GIRP

the vital link in healthcare

GIRP **HIGHLIGHTS** 2011

Health Commissioner
John Dalli visits GIRP
member's warehouse

The visit to the FEBELCO warehouse with Commissioner Dalli

The European Commissioner for Health and Consumer Policy, Mr. John Dalli, visited the FEBELCO warehouse in Wijnegem, Belgium on 17th January 2011 upon the invitation of GIRP. This visit presented the opportunity for a follow-up visit to the introductory meeting held with him in July 2010, when the Commissioner had first taken office.

Health Commissioner Mr. John Dalli visits the FEBELCO warehouse

Health Commissioner Mr. John Dalli in conversation with GIRP President Mr. René Jenny

Following a presentation by GIRP President Mr. René Jenny and GIRP Director General Ms. Monika Derecque-Pois on EU health policy issues that affect the business of pharmaceutical full-line wholesalers as well as a presentation by Mr. Peter van Elslander, President of the Belgian wholesaler association, on Belgian market issues, Mr. Eric van Nueten, CEO of FEBELCO, presented his company and gave the Commissioner and his party a guided tour through the warehouse.

The Commissioner was very receptive to concerns voiced by GIRP and emphasised that access to medicines is his number one priority in the field of pharmaceuticals and healthcare. Mr. Dalli stressed that Europe must strive towards finding the most effective way to ensure medicines reach the hands of patients. Medicines' safety is of high importance, according to him, as is the need to ensure sustainable supply. In turn, supply chain actors need a sustainable remuneration structure. The Commissioner acknowledged that GIRP members are a very important part of the supply chain and that the Commission has to ensure all segments are supported - wholesalers, pharmacists and the pharmaceutical industry. In order to achieve that, the constructive dialogue between GIRP and his services should continue.

The visit of the warehouse

Better regulation at EU level

A new chapter in patient safety

With the adoption of the European Falsified Medicines Directive, the pharmaceutical sector finds itself at a critical point for the development of coding and serialisation systems in Europe. The patient safety orientated Directive is welcomed by GIRP and includes some clearly notable positive provisions which strengthen the legal supply chain.

The Directive introduces mandatory, harmonised pan-European safety features which include a tamper evident seal and a unique identifier. The unique identifier will be applied to all prescription medicines, subject to possible exclusions based on a risk assessment.

The European Commission is tasked with defining the mechanics of how this system will work in the Delegated Acts. The European Commission has launched a consultation on the Delegated Acts with a deadline at the end of April. The Delegated Acts are expected to be adopted in 2014. GIRP has already been working hard to bring together arguments and data to support its views on how the Delegated Acts should take account of the proportionality of the measures and is hopeful to convince the European Commission of the need to take a pragmatic approach when setting out the specific characteristics and technical specifications of the unique identifier.

GIRP has been quite successful to communicate to several other stakeholders its belief that the information content as well as the data carrier needs to be harmonised on European level. In the light of the very limited space on a one dimensional code and the high costs as well as the relatively low reliability of RFID tags on medicinal products, GIRP opts for the adoption of a 2 dimensional matrix code, which as a minimum includes the national identification number, the batch number and the expiry date in addition to the randomised serial number. Thus far GIRP has achieved a great deal but will continue to push the argument in the months and years ahead.

The growth of new partnerships

In partnership with other pharmaceutical supply chain stakeholder organisations – the European Federation of Pharmaceutical Industries and Associations (EFPIA), the Pharmaceutical Group of the European Union (PGEU) and the European Association of Euro-Pharmaceutical Companies (EAEPC) – GIRP is working to jointly promote the development of an efficient, workable and cost-effective product verification system that is to be run by stakeholder organisations on a non-profit basis.

The system proposed by the stakeholders is composed of a European central hub connected to a series of national or regional data repositories that serve as the verification platforms on which pharmacies and other registered users including wholesale distributors can check a product's authenticity.

GIRP is pleased with the progress thus far and has actively engaged with supply chain partners in the overall interest of the patients served.

An actively engaged GIRP...

The new Directive insists that wholesale distributors must ensure that the products they have received are not falsified by checking the safety features on the outer packaging. The detailed procedure on how this will operate in practice has yet to be outlined in the "Delegated Acts". Especially the third policy option for medicines verification in the Consultation of the European Commission is a source of concern to GIRP as it foresees systematic verification of RX medicines. If significant individual pack scanning is involved it presents major practical and costly challenges to the smooth operation of the distribution chain and will severely impact the economic viability of the wholesaling sector and therefore the speed of delivery of vital medicinal products to pharmacies and ultimately to patients. Today, the average European delivery time is 2-4 hours and we do not think it is necessary to let patients wait longer through unnecessary procedures.

For this reason GIRP urges the European Commission when drafting the Delegated Acts to take account of the need for proportionate, pragmatic and workable solutions for all stakeholders concerned. In particular, rather than a systematic process of checking all medicinal products received by wholesale distributors, GIRP proposes the 'selective, risk based' verification of the authenticity of medicines in forwards logistics as well as the verification of all returned medicinal products.

Better regulation at EU level

... working towards the future

GIRP strongly believes that a point of dispense verification system with a wholesaler's interface to verify the authenticity of medicines in case of doubt is the most efficient and cost-effective way to protect patients from receiving falsified medicinal products. It is also the most proportionate solution for meeting the requirements of the Falsified Medicines Directive, as it does not compromise the delivery process of medicinal products. Most importantly, it ensures that patients can trust to receive only genuine products through the legal supply chain. GIRP is motivated and committed to continue its hard work for patient safety. We are confident that our messages will be heard and taken into account as we continue to follow developments in the fight against falsified medicines closely.

GDP guidelines

In July 2011, the European Commission's Directorate General for Health and Consumer Policy published for public consultation revised 'Guidelines on Good Distribution Practice of Medicinal Products for Human Use', dating from 1994. The European Medicines Agency through its Good Manufacturing Practice/Good Distribution Practice (GMP/GDP) Inspectors Working Group elaborated these revised guidelines to take into account requirements for wholesale distributors and brokers established in the new Falsified Medicines Directive 2011/62/EU.

The draft however goes far beyond this initial intention, covering a series of Good Manufacturing Practice (GMP) orientated provisions. From GIRP's viewpoint, principles of Good Distribution Practice (GDP) should not include GMP requirements, especially since wholesale distributors are only handling, storing and delivering final medicines in their secondary packaging. Furthermore, the proposed new guidelines are seriously disproportionate from a cost perspective to achieve a relatively limited step forward in overhauling a currently well-functioning quality system. Therefore GIRP urges a thorough reflection on the cost implications of new GDP Guidelines, in particular regarding the following new requirements:

- The proposal suggests that a **Responsible Person** should be physically present 24 hours per day at each wholesale distribution site. As GIRP's members operate over 2,000 warehouses in Europe, the new requirement would result in an annual cost increase of approximately 22 million Euro, costs which could not be covered by current remuneration systems.

- The GPD Guideline draft proposes disproportionate changes concerning humidity controls. While strict humidity controls are deemed necessary for the actual production of medicinal products, humidity is not a problem for medicinal products in their secondary packaging (in Europe).

- The proposed new guidelines suggest that **GMP validation levels** be applied to GDP activities, which is overly disproportionate, as all wholesale distributors have an existing Quality Management Systems (QMS) in place that covers all aspects of handling, storing and distributing medicinal products.

- **The separate storage of medicinal products from other products**, as suggested in the GDP revision, would entail a complete restructuring of wholesalers' warehouses and current operations, which focus on demand frequency (slow-moving items, fast-moving items), and decrease the current speed of delivery, making patients wait unnecessarily for their medicines.

- As pharmaceutical full-line wholesale distributors deliver very small quantities of medicinal products to customers in a highly predicable and in a non-varied manner, the proposed notion of **tracking delivery routes** is therefore disproportionate and the installation of tracking devices adds extra costs, which are not justified.

- The proposed provision that the delivery must be handed into the **care of the consignee** would mean that full-line wholesalers will not be able to continue to operate out of hour and night delivery services, thus reducing the speed of delivery of vital medicinal products to the points of dispensation and ultimately to patients.

- The extremely short delivery time (on average 2-4 hours in Europe) and the very low number of cold-chain products within a delivery, make the requirement to **control temperatures during transport** overly disproportionate. It would also require manufacturers to provide information on the transport conditions of their products or temperature parameters and stability data to wholesale distributors, which are currently not available to them. A distinction should therefore be made between "storage temperature" and "transportation temperature" for the purposes of defining the requirements for transportation and between requirements for the transportation of medicinal products and their delivery from the warehouse to the pharmacy.

- According to the new GDP requirements, **activities which are outsourced**, such as cleaning, security and pure transport, would become subject to the requirement that the provider of the services holds a **wholesale distribution authorisation**. This is a highly impractical requirement and should be constricted to only those activities, which are directly related to the handling and storage of medicinal products.

- The new GDP provision to **record the batch number at least for medicinal products carrying safety features** should not become effective before the modalities of the safety features have been determined in the Delegated Acts of the Falsified Medicines Directive and the batch number is available on the secondary packaging of medicinal products in a harmonised, machine-readable format.

Communication and events

Highlights of the first Leadership Forum

In March 2011, GIRP organised its first Leadership Forum, a small but high-level event, gathering top executives from the pharmaceutical industry as well as the CEOs of GIRP's Direct Member companies and GIRP's Managing Board.

The event took place in Brussels on 30th March 2011, starting with a dinner to which Mr. Eduardo Pisani, Director General of IFPMA, was invited as special guest. The Leadership Forum presented a rare opportunity for the GIRP members and pharmaceutical industry representatives to enter into a constructive dialogue. The event allowed an open and frank dialogue on common subjects such as pricing, reimbursement and their impact on medicines availability and strategic partnership for integrated healthcare management.

GIRP hopes to build on the success of this forum by continuing the dialogue between its members and other supply chain partners.

GIRP's 52nd Annual General Meeting highlights

GIRP's Annual General Meeting in 2011 took place for the first time in the Baltics. From 5th to 7th June 2011, GIRP members, the supply chain partners, other senior representatives from the healthcare sector as well as European decision-makers gathered in Estonia's capital city Tallinn for a busy work programme.

Under the heading "A 2020 vision for healthcare: Moving from a full medicine range to a full service portfolio", our deliberations made a contribution to Europe's 2020 strategy that aims to reflect the important role of citizen-centred innovation responding to the main societal challenges, such as health and ageing. It was therefore befitting that the European Commissioner for Health and Consumer Policy, Mr. John Dalli, delivered the keynote address to the participants. Via video message, he spoke of his appreciation of the function performed by GIRP's members, who contribute to the high performance of Europe's health systems by ensuring rapid delivery of medicines. This crucial role of giving patients access to medicines, irrespective of whether they live in capitals or remote locations, strengthens the self-responsibility for health, helping Europe's healthcare systems adapt to challenges such as aging and the development

GIRP President Mr. René Jenny opens the 52nd Annual Conference.

Communication and events

of new technologies.
In a nod to these challenges to the healthcare systems, our first session showcased how e-health can work in practice. The scene was set by the European Commission's Mr. Peteris Zilgalvis, Head of Unit, ICT for Health, DG INFSO, who elaborated on the Commission's priorities with regard to e-health. While Mr. Leon Jankelevitsh, Chairman of the Group Management Board, AS Magnum and Chairman of the Estonian Association of Pharmaceutical Wholesaler informed us about Estonia's track record as a successful e-state with e-solutions such as e-prescribing. As e-solutions must be interoperable and cross-sectoral, we heard from local healthcare stakeholders how Estonia's strategic partnerships have made e-prescription a successful system, with coverage rates of 95%.

Ms. Monika Derecque-Pois at the Welcome Dinner with Mr. Leon Jankelevitsh, Chairman of the Group Management Board, AS Magnum and Chairman of the Estonian Association of Pharmaceutical Wholesalers, Mr. Hanno Pevkur, Minister of Social Affairs, Estonia, and Mr. Anders Olauson, President of the European Patients Forum

Ms. Monika Derecque-Pois, Estonian first Lady Ms. Evelin Ilves and Mr. Anders Olauson, President, European Patients Forum on their way to the Gala Dinner.

GIRP and several of its members donated a total of 25,000 Euro to the Estonian Agrenska Foundation, which supports children with disabilities. GIRP would like to thank its charitable members for their generous contributions.

GIRP's members made their own contribution to this year's conference by illustrating how Europe's wholesalers have placed the patient at the heart of their healthcare services and how they continue to help pharmacists, health professionals and other healthcare providers deliver superior care in the 21st century. In this regard we heard from Mr. Jean-Claude Clémençon, Head of Business Sector Logistics, Galenica Group; Dr. Jürg Gasser, CEO, MediService AG; Mr. Marc van Gelder, CEO, Mediq and Movianto's Mr. Alexander Paasch, CEO that their companies take a leading role in delivering a first rate healthcare system for citizens, ensuring that patients have access to a complete full service portfolio. Furthermore, we were told by Mr. Thomas Heynisch, Policy Officer, DG ENTR, European Commission; Mr. Eduardo Pisani, Director General, IFPMA and Mr. Mark Parrish, President, IFPW that GIRP's members can make a contribution even beyond European boundaries via initiatives in the field of corporate responsibility.

Mr. René Jenny, Mr. Hanno Pevkur, Minister of Social Affairs, Estonia and Ms. Monika Derecque-Pois

The second business day focused on the significant legislative developments such as the Falsified Medicines Directive that will change the way GIRP members do their daily business. While the details of the new requirements still remained unclear, our members and their supply chain partners engaged in a lively discussion on the verification of medicines in Europe and cost implications of associated technical solutions.

The Gala Dinner at the ruins of Saint Bridget's Convent.

At the end of our Annual General Meeting, we received a first glance at technical upgrades that could soon become the standard in our members' warehouses during a visit to Magnum Logistics, which houses an award-winning Warehouse Management System. As every year, our packed business schedule was complemented by an exciting social programme that took our participants to some of Tallinn's most beautiful venues. We hope that GIRP's upcoming Annual General Meeting, which will take place in Lisbon, Portugal from 3rd to 5th June 2012, will be equally successful.

The white night during our Gala Dinner in Tallinn.

The 53rd GIRP Annual General Meeting will take place in Lisbon, Portugal from 3rd to 5th June 2012.

Highlights of the GIRP Autumn Meeting 2011

At the occasion of GIRP's Autumn Meeting 2011, GIRP organised its annual Autumn Conference on 9th November in the Sofitel Europe hotel in Brussels. This year, the conference theme was 'Working towards new standards – what is involved?' and gave our participating members an in depth insight into the proposed revision of the Good Distribution Practice (GDP) Guidelines.

The members of GIRP's Technical Committee presented particularly problematic aspects of the proposed new legislation, explaining their implications for operational performance, and illustrated their cost impact on our sector with examples from similar legislation already in place in their countries. The speakers also outlined the position that our sector would take vis-à-vis the consultation on the revised GDP Guidelines, which had been developed previously by GIRP's internal working group. A recurrent theme throughout the presentations was the call for proportionate regulation for the sector in the face of the already well-functioning quality system that is in place and the decreasing margins for the European pharmaceutical distribution sector.

During the second part of the conference, the participating GIRP members heard about the cost implications of the planned pan-European Medicines Verification System that is being developed by the stakeholders of the pharmaceutical supply chain (EFPIA, GIRP, PGEU) in response to another piece of legislation impacting the pharmaceutical sector - the Falsified Medicines Directive and its associated Delegated Acts. The perspective of the pharmacists was of particular interest to the GIRP members, who learned that there are significant variations across Europe in terms of pharmacy broadband connections, pharmacy software providers and number of scans performed so that the initial costs estimation from the European Commission probably underestimates the eventual burden for pharmacists.

During the conference, Mr. Nils Behrndt as Deputy Head of Cabinet of Mr. John Dalli outlined the Commission's view points on the process of the consultation on the revision of the GDPs and also, discussed the process of the expected consultation on the Delegated Acts of the new Falsified Medicines Directive.

The GIRP Autumn Conference was followed by a lunch reception at the European Parliament. The title of this year's reception was 'Quality and Safety - A secure supply chain for patients' and was hosted by Mr. Jo Leinen, Member of the European Parliament, and Chairman of the European Parliament's Committee on the Environment, Public Health and Food Safety. Mr. Leinen emphasised the importance of the role pharmaceutical full-line wholesalers' play in the provision of public health service and expressed his appreciation for the operation of such a well-organised distribution system.

The reception was attended by over 150 participants, including Members of the European Parliament, European Commission officials, the delegates of the Autumn Conference and several representatives of other European associations.

Mr. René Jenny and Ms. Monika Derecque-Pois in the company of our host, Mr. Jo Leinen (MEP) at the GIRP Lunch Reception in the European Parliament

Ms. Monika Derecque-Pois at the Autumn Meeting 2011

Mr. Heribert Wirges, PHOENIX; Mr. Alain Roudergues, SECOF/Astera; Mr. Lothar Jenne, PHAGRO; Ms. Viktoria Lampl, Richter Pharma and Mr. Alexandre Poissonnet, Celesio during the "Revision of the European Good Distribution Practice Guidelines" session

Mr. René Jenny welcomes the guests to the GIRP - IMS Dinner at the Cercle Royal Gaulois.

Mr. Vittorio Prodi, Member of the European Parliament and member of Environment, Public Health and Food Safety Committee with Mr. Giuseppe Scrofina, GIRP member

Benchmarking the wholesale sector

GIRP study on the distribution profile and efficiency of the European full-line pharmaceutical wholesaling sector

In the past decades, the pharmaceutical wholesaling sector has developed into a sophisticated distribution network that seeks to ensure the continuous supply of all medicines to pharmacies and other healthcare professionals whenever and wherever needed.
Based on these grounds, GIRP has commissioned a study with IPF (the Institute for Pharmaeconomic Research) Vienna aiming to highlight the role and functions of the pharmaceutical full-line wholesalers as the main providers of pharmaceuticals in the context of alternative distribution systems such as short-line wholesalers, direct sales or Direct to Pharmacy (DTP) and Reduced Wholesale Arrangements (RWA).

Focus of the study

The study focuses on the 6 most important European markets: France, Germany, Italy, Netherlands, Spain and UK.

The pharmaceutical full-line wholesaling sector in Europe

Pharmaceutical full-line wholesalers play a vital role in the supply chain of medicinal products. GIRP members carry the complete assortment of medicinal products marketed in the countries in which they operate. Full-line wholesalers provide a wide range of added value services to manufacturers, pharmacies and patients.

The distribution system in the six key markets

The activity of pharmaceutical full-line wholesalers consists of the purchase, warehousing, storage, order preparation and delivery of medicines. Pharmaceutical full-line wholesalers carry and distribute the complete assortment of products in range and depth within the framework set by the authorities and the market to meet the needs of those with whom they have normal business relations. In addition to delivering all medicines in their geographical area of activity within 2.66 hours, pharmaceutical full-line wholesalers provide working capital and extended pre-financing services, funding of stock and receivables of pharmacies and healthcare professionals. Pharmaceutical full-line wholesalers operate nation-wide distribution networks that include strategically placed warehouses serving retail pharmacies, as well as all other healthcare professionals dispensing medicines to the public.

Dimensions of the European pharmaceutical full-line wholesaling sector in 2010

In 2010, 772 pharmaceutical full-line wholesalers operating over 2019 warehouses ensured a safe, rapid, continuous and cost-effective supply of medicines and medical products for the EU 25 + 2 *

EU-25* +2	Key Markets**
27 Countries	6 Countries
772 Wholesalers (1)	176 Wholesalers (1)
2,019 Operating sites	730 Operating sites
172,709 Dispensing points (2)	104,300 Dispensing points (2)
512,522,463 Inhabitants	331,449,862 Inhabitants

(1) National and regional wholesalers;
(2) Pharmacies, hospital pharmacies and dispensing doctors

* EU-25 +2 without Malta and Cyprus, but including Norway and Switzerland
** DE, ES, FR, IT, NL, UK

Source: **EUROSTAT, GIRP data, IPF research 2011**

Benchmarking the wholesale sector

Overview of key features of the pharmaceutical distribution systems in DE, ES, FR, IT, NL, UK

	DE	ES	FR	IT	NL	UK
Type of distribution system	multichannel	multichannel	multichannel	multichannel	multichannel	multichannel
Distribution model	Full-line Short-line Direct sales	Full-line Short-line* Direct sales	Full-line Short-line* Direct sales	Full-line Direct sales	Full-line Short-line Direct sales	Full-line** Short-line Direct sales
Wholesales licences	4,000	300	25	650	300	1675
Regional full-line wholesales	8	55	3	83	0	6
National full-line wholesales	5	3	3	2	5	3
Legal PSOs	yes	yes	yes	yes	no	no
Delivery to hospital	no	yes	no	no	yes	yes
Number of deliveries / day	3.3	3	2	3	1	2

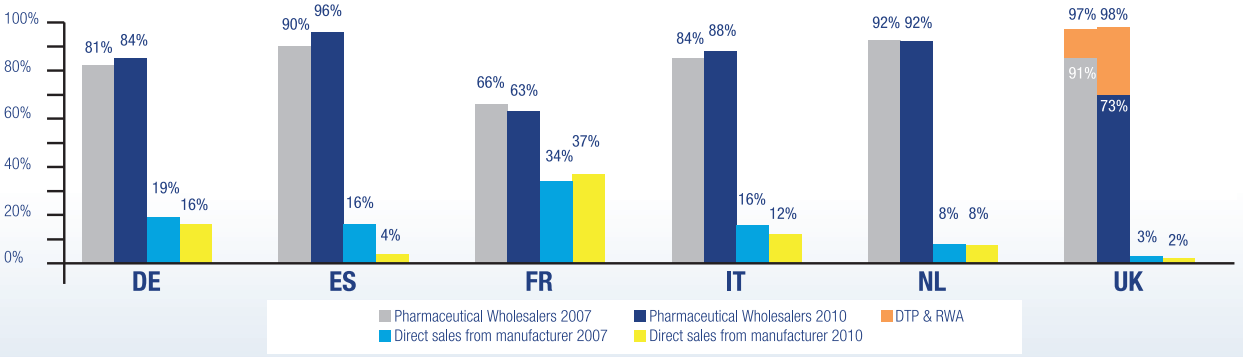
* Theoretically, there are no pharmaceutical short-line wholesalers in ES, FR
** Currently, there are no wholesalers in the UK carrying the full range of products as none of the operators receive the full range of medicinal products, due to market conditions.

Source: GIRP, Megía, OFT

The study outlines the fact that market growth rates of the full-line wholesaling sector are decreasing due to the growing importance of direct sales and also through alternative distribution systems such as DTP and RWA in the UK. The turnover of the wholesale sector has been negatively affected by reduced margins due to healthcare reforms and the growing number of cheaper products, but at the same time, due to highly innovative products that are distributed increasingly through alternative distribution channels.

In 2010, pharmaceutical full-line wholesalers generated a total turnover of €136 billion in the EU-25 +2, out of which 67% (€91 billion) in the six key markets.

Turnover (units) by distribution channel – retail market in DE, ES, FR, IT, NL, UK, 2007 & 2010



* Currently, there are no wholesalers in the UK carrying the full range of products. Therefore, the results of pharmaceutical full-line wholesalers and pharmaceutical short-line wholesalers are pooled as wholesalers.
Source: **BG Pharma, CSRP written information 2011, GIRP data 2007-2010, IMS Health 2007-2011, IPF 2011**

Benchmarking the wholesale sector

The core results of the study

Pooling of orders

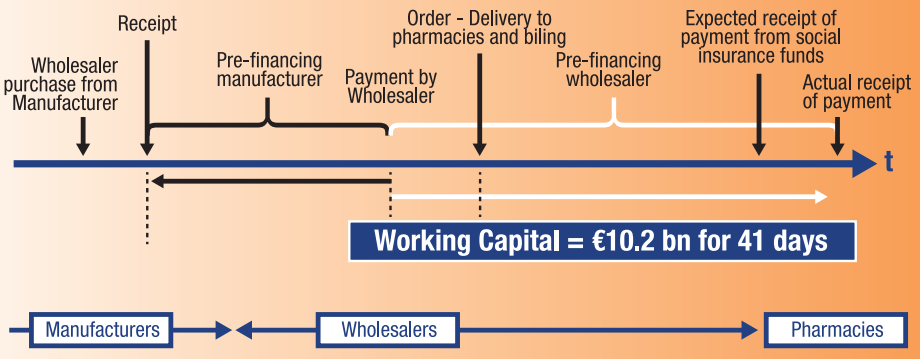
Every day, GIRP members combine the medicinal products of multiple manufacturers in one delivery that reaches the pharmacies in a timely manner. If medicinal products were supplied directly by manufacturers, each pharmacy would have to contact each manufacturer in order to obtain a complete assortment of medicinal products.
Pharmacies benefit from the bundling function carried out by GIRP members, who distribute per order products from 18.28 different manufacturers, thereby significantly decreasing pharmacies' transaction costs.

Financing function

The financing function of pharmaceutical supplies is not offered by any other distribution model. Within the financing function, GIRP members acquire ownership over the medicinal products when purchasing them from the manufacturer and passing on ownership to pharmacies when delivering the products.

The continuous supply of medicinal products involves over 703 million transactions between pharmacies, national full-line wholesalers and manufacturers every year in the 6 European key markets. Without pharmaceutical full-line wholesalers this number would increase dramatically to 97.9 billion transactions per year.

Working capital in DE, ES, FR, IT, NL, and UK in 2011

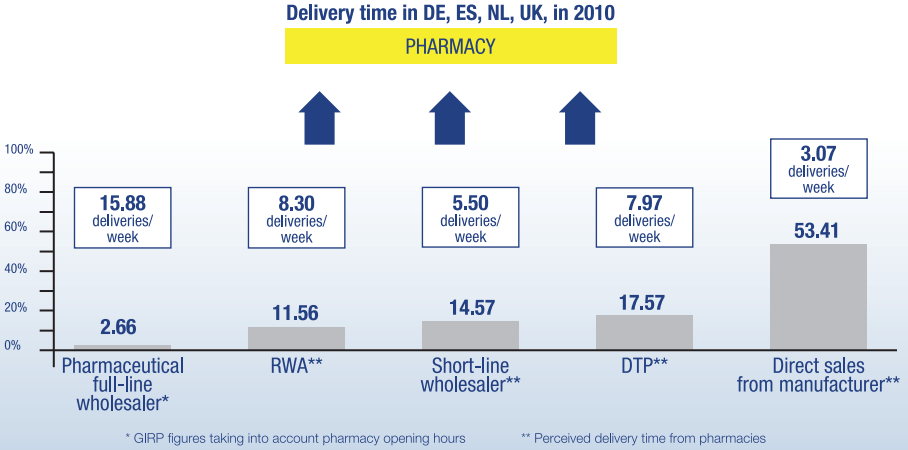


Source: **IPF research 2011**

The entire medicinal product market is pre-financed, the continuous supply of all medicinal products is guaranteed, and the cash flow of the social insurers is secured by wholesalers. In Germany, France, Italy, Spain the Netherlands and the UK GIRP members finance on average €10.2 billion over a period of 41 days.

Delivery function

Pharmaceutical full-line wholesalers ensure that even the most isolated patients can receive the most specialized medicinal products via their pharmacist in a safe and timely manner.



* GIRP figures taking into account pharmacy opening hours

** Perceived delivery time from pharmacies

Source: Source: **Pharmacy questionnaire, IPF research 2011**

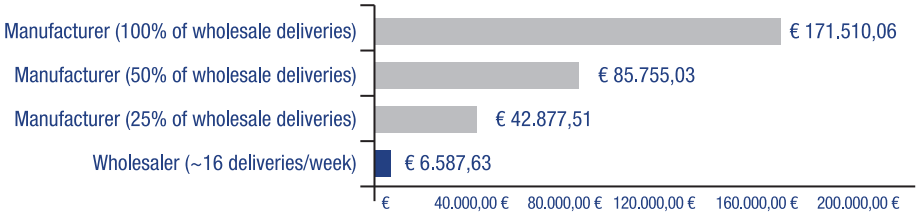
Delivery function: The average delivery time from when the order is received by the pharmaceutical full-line wholesaler to when it is received by the pharmacy is 2.66 hours.

Benchmarking the wholesale sector

Reduction of process costs for pharmacies

The impact on process costs depends on the number of deliveries per day and the number of products of different manufacturers pooled per additional order. The chart shows the average yearly process costs per pharmacy if 25, 50 or 100% of the deliveries were carried out by direct deliveries from manufacturers.

Process costs in the pharmacy per order (pharmaceutical full-line wholesalers vs direct sales from manufacturers) in 2011



Source: Source: **Bureau of Labor Statistics 2010, Center for Healthcare supply chain research 2007, De Grip et al. 2003, IFH 2008, Instituto Nacional de Estadistica 2008, Istat 2009, IPF research 2011 (questionnaires), OECD 2008, Statistisches Bundesamt Deutschland 2010**

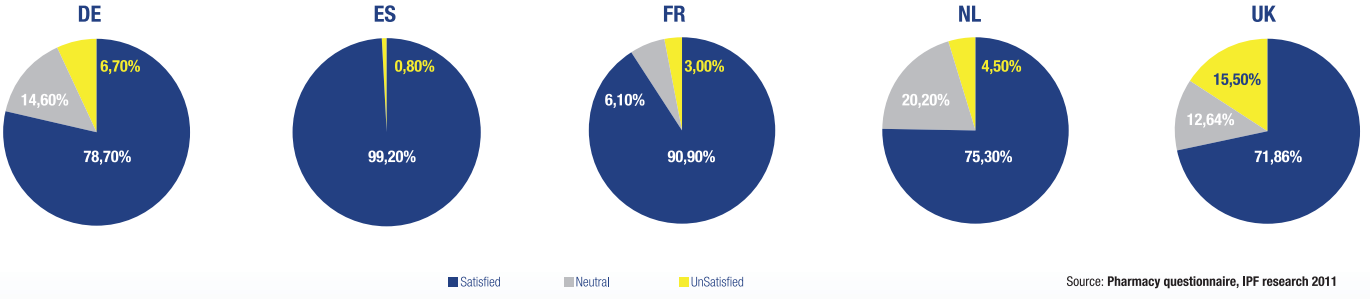
The pharmacies in the 6 countries analysed receive ~16 deliveries/week. The process costs of an average pharmacy would increase by €164,922.43, if there were no pharmaceutical full-line wholesalers and by €79,167.40 per year if 50% of the deliveries are made directly by manufacturers.

Satisfaction of pharmacists

The survey carried out through an online questionnaire shows that the majority of pharmacists in the five observed countries (France, Germany, Spain, UK and the Netherlands) are very satisfied with the pharmaceutical full-line wholesalers, their distribution system and the delivery time. Respondent pharmacists from Germany and the Netherlands, indicated a certain degree of satisfaction towards the short-line wholesalers, but at the same time complained about the limited product range and the increased pharmacy stock and order effort.

Concerning direct sales from manufacturers, respondents from France, Germany, the Netherlands, Spain and the UK raised concerns about the possibility to provide a fast enough service to patients when receiving medicinal products from this distribution system. It was also observed that despite the fast growth of RWA and DTP in the UK, results show that pharmacists are not satisfied with these new distribution models. Reasons mentioned included additional workload/paperwork, bottlenecks and low delivery frequency, lack of invoicing transparency as well as logistic hurdles.

Satisfaction with the distribution system - full-line wholesaler



Source: **Pharmacy questionnaire, IPF research 2011**

Conclusion

The findings of the study show that the existence of the pharmaceutical full-line wholesalers is essential for the European healthcare sector. The pharmaceutical full-line wholesalers not only help reduce transaction and process costs but largely pre-finance the supply of medicinal products and also secure a safe, rapid and continuous supply of all medicinal products to the European citizens through healthcare professionals, therefore being the vital link in the European pharmaceutical supply chain.

GIRP

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GIRP publication for 2012

New multi-media tools such as Facebook, Twitter and YouTube are increasingly used in professional circles. In 2009/2010 GIRP, as part of our drive to constantly improve our communication strategy and to raise our profile at EU level, embraced these new media communication tools. GIRP can be found on Facebook, LinkedIn, Twitter and YouTube.

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