

The

BAPW Bulletin



Together...Delivering Quality Healthcare

Issue No. 2

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Executive Director's Message



This is the second of our regular bulletins – designed to keep you in touch with issues in the supply chain for medicines that affect us all. As I said in my last message, we know how much information everyone is bombarded with, so we're only issuing these bulletins when we think we think you might be interested in something we have to say.

As many of you will know, the British Association of Pharmaceutical Wholesalers represents the group of companies that supply the full range of licensed medicines to our doctors, pharmacists and hospitals every day. When a prescription hits the pharmacy counter, and the pharmacist hasn't got it in stock, wholesalers can process the order within a matter of minutes and have it delivered, ready for the patient, in a matter of hours.

The supply of medicines is often taken for granted - it's largely invisible to patients - but like when the petrol dried up during the fuel crisis, we'd quickly notice how vital it is to the running of the country. But like petrol, the medicines supply chain is not so robust that it wouldn't be severely disrupted by one or two relatively small changes.

2005 has been a year of significant change for the industry, so wholesalers have been running at full tilt to ensure that to their most important stakeholder – patients – they remain the invisible part of the supply chain. However, it's still important to us that our role in getting medicines to patients is not overlooked by people like you. So please, take a couple of minutes to look through this bulletin. As I said in my last message, the issues that face pharmaceutical wholesalers have the potential to affect everyone using medicines.

Kind regards,

A handwritten signature of Martin Sawyer in black ink.

Martin Sawyer
Executive Director

Pharmaceutical Wholesale Delivers...



Did you know that pharmaceutical wholesale:

- Employs 9,000 people
- Makes more than 235,000 deliveries a week
- Picks and delivers more than 2 billion items each year

Wholesalers' information deal saves NHS £300m



Martin Sawer and Minister Jane Kennedy sign historic generics agreement

The BAPW has signed a deal for the supply of generic medicines which will deliver £300m of savings to the NHS on an annual basis. The savings made will be ploughed back into the new pharmacy contract, which encourages pharmacists to provide new and improved services to patients by offering incentives for wider activity in community pharmacy.

Eighty percent of medicines are currently written generically (which is to say, for medicines whose patents have expired) and under the new scheme, wholesalers will provide the data which will allow the Government to set the price of generic medicines to reflect market prices more accurately.

Martin Sawer, Executive Director of BAPW, welcomed the agreement as a step in the direction of more transparent medicine pricing but sounded a note of caution. 'This is a time of flux for the pharmaceutical supply chain as a whole. We've had the PPRS agreement, new discounting structures, the generics scheme and coming up the review of reimbursement arrangements and the OFT's inquiry into the operation of the PPRS, all so far in the space of nine months.

Sawer also warned against the dangers of some of the unseen consequences of changing price structures, citing the effect that the changes to the pricing structure for branded medicines had at the turn of the year. "One of the effects that the new PPRS seems to have had on the market is to hugely increase the level of products out of stock, which threatens patients." He added "We need to be watchful that the new pricing mechanism for generics doesn't create the same kind of problems."

Pharmaceutical Wholesale Delivers...



Did you know that pharmaceutical wholesale:

- Delivers over 85% of the medicines dispensed in pharmacies
- Operates over 50 depots nationwide
- Provides about half of the computer systems used in pharmacies

National issues



Jo Bullen, BAPW Policy Manager, and Raj Patel, NPA Chairman, reflect on an evening of heavy losses

The BAPW's annual conference is no summer jolly for delegates. Held this year at Hoar Cross Hall in Staffordshire, the conference offers attendees the opportunity to start thinking about how they can meet the policy and business challenges of next year, whilst exchanging ideas with colleagues from right across the medicines supply chain.

Amongst the pick of this year's conference guests, **James Copping** from the EU's DG Enterprise Unit spoke on the challenges and opportunities emerging from Brussels; **Duncan Eaton**, Chief Executive of the NHS Purchasing and Supply Agency presented on national procurement of medicines; and **Martin Anderson**, Director of Commercial Affairs at the ABPI gave a view from the pharmaceutical industry.

But there was also some light relief from the serious world of wholesaling at the conference, in the form of a race night organised for delegates over dinner. Teams of diners competed to win the most tokens by the end of the night, with most ending the night requiring insolvency counseling.

Forthcoming Events

9th November

Associate Members Business Day, Fawsley Hall, Northamptonshire

18th October

BAPW Parliamentary reception, House of Commons, London

How to get in touch with the BAPW

If you'd like to speak to the BAPW about an issue involving pharmaceutical wholesaling, do get in touch:

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