

Volume 31

July 09



Monthly Service for wholesalers

Wholesale Bulletin

Pharma boss: parallel trade puts patients at risk

One in 10 pharmacies in the UK is putting patients at risk by parallel trading medicines to Europe, the pharmaceutical industry's trade body has said.

More than 4 per cent of UK medicines are being sent abroad, with 11 per cent of pharmacy outlets engaging in parallel exports, according to IMS data, the Association of the British Pharmaceutical Industry (ABPI) claimed.

David Fisher, ABPI commercial director, said more than 200 leading products are now being exported.

The comments come as pharmacists reported growing difficulties sourcing some branded medicines. Much of these troubles were self-inflicted, according to the ABPI chief.

He said: "Any time a pharmacist decides to export rather than keep the drug in the UK it potentially creates a supply shortage. Not for that pharmacist, but for the guy down the road."

Scotland was one area identified as an exporting hotspot, according to Mr Fisher. But Community Pharmacy Scotland refuted the claims and blamed quotas imposed by manufacturers for shortages.

Quotas were "a sledgehammer" responsible for the crisis, CPS said.

But Mr Fisher urged support for quotas, insisting that they preserved, not hampered, the UK supply chain.

He said: "These much-discussed quota systems are keeping a lid on [exports]. If it were uncontrolled you'd have complete anarchy, essentially. There would be tonnes of products leaking out of the UK supply chain, with who knows what consequences."

Earlier this year pharmacists were told to stop parallel exports by PSNC, which said the practice was damaging the reputation of pharmacy.

Bristol-Myers Squibb selects AAH and Alliance Healthcare as wholesalers

Bristol-Myers Squibb (BMS) has become the latest pharmaceutical company to overhaul its supply chain. It has appointed AAH and Alliance Healthcare as selected wholesalers.

From August 1, only the two selected companies will distribute BMS products to community pharmacies in England, Scotland and Wales.

There are no changes to distribution arrangements in Northern Ireland.

Richard Marsh, external affairs director at BMS, said the new distribution scheme would produce a "more efficient and streamlined supply chain". He added: "It will ensure that we are able to maintain and even strengthen our com-

mitment to high service levels for customers."

The two wholesalers both stated their commitment to high service levels.

BMS will continue to supply some selected products directly to dispensers

Inside this issue

Pharma boss: parallel trade puts patients at risk

Bristol-Myers Squibb selects AAH and Alliance Healthcare as wholesalers

MPs to keep 'close eye' on drugs shortages

WaveData — Top ten products

Watson to acquire Arrow Group

Special points of Interest

This bulletin is free to interested wholesaler employees

Please send names of new subscribers to Jackie.@wavedata.co.uk

If you have articles, comments or story ideas, please send them to the email above

www.wavedata.co.uk

MPs to keep ‘close eye’ on drugs shortages

A cross-party group of MPs has vowed to keep a “very close eye” on drugs shortages.

The all-party pharmacy group (APPG) would monitor the problem over the summer recess, promised chairman Howard Stoate MP, and take action if it had not improved by the time parliament reconvened in the autumn

This could include calling in manufacturers and wholesalers to provide evidence on the situation, Mr Stoate said at the APPG’s summer reception this week.

He added: “We can’t have a system where patients are unable to get the drugs they need and pharmacists are spending an hour a day on the phone trying to get [them].”

At the reception, pharmacy minister Mike O’Brien praised the work of the APPG in maintaining pressure on the government on behalf of the profession. It was vital for pharmacy to maintain a dialogue with Westminster, he said, on issues such as decriminalisation of dispensing errors and the white paper.

Mr O’Brien said: “A strong profession, which is what we want to see in pharmacy, needs to know that it is able to raise these issues and get a government response.”

Dr Stoate and Mr O’Brien agreed that the government had made “good progress” on the white paper, but that there was a lot more to be done. Mr O’Brien was particularly keen for pharmacists to treat minor ailments and provide health checks, he added.

NPA CHIEF BLASTS BIG PHARMA OVER STOCK SHORTAGES

Manufacturers are ignoring the views of community pharmacists while the supply chain falls apart around them, the NPA has told a meeting of wholesalers.

DTP schemes are a “disaster waiting to happen” and the fact that manufacturers think they can control the supply chain is “complete and utter bollocks”, John Turk, chief executive of the NPA, told last week’s BAPW conference.

Mr Turk went on to name Pfizer, Roche, AstraZeneca and Eli Lilly as the manufacturers with the worst supply problems according to an NPA survey.

The survey, presented for the first time to delegates at the BAPW annual meeting, found community pharmacists were now dealing with two or three wholesalers where before, many had just one.

Contractors were also spending extra time hunting down medicines and many felt they were letting patients down, Mr Turk added.

He blamed DTP schemes for adding to the problems. “Don’t come to community pharmacy and say this is doing a better job because it isn’t,” he told the room, which included representatives from many major manufacturers.

“I implore you to sit round a table and get this sorted before it turns into a real disaster for patients.”

His talk was well received by wholesalers who said they were stuck in the middle having to deal with the immense frustration experienced by pharmacists.

Manufacturers respond to criticisms

Pfizer: “Pfizer supplies more than sufficient stock to meet the needs of UK patients and currently has 99 per cent of Pfizer prescription medicines in full stock.”

Eli Lilly: “We are pleased the NPA have raised these issues and look forward to hearing their thoughts on providing solutions to the problems faced by pharmacists and manufacturers in ensuring patients receive the medicines they need, when they need them.”

Roche: “Ensuring UK patients have continuity of access to our medicines is of the utmost priority for Roche. Consequently we are looking at ways to allow greater visibility of UK patient demand and which will ultimately enable us to measure service levels to retail pharmacies more effectively.”

AstraZeneca was unable to comment as C+D went to press.



**MONTHLY SERVICE FOR
WHOLESALE**

This bulletin now goes out to 500 plus people, and it is growing each month.

If you would like to add or suggest any articles/comments, please let me know by the 10th August 09, as I will be issuing the next one on the 17th August 09

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

You can view all copies of the Wholesale Bulletin at
www.wavedata.co.uk

Jackie Moss
WaveData Ltd

E-mail: jackie@wavedata.co.uk
07968 815192

We're on the web
www.wavedata.co.uk

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 June 09

Pantoprazole Tabs 20mg 28

Pantoprazole Tabs 40mg 28

Isosorbide Mononitrate

Co-Codamol Caps 8mg/500mg 100

Nebivolol Tabs 5mg 28

Codeine Phosphate Tabs 30mg 28

Fosamax Once Weekly Tabs 70mg 4

Lansoprazole Caps 15mg 28

Prednisolone E/C Tabs 5mg 28

Alendronate Tabs 70mg 4

Watson to acquire Arrow Group

Watson Pharmaceuticals, today announced that it has entered into a definitive agreement to acquire privately held Arrow Group for \$1.75 billion in cash and stock. The combination of Watson and Arrow will result in a global pharmaceutical company with over \$3 billion in revenue, commercial operations in over 20 countries, and a robust product portfolio and pipeline. Watson expects the transaction to close in the second half of 2009, and be accretive to cash earnings per share in 2010 before synergies.

Arrow is one of the fastest growing generic pharmaceutical companies in the world, generating \$647 million in revenues in 2008, representing a 67% organic compound annual growth rate since 2001. Arrow markets more than

100 molecules in over 20 different countries, including key markets such as Canada, France and the U.K. In addition, Arrow has an extensive pipeline that will be launched across multiple markets, including significant potential U.S. launches in each of the next three years. Arrow has approximately 1,000 employees worldwide, including more than 250 in R&D.

“The acquisition of Arrow will mark a significant milestone in realizing our strategic vision to expand our global footprint and leverage our assets across many developed and emerging markets around the world,” said Paul Bisaro, President and Chief Executive Officer of Watson. “The combined company will have a global infrastructure and a strong product portfolio and pipeline which create

significant opportunities for long term growth. Additionally, Arrow’s manufacturing network, including facilities in Canada, Malta and Brazil, will further expand Watson’s global supply chain.”

