

European Delegates Convene at GIRP's 50th Annual General Meeting in Greece

(Sources: GIRP Press Release, Meeting Program and edited excerpts from an article written by James Mill and published in Scrip.)



The message was clear at the 50th Annual General Meeting of GIRP, the European Association of Full-Line Pharmaceutical Wholesalers: the pharmaceutical industry is under pressure by all stakeholders to innovate; to provide safe, timely and efficient access to quality medicines for all European citizens; and to participate in positive healthcare outcomes of patients. 171 participants from 28 countries gathered in Athens to discuss

business model changes currently underway in Europe, which are being driven by market pressures and shifting conditions. GIRP's President, René Jenny, who was re-elected for another term, led the proceedings as speakers representing the full spectrum of the pharmaceutical system (manufacturing, wholesaling, pharmacy, patients and government) shared valuable insights.

From the manufacturers' perspective distribution services must include: warehousing and inventory management; transportation and logistics; specialized delivery services to include cold-chain and home delivery; and customer management including order taking, tracking and tracing, invoicing and collection - all of which are outside of the manufacturer's core competency. It was further suggested that manufacturers' strategies are in part based on improving their relationships with patients and pharmacists; obtaining better data on their medicines at point of dispensing; improving their service level by eliminating stock-outs and at the same time reducing their overall inventory levels; and identifying cost savings.

The European wholesale sector is adjusting to the emergence of additional distribution business models: the traditional full-line wholesale model, the direct-to-pharmacy (B2B) model and the direct-to-patient model (B2C). Within these models the compensation element is shifting from a pure product-margin approach to a fee-based system or some combination thereof.

Pharmacies are adjusting to these pressures by adding valued services in support of better healthcare outcomes. These services include: electronic patient medication records, chronic disease management, drug safety systems, pharmaceutical care, medicines management, medicine use reviews, minor ailment programs, healthcare screening services in the pharmacies, and home healthcare support.

Patients' needs are now being focused through organizations such as the Health Consumer Powerhouse (HPC) which states that they have been able to improve healthcare outcomes in 35 countries by measuring healthcare performance. Patient organizations such as HPC advocate taking control of one's own health through "self-management", influencing the information revolution, acquiring a knowledge base, participating in support groups, and exercising choice.

From a government's perspective the Director in the European Commission's Enterprise Directorate-General added that distribution had become a focus and work in this area would continue once a new commission (and a new enterprise and industry commissioner) was in place after the election this October. She said that the Directorate-General was planning a market-monitoring exercise to

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investigate the European Union's (EU) 27 pharmaceutical markets in operation. A next-generation Pharmaceutical Forum would also bring together all the companies and organizations with an interest in pharmaceutical distribution to see whether EU legislative changes were necessary or desirable. The Director said the work of full-line wholesalers was critical, adding, "I'm not convinced we can live without them and I'm not convinced that other models are better."

Another important responsibility for GIRP, in addition to serving as a communication and networking platform, is to continue advocating the merits of the full-line pharmaceutical wholesaling sector and its role in creating positive healthcare outcomes. Ms. Monika Derecque-Pois, GIRP's Director General stressed, just prior to the conference, the commitment of her association to securing the supply chain. She mentioned GIRP has been "a very active participant in the numerous international, European anti-counterfeiting initiatives" and referred to the legislative moves made by the European Commission to introduce a range of measures aimed at securing the supply chain for the better protection of patients against counterfeit medicines.

GIRP's 2010 Annual General Meeting will be held on **June 6-8 in Cannes, France.**

For more information about GIRP, visit their website at www.GIRP.eu.