



THE MARKET

NICORETTE is the number one smoking cessation brand worldwide and the first brand to introduce nicotine replacement products.

Across the years, NICORETTE has acknowledged that the smoker is an individual facing personal battles, and every cigarette occasion is unique. So NICORETTE became more relevant to more smokers by offering the widest range of options, and by continuously becoming more accessible to consumers through pharmacy and retail channels.

The market for nicotine products currently consists mostly of chewing gum by about 70 percent, 15 percent nicotine tablets, patches ten percent and other (inhalator, nasal spray, mouth powder) approximately five percent.

The smoking cessation category is extremely competitive, with more new entrants coming along on the market. Nicotinell, Nicorette, Zonnic and NiQuitin are all active on the Swedish market, where Nicorette holds 44 percent of pharmacies and grocery stores.

It is over 25 years ago that NICORETTE was launched in Sweden. The strong brand is now available in over 80 countries globally. The production of Nicorette takes place in Helsingborg, in Sweden, where also the group's global research and development department within smoking cessation lies.

ACHIEVEMENTS

NICORETTE has enjoyed relatively good growth in 2009 despite strong competition in the market. A strong factor for this is NICORETTE's high brand recollection and that the demand for smoking cessation products is increasing steadily as more smokers are quitting. A response to consumers becoming more health conscious and aware of the harmful effects of nicotine.



Hundreds of published studies show that smoking cessation products actually work. Twice as many managed to quit smoking using nicotine products compared with those who tried to quit without using this tool. By combining smoking cessation products with individual support an even larger proportion managed to quit smoking.

HISTORY

In 1969, NICORETTE pioneered a breakthrough alternative to smoking by developing a nicotine gum to allow Swedish submariners to endure without tobacco. The first NICORETTE product was a gum and offered a replacement to nicotine to be used in a very specific situation for submariners to manage cigarette cravings.

In the mid 70s the W.H.O. classified tobacco addiction as a disease. Society as a whole became increasingly aware of the harm of smoking addiction and smokers increasingly felt the pressure to quit and change their habit.

NICORETTE has evolved with these changes and started clinical trials to show efficacy and safety of smoking cessation products, and consistently had strong support from KOLs and HCPs in developing superior solutions for smokers.

In 1978, NICORETTE was the first brand to bring smoking cessation products to a wider group of consumers by launching Nicorette Gum in Switzerland, and offered a clinically proven and safe solution to quit smoking. In 1981 NICORETTE was launched in Sweden.

THE PRODUCT

NICORETTE contains, in addition to nicotine itself, nothing which is harmful to the body. NICORETTE helps smokers to phase out the

chemical dependency for a limited period, on average, three to six months. If one passes the first three months, the three next become much easier. And after six months the person has a good chance to remain smoke-free for life.

NICORETTE @ Gum was the first product produced by Nicorette. It is a fast-acting nicotine product that suits those who have a craving for smoking that comes and goes.

NICORETTE @ Gum works so that when you chew it releases a smaller, carefully balanced amount of nicotine absorbed by the mouth's mucous membranes. The gum delivers nicotine only when you chew. That way you can easily control the nicotine supply. After about 30 minutes, you have chewed out all of the nicotine.

Chewing gum has subsequently had complementary products: the patch came in 1991, the micro tablet in 1998, the inhaler in 1996 and the nasal spray in 1994, the only prescription medicine in NICORETTE family. In 2004, NICORETTE @ launched Peppermint, the first-coated gum, and just in time for the 25th anniversary came the gum NICORETTE @ Fruit Mint.

McNeil AB, which manufactures NICORETTE's products for Johnson & Johnson, also produces pain-relieving effervescent tablets such as TREO and Magnecyl. The company has 850 employees and is the largest industrial employer in Helsingborg.

RECENT DEVELOPMENTS

Johnson & Johnson Consumer Nordic is the company behind the brand NICORETTE that now invests in consumer and industry surveys



to continuously improve both the product as well as the brand NICORETTE. Since its launch in 1978, a host of new products has been developed to meet the various needs of all segments of the population.

In March 2008 it became free for food shops, convenience stores and gas stations to sell nicotine products. The interest from the stores has been great and the stores that take in nicotine products report that sales have begun with slow steps.

In the past there was a greater availability of cigarettes and snuff than on smoking cessation products. Johnson & Johnson has positive outlook on the future and on the cooperation with grocery stores. Through surveys, we now know that people who want to quit smoking also want good access to smoking cessation products. They prefer to buy it in the nearest shop where the cigarettes always existed. And now the company has been able to meet clients' needs.

With the increase in access of smoking cessation products, hopefully an increasing number of people will quit smoking.

MARKETING

NICORETTE is marketed worldwide by McNeil, which in turn is owned by Johnson & Johnson - one of the world's largest pharmaceutical companies. Johnson & Johnson is extremely focused on providing the best support and assistance to consumers and patients worldwide.

NICORETTE launched a new website in 2008, with a new structure that will make it easier for searchers to find various tools that are relevant for each and everyone. The homepage is adapted both to consumers and also for those who work in the health care sector.

In 2009, Nicorette has focused on re-launching the inhaler. A product that both keeps the hands busy and reduces the need for smoking. The insight behind the inhaler is that the smoker will lack the habit to keep something in his hand and the movement one uses from bringing a cigarette to his mouth. In late 2009, Nicorette also launched a new



chewing gum: Nicorette Mentolmint - a softer chewing gum with longer and a fresher taste than the previous Nicorette gum.

BRAND VALUES

The success formula behind Johnson & Johnson Consumer Nordic's brand NICORETTE is a continuous and long-term brand building. With product development, medical documentation, communication and media, Johnson & Johnson Consumer Nordic has established a strong and well-known brand in the nicotine medications.

NICORETTE's values permeate all activities, both in thought and action:

- Belief in the individual's power to achieve their own goals.
- Assist individuals to achieve the goal of a tobacco-free life - with the aid of Nicorette.
- Offer support in both its products, the broadest supply of the market, and support in the coaching program Active Stop.



- An ambition to support people through the entire process of becoming smoke-free.

Although the effect of Nicorette is well known, the research activity continues in the company to further improve the product. It is important that it is easy to use NICORETTE and that it is done the right way, to get the maximum effect. NICORETTE has also found in studies that the product works well when one wants to reduce his smoking. Those who manage to reduce their smoking gradually, increase their chances of being able to stop completely, which is always the company's ultimate goal.

Things you didn't know about NICORETTE

- Nicorette is world market leader within smoking cessation.
- In 1967 NICORETTE pioneered a breakthrough alternative to smoking by producing a nicotine gum for Swedish submariners.
- NICORETTE @ Gum works so that when you chew it, it releases a smaller, carefully balanced amount of nicotine absorbed by the mouth's mucous membranes. The gum emits nicotine only when you chew. That way you can easily control the nicotine supply. After about 30 minutes, you have chewed out of all the nicotine.
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