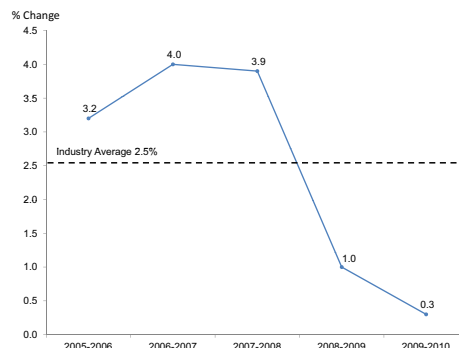


# Nonprescription Drugs USA 2010

## Fact Sheet

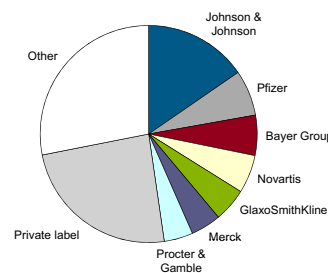
### The Market

In 2010, U.S. sales of nonprescription drugs through retail outlets are \$19,098 million at the manufacturers' level. Sales are basically flat for the year, up just 0.3% from sales of \$19,034 million in 2009. Sales have grown at a compound annual growth rate of 2.5% since 2005.



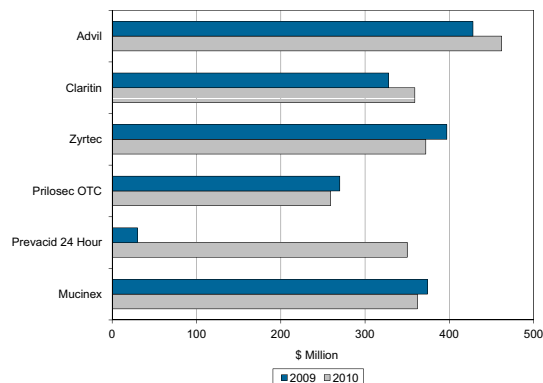
### Competitive Landscape

In 2010, the rankings of the leading companies experiences a change, though the top three marketers of nonprescription drugs— Johnson & Johnson, Pfizer, and Bayer Group— maintain their positions in 2010 and remain unchanged since 2009. Private label OTCs control nearly one fourth of the total nonprescription drugs market in 2010. During 2010, the overall growth of the OTC market is impacted by the widespread recalls of several brands of Johnson & Johnson, the leading marketer in the nonprescription market. Private-label products are the largest beneficiaries of the market absence of Johnson & Johnson's brands in 2010, as competing brands post gains but not at as high a rate as those enjoyed by private-label OTCs.



### Major Rx-to-OTC Switches

Major Rx-to-OTC switches introduced since 1976 account for nearly \$4,341 million in sales in 2010 and represent 33.9% of overall OTC sales, excluding home diagnostic test kits, vitamins and minerals, and herbal products.



### Future Outlook

Over the next five years, sales of nonprescription drugs are expected to advance steadily. The leading marketers are expected to continue to launch new products or innovative line extensions. Rx-to-OTC switches will continue to be a major force driving the OTC market; however, private-label OTCs will continue to be a major competitive force which will depress overall dollar sales given their lower price points over the next five years for the industry.

