

Press Release

Pharmaceutical full-line wholesalers support financing medicines supply

15th March 2017

Brussels, Belgium – GIRP, the European Healthcare Distribution Association, which represents pharmaceutical full-line wholesalers, published the results and key findings of a study on the distribution profile and efficiency of the pharmaceutical full-line wholesale sector in Europe with a special analysis of six European countries – France, Germany, Italy, the Netherlands, Spain and United Kingdom.

The study was carried out by the Institute for Pharmaeconomic Research (IPF), a scientific research institute based in Vienna. The aim of the study was to analyse the role and functions of the pharmaceutical full-line wholesalers, as the main providers of medicines in comparison to other distribution systems. The study assesses the appreciate and perceived value of the role and function of pharmaceutical full-line wholesalers.

Key data

- **752 pharmaceutical full-line wholesalers** ensured the fast, continuous and cost-effective medicines supply to over **180,743 retail pharmacies, hospitals and dispensing doctors** in the EU +2.
- **Pharmaceutical full-line wholesaler'** services can reach up to **520 million people**.
- Through direct and indirect cost control measures they have seen an **average reduction of 29.3% in the wholesaler mark-up since 2001**.
- Around **800 million transactions between pharmaceutical full-line wholesalers, pharmacies and manufacturers** take place every year in the 6 key European markets.
- **Without pharmaceutical full-line wholesalers**, the number of transactions would increase to almost **100 billion transactions** per year.
- Pharmaceutical full-line wholesalers **store and distribute over ¾ of all medicinal products** sold in Europe.
- In Europe, **non-adherence** to medicines and medication plans **costs governments an estimated €125 billion** and contributes to the premature deaths of nearly 200,000 Europeans a year (EFPIA).

Delivery function

- **Pharmaceutical full-line wholesalers** ensure an average delivery service within **4.6 hours** (on average) and deliver **16.02 times per week** to pharmacies (including remote areas).
- By comparison short-liners deliver their products within 20.05 hours and only 4.34 times per week and direct deliveries from manufacturers needed on average of 57.86 hours, with a frequency of only 3.66 times per week

Bundling function

- Pharmaceutical full-line wholesalers are 'pooling' the medicines of **18.8 manufacturers per delivery** on a weighted average.
- The bundling of **18.8 deliveries** from manufacturers in one delivery from a wholesaler saves **€234.84** for customers (pharmacies).

Financing function

- Pharmaceutical full-line wholesalers assume a **financing function towards manufacturers and pharmacies.**
- Pharmaceutical full-line wholesalers essentially **secure the cash flow of the social insurers.**
- Pharmaceutical full-line wholesalers **finance on average €11.8 billion over a period of 47 days.**
- Compared to the findings of the previous study (2011), financing volume increased in all six selected countries by 2.3 billion and the financing period increased by 5 days from 2011 to 2015.

The full study is available for download from the GIRP website at the following [link](#).

A slide deck, highlighting the core key-findings and key data of the study, is also available following this link.