M3, Inc. (Headquarters: Tokyo, Japan; CEO: Itaru Tanimura, http://corporate.m3.com/, “M3” below) announced that it will spin off the CSO business segment from its group firm MEDISCIENCE PLANNING INC. (Headquarters: Tokyo, Japan; CEO: Akinori Urae, http://www.mpi-cro.co.jp/data.html, “Mediscience Planning” below), to establish a new company, M3 Marketing, Inc. (Headquarters: Tokyo, Japan; CEO: Kimihide Okino, “M3 Marketing” below), and will initiate operations starting October 1, 2014.

Currently, the role of a medical representative (MR) is drastically changing within the medical scene. Recent tendency for hospitals to limit MR visitations have reduced information provision opportunities to half or even a third compared to peak times. Entertainment restrictions and transparency guidelines have also altered the scope of MR activity and how relationships are formed with doctors. As physicians demand increasingly scientifically advanced information, sales forces that excel in marketing focused consultation-style information provision that exploit both in-person and internet communication to cater to physician needs and ultimately acquire higher prescription rates, will be highly valued.

In order to deliver on such client needs, M3 Group will spin off Mediscience Planning’s CSO business segment to launch new services that will reinforce conventional CSO services as well as develop and provide next generation MRs, called Medical Marketers, or “MMs.”
These new services will include trainers that develop in-house medical marketers, “change agents” that embed and promote execution of such new undertakings, as well as pre-trained, readily contributable medical marketers, for temporary placement at pharmaceutical companies.

Through empowerment via medical marketers, pharmaceutical companies will be able to expand their reach across currently inaccessible doctor bases, increase promotional opportunities and SOV, achieve higher prescription rates, and reduce CSO costs by constructing sales forces that can adapt to structural changes in the coming future.

Reference: Difference between Medical Marketer and Medical Representative

<table>
<thead>
<tr>
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<th>Typical Contract MR</th>
<th>Medical Marketer</th>
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</thead>
<tbody>
<tr>
<td>Number of Details</td>
<td>200~300 times per month (avg.)</td>
<td>400~600 times per month (avg.)</td>
</tr>
<tr>
<td></td>
<td>In-person visitations are difficult</td>
<td>Unrestricted meetings and exchange of information on m3.com</td>
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<tr>
<td>Restrictions on Meetings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Doctors Covered</td>
<td>80~150 doctors per MR (avg.)</td>
<td>150~500 doctors per MM (avg.)</td>
</tr>
<tr>
<td>Information Provision</td>
<td>1~2 hour (net)</td>
<td>3~4 hours (net)</td>
</tr>
<tr>
<td>Duration (per day)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport / Wait Time</td>
<td>6~7 hours per day (avg.)</td>
<td>4~5 hours per day (avg.)</td>
</tr>
<tr>
<td>Information Exchanged at Initial in-Person Meeting</td>
<td>General information including basic product details</td>
<td>Need-based consultation and final sales pitches (Product/class information relayed and doctor preferences researched via m3.com prior to in-person meeting)</td>
</tr>
<tr>
<td>Invitation Efficiency</td>
<td>Roughly 100 doctors per event, via tedious manual invitations</td>
<td>Invitation of 10,000+ doctors per event possible with a click of a button via m3.com</td>
</tr>
</tbody>
</table>
Message from the CEO
Sales and marketing efforts within the pharmaceutical industry is under pressure to evolve as transparency efforts and venues of information access increase. Contrarily, no matter how pervasive the internet, the functionality of MRs to forge fiduciary relationships with healthcare professionals and to contribute to the medical field as delegates of pharmaceutical firms, has not lost its significance.
We at M3 Marketing will re-examine the roles of an MR from ground zero in order to create Medical Marketers by fully capitalizing on internet predominance.
By offering superior quality services, we aspire to bolster performance of pharmaceutical firms as well as transform obsolete sales and marketing methods.
In the course of our endeavor, we aim to expand our organization to 1000 members over the next 5 years.

M3 Marketing Overview
- Trade Name: M3 Marketing, Inc.
- Headquarters: 1-11-44, Akasaka, Minato-ku, Tokyo
- Capital: JPY 50 Million
- Stockholder: M3, Inc. (100%)
- CEO: Kimihide Okino
- Phone: 03-5544-8140

Services Provided by M3 Marketing, Inc.
- Hiring and development of Medical Marketers.
- Outsourcing of marketing and sales activities on behalf of pharmaceutical companies that include deployment of Medical Marketers
- Outsourcing and temporary staffing of MRs
- Outsourcing and temporary staffing of medical equipment sales representatives
- Outsourcing and temporary staffing of post marketing surveillance monitoring business
- Recruiting services
- Outsourcing of MR training
■ CEO Biography
1968 Born in Hyogo Prefecture (Age 46)
1992 Joined Boston Consulting Group
2002 Joined transcosmos inc.
2005 Assumed role of Corporate Senior Officer at transcosmos inc.
2014 Joined M3, Inc. (resigned)
2014 Joined Mediscience Planning Inc. (resigned)
2014 CEO M3 Marketing, Inc

(Attn. 1) CRO
Abbreviation for “Contract Research Organization”
M3 Marketing will undertake partial or entire operation of clinical trials on behalf of pharmaceutical companies.

(Attn. 2) Contract MR
Refers to MRs (Medical Representatives) affiliated with CSO operations.

(Attn. 3) CSO Operation
Abbreviation for “Contract Sales Organization” Operation
M3 Marketing will contract marketing and sales operations of pharmaceutical products and medical equipment to medical institutions. Pharmaceutical firms typically deploy their in-house MRs for such operations, however, a CSO will independently recruit MRs, provide tailored temporary placement according to the needs of pharmaceutical companies, as well as outsource related services.