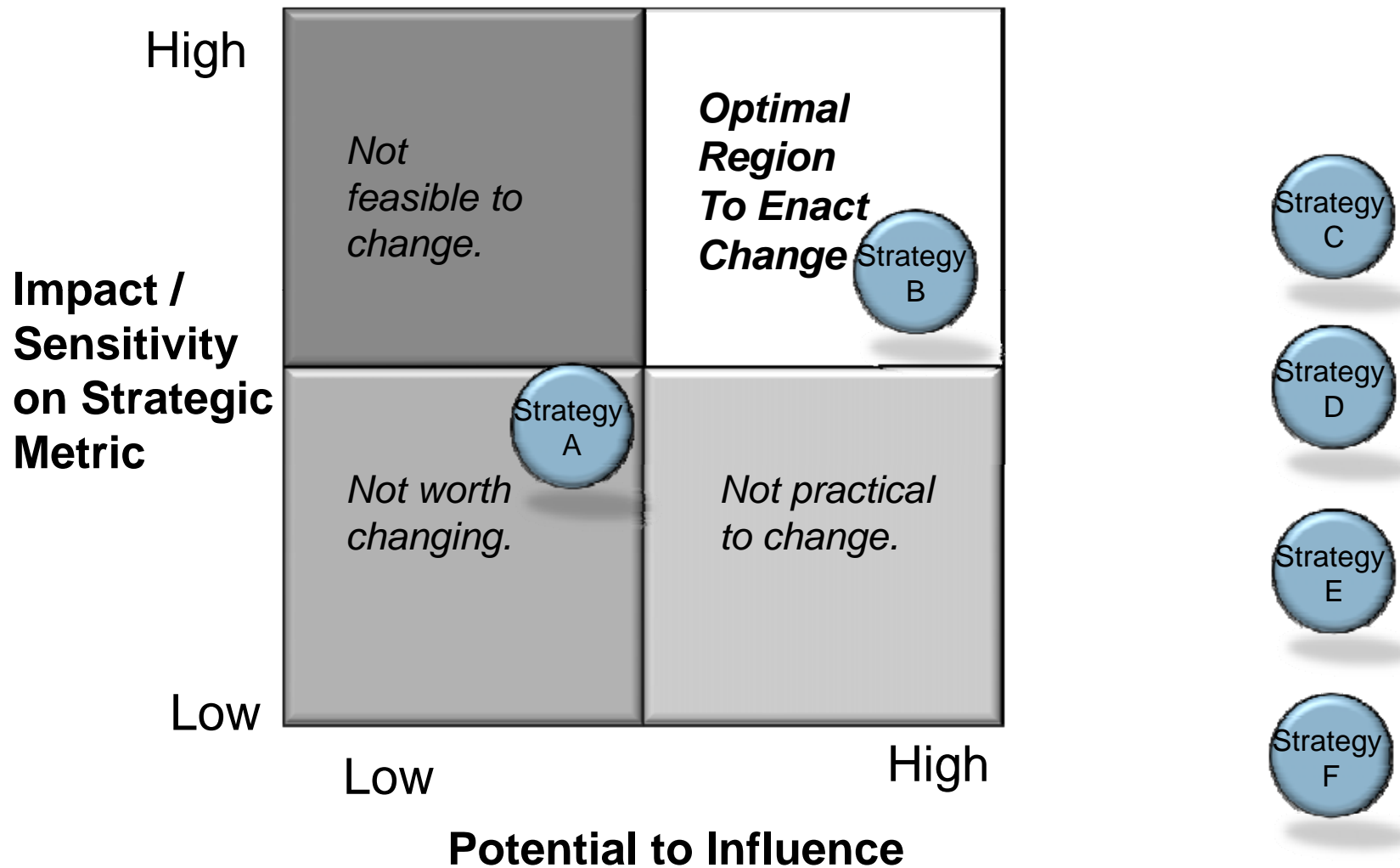
Possible Marketplace Evolution

Dynamic model simulations show how the system evolves over time in response to changes in the operational flows.

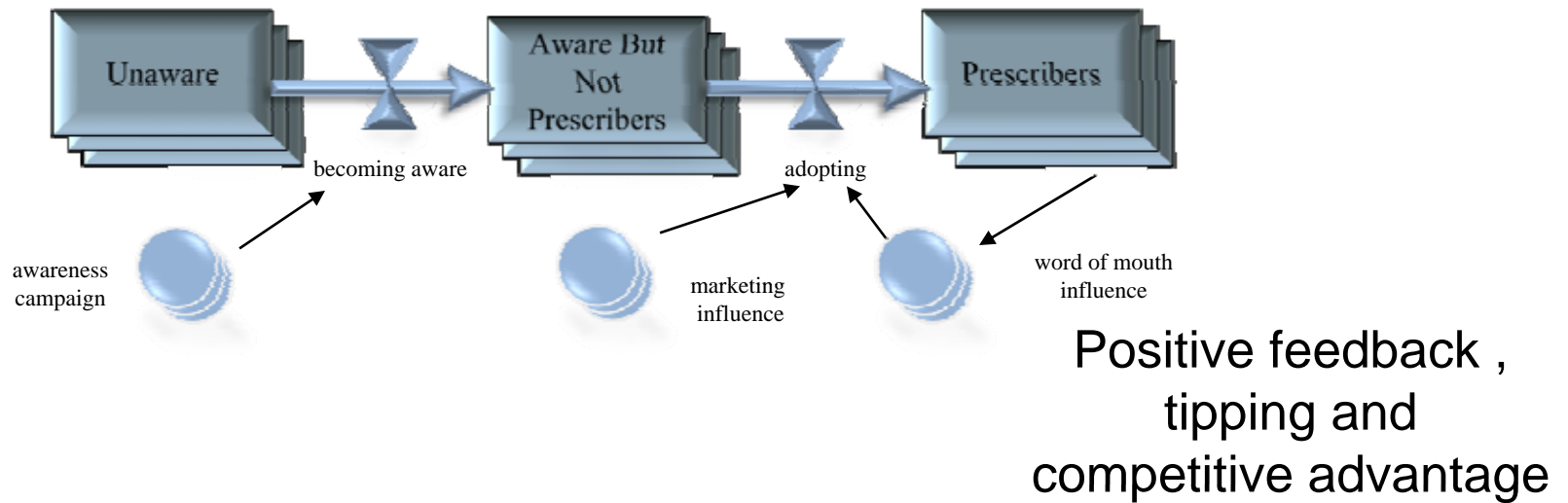
Searching for leverage points



Position possible interventions



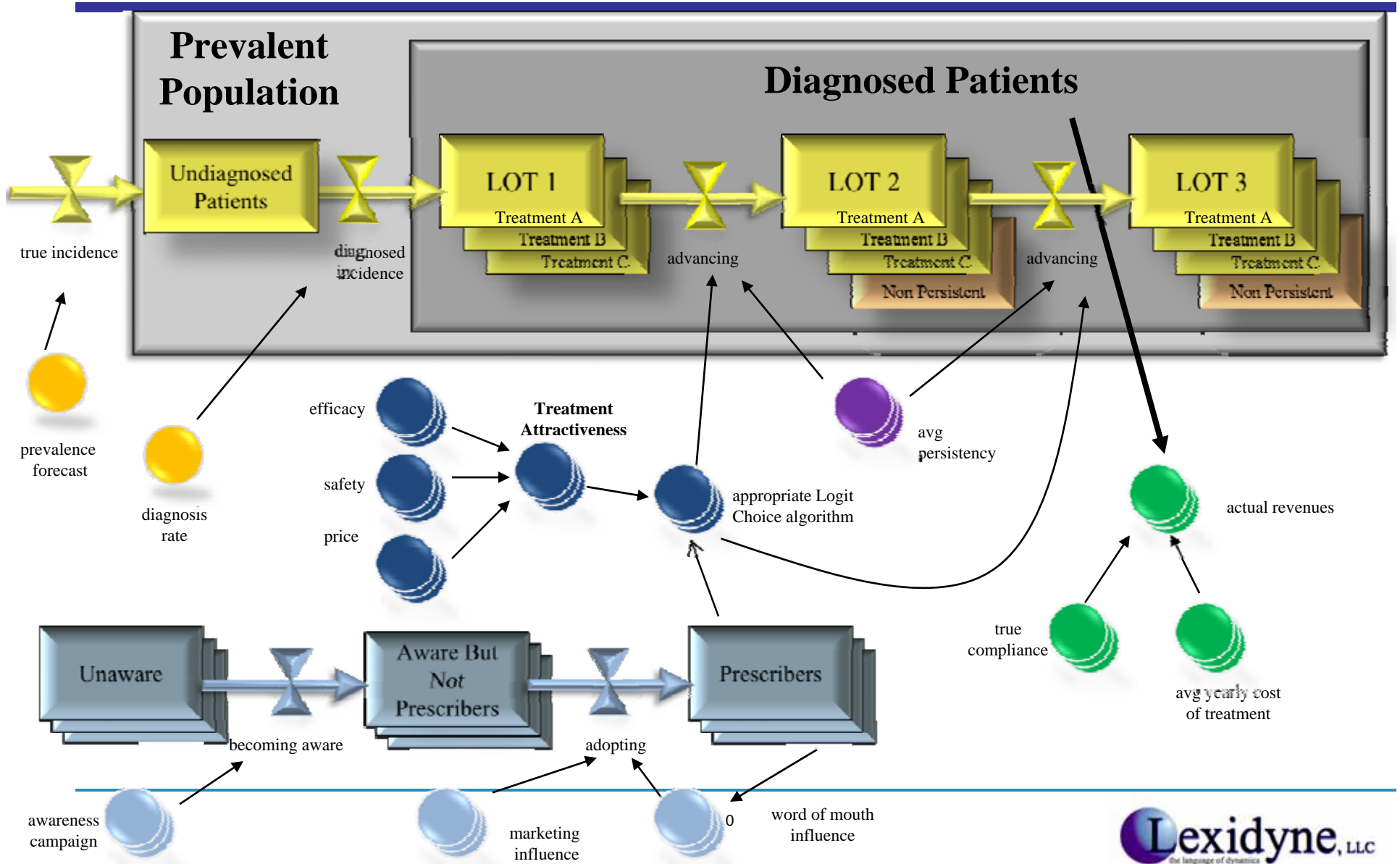
Doctor Adoption



This structure can be segmented to account for:

1. Physician specialty
2. Speed of adoption
3. Geography
4. Type of marketing (samples, detailing, etc.)

Integrated Model

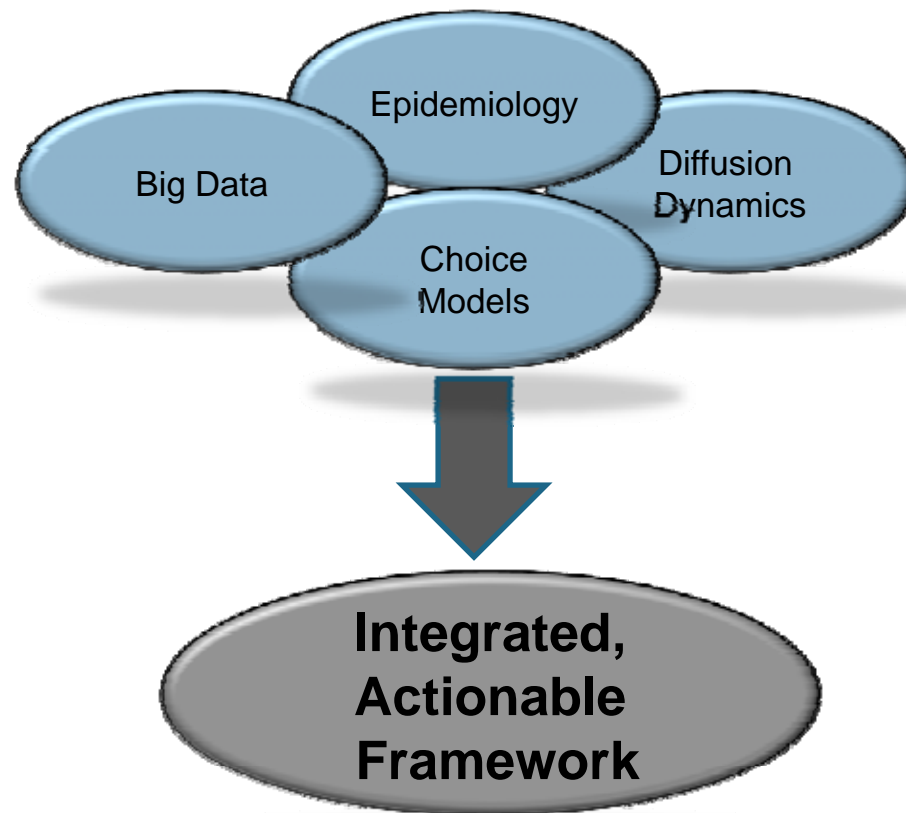


How has it worked out?

- 70 + studies across most of the major pharma and biotech companies. High customer retention rate
- Patient flow modeling has become an accepted approach
- Competitors have adopted variants of the approach
- Numerous cases of revised marketing decisions and projections

Why has it worked out?

- Satisfies the customer need to integrate multiple data sources, modeling approaches, and time frames



Extensions

- Agent Based models
- Portfolio models
- Uncertainty Analysis
- Calibration and Estimation