AbbVie Ecosystem

AbbVie, Inc.
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Outside Relationships

Regulators

US Regulators

Drug

- U.S. Food & Drug Administration (FDA) (New Drug Approval and Regulation, Including Design, Testing, Quality, Safety, Labeling, Good Manufacturing Practices, Record-Keeping Promotion, Distribution, and Post-Market Surveillance)
- The Drug Enforcement Agency (DEA) (Dealer Registration, Security and Operating Standards for Sale, Packaging, Storage, and Distribution of Controlled Substances

Biosimilar *(a drug biologically similar to FDA approved drug)*

- FDA *(Approval of New Biosimilars)*

Sales & Marketing

- Federal Trade Commission (FTC) *(Advertising of Consumer Health Products; Anti-Kickbacks and Prevention of False Claims, Fraud and Abuse)*

Pricing & Reimbursement

- Centers for Medicare and Medicaid Services *(Drug Price Reporting, Discounted Pricing or Rebates on Purchases of Pharmaceutical Products under the Medicaid Drug Rebate Program, "Federal Ceiling Price" Drug Pricing Program, 340B Drug Pricing Program and Medicare Part D Program)*

Other

- U.S. Securities & Exchange Commission (SEC) *(Securities Disclosure & Financial Reporting Requirements; Anti-Bribery Requirements)*
- U.S. Environmental Protection Agency (EPA) *(Regulation of Discharges, Leaks, Emissions, Disposals, Storage of Particulate Matter, Hazardous Waste, and Toxic Substances in the Water, Air and Soil; Superfund Cleanup Requirement for Contamination)*

Capital

- Hedge Counterparties
- Public Debt Holders
- Commercial Banks (JPMorgan Chase Bank, MUFG, Morgan Stanley)

Suppliers

Professional Services Firms

- Ernst & Young (Audit)
- Baker & Hostetler; AbbVie's Internal Lobbying Group (Lobbying Services)
- Key Law Firms (Kirkland & Ellis, Latham & Watkins, Baker McKenzie, Ropes & Gray, Jones Day, Covington, Finnegan)
- Medidata Solutions (Clinical Trial Software)
- Veeva Systems (Cloud Computing Services)
- Publicis Groupe (Advertising Services)

Categories of Supply

- Active Pharmaceutical Ingredients
- Contract Manufacturing Services
- Formulation and Development Services (Lupron)
- Fill, Finish, and Packaging Services
- Transportation Services
- Distribution Services
- Logistics Services
- Needles/Capsules
- Injection-Molded Parts
- Disposables

Customers

Biopharma Products Customers

United States

Wholesale
- McKesson
- Amerisource Bergen
- Cardinal Health

Direct
- Health Maintenance Organizations
- State Government Agencies
- Federal Government Agencies
- Pharmacy Benefit Managers

Non-U.S.

Wholesale
- Wholesalers
- Distributors

Direct
- Government Agencies
- Healthcare Facilities
- Specialty Pharmacies
- Independent Retailers
- License Healthcare Providers
- Physicians

Flows

- Foreign Currency and Interest Rate Derivatives
- Bond Financing
- Working Capital Financing
- US Pharmaceuticals Product Regulation
- Legal, Accounting, Advertising, Lobbying, and IT Software and Infrastructure Services
- Pharmaceutical Chargebacks to Reimburse Wholesalers for Honoring Contracted Prices to Third Parties
- Performance-Based Contracts, Discounts, Rebates on Pharmaceutical Products for Medicare/Medicaid Patients (Depending on the type of drug, e.g., patented or unpatented)
- Pharmaceutical Products Sales
- Pharmaceutical Ingredients and Other Supplies

AbbVie, Inc. (A Delaware Corporation)

Debt Structure

Debt ($86.022 B @ 12/31/20) — **Credit Ratings: S&P – BB+; Fitch – BBB; Moody's – Baa2**

Debt	Issued	Terms
$4.0B 5-Year Revolving Credit Facility (Matures 2024)		
Commercial Paper Program (No Borrowing Outstanding at 12/31/20)		
Floating Rate Term Loan Notes Due 2023: $1.0B	1.29% @ 12/31/20	
Floating Rate Term Loan Notes Due 2025: $2.0B	1.42% @ 12/31/20	
Senior Notes Issued 2012: $5.7B Due 2022-42 (2.9-4.4%)		
Senior Notes Issued 2015: $9.95B Due 2022-45 (2.5-4.7%)		
Senior Notes Issued 2016: $7.8B Due 2021-46 (2.3-4.45%)		
Senior Euro Notes Issued 2016: €2.2B Due 2024-28 (1.375-2.125%)		
Senior Notes Issued 2018: $6.0B Due 2021-48 (3.375-4.875%)		
Senior Euro Notes Issued 2019: €1.4B Due 2027-31 (0.75-1.25%)		
Fixed and Floating Rates for Senior Notes Issued 2019: $30B Due 2021-49 (1.33-4.25%);		
Senior Notes Acquired in 2020: $14.382B Due 2021-45 (2.80-5%)		
Senior Euro Notes Acquired 2020: €3.0B Due 2021-29 (0.5-2.125%)		

Equity Structure

Common Stock

Authorized: 4,000,000,000
Issued: 1,792,140,764
Outstanding: 1,765,881,690
Recordholders: 47,754

Governance

Board of Directors

- Richard A. Gonzalez (Chairman,E)
- Robert J. Alpern, M.D. (N,P)
- Roxanne S. Austin (A,C,E)
- William H.L. Burnside (A,N)
- Thomas C. Freyman (A,C,E)
- Brett J. Hart (N,E,P)
- Edward M. Liddy (C,E,P)
- Melody B. Meyer (A,P)
- Edward J. Rapp (A,N,E)
- Rebecca B. Roberts (N,P)
- Glenn F. Tilton (A,C,N,E,P)
- Frederick H. Waddell (A,C)

Committees: Audit (A), Compensation (C), Executive (E), Nominations/Governance (N), Public Policy (P)

Executive Team

- Chairman of the Board, CEO: Richard A. Gonzalez
- Vice Chairman, President: Michael E. Severino, M.D.
- Vice Chairman, External Affairs and Chief Legal Officer: Laura J. Schumacher
- EVP, Chief Strategy Officer: Henry O. Gosebruch
- EVP, CFO: Robert A. Michael
- EVP, Chief Human Resources Officer: Timothy J. Richmond
- EVP, Operations: Azita Saleki-Gerhardt, Ph.D.
- EVP, Commercial Operations: Jeffrey R. Stewart
- SVP, R&D and Chief Scientific Officer: Thomas J. Hudson, M.D.
- SVP, U.S. Commercial Operations: Thomas J. Hudson, M.D.
- SVP, AbbVie and President, Global Allergan Aesthetics: Carrie Strom
- VP, Controller: Brian L. Durkin
- Chief Equity Officer: Rae L. Livingston

Operations, R&D, HR, and Strategy

Operations
- Science
- Engineering
- Business Operations
- Quality Assurance
- Supply Chain
- Security
- Purchasing
- Manufacturing
- Distribution

Human Resources
- Employee Engagement
- Culture
- Diversity, Equity, and Inclusion
- Compensation and Benefits
- Talent Acquisition
- Leadership Development

Strategy
- Corporate Strategy
- Business Development and Acquisitions
- Search & Evaluation
- Alliance Management
- AbbVie Ventures

R&D
- Analytical Research & Development
- Data & Statistical Sciences
- Discovery
- Global Medical Affairs
- Pharmaceutical Development
- Pharmacovigilance
- Pharmacology
- Chemistry, Manufacturing & Controls
- Global Labeling, Advertising & Promotion
- Regulatory Operations, Policy & Intelligence

Finance
- Financial Planning
- Financial Reporting
- Treasury
- Tax
- Accounting
- Internal Audits
- Investor Relations
- Business Technology Solutions

Corporate Matters

Commercial Resources
- Recommendation of Brands
- Healthcare Providers and Opinion Leader Relation
- Healthcare Provider Relations

Legal
- Global Legal
- Health Economics Outcomes Research
- Corporate Brand and Communications
- Government Affairs

Marketing
- Immunology Marketing
- Oncology Marketing
- Virology Marketing
- Eye Care Marketing
- Neuroscience Marketing
- Endo-Metabolics Marketing
- Gastroenterology Marketing
- Specialty Products Marketing
- Women's Health Marketing

Operations

Biopharmaceuticals | *2020 Revenues: $45.804 Billion*

Facilities — *Manufacturing and R&D Facilities in 14 Countries*

Key: R&D Facility; Manufacturing Facility; Strategy Center

Americas
- California (South San Francisco, Redwood City, Sunnyvale)
- Massachusetts (Cambridge, Worcester)
- Illinois (North Chicago)
- Illinois (North Chicago)
- Costa Rica
- Brazil
- Ohio
- Puerto Rico (Barceloneta, Jayuya)
- Texas
- Illinois (Lake County, North Chicago)

Europe
- Germany (Ludwigshafen)
- Ireland (Cork, Ballytivnan, Sligo)
- Italy (Campoverde)
- United Kingdom
- France
- Belgium

Asia
- Tokyo, Japan
- Singapore, Singapore

Immunology: Revenues $22.153B

AbbVie maintains an extensive immunology portfolio across rheumatology, dermatology and gastroenterology. AbbVie's immunology products address unmet needs for patients with autoimmune diseases.

Products

- Humira (Adalimumab) (Biologic therapy administered as a subcutaneous injection; used to treat various forms of arthritis, Crohn's disease, and in Japan it is approved for the treatment of intestinal Behcet's disease and pyoderma gangrenosum).
- Skyrizi (Risankizumab) (Biologic therapy administered as a quarterly subcutaneous injection; used for treatment plaque psoriasis).
- Rinvoq (Upadacitinib) (Oral, once-daily selective and reversible JAK inhibitor; used for treatment of moderate to severe active arthritis and ankylosing spondylitis).

Competitors

- Amgen (Enbrel – Arthritis Treatment)
- Janssen / Johnson & Johnson (Remicade - Arthritis Treatment)
- Pfizer (Celebrex - Arthritis Treatment)
- Bristol-Myers Squibb (Orencia - Arthritis Treatment)

Hematologic Oncology: Revenues $6.651B

AbbVie's oncology products target some of the most complex and difficult-to-treat cancers, transforming standards of care in the treatment and management of multiple blood cancers.

Products

- Imbruvica (Ibrutinib) (Inhibits a protein called Bruton's tyrosine kinase; used for the treatment of leukemia/small lymphocytic lymphoma, CLL/SLL with 17p deletion, mantle cell lymphoma, Waldenström's macroglobulinemia, marginal zone lymphoma, and chronic graft versus host disease after failure of one or more lines of systemic therapy).
- Venclexta/Venclyxto (Venetoclax) (BCL-2 inhibitor used to treat hematological malignancies and acute myeloid leukemia).

Competitors

- Celgene (Revlimid – Cancer Treatment)
- Merck (Keytruda – Cancer Treatment)
- Roche (Herceptin, Avastin, Rituxan – Cancer Treatment)

Aesthetics: Revenues $2.59B

AbbVie's Allergan Aesthetics portfolio consists of toxins and dermal fillers, plastics and regenerative medicine, body contouring, and skincare products, which hold market- leading positions in the U.S. and in key markets around the world. In 2020, U.S. sales comprised approximately two-thirds of total global sales.

Products

- Botox Cosmetic (Acetylcholine release inhibitor and a neuromuscular blocking agent indicated for temporary improvement in the appearance of moderate to severe glabellar lines, moderate to severe crow's feet and forehead lines in adults).
- Juvederm Collection (Portfolio of hyaluronic acid-based dermal fillers with a variety of approved indications in the U.S. and in all other major markets around the world to treat volume loss in the cheeks, chin, lips and lower face).
- Other Aesthetics (Include, but are not limited to, CoolSculpting body contouring technology, Alloderm regenerative dermal tissue, Natrelle breast implants, the SkinMedica skincare line, and DiamondGlow).

Competitors

- Galderma Laboratories (Dysport – Wrinkle Treatment)
- Evolus (Jeuveau – Wrinkle Treatment)
- Merz Pharmaceuticals (Xeomin – Wrinkle Treatment)

Neuroscience: Revenues $3.496B

AbbVie's neuroscience products address some of the most difficult-to-treat neurologic diseases, advancing research and providing treatments across many neurologic disorders, including Alzheimer's disease, bipolar disorder, bipolar depression, major depressive disorder, migraine, Parkinson's disease, post-stroke spasticity, schizophrenia, stroke and other central nervous system disorders.

Products

- Botox Therapeutic (Onabotulinumtoxin A injection) (Neuromuscular blocking agent; used to treat eye disorders, muscle stiffness/spasms, wrinkles, migraines, excessive sweating, excess saliva, overactive bladder, and post stroke patients).
- Vraylar (Cariprazine) (Used for treatment of schizophrenia in adults, of manic or mixed episodes associated with bipolar disorder in adults, and depressive episodes associated with bipolar I disorder).
- Duopa and Duodopa (Carbidopa and Levodopa) (Intestinal gel, treatment of advanced Parkinson's disease; marketed as Duopa in the United States and as Duodopa outside of the United States).
- Ubrelvy (Ubrogepant) (Treatment of migraine with or without aura in adults; only commercialized in the United States).

Competitors

- Eli Lilly (Reyvow - Migraines)
- Biohaven Pharmaceuticals (Nurtec - Migraines) (Licensed from Bristol-Myers Squibb)

Eye Care: Revenues $2.184B

AbbVie's eye care products address unmet needs and new approaches to help preserve and protect patients' vision. AbbVie has a global reputation for innovation in ocular surface disease, glaucoma, retinal disease, and presbyopia.

Products

- Lumigan (Bimatoprost ophthalmic solution; topical prostaglandin analog used for the reduction of elevated intraocular pressure in patients with open angle glaucoma and ocular hypertension).
- Ganfort (Topical fixed combination of bimatoprost and timolol for the reduction of intraocular pressure in adult patients with open-angle glaucoma or ocular hypertension).
- Alphagan (Brimonidine tartrate ophthalmic solution; used for the reduction of elevated intraocular pressure n patients with open-angle glaucoma or ocular hypertension).
- Combigan (Brimonidine tartrate/timolol maleate ophthalmic solution; used for reducing elevated intraocular pressure in patients with glaucoma).
- Restasis (Calcineurin inhibitor immunosuppressant used to treat keratoconjunctivitis sicca).
- Other Eye Care (Include Xen, Durysta, Ozurdex and Refresh/Optive).

Competitors

- Takeda (Xiidra – Dry Eye)

Women's Health: Revenues $0.673B

AbbVie is dedicated to the research and development of medicine that addresses the treatment and diagnosis of diseases and conditions that affect a woman's physical and emotional well-being.

Products

- Lo Loestrin (Lo Loestrin Fe) (Oral contraceptive, prevention of pregnancy with the lowest dose of estrogen with only 10mcg and is dispensed in a unique 24/2/2 regimen with a two-day hormone-free interval).
- Orilissa (Elagolix) (Nonpeptide small molecule gonadotropin-releasing hormone antagonist developed for women with moderate to severe endometriosis pain).
- Oriahnn (Elagolix, Estradiol, and Norethindrone acetate Capsules; Elagolix Capsules) (Combination prescription medicine used to control heavy menstrual bleeding related to uterine fibroids in women before menopause).
- Other Women's Health (Prevention of pregnancy for up to six years. It is the only hormonal IUS (Intrauterine System) approved in the U.S. for up to six years of pregnancy prevention).

Competitors

- Pfizer (Low/Ovral-28 – Birth Control)
- Bayer (Yaz or Yasmin 28 – Birth Control)
- Teva Pharmaceuticals (Minastrin 24 Fe – Birth Control)

Other Key Products: Revenues $8.057B

AbbVie's other key products include treatments for patients with hepatitis C virus (HCV), metabolic and hormone products that target several conditions, including exocrine pancreatic insufficiency and hypothyroidism, as well as endocrinology products for the palliative treatment of advanced prostate cancer, treatment of endometriosis and central precocious puberty and for the preoperative treatment of patients with anemia caused by uterine fibroids.

Products

- Mavyret/Maviret (Glecaprevir/Pibrentasvir) (Marketed as Mavyret in the U.S. and Maviret in the European Union; used for the treatment of chronic HCV).
- Creon (Pancrelipase) (Pancreatic enzyme therapy for exocrine pancreatic insufficiency).
- Lupron (Leuprolide Acetate) (Treatment of prostate cancer, endometriosis, central precocious puberty, and for preoperative treatment of patients with anemia).
- Linzess/Constella (Linaclotide) (Used to treat irritable bowel syndrome and chronic idiopathic constipation; marketed as Linzess in the U.S. and as Constella outside of the U.S.).
- Synthroid (Levothyroxine Sodium Tablets) (Treatment of hypothyroidism).

Competitors

- Gilead Sciences (Epclusa - Hepatitis C)

Foreign Pharmaceutical Products Regulation

Foreign Regulators	Product Safety	New Drug Approvals	Pricing & Reimbursement	Transparency
	European Union and Japan (*Product Safety Regulation, including Post-Approval Safety and Efficacy Studies, Adverse Drug Reaction Reporting and Monitoring*)	European Union (*Drug Approvals Under the Mutual Recognition Procedure, the Decentralized Procedure, or the EU Centralized procedure*)	China Food and Drug Administration (CFDA) (*Approvals of Domestic and Imported New and Generic Drugs, Clinical Trial Authorization, Recording of Bioequivalence Studies of Generics, and Fast Rack Approval for Innovative Drugs in Emergencies*)	Pharmaceuticals and Medical Device Agency of Japan (PMDA) (*Regulates Clinical Studies, Drug Approvals, Post Marketing Reviews and Pharmaceutical Safety*)	All Nations (*Pharmaceutical Prices and Patient Reimbursement Regulation*)	All Nations (*Disclosures of Transfers of Value by Drug Makers to Healthcare Providers*)

Outside Relationships

Customers

Consumer Healthcare Customers
- Retailers
- Independent Pharmacies
- Retail Chain Pharmacies
- Hospitals
- Physicians' Offices
- Wholesale Distributors

Bio Pharmaceutical Companies

Suppliers

Collaborations

- Oncology (CytomX, Lupin, Tizona Therapeutics, Teneobio, Genmab A/S)
- Alzheimer's/Parkinson's Disease (Voyager Therapeutics, Mission Therapeutics, BioArctic)
- Other (Reata Pharmaceuticals, Calico Life Sciences, Janssen Biotech / J&J, Genentech, I-Mab Biopharma, Luminera)

Capital

Significant Shareholders

- The Vanguard Group (7.69%)
- BlackRock Fund Advisors (4.67%)
- SSgA Funds Management (4.27%)
- Fidelity Management & Research Company (1.95%)
- Institutional Ownership: 68.38%

Regulators

Securities Regulators

- US Securities and Exchange Commission (SEC) (Financial Reporting, Disclosure Requirements; Anti-Corruption Recordkeeping Requirements)
- New York Stock Exchange (Listing, Maintenance, and Corporate Accountability Rules)
- Chicago Stock Exchange (Listing Rules)
- Patent & Trademark Regulators (IP Registrations)

Flows

- Securities Regulation and Stock Exchange Listing Rules
- Equity Capital
- Dividends
- Joint Agreements and Collaboration Activities
- Patent and Trademark Registrations and Renewals
- Sales of Consumer Health Products
- Pharmaceutical Contract Manufacturing Services

Key Company Data (as of 12/31/20)

Business Description

AbbVie is dedicated to the research and development, manufacturing, commercialization, and sale of innovative medicines and therapeutics in the areas of immunology, hematologic oncology, aesthetics, neuroscience, eye care, and women's health.

Share Data

- Stock Exchange: NYSE & Chicago Stock Exchange
- Ticker Symbol: ABBV
- Share Price: $116.35 (7/8/21)
- Earnings Per Share (Trailing 12 Months): $2.91
- Annual Forward Dividend: $5.20
- Market Capitalization: $205.5B

Financial Highlights

Results of Operations
- Revenues: $45.804B
- Operating Income: $11.363B
- Operating Expense: $34.441B
- Net Income: $5.095B

Financial Condition
- Total Assets: $150.565B
- Total Liabilities: $137.468B
- Long-Term Debt: $77.554B
- Equity: $13.097B

Cash Flow
- Cash Flow from Operations: $17.588B
- Cash Flow from Investments: ($37.557M)
- Cash Flow from Financing: ($11.501B)

Resources
- Employees: ~48,000
- International Patents: 1492
- U.S. Patents: 72
- Countries Where Products Sold: 175+
- Research Partnerships: 220+
- Conditions Treated: 60+

AbbVie Principles
- Transforming Lives
- Acting With Integrity
- Driving Innovation
- Embracing Diversity & Inclusion
- Serving the Community

Recent Developments

Formation

AbbVie was incorporated in Delaware on April 10, 2012. On January 1, 2013, AbbVie became an independent, publicly-traded company due to the the distribution by Abbott Laboratories (Abbott) of 100% of the outstanding common stock of AbbVie to Abbott's shareholders.

Allergan Acquisition

On May 8, 2020, AbbVie acquired Allergan plc (Allergan). The acquisition positioned AbbVie as a diversified biopharma company with approximately $45.8 billion in global sales and a comprehensive product portfolio in key therapeutic areas of immunology, hematologic oncology, aesthetics, neuroscience, eye care, and women's health.

Subsidiary Patent Lawsuit

AbbVie subsidiary Ascent Pharmaceuticals is facing a patent lawsuit over its plans to launch a generic version of QuilliChew ER, a methylphenidate attention deficit disorder medication made by Tris Pharma. Ascent is accused of violating four QuilliChew patents, and AbbVie shares have seen a decline since this news.

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