

Monthly Service for wholesalers

# Wholesale Bulletin

## Special points of Interest

This bulletin is free to interested wholesaler employees

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## Wholesalers request emergency stock buffer to combat quotas

Wholesalers should be given emergency ringfenced stock, to ease supply shortages that are “steadily getting worse”, said BAPW executive director Martin Sawer.

His comments follow a joint letter from PSNC and BAPW, to manufacturers and the DH, which slammed current quota arrangements as “not sustainable”, and insisted on improved communications and new emergency stock arrangements.

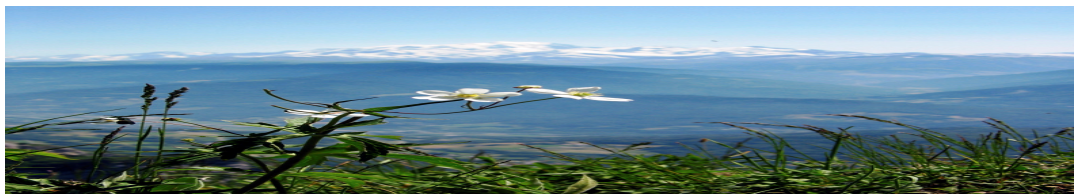
The BAPW/PSNC proposal would see emergency buffer stock held by the wholesaler rather than the manufacturer. Contingency stock of medicines in short supply, identified by PSNC and the manufacturer, would be ringfenced by a pharmacy’s existing wholesalers.

Pharmacies would contact the manufacturer, who would instruct the wholesaler to supply, allowing next day delivery to any UK pharmacy.

Mr Sawer said the letter was sparked by “stringent quotas” set by manufacturers, resulting in pharmacies struggling to gain access to vital drugs.

He said: “Pharmacy is experiencing an increasing number of medicines where they can’t dispense immediately and can’t always guarantee having a stock of some popular medicines.”

The proposal was a “simple system” to enable contingency supplies to be dealt with through the normal wholesale chain, Mr Sawer added.



## LLOYDSPHARMACY TO ROLL OUT ONLINE DOCTOR SERVICE IN-STORE

*Lloydspharmacy is to roll out access to its in-store online doctor service to around 300 branches this year, and Alliance Healthcare expects its similar service for independent pharmacies to launch this autumn.*

*Lloydspharmacy has trialled online terminals in pharmacies in the south west and its new Oxford Street Selfridges pharmacy.*

*The terminals allow customers to visit online prescriber DrThom for consultations on travel vaccinations, antimalarials and cervical cancer vaccinations. Resulting prescriptions are then sent directly to the appropriate branch, where they are dispensed.*

*Lloydspharmacy now intends to roll the service out, although final decisions are yet to be made.*

*Services offered at launch could include hair loss, flu vaccination and smoking cessation.*

*Alliance Healthcare’s collaboration with DrThom has been under consideration with the RPSGB, and the service specification and legal considerations are now complete. IT development is “under way” and the wholesaler expects the service to go live by October.*

## UK a step closer to new swine flu vaccine

The first step towards producing a European prototype of a swine flu vaccine has been achieved by the UK's Health Protection Agency (HPA).

The then Health Secretary Alan Johnson said researchers have sequenced the full genetic code of the virus, which is critical to understanding how it operates and identifying the parts that can be used in vaccine manufacture.

He made the announcement after a visit to the HPA's National Institute of Biological Standards and Control (NIBSC) - the only centre in the UK and one of a handful around the world developing prototypes for Europe's manufacturers.

Johnson said: "The speed with which vaccine prototypes can be created to combat potential pandemics is testimony to the dedication and world-class expertise of Health Protection Agency researchers.

"We have been preparing for the possibility of a pandemic for some time. We now look to the vaccine industry to produce the required quantities of vaccine as quickly as possible."

The steps towards a new vaccine will be to make an 'isolate' in embryonated hens' eggs and develop from this a virus that can grow well in eggs. For seasonal influenza viruses this process would normally take a few months from isolation to a vaccine.

UK researchers hope European manufacturers will take on the candidate vaccine prototypes when complete in the coming months so mass vaccine production can begin.

In 2007, the UK government signed advanced supply agreements to enable it to purchase up to 132 million doses of the pandemic specific vaccine when it becomes available.

The agreements are worth £155.4 million over four years. GSK and Baxter are committed to supplying a pandemic influenza vaccine as soon as the strain is identified and made available by the World Health Organization.

## PSNC QUESTIONS SUPPLY DEAL SURCHARGES

Contractors are facing extra costs as a result of new supply schemes and the problem must be resolved urgently, PSNC has warned.

PSNC said it had concerns as limited supply schemes had driven up distribution costs. Lindsay McClure, head of information services, said the NHS would have to cover these costs but "in the meantime the burden falls unfairly on some pharmacies depending on their choice of wholesaler".

Ms McClure said PSNC was continuing to press wholesalers not to apply surcharges where there was no effective competition.

The comments came as Eli Lilly's distribution deal through Phoenix and AAH, due to go live in July, came under fire. Alliance Healthcare, which has not been chosen to supply Lilly products under the deal, expressed concerns about possible minimum order surcharges.

The wholesaler warned that customers ordering only Lilly products through one of the participating wholesalers might be subject to surcharges.

Lilly said it was aware that one service provider did include a "lower account surcharge" as one of its account conditions, but it called this "their business decision".

A Lilly spokesperson said they were confident the new service would ensure "a more practical, reliable and manageable distribution of medicines in the UK".

Phoenix and AAH stressed that service levels would be "excellent" within their respective offerings.

## Home Office report brings good news for pseudoephedrine sales

The right of pharmacists to sell pseudoephedrine-based decongestants has been boosted by a Home Office report that found crystal meth seizures remain "rare".

The government attempted to remove pseudoephedrine medicines from pharmacies in 2007 over fears products were being used to manufacture crystal meth.

However, the report, which looked at drug seizures in England and Wales, said there were less than 50 seizures of crystal meth in 2007-08. This

accounted for less than 0.11 per cent of the 45,672 Class A drugs seizures in the period.

Cocaine was the most commonly seized class A drug, and there were 960 seizures of methadone, making up more than 100,000 doses.

Sheila Kelly, executive director of PAGB, said the report was "good news" for pharmacy. However, she stressed that there was a need for continued vigilance on the matter.

C+D's Stop the Switch campaign helped persuade the MHRA to reconsider plans to remove pseudoephedrine products from pharmacy sale. The drugs regulator opted instead to

put restrictions on pack sizes and introduce tougher OTC sales controls with a review of these measures in 2009.

The MHRA's working group on pseudoephedrine will meet to discuss how successful these steps have been in July, C+D understands.

Professor Roger Walker, chair of the MHRA working group on the topic, said no decisions had yet been made on future classification.

"We are not aware of any significant increase in instances associated with purchase in pharmacies," he added.

## *Alliance Boots continues to make cutbacks*

Alliance Boots is to cut around 200 UK pharmaceutical wholesaling jobs as part of its move to slash the division's global workforce by 10%. However, Northern Ireland will escape the cull.

The beauty and healthcare group said a total of around 1,500 jobs across Europe would be lost over the next 12 months. The firm cut a quarter of these posts by the end of its financial year on March 31.

Affected UK staff have already left the pharmaceutical wholesale arm, which has experienced "the most difficult market conditions we have seen", the company said. The division employs around 4,500 staff in the UK. A spokeswoman for the company said "regarding the wholesale restructuring it will not be affecting Northern Ireland".

Alliance Boots said the division was hit by intense competition, regulatory changes and currency movements. The firm said the job cuts are aimed at making around £55m in annual cost savings by the 2011/12 financial year.

The pharmaceutical wholesale division's restructuring produced exceptional charges of £60m in the full year. Alliance Boots — which said it intends to recruit 1,700 staff this year — announced the cuts internally at the end of March.

News of the job cuts came when the group said trading profit — which includes its share of associates and joint ventures — rose 11.6% to £953m in the year helped by a strong performance in its health and beauty division. The group's health and beauty division, which includes Boots UK, posted a 11.6% jump in annual trading profit, while the wholesale pharmaceutical arm rose 4.4%.

Mr Pessina said the group had continued to "perform well" since the year end. "As a result we remain confident about our prospects for the year ahead," .

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## 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](http://www.wavedata.net)

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

**Pantoprazole Tabs 20mg 28**

**Brimonidine Tartrate Eye Drops 0.2% 5ml**

**Pantoprazole E/C Tabs 20mg 28**

**Co-Codamol Caps 8mg/500mg 100**

**Doxazosin Tabs 4mg 28**

**Omeprazole Caps 20mg 28**

**Alendronate Tabs 70mg 4**

**Pantoprazole Tabs 40mg 28**

**Ropinirole Tabs 1mg 84**

**Tamiflu Caps 75mg 10**

**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 3rd July 09 , as I will be issuing the next one on the 8th July 09.

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