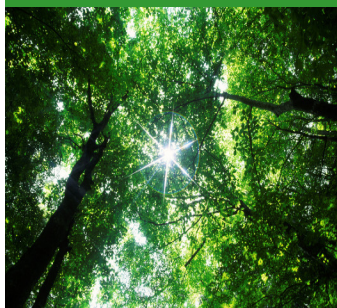


October 09



Monthly Service

Commercial Bulletin

GENERICS CUTS ARE UNSUSTAINABLE, WARNS TEVA

The generics industry could risk becoming unsustainable if drug prices continue to fall, the UK's largest generics company has warned.

Speaking on the latest category M cuts, Richard Daniell, senior director at Teva, said that pharmacy was seeing a cycle in which the harder and faster drug prices fell, the faster the government recovered.

"We're into almost a vicious cycle of sharp price falls followed by sharp reimbursement falls," he said.

But he warned: "There's only so far generic manufacturers can go in reducing prices until as an in-

dustry we risk being unsustainable." Asked when that point may come, Mr Daniell said he could not be sure.

Mr Daniell also commented on DH plans to consult this autumn on generic substitution proposals, which would see pharmacists able to switch prescribed medicines to generic brands.

Although the consultation would allow all stakeholders to have their say, he said the associated delay in introducing the policy was "not ideal".

Mr Daniell told C+D that although there were concerns over the safety of switching some drugs: "There are very few that

couldn't be substituted, and frankly they're pretty well recognised and could be relatively easily ring-fenced."

But he warned against letting doctors override generic substitutions: "You could find the brand companies attempting to influence GPs inappropriately to use the tick out box [which would prevent substitutions] where there's no good clinical rationale."

Mr Daniell's comments came as Teva opened its new head office and logistics centre in Castleford, West Yorkshire.

Chemist and Druggist
24/09/09

EU anti-counterfeiting proposals "cannot ignore" internet

The European Commission's proposed directive to clamp down on counterfeit medicines "cannot ignore" the reality that a "huge percentage" of counterfeits are channelled through the internet, says the new rapporteur for the proposal in Parliament's Committee on the Environment, Public Health and Food Safety (ENVI).

Maria Matias was speaking at a meeting in Parliament on *Making Patient Safety a Priority*, organised by Aegate, the UK-based company that supplies a pharmacy-level authentication system to sift out counterfeit drugs from the legitimate supply chain.

While the proposed directive released in December 2008 addressed key points of vulnerability in the legal supply chain, the Commission left internet trade to the discretion of the member states, placing it in the wider context of whether national governments allowed sales of prescription medicines online. The issue had already been raised by Adamos Adamou, the previous ENVI rapporteur before the European parliamentary elections last June.

Introducing the meeting, MEP Jorgo Chatzimarkakis pointed to a study by the German Federal Criminal Police Office (Bundeskriminalamt), which found that 80% of counterfeit medicines penetrated the EU supply chain through the internet.

The Commission's proposal should urge the member states to enforce domestic law on internet sales, Chatzimarkakis told the meeting. And countries that permitted internet pharmacies should establish a list of secure websites for the trade.

Pharmatimes 05/10/09

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Special points of Interest

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Online drug brand abuse is growing, claims new analysis

A new report has highlighted the rise of pharmaceutical "brand jacking" for popular drugs, which is causing health concerns and damaging the reputation of the sector.

The analysis, published by MarkMonitor, highlights "a parallel online system of pharmaceutical supply and demand" which is being fuelled by continued growth in listings for medicines on business-to-business exchange sites as well as increased traffic to illicit pharmacies". This is occurring against the backdrop of the healthcare reform debate and the medical profession bracing itself for another wave in H1N1 virus cases.

As a result, consumers are turning to the internet, says the report, with people visiting both legal and illicit online pharmacies. Also, offshore manufacturers "increasingly embrace B2B exchange sites to sell bulk quantities of branded

prescription drugs, often of suspicious quality". Therefore, cost savings and efficiencies of e-commerce "become even more attractive, presenting a tempting opportunity for online fraud and brand abuse".

MarkMonitor chose six leading prescription drugs and examined nearly 20,000 instances of cybersquatting, the practice of abusing trademarks within the domain name system, a rise of 9%. Some 75% of the cybersquatted pharmaceutical brands were lifestyle drugs

The report noted that of the 2,930 online pharmacies found in the study, only four were certified in the VIPPS programme by the National Association of Boards of Pharmacy, the governing body for US pharmacies. Furthermore, the non-VIPPS sites offered discounts as high as 90% from the prices offered by certified websites, which indicate "that the prod-

ucts are of suspicious quality". Frederick Felman, chief marketing officer at MarkMonitor, said "scammers are opportunists, and by targeting the supply chain, they're positioning themselves to move the greatest amount of fake product they can". He added that "this maximises their return on the scam but it also poses a potential danger to peoples' health and safety, not to mention brand reputation".

Pharmatimes 01/10/09



Call for OFT review of supply deals role in shortages

Scottish pharmacists have called for an official investigation into the role of manufacturer supply deals in drugs shortages.

Community Pharmacy Scotland (CPS) has submitted a dossier of evidence to the Office of Fair Trading (OFT) on direct to pharmacy (DTP) and restricted wholesaler models, and what the contract negotiator believes is their detrimental impact on medicines supply.

Community pharmacists were "drowning" in bureaucracy, administration and were stressed out as a result of the supply deals, CPS told the watchdog in a strongly worded letter accompanying the dossier.

It believed the deals were intended to put restrictive quotas on medicines at wholesaler and individual pharmacy level, CPS said, and to restrict the free movement of medicines within the EU, a view dismissed by manufacturers that have previously stated that quotas help maintain supply to UK patients (C+D, June 13, p5, and June 20, p27).

Xenical and Zyprexa were named by CPS among the drugs "regularly on strict quota from pharmaceutical manufacturers". These two medicines also topped the list of drugs pharmacists were having difficulty obtaining in the C+D Stock Survey last month.

"CPS believes that the serious and ongoing medicines shortages are being caused by the restrictive supply chain practices put in place by large pharmaceutical companies," CPS said, "despite the efforts of large pharmaceutical companies to lay the blame at the door of a small number of community pharmacy contractors who are exporting [medicines abroad]."

Patients were suffering and NHS costs were increasing as a result of the deals, CPS told the OFT.

The NPA has also urged the OFT to investigate supply deals.

Chemist and Druggist 24/09/09

AAH: ministers hold key to solving stock shortages

Stock shortages will only get worse without government intervention, a leading wholesaler has warned.

AAH pharma services director Jeff Bulmer said supply problems would only increase in the coming year and the sector "cannot drop a stitch" in terms of medicines supply during the swine flu crisis.

The DH needed to bring manufacturers, wholesalers and pharmacists together to resolve the issue, improve its under-

standing of data flows, and work with all bodies in a "cohesive pattern", Mr Bulmer said.

The present situation was a mixture of decreased parallel imports, tight quotas from manufacturers creating stock shortages for wholesalers, and pharmacies exporting medicines to other EU countries, Mr Bulmer told manufacturers this week.

Mr Bulmer said he believed community pharmacists, not those in the hospital sector, were predominantly responsible for

exports, repeating RPSGB and PSNC warnings that parallel export was unethical if it endangered patients.

Responding to suggestions from the NPA and Community Pharmacy Scotland that supply deals had affected medicines supply, Mr Bulmer said AAH did not support this view and that direct-to-pharmacy schemes were a "completely different conversation to shortages in the marketplace".

Chemist and Druggist 08/10/2009

LLOYDSPHARMACY LAUNCHES CO-BRANDED GENERICS

Lloydspharmacy has launched a range of co-branded generics in response to customer demand for medicines consistency.

Customer research had indicated that patients were unhappy when their medicines changed, for example, in pack size or colour, Lloydspharmacy's said chief operations director Steve Gray..

The multiple teamed up with four generics manufacturers – Actavis, Bristol Laboratories, Dexcel Pharma and Teva – to produce a range of 13 medicines (in 29 presentations accounting for varying strengths), including propranolol, atenolol and diazepam. Lloydspharmacy's logo appears on the front of the packs; the manufacturer's on the back.

The Patients' Association welcomed the initiative; patients had contacted its helpline because they were confused about their medication following generics switching, it said.

Fast-moving lines for chronic diseases were chosen for the range, particularly where Lloydspharmacy believed compliance could be improved, such as cardiovascular disease and diabetes. The range accounts for about three million packs dispensed by Lloydspharmacy per month, or 15 to 20 per cent of its total dispensing volume.

Trials indicated strong support from pharmacists, Mr Gray said.

Chemist and Druggist 24/09/09

Baxter's H1N1 vaccine set for European licence

Baxter's swine-flu vaccine is third in line for approval in Europe, behind already approved rivals from GSK and Novartis.

Regulatory advisors have recommended Baxter's jab Celvapan for approval, which indicates the European Commission will licence it shortly.

Governments in the Northern Hemisphere have been keen to see the vaccines made available by the autumn, which is traditionally the start of the flu season.

All H1N1 vaccines have been submitted for approval by the EMEA under the fast-track "mock-up" procedure in order to meet the deadline.

Britain is expecting to use about 200,000 doses of the vaccine from Baxter, and the company also has contracts with other countries.

However, Baxter will offer fewer doses than its rivals due to smaller manufacturing capacity. The company's jab Celvapan is a non-adjuvanted vaccine, which means it does not contain a booster to enhance the immune response and make the doses go further.

Last month Baxter said it unclear whether or not it would be able to fulfil its vaccine orders, due to concern about poor yield. It has not yet been made clear whether its vaccine could give protection with a single dose, as competitors GSK, Sanofi and Novartis have already declared.

All manufacturers will have to carry out safety studies in 9,000 subjects for each swine-flu vaccine after launch, according to the EMEA, as part of the post-marketing surveillance necessary due to the speed at which they needed to be produced.

Pharmfocus 05/10/09

WaveData — Top ten products

According to WaveData, these were the most commonly investigated products in searches of the online pricing data at www.wavedata.net

Both uk and pi prices were viewed for each product, giving some indication of where the focus was in September 09

Clopidogrel Tabs 75mg 30

Clopidogrel Tabs 75mg 28

Losartan Tabs 50mg 28

Lansoprazole Caps 15mg 28

Accu-Chek Active Test Strips 50

Cozaar Tabs 50mg 28

Tamsulosin MR Caps 400mcg 30

Clopidogrel F/C Tabs 75mg 30

Lansoprazole Caps 30mg 28

Amlodipine Besilate Tabs 5mg 28

If you would like to add or suggest any articles/comments, please let me know by the 11th November 09 , as I will be issuing the next one on the 18th November 09

If you have any colleagues who would like to receive this, please let them know about it.

Jackie Moss

WaveData Ltd

E-mail: jackie@wavedata.co.uk

07968 815192