

Supplier consolidation raises spectre of on-going price hikes



Purchasing-power wise, the year 2018 has started well for dispensing doctors: parallel import suppliers appear to be adopting a more generous view towards their GP customers: in January the prices offered to dispensing doctors were around 16 per cent cheaper than those to pharmacies. For generics, the purchase price advantage over pharmacies has hovered around the 25 per cent mark.

Turning to the most recent month's report, the headline product line for February was irbesartan tabs, which had three packs among the purchase price 'risers'. Also noteworthy among the month's risers during February were chlorhexidine gluconate mouthwashes and ibuprofen tabs. Among the headline purchase price fallers were amotriptan and oxycodone PR tabs, and pregabalin caps, with two packs each in this group.

Risers

In February eight companies increased prices for irbesartan tabs 150mg x28, a result, no doubt, of a reduction in the number of companies supplying this line – five fewer compared to January. Dispensers are alerted to the possibility of this being a longer-term trend: compared to May, 2017, the number of offers for this product has reduced by around 66 per cent. In February, the best deals below £1.50 were on offer from Numark, Trident, Teva, Mawdsleys and Accord.

Also seeing a price increase in February was irbesartan tabs 300mg x28, and irbesartan tabs 75mg x28 as more than a handful of suppliers increased prices. Offer availability has also declined since what now appears a market activity peak in May 2017. In February, the best offers below £2.00 for the 300mg strength were from Numark, Trident, Teva, Zecare and Accord; for the 75mg line, the best offers below £1.00 were additionally available from AAH, Mawdsleys, Beta and Lexon.

Fallers

A number of companies reduced their prices for levonorgestrel tabs 1.5mg x1 in February in response to a reduction in the number of unbranded imports, and the arrival of more OTC stock. The best offers below £2.00 were available from AAH, DE, Sangers, Beta, Trident, Alliance, OTC Direct, Strathclyde and Mawdsleys.

Oxycodone PR tabs 5mg x28, and 10mg x56 saw price falls in February as short- and full-line suppliers reduced prices. The best deals, below £2.00 were available from Eclipse, Strathclyde, Numark and AAH. For the 10mg strength, the best deals below £5.00 were available from Strathclyde, Numark, AAH and DE.