As filed with the Securities and Exchange Commission on March 1, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K

(MARK ONE)

☑ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the Fiscal Year Ended December 31, 2009

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from _______ to _______

Commission File No. 1-6571

Merck & Co., Inc.

One Merck Drive
Whitehouse Station, N. J. 08889-0100
(908) 423-1000

Incorporated in New Jersey *I.R.S. Employer Identification No. 22-1918501*

Securities Registered pursuant to Section 12(b) of the Act:

Title of Each Class	*Name of Each Exchange on which Registered*
Common Stock ($0.50 par value)	New York Stock Exchange
Mandatory Convertible Preferred Stock	New York Stock Exchange

Number of shares of Common Stock ($0.50 par value) outstanding as of January 29, 2010: 3,115,317,260.

Aggregate market value of Common Stock ($0.50 par value) held by non-affiliates on June 30, 2009 based on closing price on June 30, 2009: $41,003,000,000.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. **Yes** ☑ **No** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. **Yes** ☐ **No** ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. **Yes** ☑ **No** ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). **Yes** ☑ **No** ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). **Yes** ☐ **No** ☑

Documents Incorporated by Reference:

Document	*Part of Form 10-K*
Proxy Statement for the Annual Meeting of Shareholders to be held May 25, 2010, to be filed with the	Part III

MYLAN - EXHIBIT 1052

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PART I

Item 1. Business.

On November 3, 2009, Merck & Co., Inc. ("Old Merck") and Schering-Plough Corporation ("Schering-Plough") completed their previously-announced merger (the "Merger"). In the Merger, Schering-Plough acquired all of the shares of Old Merck, which became a wholly-owned subsidiary of Schering-Plough and was renamed Merck Sharp & Dohme Corp. Schering-Plough continued as the surviving public company and was renamed Merck & Co., Inc. ("New Merck" or the "Company"). However, for accounting purposes only, the Merger was treated as an acquisition with Old Merck considered the accounting acquirer. Accordingly, the accompanying financial statements reflect Old Merck's stand-alone operations as they existed prior to the completion of the Merger. The results of Schering-Plough's business have been included in New Merck's financial statements only for periods subsequent to the completion of the Merger. Therefore, New Merck's financial results for 2009 do not reflect a full year of legacy Schering-Plough operations. References in this report and in the accompanying financial statements to "Merck" for periods prior to the Merger refer to Old Merck and for periods after the completion of the Merger to New Merck.

The Company is a global health care company that delivers innovative health solutions through its medicines, vaccines, biologic therapies, and consumer and animal products, which it markets directly and through its joint ventures. The Company's operations are principally managed on a products basis and are comprised of one reportable segment, which is the Pharmaceutical segment. The Pharmaceutical segment includes human health pharmaceutical and vaccine products marketed either directly by the Company or through joint ventures. Human health pharmaceutical products consist of therapeutic and preventive agents, sold by prescription, for the treatment of human disorders. The Company sells these human health pharmaceutical products primarily to drug wholesalers and retailers, hospitals, government agencies and managed health care providers such as health maintenance organizations, pharmacy benefit managers and other institutions. Vaccine products consist of preventative pediatric, adolescent and adult vaccines, primarily administered at physician offices. The Company sells these human health vaccines primarily to physicians, wholesalers, physician distributors and government entities. The Company's professional representatives communicate the effectiveness, safety and value of its pharmaceutical and vaccine products to health care professionals in private practice, group practices and managed care organizations. The Company also has animal health operations that discover, develop, manufacture and market animal health products, including vaccines. The Company's professional representatives communicate the safety and value of the Company's animal health products to veterinarians, distributors and animal producers. Additionally, the Company has consumer health care operations that develop, manufacture and market Over-the-Counter ("OTC"), foot care and sun care products, which are sold through wholesale and retail drug, food chain and mass merchandiser outlets in the United States and Canada.

For financial information and other information about the Pharmaceutical segment, see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8. "Financial Statements and Supplementary Data" below.

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Overview

As discussed above, the Merger was completed on November 3, 2009. In the Merger, Old Merck shareholders received one share of common stock of New Merck for each share of Old Merck stock that they owned, and Schering-Plough shareholders received 0.5767 of a share of common stock of New Merck and $10.50 in cash for each share of Schering-Plough stock that they owned. The consideration in the Merger was valued at $49.6 billion in the aggregate. Schering-Plough was Old Merck's long-term partner in the Merck/Schering-Plough cholesterol partnership (the "MSP Partnership"). The cash portion of the consideration was funded with a combination of existing cash, including proceeds from the sale of Old Merck's interest in Merial Limited, the sale or redemption of investments and the issuance of debt.

The combined company has a research and development pipeline with greater depth and breadth and many promising drug candidates, a significantly broader portfolio of medicines and an expanded presence in key international markets, particularly in high-growth emerging markets. The Company anticipates that the efficiencies gained from the Merger will allow it to invest in promising pipeline candidates, as well as strategic external research and development opportunities.

The combination increased the Company's pipeline of early, mid- and late stage product candidates, including a significant increase in the number of potential medicines the Company has in Phase III development to 19 candidates. Additionally, a number of candidates are currently under review in the United States and internationally.

The Merger also is expected to accelerate the expansion into therapeutic areas that Old Merck has focused on in recent years with the addition of Schering-Plough's established presence and expertise in oncology, neuroscience and novel biologics. Further, the Merger is expected to broaden the Company's commercial portfolio with leading franchises in key therapeutic areas, including cardiovascular, respiratory, oncology, neuroscience, infectious diseases, immunology and women's health. Additionally, the combined company is expected to realize potential benefits from its animal health business and portfolio of consumer health brands, including *Claritin, Coppertone* and *Dr. Scholl's*. Many of the legacy Schering-Plough's products are expected to have long periods of marketing exclusivity and, by leveraging the combined company's expanded product offerings, the Company expects to benefit from additional revenue growth opportunities. For example, the combined company is expected to have expanded opportunities for life-cycle management through the introduction of potential new combinations and formulations of existing products of the two legacy companies. Also, the Company will have an expanded global presence and a more geographically diverse revenue base. Schering-Plough's significant international presence will accelerate Old Merck's own international growth efforts.

During 2009, revenue increased 15% driven largely by the incremental sales resulting from the inclusion of the post-Merger results of legacy Schering-Plough products, such as *Remicade* (infliximab), a treatment for inflammatory diseases, *Temodar* (temozolomide), a treatment for certain types of brain tumors, *Nasonex* (mometasone furoate monohydrate) nasal spray, an inhaled nasal corticosteroid for the treatment of nasal allergy symptoms, and *PegIntron* (peginterferon alpha-2b) for treating chronic hepatitis C, as well as the recognition of revenue from sales of *Zetia* (ezetimibe) and *Vytorin* (ezetimibe/simvastatin), cholesterol modifying medicines. Prior to the Merger, sales of *Zetia* and *Vytorin* were recognized by the MSP Partnership and the results of Old Merck's interest in the MSP Partnership were recorded in *Equity income from affiliates*. As a result of the Merger, the MSP Partnership is now wholly-owned by the Company and therefore revenues from these products for the post-Merger period are reflected in *Sales*. Additionally, the Company recognized sales in the post-Merger period from legacy Schering-Plough animal health and consumer health care products. Also contributing to the sales increase was growth in *Januvia* (sitagliptin phosphate) and *Janumet* (sitagliptin phosphate and metformin hydrochloride) for the treatment of type 2 diabetes, *Isentress* (raltegravir), an antiretroviral therapy for the treatment of HIV infection, *Singulair* (montelukast sodium), a medicine indicated for the chronic treatment of asthma and the relief of symptoms of allergic rhinitis, *Varivax* (Varicella Virus Vaccine Live), a vaccine to help prevent chickenpox (varicella), and *Pneumovax* (pneumococcal vaccine polyvalent), a vaccine to help prevent pneumococcal disease. These increases were partially offset by lower sales of *Fosamax* (alendronate sodium) for the treatment and prevention of osteoporosis. *Fosamax* and *Fosamax Plus D* (alendronate sodium/cholecalciferol) lost market exclusivity for substantially all formulations in the United States in February 2008 and April 2008, respectively. Revenue was also negatively affected by lower sales of *Gardasil* [Human Papillomavirus Quadrivalent (Types 6, 11, 16, and 18) Vaccine, Recombinant], a vaccine to help prevent cervical, vulvar and vaginal cancers, precancerous or dysplastic lesions, and genital warts caused by human papillomavirus ("HPV") types 6, 11, 16 and 18, *Cosopt* (dorzolamide hydrochloride and timolol maleate ophthalmic solution)/*Trusopt* (dorzolamide hydrochloride ophthalmic solution), ophthalmic products which lost U.S. market exclusivity in October 2008, and lower revenue from the Company's relationship with AstraZeneca LP ("AZLP"). Other products experiencing declines include *RotaTeq* (Rotavirus Vaccine, Live, Oral, Pentavalent), a vaccine to help protect against rotavirus gastroenteritis in infants and children, *Zocor* (simvastatin), the Company's statin for modifying cholesterol, and *Primaxin* (imipenem and cilastatin sodium) for the treatment of bacterial infections.

As a result of the Merger, the Company expects to achieve substantial cost savings across all areas, including from consolidation in both sales and marketing and research and development, the application of the Company's lean manufacturing and sourcing strategies to the expanded operations, and the full integration of the MSP Partnership.

In February 2010, the Company announced the first phase of a new global restructuring program (the "Merger Restructuring Program") in conjunction with the integration of the legacy Merck and legacy Schering-Plough businesses. This Merger Restructuring Program is intended to optimize the cost structure of the combined Company. As part of the first phase of the Merger Restructuring Program, by the end of 2012, the Company expects to reduce its total workforce by approximately 15% across all areas of the Company worldwide. The Company also plans to eliminate 2,500 vacant positions as part of the first phase of the program. These workforce reductions will primarily come from the elimination of duplicative positions in sales, administrative and headquarters organizations, as well as from the consolidation of certain manufacturing facilities and research and development operations. The Company will continue to hire new employees in strategic growth areas of the business during this period. Certain actions, such as the ongoing reevaluation of manufacturing and research and development facilities worldwide, have not yet been completed, but will be included later in 2010 in other phases of the Merger Restructuring Program. In connection with the first phase of the Merger Restructuring Program, separation costs under the Company's existing severance programs worldwide were recorded in the fourth quarter of 2009 to the extent such costs were probable and reasonably estimable. The Company recorded pretax restructuring costs of $1.5 billion, primarily employee separation costs, related to the Merger Restructuring Program in the fourth quarter of 2009. This first phase of the Merger Restructuring Program is expected to be completed by the end of 2012 with the total pretax costs estimated to be $2.6 billion to $3.3 billion. The Company estimates that approximately 85% of the cumulative pretax costs relate to cash outlays, primarily related to employee separation expense. Approximately 15% of the cumulative pretax costs are non-cash, relating primarily to the accelerated depreciation of facilities to be closed or divested.

The Company expects this first phase of the Merger Restructuring Program to yield annual savings in 2012 of approximately $2.6 billion to $3.0 billion. These anticipated savings relate only to the first phase of the Merger Restructuring Program and therefore are only a portion of the estimated $3.5 billion of incremental annual savings originally disclosed when the Merger was announced. The Company expects that additional savings will be generated by subsequent phases of the Merger Restructuring Program that will be announced later this year, as well as by non-restructuring related activities, such as procurement savings initiatives. These cost savings, which are expected to come from all areas of the Company's pharmaceutical business, are in addition to the previously announced ongoing cost reduction initiatives at both legacy companies.

As a result of the Merger, the Company obtained a controlling interest in the MSP Partnership and it is now owned 100% by the Company. Accordingly, the Company was required to remeasure Merck's previously held equity interest in the MSP Partnership at its merger-date fair value and recognize the resulting gain in earnings. As a result, the Company recorded a gain of $7.5 billion recognized in *Other (income) expense, net* in 2009. Also during 2009, Old Merck sold its 50% interest in Merial Limited ("Merial") to sanofi-aventis for $4 billion in cash. The sale resulted in the recognition of a $3.2 billion gain reflected in *Other (income) expense, net* in 2009. See Note 10 to the consolidated financial statements in Item 8. "Financial Statements and Supplementary Data" below for further information.

Earnings per common share ("EPS") assuming dilution for 2009 were $5.65, which reflect a net impact of $2.40 resulting from gains related to the MSP Partnership and the sale of Merial, partially offset by increased expenses from the amortization of purchase accounting adjustments, restructuring and merger-related costs. EPS in 2009 were also affected by the dilutive impact of shares issued in the Merger.

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