

FIGURE 3

RISK FACTORS IN PHARMACEUTICAL INDUSTRY

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| 9 companies chose: | Competition: price and new product |
| 8 companies chose: | Litigation including product and environmental liability |
| 7 companies chose: | Dependence on third party or Supply chain interruption; Regulation including safety and health issues, price control |
| 6 companies chose: | Exchange rate; Research and Development investment |
| 5 companies chose: | Change in legislation, taxation and acct. standards |
| 4 companies chose: | Launch and Mrktng. of new product; Expiration of patent, licenses, marketing exclusivity and trademarks; Cost and Expense Control; Unusual events: Earthquakes, Terrorism and pandemic influenza |
| 3 companies chose: | Info. Tech.; Human resource; Global pol. and econ. conditions |
| 2 companies chose: | Company Strategy |