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Skype Meeting Broadcast link and are accessible  
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# Third Manufacturer Townhall: Responding to COVID-19

June 11, 2020

During the call, please submit questions via the chat function  
or via email to: [Solutions@amerisourcebergen.com](mailto:Solutions@amerisourcebergen.com)

# Today's Speakers



**Joe Cappello**  
*SVP - Global Specialty & Branded  
Product Strategy & Access*



**Dave Picard**  
*Sr. Vice President, Global Generics  
Pharmaceuticals*



**Chester "Chip" Davis, Jr.,**  
*President and Chief Executive Officer  
Healthcare Distribution Alliance*



**Heather Zenk**  
*Sr. Vice President, Replenishment &  
Secure Supply Chain Operations*



**Doug Trueman**  
*Sr. Vice President, Consumer  
Products*

# Agenda

1	Opening Remarks
2	HDA's Perspective on the State of the Industry
3	Inventory and Business Continuity Update
4	Impact on Consumer Products
5	Q&A
6	Closing Remarks



# Opening Remarks



Joe Cappello

SVP - Global Specialty & Branded Products,  
Strategy & Access

# HDA's Perspective on the State of the Industry



**Dave Picard**

*Sr. Vice President, Global Generics  
Pharmaceuticals*



**Chester "Chip" Davis, Jr.**

*President and Chief Executive Officer  
Healthcare Distribution Alliance*

# Inventory and Business Continuity Update

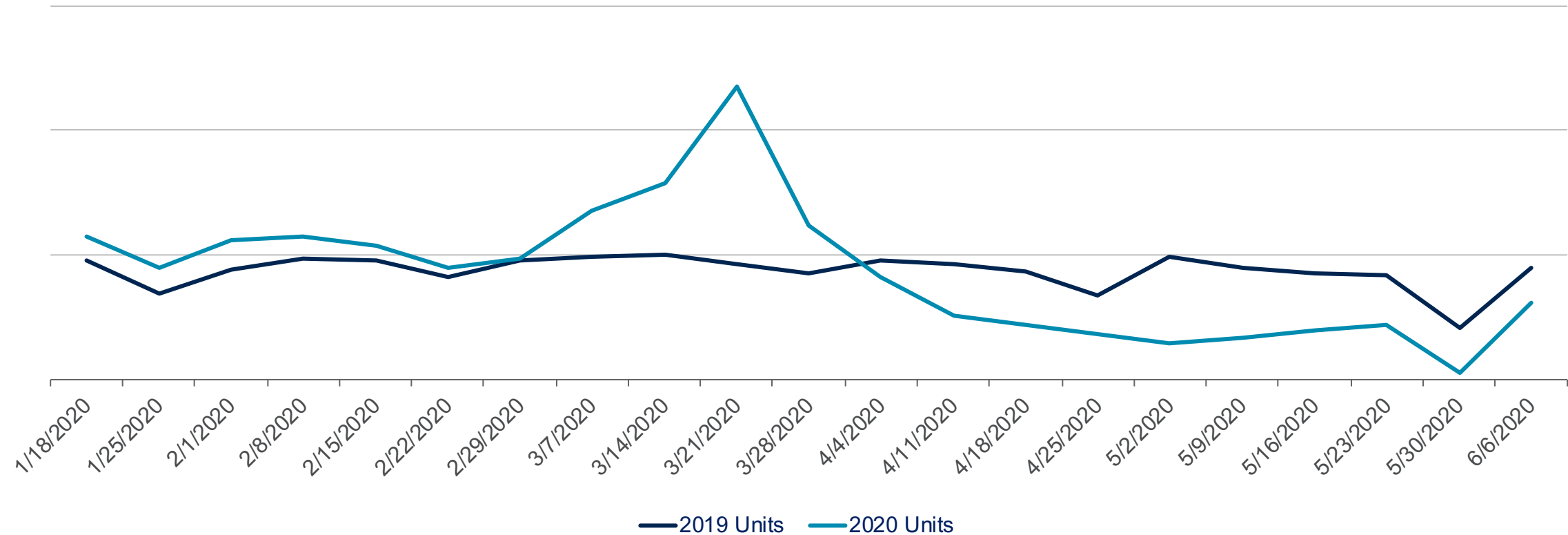


**Heather Zenk**

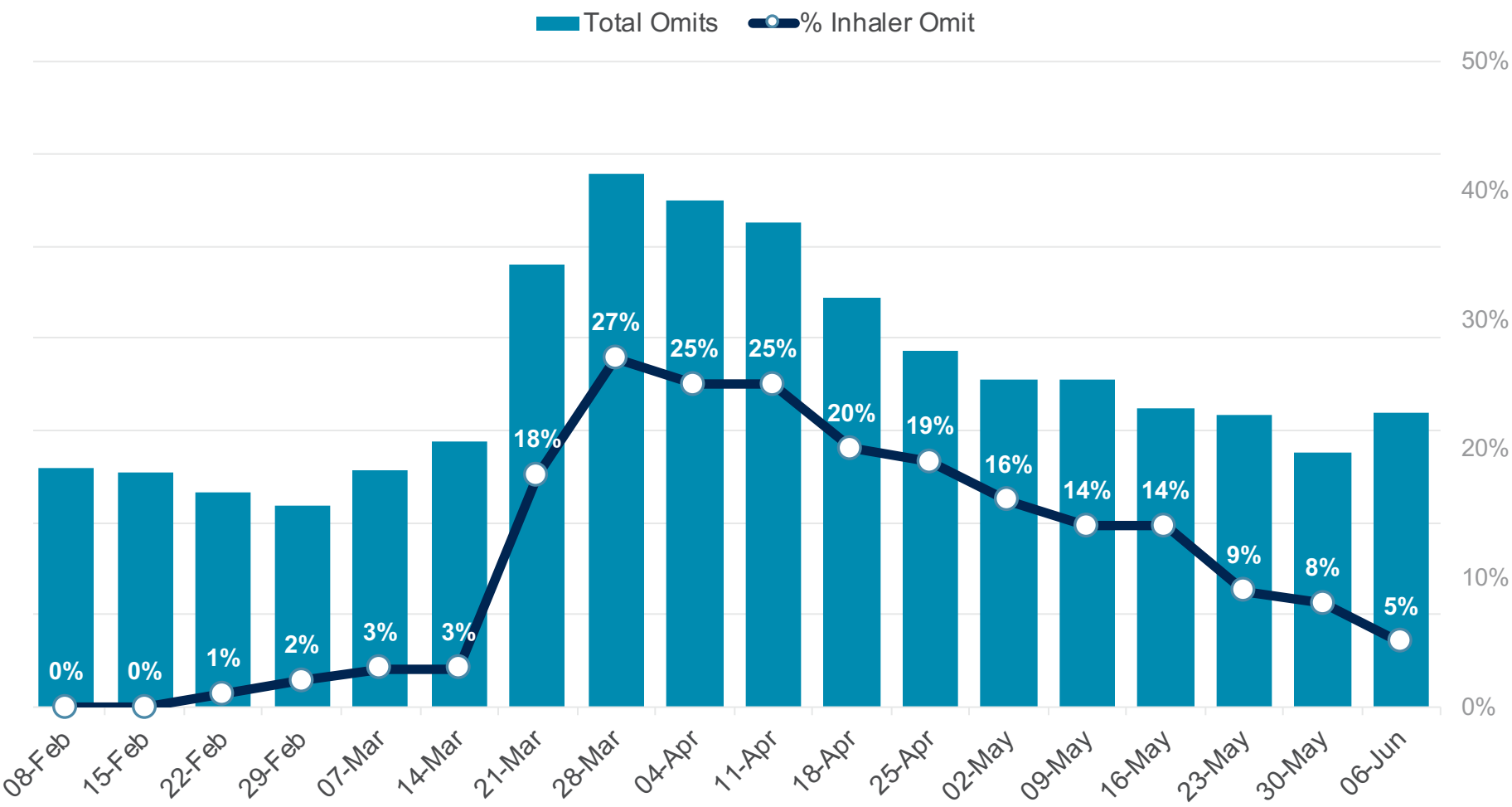
*Sr. Vice President,  
Replenishment & Secure Supply  
Chain Operations*

# Full-line: Weekly Units Ordered & Shipped

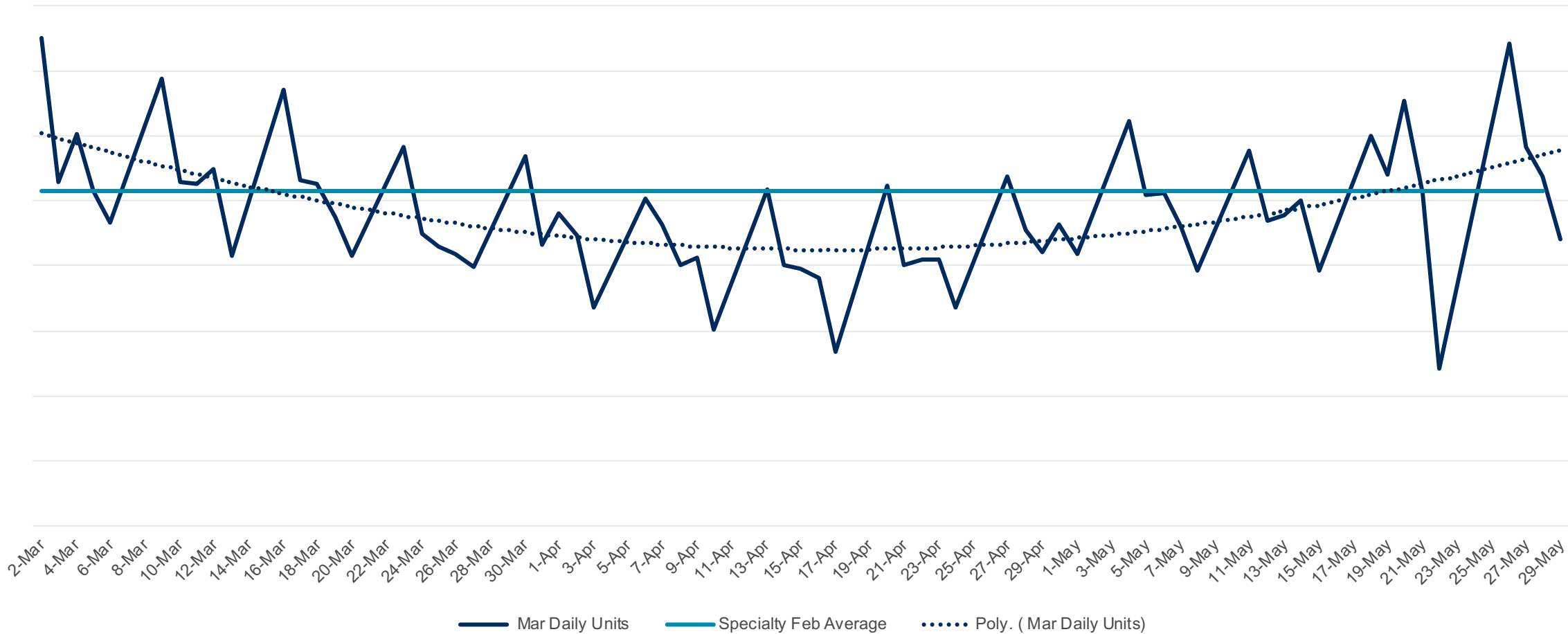
Weekly Units Values vs. Same Period Last Year



# Weekly Customer Unit Omit Summary



# Specialty: Daily Units Compared to February Average



## Business Continuity: Key Business Projects Are Moving Forward



# Impact on Consumer Products

## Our Performance

- Average sales growth of \$22m pre-surge. March Sales were up by 66% overall, totaling \$126m.
- April didn't grow as much as March, it was down by \$900k.
- May was down by \$41m.

## Category Impact

- Nearly all categories experienced a significant increase in March, with subsequent declines in April and May. Certain categories received the largest impact:
- **Household:** 200% growth in March, 65% in April, slowed to -12% in May
- **Diabetes:** 90% growth in March, 4% growth in April, slow to -15% in May
- **Vitamins:** Three-month average post-surge sales are up by 168% compared to pre-surge sales and these sales are still continuing to grow.

## Channel Overview

- **Alternate Care:** Average monthly sales are down -156% post-surge.
- **Hospitals:** Average monthly sales are down -112% post-surge.
- **Chain:** Average monthly sales are up by 58% post-surge.
- **Independents:** Average monthly sales are up by 600% post-surge.



# COVID-19 Impact on Customers: Strategic Accounts



Many customers have been impacted due to closures, decrease in shopping, though demand for pharmacy products remains high.



**Strategic Partner Integrated Network:** Average monthly sales were growing at \$900k pre-surge, but are now decreasing by \$2m post-surge. Closing 25% of their outlets has led to a significant decrease in sales.

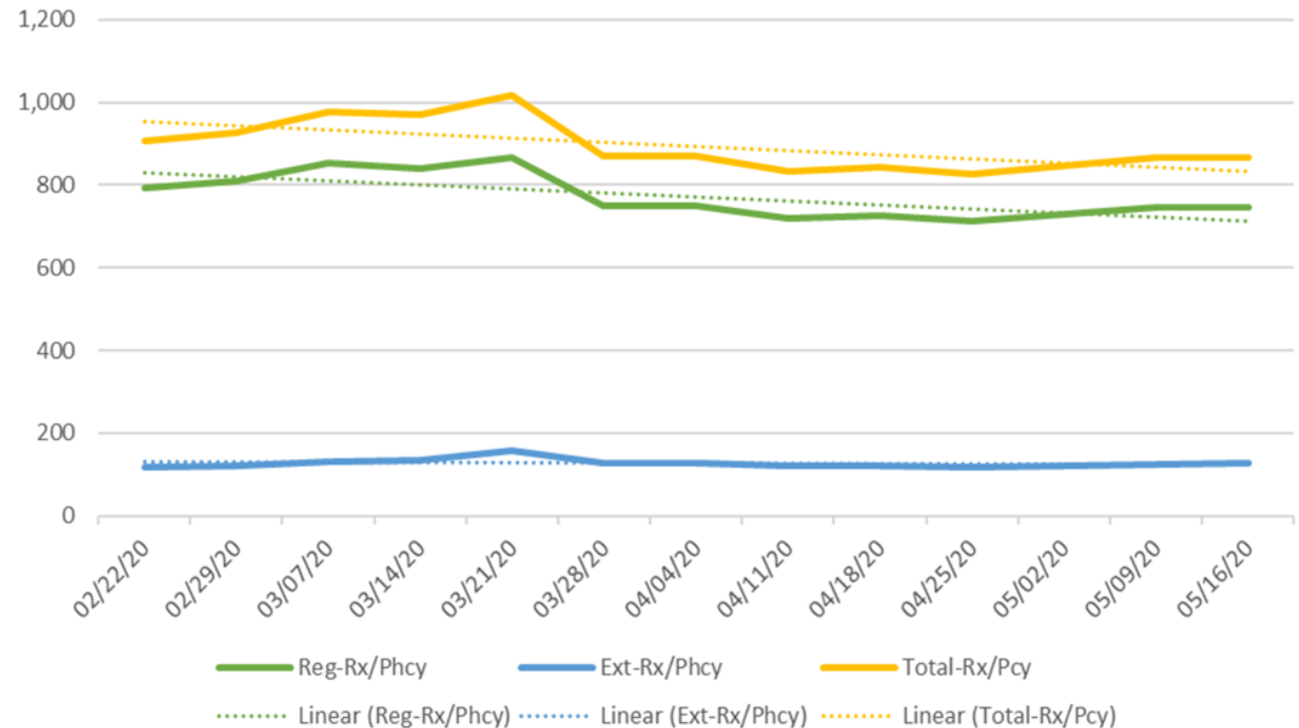


**Strategic Partner Retail Independent** is up 75% vs. Pre-Covid, delivering \$9.2M positive growth. They were up 60% in March, 15% in April, and almost 1% in May.

# COVID-19 Impact on Customers: GNP

- Spike in dispensing at community pharmacies week of 3/15-3/21
  - 23% extended supply
  - 11% regular supply
  - Normalized end of March then steady
- 80%+ operated as closed-door pharmacy since mid-March
  - Deliveries have skyrocketed
  - 33% increase in unique app users
- Shift in patient engagement to social channels
  - 100+ new marketing assets created
  - 73% increase in downloads

**Average Scripts Dispensed Per Pharmacy Since the Onset of COVID**



# Front-End Support

- Customizable pieces created through SOCi, Brand Central Station & GoodNeighborPharmacySigns.com plus expert guidance from our Business Coaches
  - Front-End Menu
  - Front-End Order Form
  - Lawn Signage
  - Distancing Dots
  - Sneeze Guards
  - Window Clings
  - Bag Stuffers
  - Flyers
  - Social Media Graphics
  - Hot price program
  - Front-End Guide



Over-the-Counter & Front-End Products Order Form

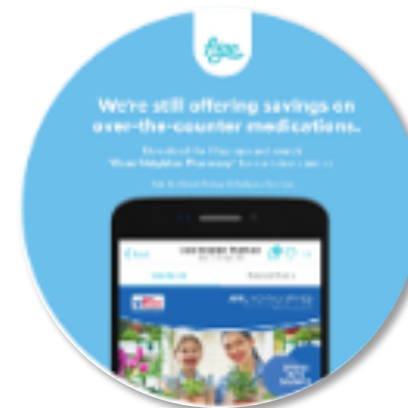
Patient Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

☐ Curbside ☐ Delivery ☐ Drive-Thru

Items Needed:

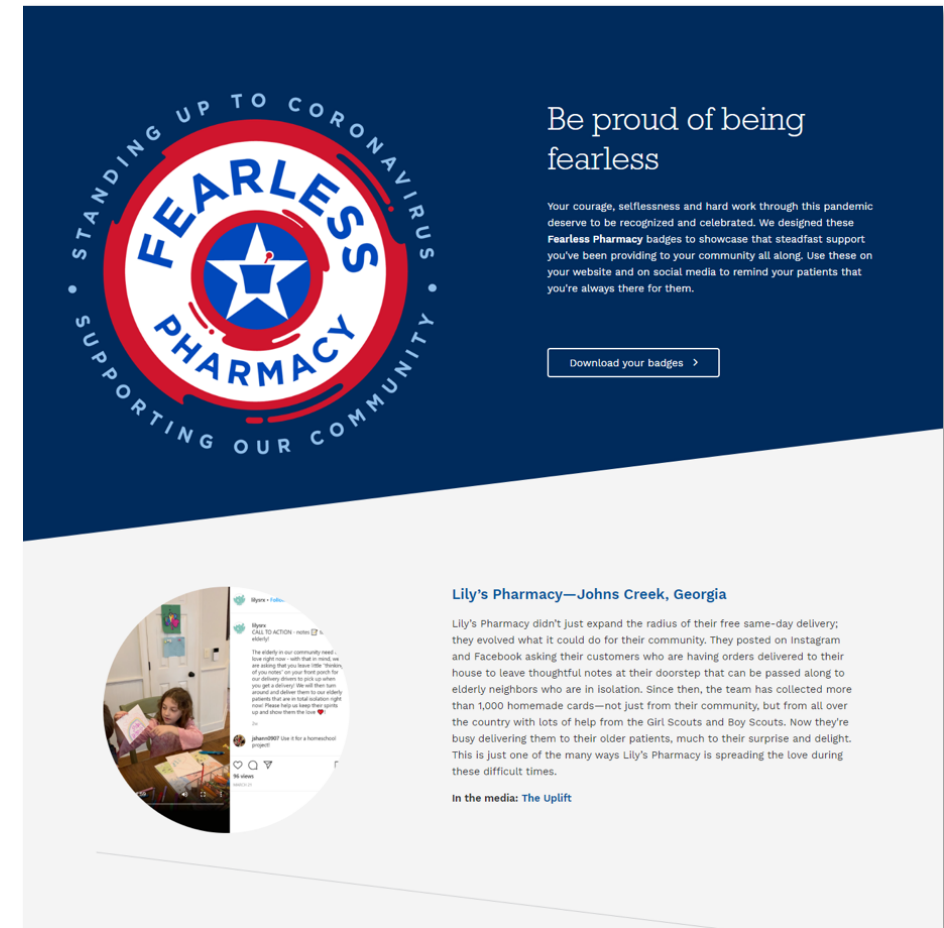
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# Showcasing Independent Pharmacies on the Front Lines

[WeAreGNP.com/fearless](https://WeAreGNP.com/fearless)

- Fearless Pharmacy page launched on 4/6
  - 58 stories (and counting) of community pharmacies going above and beyond for their patients during the COVID-19 pandemic
  - Link to download Fearless Pharmacy digital badges
  - 8,100 page views
  - Average time on the page is nearly 9 minutes
- We are also sharing stories on social media and through the GNP and Elevate newsletters
- Fearless Pharmacy window clings are being mailed to all GNP and Elevate members
- #fearlesspharmacy is gaining traction on social
- A sister page was launched on 5/8 at MyGNP.com and a patient-facing campaign is coming soon



# Marketing Vehicles to Support Our Customers

## Flipp Circular Traffic

- Readership and engagement of our digital circular increased by 35% to reach 700,000 new shoppers online. Patient engagement is so high that our circular funding ran out 2/3 of the way through the month. We need additional manufacturer support to meet patient demand.
- Patients shopping on the Flipp app have the ability to connect directly with our customers through a phone call. Phone call requests have increased by 926% post-surge.

## Annual Buying Event (ThoughtSpot Specials)

- We're grateful for the manufacturer participation in the Annual Buying Event (also called Virtual Purchasing). Manufacturers have committed:
  - 3200 items, displays, and discounts
  - Link to go live in July: <http://ab-consumerproducts.com/AnnualBuyingEvent>
- We're working internally towards a successful campaign launch:
  - Inside Sales Promotional Campaign
  - Sales Executive Overview
  - Direct to Customer Messaging
  - Printed Materials arriving at the Pharmacy
  - Integrated Marketing & Functionality with ABC Order

# Manufacturer Communication & Collaboration

**Customer Engagement:** Our customers have become much more engaged in the supply chain process (understanding inventory concerns, asking for get well dates, challenging us to be more transparent). Our information is only as good as what we're provided.



**Replenishment:** Please work with your Buyers to provide realistic get well dates, so that our Customer Response team can share this information with customers.



**Allocation:** When product does come back in stock, please ensure AmerisourceBergen receives its fair share. We need the inventory to support our network and better understand when and how much will arrive is key.



**Shopper Engagement:** Customers are excited to have people shop their front ends again. They've missed the traffic and networking they can do as people shop the shelves. The more we can do to drive traffic the pharmacies, the more independents can maintain the level of customer service they normally have.

Q & A



## Our Front Line Associates





# We want your feedback.

*We want to hear how AmerisourceBergen is doing to support you during the Covid-19 crisis. Look for our email and please take the time to share your feedback via a 3-minute survey.*



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*Sr. Vice President, Global Specialty  
and Branded Products*



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Pharmaceuticals*



We are united in our responsibility to create healthier futures.