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« View of the pharmaceutical full-line wholesalers »

GIRP – The European Association of Pharmaceutical Full-line Wholesalers

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1. What is pharmaceutical full-line wholesaling?






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What is a full-line wholesaler?

Manufacturer → Pre-Wholesale → **Wholesale** → Retail → Patient, Consumer, Hospital, GP

- Pharmaceutical full-line wholesalers…
  - handle full range of medicines
    - with recall and emergency procedures
  - guarantee continuous availability
    - 24 hours a day, 365 days a year, 2-4 hrs average delivery time
  - follow public service obligations
  - are the owners of the products they distribute!






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What is GIRP?

- Umbrella organisation of European pharmaceutical full-line wholesalers
- The Members* of GIRP
  - employ about **140,000 people**
  - hold products on stock from over **3,500 manufacturers**
  - supply more than **100,000 medicines**
  - distribute medicines throughout the whole continent to more than **133,000 pharmacies**
  - deliver in a timely, safe and efficient way
  - guarantee access to all medicines for patients throughout Europe

* "The European Pharmaceutical Wholesale Industry: Structure, Trends and socio-economic Importance", Study by Prof. Werner Clement, IPF Institute for Pharmaeconomic Research, Vienna, November 2005.






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Technical Committee

- **Aims:**
  - create a better market position for pharmaceutical wholesalers by applying modern and the most feasible technologies
- **Main issues:**
  - Guidelines of Good Distribution Practice 94/C 63/03
  - Numbering and Labelling Systems
- **Means:**
  - discussion forums
  - position papers
- **Organisation:**
  - several meetings a year
  - “Technical Conference” as open forum approx. once a year






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2. What do pharmaceutical full-line wholesalers need?






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What we offer – what we need

- What we offer:
  - apply the most appropriate technologies, in order
  - to reach the ultimate aim of delivering the **right medicines** to the **right place** at the **right time**!

- What we need:
  - adopt practical and logical solutions, which means
  - to weigh the application of new technologies against their benefits in the practical implementation!

- Conclusion:

! *New Technologies = Advantages + Disadvantages* !






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Warehousing

- Pharmaceutical full-line wholesalers' warehouse operations:
  - receiving, un-packing, checking, storing
  - order booking, order picking, checking, invoicing
  - route planning, loading, delivering

Visit of the Phoenix warehouse on Thursday, 1st February

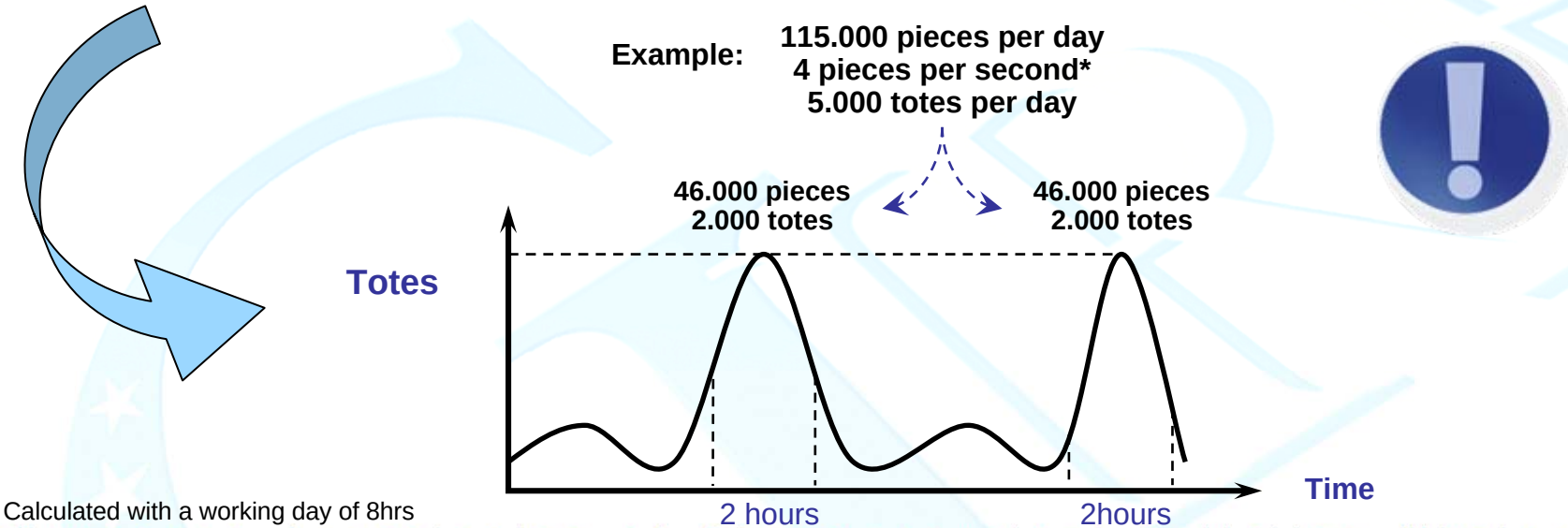
- For a better identification and traceability of products, we aim at:
  - harmonising and standardising of product identification for medicines,
  - according to the needs of the supply chain partners,
  - seamlessly using standards throughout the whole supply chain.
- Selection criteria for GIRP
  - safety & reliability
  - maturity & costs






The plant utilisation of a wholesaler

- Pharmaceutical full-line wholesalers provide the continuous availability of medicines
  - 24 hours a day - 365 days a year
  - European average delivery time 2-4 hours, 4-5 times a day



* Calculated with a working day of 8hrs



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3. Where do we stand today?






What GIRP did so far since 2005

- Study “Packaging and Labelling”
  - defined a minimum set of information requirements, necessary to efficiently manage products in the supply chain
- Definition of a “wish list” referring to
  - contents
  - data structure
  - optical carrier
- Analysis of different technologies in order to find out the most feasible
  - OCR **vs.** bar coding **vs.** 2D coding **vs.** RFID






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Current situation

- No common technology
  to read the product information by means of technical equipment
  - ➢ No homogeneity (neither from manufacturer to manufacturer, nor from country to country)
- Pharmaceutical full-line wholesalers must have machine readable data in order to track & trace products
- **Therefore it is absolutely essential to have**
  - **– National product identification**
  - **– Expiry date AND**
  - **– Batch number**

… in a machine readable format!

Automatic product identification (I)

GIRP'S Technical Committee has examined the different technologies

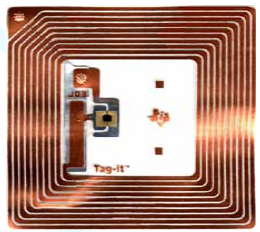
2 Dimension Codes

versus

Barcode

versus

RFID



Automatic product identification (II)

Review of possible data carriers

With respect to the content which is required
product ID, batch number and expiry date

		Content	Space	Comment
X	**1D-Code**	either not complete or too big		
✔	**2D-Code**	complete	OK	Additional information for the industry can be saved
x	**RFID**	complete	?	Not yet a mature technology






Automatic product identification (III)

Having assessed the impact of all technologies, GIRP and its members want to implement

- as data structure: GS1 numbering system and
- as data carrier: 1D or 2D code
  - data matrix code is preferred, as it allows for further content expansion and it may cover additional needs of manufacturers,
  - whereas RFID is a future technology only.

GIRP and its Members want to remain as up to date as possible, which involves finding a balance between advancing technologies and practical solutions!






Automatic product identification (IV)

Benefits of the GS1 numbering system
for the whole supply chain of medicines
in the sense of a co-existing model:

- GS1 Application Identifiers (standardised data elements):
  - GLN (Global Location Number)
  - GTIN (Global Trade Item Number)
  - ✓batch number
  - ✓expiry date
- GS1 change request
  - ✓pharmaceutical article number (international level)
    - ISO country code
    - pharmaceutical article number (9 digits, national level)






4. Excursus:
Problems of RFID and Serial number



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Problems with RFID tags

- **Overall:**
  - data protection not readily discussed
- **High Frequency (13.56 MHz)**
  - accuracy of reading not given: no mature technology
    - liquids, aluminium and glass will lead to error rates > 30 %
- **Ultra High Frequency (2.45 GHz)**
  - accuracy of reading is improved, however:
    - no norm up to day
    - higher costs of multi-read-tags
    - possible harms to the molecular structure of medicines






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Problems with the Serial number

Wholesaling warehouse: **up to Ø 40,000 packs per hour**

- Problems with respect to the exclusive use of a serial number:
  - missing data – which *are* needed on an ad-hoc basis, e.g.
    - identification
    - batch number
    - expiry date
  - data would come from a database, but there are many unsolved questions:
    - Who *is in charge* of the database?
    - Who *owns* the data?
    - Who *pays* for the costs of the database?
    - Who *organises* the data transfer?
    - Who *is guaranteeing* the **continuous availability and performance** within the supply chain?






5. Conclusion






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Conclusion (I)

- Always take into account criteria such as
  - maturity degree
  - costs as well as
  - safety and reliability of the technology.
- Solutions must be suitable for the pharmaceutical supply chain
  - smooth integration of national product identification, expiry date and batch number
  - speed of delivery
  - European wide technological harmonisation and
  - competitive costs of implementation

Delivering right medicines at the right time to the right place
= need to apply best technological processes!






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Conclusion (II)

Every decision in order to be effective must comprise ALL partners in the Supply Chain!






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Thank you very much for your attention!

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