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Teva Pharmaceutical Industries Q2 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Our first question comes from David Buck with Buckingham Research Group. Please state your question.

David Buck - Buckingham Research Group

Yes. Thanks. Just a couple on U.S. generics business for George, can you talk about how the pricing outlook maybe changing? You mentioned the base business declines were sort of inline, but can you talk a little bit about how consolidation and some of the discounting generic programs like the Wal-Mart and Kmart might be affecting pricing.

And can you talk a little bit about the outlook for Oxycodone ER, whether or not you're expecting any ability to stay on the market beyond this year and maybe the outlook for generic Fosamax flexibility into next year? Thanks.

George Barrett

Hi, David, yeah. Well I think as I mentioned, the base erosion rate has been relatively stable now, probably for nine months, 12 months. We're not seeing any particular sign at the moment that that will change. You mentioned some of the market forces that have been occurring with some of the big moves in the retail trade.

That is again, part of our normal day-to-day life and we're certainly always working very tightly with those large market makers. But at this point, I don't think I show you to any change in direction. It's always difficult for us to predict pricing and we try generally to away from it.

But the pattern that see right now is one that relatively stable. As it relates to the Oxycodone, I think we had said, and I don't think I'd change it at this point, that we expect to be in the market at least to January. At this point there's no other data that would make me change that.

David Buck - Buckingham Research Group

And then on Fosamax, any update there just in terms of expectations?

George Barrett

I'm sorry in terms of what?

David Buck - Buckingham Research Group

In terms of generic Fosamax are you still expecting to have accessivity, shared accessivity on both strengths?

George Barrett

Yes, we do.

David Buck - Buckingham Research Group

Okay. Thank you.

Operator

Our next question comes from Rich Silver with Lehman Brothers. Please state your question.

Rich Silver - Lehman Brothers

Couple questions, first for Dan on the SG&A outlook, can you give some sense of the base that we should be using? I understand that the third party payments were certainly some part of the number and what we should expect going forward, and I have a couple other questions.

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