

Faint hope for Alder as Teva bucks dismal migraine trend



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Alder hopes soon to launch its migraine drug eptinezumab, and will nervously have been watching the first full quarter's sales of three similarly acting drugs.

It must be difficult to remain calm if, like Alder, you are preparing to launch a CGRP inhibitor migraine drug into a market that saw three similarly acting agents enter within months of each other. When the makers of those three drugs are destroying each other in a fierce price war nerves of steel are called for.

Some Alder investors lost faith yesterday, pushing the group's stock down 8% when Amgen's Aimovig followed Lilly's Emgality in missing first-quarter forecasts by a mile. Today, however, the tables were turned when the third CGRP entrant, Teva's Ajovy, bucked the negative trend and beat sales consensus.

True, the numbers are tiny: Ajovy, which hit the US last September, posted first-quarter revenue of \$20m, versus an \$18m consensus that many saw as a long shot. On a call today the Israeli group would not reveal its secret, merely stating that market dynamics were "as we expected for our product".

But the group also expressed confidence that its current 28-30% share of new-to-brand prescriptions would hold up, and said its full-year sales goal was \$150m. While usually the first drug launched establishes a firm grip on a market, in CGRP "the last to launch [Ajovy] is actually doing rather well", Teva added.

This might be music to Alder's ears, as the company's eptinezumab has just [been filed for US approval](#), seeking to become the fourth anti-CGRP to hit the market.

That said, if some of its investors are today breathing a sigh of relief of sorts, they should not celebrate too quickly, as eptinezumab faces other stumbling blocks. Perhaps the biggest now is that it is delivered intravenously, so is less convenient for patients than Amgen, Lilly and Teva's subcutaneous incumbents.

Dismal picture

Until today the outlook for anti-CGRP drugs in the first full quarter of sales was dismal – a result of a fierce race to the bottom on pricing in a desperate attempt to secure US formulary inclusion.

Lilly set the stage on Tuesday when it revealed that Emgality sold just \$14.2m in the first quarter, missing consensus by about 50%. The problem appears to be not that prescriptions are down, but that discounting had exceeded even the cutthroat levels analysts had forecast.

The hope is that, in time, volume will make up for the price reductions, but for now there is no sign of such an effect materialising ([Lilly hopes volume can make up for late migraine entry](#), February 7, 2019). Leerink reckons Emgality's overall discount might have amounted to over 60% in the quarter, versus the 40% its previous analysis had suggested.

Meanwhile, on Tuesday evening Amgen reported first-quarter Aimovig sales of \$59m, a 21% quarter-on-quarter decline in real terms, and missing consensus by some 30%. This was down to estimated 50% discounting, and came in spite of a decline in the amount of free Aimovig that Amgen had been giving away to convince payers.

Leerink had already started cautioning that the \$18m consensus for Teva's Ajovy might be missed. The analysts had opined that, applying the same 50-60% discounting to reported prescription trends, something in the region of \$10-13m was more likely, so the fact that the drug actually brought in \$20m in the three months is a shot in the arm.

Today Alder shares opened flat, so many investors clearly still want more reassurance.

Selected anti-CGRP MAb products					
Drug	Company	US launch	Dosing	Q1 2019 sales (\$m)	
				Consensus	Actual
Aimovig	Amgen/Novartis	Jun 2018	Monthly SC	84	59
Emgality	Lilly	Sep 2018	Monthly SC	29	14
Ajovy	Teva	Sep 2018	Monthly & quarterly SC	18	20
Eptinezumab	Alder	Dec 2020e	Quarterly IV	NA	NA

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