

OTC *bulletin*

THE BUSINESS NEWSLETTER FOR EUROPE'S CONSUMER HEALTHCARE INDUSTRY

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German Merck misses out on OTC acquisition targets

Merck KGaA's plans for its Consumer Health Care business had been dealt a blow in 2009, according to chairman Karl-Ludwig Kley, when the company missed out on two unnamed acquisition targets.

In May of last year, the German company said it intended to turn its Consumer Health Care business into "one of the top-10 global OTC players by doubling annual sales to €1.0 billion over the next three years", via a combination of acquisitions and organic growth (*OTC bulletin*, 29 May 2009, page 20).

"I was extremely confident of closing one of the acquisitions when I mentioned the €1.0

billion target," Kley revealed, "but it slipped through our fingers at the last minute".

Meanwhile, Merck announced that it was set to acquire US-based life sciences company Millipore in a deal valued at approximately €5.3 billion. A spokesperson for Merck declined to comment on whether the deal would have an impact on the firm's acquisition plans for Consumer Health Care.

Merck KGaA's Consumer Health Care business produced sales growth of 6% in 2009 to €467 million.

Turn to page 4 of this issue for a detailed analysis of Merck KGaA's annual results.

GSK's Alli breaks record at Awards

GlaxoSmithKline Consumer Healthcare's Alli weight-loss medicine broke all records when the winners of *OTC bulletin's* OTC Marketing Awards 2010 were announced in London last week.

The brand picked up an unprecedented six Awards on the night, including OTC Brand of the Year, OTC Launch of the Year, and Most Innovative New OTC Product. The Alli team also walked away with Best OTC Marketing Campaign on a Big Budget, Best OTC Public Relations Campaign for a Medicine, and Best

■ Continued on page 22

German court clears akut for omeprazole

Hexal is free to use the 'akut' suffix for its Omep omeprazole capsules in Germany, after an upper regional court in Munich overturned a lower court's ruling.

The lower court had banned the akut suffix for non-prescription omeprazole capsules because it implied the medicine was an acute treatment that was effective within an hour (*OTC bulletin*, 20 January 2010, page 18).

Following that decision, Hexal dropped the suffix, marketing its non-prescription heartburn remedy simply as Omep. However, the Novartis subsidiary has now reverted to the

■ Continued on page 22

A supplement inside this issue details all the winners of *OTC bulletin's* OTC Marketing Awards 2010.

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NEW COST-EFFECTIVE RATES APPLY FOR 2010

Business Strategy/Annual Results

Vemedia flat in a difficult year

Vemedia Pharma's sales dropped by 2.9% to €50.1 million in 2009, after it sold the rights to the plant-based sedative Baldrian Dispersit/Valdispert in Austria, Brazil and Germany (*OTC bulletin*, 31 March 2009, page 1). Excluding the impact of these transactions, sales edged up by 0.3%, the company noted.

The Belgium-based company said it had recorded a net loss of €1.3 million in the year. This loss was largely caused by "impairments under IFRS with no cash effect", according to the firm.

Earnings before interest, tax, depreciation and amortisation (EBITDA) dropped by a fifth to €9.1 million in 2009. The fall was put down to strong price competition in the Netherlands, where the OTC sector was characterised by heavy promotions.

Yvan Vindevoegel, chief executive officer of Vemedia, said the company's key brands – Dagravit vitamins and minerals, ABC Chemicals, Osteoplus supplements and Valdispert – had maintained solid market positions.

Looking ahead, Vindevoegel said the company was "still actively looking for interesting acquisition opportunities".

Discussing the strategy in Italy, Portugal and Spain, he stated that Valdispert would be the foundation for further growth, and line extensions would be introduced. Valdispert had achieved growth in Italy during 2009, but the economic crisis had taken its toll in Portugal and Spain.

Meanwhile, Vemedia said sales at its Dutch OTC business in 2009 had decreased by 5.6%. Some brands – such as Dagravit, the Norit antidiarrhoeal and Valdispert – had suffered during the year, the company noted, but others – including the Fluimucil cough medicine, and Roxasect insecticide – had shown "nice" growth. The Dutch market for joint-health products had remained very difficult in 2009, remarked Vemedia.

In Belgium, the company's ABC Chemicals business, which supplies raw materials to pharmacists, posted sales up by 17%. The Methapharma sales and marketing operation reported sales 15% higher thanks to the performance of Osteoplus and Valdispert.

The company noted that it was considering setting up the Vemedia Innovation Centre for research and development involving non-prescription medicines.

Mergers & Acquisitions/Annual Results

Hypermarcas adds Luper to Brazilian OTC business

Brazil's leading OTC company, Hypermarcas, is set to expand its Dorsay Monange OTC business for the second time in just over three months by acquiring fellow Brazilian firm Luper Indústria Farmacêutica in a deal worth BRL52.2 million (€21.5 million).

Hypermarcas said that acquiring Luper was in line with its strategy of obtaining assets in the pharmaceuticals sector, and the company would complement its existing portfolio of OTC and branded generic products.

At the end of last year, Hypermarcas expanded its OTC business by buying Brazilian company Neo Química in a cash and share deal worth BRL1.29 billion. The deal also took Hypermarcas into the generics market (*OTC bulletin*, 18 December 2009, page 3).

Luper reported sales of BRL44.6 million in its 2009 financial year. It markets a range of OTC brands including the Ambroflux and Bequidex cough/cold products, Cetafrin paracetamol line, Doriflan topical diclofenac products and Gastrol gastrointestinal remedies.

The company also offers four herbal remedies under the Alcaflor Uno, Blumel Guaco, Plantacil and Senareti brand names.

Hypermarcas pointed out that it would pay 60% of the purchase price – BRL31.3 million – up front and the remainder in five equal annual payments.

Founded in 2002, Hypermarcas' business strategy is built on an aggressive acquisitions policy, which has seen the company make numerous purchases across all of its business areas over the past seven years. In 2009, the company made five acquisitions totalling around BRL2 billion. This year, it has already agreed deals worth approximately BRL450 million.

As well as adding Luper to its OTC business, Hypermarcas is set to boost its Personal Care operation by acquiring oral-health company Facilit and its Sanifill brand for BRL79

million; the bandages, feminine pads and cottons business York for BRL100 million; and baby's diaper firm Sapeka for BRL225 million.

The company recently announced a share offering through which it hopes to raise over BRL900 million to fund its acquisitions.

Hypermarcas claims its Dorsay Monange division is the leading OTC business in Brazil. The company's key OTC brands include the Biotônico Fontoura mineral supplement, Epocler formula for metabolic disorders, Merthiolate woundcare brand, Rinosoro nasal decongestants, and Tamarine herbal products.

Turnover at Hypermarcas' Pharma division – comprising the OTC and prescription businesses – improved by 55.5% to BRL723 million in 2009 (see Figure 1). The division represented 36% of Hypermarcas' sales, which grew by 51.9% to BRL2.03 billion.

In addition to about BRL50 million from Luper this year, Hypermarcas can expect more than BRL300 million from Neo Química, taking total turnover at the Pharma division past BRL1.0 billion in 2010.

Personal Care products generated a further 36% of the actual 2009 total, Hypermarcas noted, with Home Care contributing 15% and Food the remaining 13%.

Excluding acquisitions made in 2008 and 2009, OTC and prescription sales increased by 21% to BRL562 million, Hypermarcas said. This was in line with the company as a whole, which reported organic turnover 21% higher at BRL1.58 billion.

Total group earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 59.5% to BRL512 million.

Hypermarcas said that it had completed the US\$101 million (€74 million) acquisition – agreed in October of last year – of Johnson & Johnson's Jontex condom brand.

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Business	Annual sales (BRL millions)	Change 2008/2009 (%)	Proportion of total (%)
Personal Care	725	+82.0	36
Pharma	723	+55.5	36
Home Care	310	+28.6	15
Food	267	+16.9	13
Total Hypermarcas	2,025	+51.9	100

Figure 1: Hypermarcas' sales in 2009 broken down by business (Source – Hypermarcas)

Mergers & Acquisitions

Store-brand firm Perrigo to buy Australia's Orion

Store-brand specialist Perrigo is set to extend its Consumer Healthcare business into Australia by acquiring Orion Laboratories for about US\$48 million (€35 million) in cash.

The deal will give the US-based firm's Consumer Healthcare business its first presence outside of its established markets of North America, Mexico and the UK.

Described by Perrigo as a "leading supplier

of OTC store-brand pharmaceutical products in Australia and New Zealand", Orion is expected to add around US\$30 million annually to sales. Privately-held Orion also manufactures and distributes pharmaceutical products supplied to hospitals.

Perrigo's Consumer Healthcare business reported sales up by 13% to US\$916 million in the six months ended 26 December 2009. Operating profit was ahead by 38% at US\$160 million (*OTC bulletin*, 10 February 2010, page 10).

The US\$54 million Perrigo received from the recent sale of its Israeli Consumer Products business (*OTC bulletin*, 16 November 2009, page 13) will be used to fund the Orion deal.

Acquiring Orion is part of the geographical expansion plan Perrigo laid out for its Consumer Healthcare business last year (*OTC bulletin*, 15 May 2009, page 6).

Joseph Papa, chairman and chief executive officer of Perrigo, said at the time that the company wanted to expand the reach of its Consumer Healthcare store-brand products. Papa added that Perrigo's Consumer Healthcare division, which generated the majority of its sales in the US, already had a presence in Mexico and the UK as well as "relationships" in Canada. The company could take its portfolio of approved products and formulations to other markets, notably in Europe, he continued.

To help achieve its aim, Perrigo formed an international strategies team led by the senior vice-president for international market development, Ron Janish (*OTC bulletin*, 31 August 2009, page 10).

Mergers & Acquisitions

Hi-Tech takes Mag-Ox brand

Hi-Tech Pharmaco has expanded its line of OTC products for diabetics by acquiring the Mag-Ox range of magnesium supplements from Blaine Company for US\$4.1 million (€3.0 million) in cash.

Under the terms of the deal, the US-based firm has gained the rights to the Mag-Ox, Mag-inex, Uro-Mag and Corban brands, which generated net sales of US\$3.4 million in 2009.

David Seltzer, president and chief executive officer of Hi-Tech, commented that the Mag-Ox range was a "good strategic fit" with the existing line of OTC brands for diabetics offered by its Health Care Products division. He noted that magnesium deficiency was common among people with diabetes as well as those with metabolic syndrome, high blood pressure or cardiovascular conditions.

Mag-Ox was a leading magnesium supplement recommended by doctors and pharmacists in the US, Hi-Tech claimed, and was poised for growth due to the increasing number of people suffering from cardiovascular conditions, diabetes and metabolic syndrome.

The Mag-Ox range will join the Diabetic Tussin cough medicine, DiabetiDerm creams, DiabetiSweet sugar substitute, Multibetic vitamin supplement and Zostrix topical pain-relieving cream in the Health Care Products division.

In the year ended 30 April 2009, the Health Care Products division generated turnover of US\$10.1 million. This was 6.5% down on the previous year due to lower sales of Diabetic Tussin and Multibetic. Increased sales of Zostrix partially offset the drop.

The division accounted for 9.3% of Hi-Tech's total sales, which finished up by 75% to US\$109 million. The majority of Hi-Tech's sales were generated by its generic pharmaceuticals business.

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Mergers & Acquisitions

Cinfa gets Glycilax

Cinfa has acquired the Glycilax laxative from fellow Spanish company Rovi for an undisclosed sum.

The glycerin suppositories are indicated in Spain for the local symptomatic relief of constipation. A pack of 12 has a recommended retail selling price of €3.40.

Cinfa's generics, OTC and orthopaedic businesses reported sales up by 14.5% to €183 million last year.

IN BRIEF

■ **MEDA** has acquired the exclusive rights to Medivir's cold-sore medicine **Xerese** – formerly Lipsovir – in Canada, Mexico and the US. Xerese was approved as a prescription-only medicine by the US Food and Drug Administration (FDA) in 2009. In January, Medivir launched a non-prescription pack of Xerese in Sweden under the Xerclear name (*OTC bulletin*, 20 January 2010, page 14).

Annual Results

Merck KGaA recovers from poor first half

Merck KGaA's Consumer Health Care business achieved organic sales growth of 8.6% in 2009 to €467 million. Karl-Ludwig Kley, chairman of the German group, claimed the Consumer Health Care business had grown quicker in 2009 than all but one of the top-20 global consumer healthcare firms.

The improvement came despite the Consumer Health Care business experiencing a year of two contrasting halves, as it rebounded from a poor opening six months to post annual sales up by 5.7% as reported.

Destocking by the trade in Mexico and negative currency effects had led to a 3% decline in Consumer Health Care's turnover in both the first and second quarters of the year. How-

ever, a double-digit rise in sales from wholesalers to end-customers, along with further investments in strategic brands, helped turn the business around in the second half, and drive 11% growth in the third quarter and a 17% rise in the final three months of 2009.

Sales of Consumer Health Care's five best-selling brands – Bion, Cebion, Femibion, Nasivin and Seven Seas – had developed well over the year, according to Merck, and accounted for 42%, or €196 million, of the division's sales.

Despite the sales increase, Consumer Health Care's operating profit dropped back by 21% to €48 million (see Figure 1). Merck noted that in 2008 the business had benefited from an €11 million profit from selling the biMánan brand in Spain and receipt of a €4 million reimbursement for contaminated raw materials.

Higher marketing expenses and a 16% rise in research and development spending to €19 million had also hit operating profits, the company said, along with exchange-rate losses suffered primarily in Venezuela.

Commenting on prospects for 2010, Merck said it expected a similar outcome for Consumer Health Care, with sales growing by 5%-10%. Operating profit, meanwhile, was expected to drop by 10% as the business continued to invest in all of its strategic brands.

Increased investment in international strategic brands – Bion, Cebion, Femibion, Flexagil

(Seven Seas and Kytta), and Nasivin – and “regionally-driven brands” – Diabion and Kidabion – is part of Merck's “two-pronged” growth strategy for Consumer Health Care. The other part is driving expansion in emerging markets, such as those in Asia and Latin America.

In 2009, this investment helped lift sales of Kytta by a third to €19 million, while Bion posted turnover up by a tenth to €49 million and Femibion's sales grew by 29% to €33 million. However, unfavourable exchange rates led to sales of Seven Seas products dropping by 9.5% to €38 million, while Nasivin turnover fell by 9.0% to €42 million due to the weakness of the Russian market.

Everyday protection performed best out of Merck's four OTC “health themes” – the others are cough and cold; mobility; and women's and children's health – with sales up by 13.6% to €170 million (see Figure 2). This result was thanks in part to better sales of Bion.

Looking at Consumer Health Care's regions, sales in Latin America rose by 16% in 2009 to €89 million – 19% of the worldwide total – while sales in Africa, Asia and Australasia accounted for 12%, or €56 million. Europe was the biggest region with sales up by 4% to €319 million, or 69% of the total (see Figure 3).

France was Consumer Health Care's largest market in 2009, with sales growing by 5.4% to €99 million (see Figure 4). The Merck Médication Familiale subsidiary was now the biggest business in the French market for “prescription-free medicines not reimbursed by sickness funds”, Merck pointed out, and had maintained its number two spot in nutritional supplements.

In addition, Bion was now the second-leading OTC brand in France, Merck said, with sales of more than €30 million. The brand had been

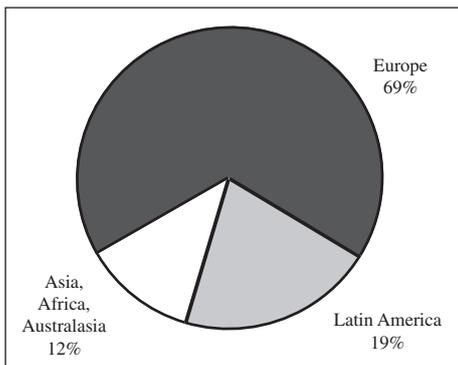


Figure 3: Sales by Merck KGaA's Consumer Health Care business in 2009 – €467 million – broken down by geographical region (Source – Merck KGaA)

Business	Annual sales (€ millions)	Change (%)	Operating profit (€ millions)	Change (%)
Merck Serono	5,345	+7	355	-40
Consumer Health Care	467	+6	48	-21
Total Pharmaceuticals	5,812	+7	403	-38
Total Chemicals	1,935	-9	324	-42
Corporate and others	–	–	-78	–
Total Merck	7,747	+2	649	-43

Figure 1: Merck KGaA's sales and operating profit in 2009 (Source – Merck KGaA)

Health theme	Annual sales (€ millions)	Change 2008/2009 (%)	Proportion of total (%)
Everyday health protection	169.5	+14	36
Cough and cold	92.6	-11	20
Mobility	68.1	+2	15
Women's and children's health	57.9	+13	12
Others	76.9	+12	16
Royalties and commission	2.1	–	1
Total Consumer Health Care	467.0	+6	100

Figure 2: Sales by Merck KGaA's Consumer Health Care business in 2009, broken down by the company's health themes (Source – Merck KGaA)

Country	Annual sales (€ millions)	Change (%)
France	99	+5
Germany	56	+22
UK	54	-16
Mexico	32	–
Belgium	27	+53
Indonesia	11	–
South Africa	7	+28
Brazil	7	+3
China	6	–
Other countries	168	–
Total	467	+6

Figure 4: Merck KGaA's Consumer Health Care sales in key countries in 2009 (Source – Merck KGaA)

Regulatory Affairs

Reckitt Benckiser in Gaviscon probe

Reckitt Benckiser has been accused by the UK's Office of Fair Trading (OFT) of abusing its dominant position in the supply of alginate and antacid heartburn drugs. The watchdog has alleged that the firm limited generic competition through the UK's National Health Service (NHS) to its Gaviscon brand.

Stressing that "no assumption should be made at this stage that there has been an infringement of competition law", the OFT said it would not be in a position to decide if the law had been breached until it had received and reviewed the company's response.

The OFT's Statement of Objections laying out the allegations against Reckitt Benckiser – the details of which will not be published – claims that the company had deliberately timed the withdrawal of Gaviscon Original Liquid to ensure general practitioners' prescribing software identified only its successor Gaviscon Advance Liquid, rather than a generic. The Advance product has patent protection until 2016.

Reckitt Benckiser said it had competed "fairly and within the letter and spirit of the law".

Two years ago, Reckitt Benckiser denied accusations made by the BBC current affairs television show *Newsnight* that it had unfairly hindered generic competition to its Gaviscon brand, thereby costing the NHS approximately £40 million (€44 million) since 1999 (*OTC bulletin*, 17 March 2008, page 11).

Reckitt Benckiser could potentially face a fine of up to 10% of its worldwide turnover.

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boosted by the launch of Bion Restore, a probiotic product with zinc, histidine and vitamin C that is claimed to help restore people's health following illnesses such as cold and flu.

German sales increased by 22% to €56 million. Merck said its Kytta brand had performed "superbly", thanks to television advertising. Noting that the Femibion range was market leader, the company said particularly strong sales had been achieved via online pharmacies, a distribution channel that appealed especially to the target audience of young mothers.

In the UK, strong competition from store-brands and the weakness of the British pound caused sales to drop by 16% to €54 million. Adjusted for currency effects and the sale of the Petcare business, the decline was 2.9%. Merck launched the Femibion range in the UK during the third quarter of 2009.

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Annual Results

Omega Pharma benefits from cost-saving moves

Implementing an extensive cost-savings plan coupled with lower financial expenses helped Omega Pharma prevent what could have been a steep decline in the company's earnings before interest, tax, depreciation and amortisation (EBITDA) in 2009.

EBITDA actually edged forward by 0.1% to €130 million for the full year, a result which had looked unlikely at the half-way mark when EBITDA was down by a tenth (*OTC bulletin*, 16 September 2009, page 4).

Marc Coucke, chief executive officer of the Belgian OTC firm, said 2009 had been a "very useful year" for Omega, despite the challenging environment.

"The cost base was reduced by more than €33 million," Coucke pointed out, "non-core operations were sold, major research and development projects were launched in support of a strong brands policy, the company's geographical expansion continued, and experienced management talent was recruited."

Omega said its plan to cut costs by €30 million had been completely successful as overheads had been cut "drastically" and marketing expenditure had been reduced.

With sales improving by 0.3% to €814 million (*OTC bulletin*, 10 February 2010, page 11), Coucke added, Omega had "emerged fundamentally strengthened". It could now "fully focus on pursuing a growth policy in Europe as well as in emerging markets".

EBITDA grew quickest in Omega's Emerging Markets business region over the year, improving by 8% to €27.9 million, as sales increased by 4% to €102 million (see Figure 1).

Omega commented that over the past several years it had made significant investments in a number of growth markets across central and eastern Europe, the Commonwealth of Independ-

ent States (CIS) and South America as well as Australia and Turkey. This investment meant Emerging Markets now represented over 12% of group turnover and 20% of group profits.

Before the end of the year, Omega started recording turnover from Modi Omega Pharma (India), its Indian joint venture established last year with Modi-Mundipharma (*OTC bulletin*, 15 May 2009, page 1). Omega announced in May 2009 that it would introduce three brands – Silence anti-snoring products, the Addax skin-care range and the Cellasene anti-cellulite remedy – in India.

Belgium was the only other business region to see an improvement in EBITDA, with a rise of 3% to €30.5 million on sales up by 11% to €228 million. Generic products were the main growth drivers in Belgium, which meant profits rose at a slower pace than sales due to the lower margins involved.

Exchange-rate effects and a weak first half of the year were behind the decline in both EBITDA and sales in Omega's largest business region, Western Europe. EBITDA fell by 3% to €63.5 million, with turnover also dropping by 3% to €327 million.

France was Omega's worst-performing business region. Only implementing a cost-savings plan prevented EBITDA from falling by more than 4% to €18.7 million. Sales declined even quicker, slipping back by 9% to €157 million. Omega said last month that recruiting new management in France would help stabilise sales.

Looking ahead, Omega said it was convinced that its "highly promising brands" – coupled with its presence in a large number of emerging markets – would help it achieve sales and profit growth of at least 4% in 2010.

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Business	Annual sales (€ millions)	Change 2008/2009 (%)	EBITDA (€ millions)	Change 2008/2009 (%)
Western Europe	327	-3	63.5	-3
Belgium	228	+11	30.5	+3
France	157	-9	18.7	-4
Emerging Markets	102	+4	27.9	+8
Corporate Costs	-	-	-10.3	-
Total Omega Pharma	814	+0.3	130.3	+0.1

Figure 1: Breakdown of Omega Pharma's sales and the company's earnings before interest, tax, depreciation and amortisation (EBITDA) in 2009 by business (Source – Omega Pharma)

Annual Results

Emerging markets boost sales at Bayer

Solid emerging-market growth helped Bayer's Consumer Care business offset the impact of the economic crisis on its established markets and drive up sales by 2.0% to €3.08 billion in 2009. Adjusted for currency and portfolio effects, sales finished up by 2.5%.

Only two out of Consumer Care's six leading brands achieved sales increases in 2009, with the business' largest brand, the pain-reliever Aspirin, reporting turnover down by 10.9% – 9.3% lower when adjusted for currency effects – to €400 million. Bayer blamed “intensified competition” and “inventory adjustments in the market” for the decline in Aspirin sales.

The Aleve naproxen-based painkiller also suffered, with sales dropping by 1.4% – a 4.0% decline when adjusted for currency effects – to €217 million (see Figure 1). Meanwhile, the Canesten antifungal brand finished down by 6.0% – 3.0% lower on a currency-adjusted basis – to €188 million.

Supradyn sales fell back by 2.9% to €136 million, but this was a rise of 1.0% when adjusted for currency effects.

Only sales of the Bepanthen/Bepanthol skin-

Business	Annual sales (€ millions)	Change 2008/2009 (%)	EBIT (€ millions)	Change 2008/2009 (%)
Pharmaceuticals	10,467	+4.4	1,696	+38.8
Consumer Care	3,080	+2.0	–	–
Medical Care	1,464	+5.0	–	–
Animal Health	977	+1.5	–	–
Consumer Health	5,521	+2.7	944	-1.6
Total Bayer HealthCare	15,988	+3.8	2,640	+21.0

Figure 2: Breakdown of Bayer HealthCare's sales and earnings before interest and tax (EBIT) in 2009 from continuing operations (Source – Bayer)

care products and One-A-Day vitamin lines finished ahead for the year. Bepanthen/Bepanthol, driven by a good performance in Europe, posted turnover up by 7.5% – 10.3% adjusted for currency effects – to €186 million; while One-A-Day grew by 10.9%, or 5.6% on a currency-adjusted basis, to €153 million.

Outside of Consumer Care's top-six products, the Redoxon supplements line had performed well, Bayer noted, with sales up by 19.1% on a currency-adjusted basis. The Berroca range also improved, with turnover adjusted for currency effects growing by 13.6%.

Looking ahead, Bayer said the Consumer Care business would continue to “pursue a clear course of expansion in fast-growing regions such as central and eastern Europe and Asia-Pacific” as well as developing further the business in “new growth segments”.

It would also continue to take advantage of external growth opportunities, Bayer pointed out, in the form of “strategically relevant acquisitions or in-licensing”.

One such growth opportunity was provided by Consumer Care's exclusive licensing agreement with AstraZeneca for non-prescription omeprazole tablets (OTC bulletin, 31 July 2009, page 21), Bayer said.

Bayer noted that in New Zealand, where non-prescription omeprazole had been launched under the Losec brand name, it had been “well received” by pharmacies, had gained “strong national distribution” and had established itself as one of the leading brands in the New Zealand heartburn category.

Initial sales had been strong, according to Heiko Petersen, Bayer Consumer Care's country head for New Zealand, and the company was now focused on building on this success throughout 2010.

Bayer did not comment on progress in Germany, where Bayer Vital started marketing a 20mg omeprazole product under the Antra brand name during August (OTC bulletin, 31 August 2009, page 21).

Consumer Care represented 55.8% of Bayer's total Consumer Health sales – comprising Animal Health and Medical Care as well as Consumer Care – which improved by 2.7% to €5.52 billion in 2009 (see Figure 2). Adjusted for currency and portfolio effects, the sales improvement was 2.1%.

Consumer Health's earnings before interest and tax (EBIT) fell by 1.6% to €944 million. This included special charges of €50 million related primarily to the closure of a production facility in Brazil.

Brand (business unit)	Annual sales (€ millions)	Change 2008/2009 (%)	CER*
Contour (Medical Care)	601	+8.5	+7.3
Aspirin**	400	-10.9	-9.3
Advantage (Animal Health)	336	+2.1	+0.2
Aleve/naproxen	217	-1.4	-4.0
Canesten	188	-6.0	-3.0
Bepanthen/Bepanthol	186	+7.5	+10.3
One-A-Day	153	+10.9	+5.6
Baytril (Animal Health)	149	-2.0	-4.7
Breeze (Medical Care)	138	-4.8	-7.4
Supradyn	136	-2.9	+1.0
Top 10 total	2,504	+0.2	-0.2
Consumer Health total	5,521	+2.7	+3.2

* CER is constant exchange rates
 ** Total Aspirin sales – including Aspirin Cardio, which is part of the Pharmaceuticals division – were €715 million

Figure 1: Sales of the top 10 best-selling brands in Bayer's Consumer Health division in 2009. Brands are part of the Consumer Care business unit unless stated (Source – Bayer)

Region	Annual sales (€ millions)	Change 2008/2009 (%)
Europe	2,237	+1.8
North America	1,922	+3.0
Latin America/Africa/Middle East	821	-2.3
Asia/Pacific	541	+14.4
Total Bayer Consumer Health	5,521	+2.7

Figure 3: Breakdown of Bayer Consumer Health's sales in 2009 by region (Source – Bayer)

Distribution Agreements/Annual Results

BioGaia expands in Japan with Nippon Access deal

BioGaia is set to expand its presence in Japan after signing a distribution agreement for the majority of its BioGaia-branded probiotic products with wholesaler Nippon Access.

Under the terms of the agreement, Japan's Nippon Access will distribute BioGaia's drops, lozenges, and solutions – all of which contain the Swedish firm's *Lactobacillus reuteri* probiotic. The deal does not cover BioGaia's chewable tablets, which are already distributed in Japan by Erina under the Reuterina brand.

Signing the deal with Nippon Access had marked the end of a “long period” of trial sales through various distribution channels with a number of distributors in Japan, BioGaia said, adding that the company now hoped its products would be quickly launched on a large scale in Japan via a number of distribution channels.

The first product launches, BioGaia pointed out, were expected to take place in the second quarter of 2010.

The deal also allows Nippon Access, in collaboration with BioGaia's Japanese subsidiary, to develop and launch BioGaia-branded products in the beverages, baby food, dairy, functional food, infant formula, and food for the elderly segments.

Described by BioGaia as the largest general-food wholesaler in Japan, Nippon Access is a subsidiary of Japan's fifth-largest trading com-

pany, Itochu Corporation, and generated sales of ¥1.3 trillion (€10.5 billion) in 2009.

BioGaia pointed out its products would be instrumental in Nippon Access building a “preventive healthcare business” across convenience store chains, daycare centres and hospitals.

The firm's Japanese subsidiary would handle sales and support Nippon Access' marketing of the products through training of doctors, sales representatives and marketing staff.

Existing Japanese distribution agreements covering a dairy product and a dog-health product, both of which contain probiotic formulations developed by BioGaia, would not be impacted by the Nippon Access agreement, the company noted.

Meanwhile, BioGaia said its sales in 2009 had increased by 40% – 31% excluding currency effects – to SEK204 million (€20.8 million), while operating profit had grown by 85% to SEK47.7 million.

BioGaia said the growth in sales and profit was due to the “enthusiastic reception” its products had received in all 16 of the countries where they had been launched during the year. In 2010, product launches were planned in a further 20 countries, the company noted.

Discussions were also underway to expand the range of BioGaia products in existing markets, the company pointed out.

OIC

Werner Wenning, chairman of Bayer, said the growth of Consumer Health's turnover had been driven chiefly by “strong sales gains in Russia and China” that had “offset a weaker business performance in the US”.

Consumer Health performed best in the Asia-Pacific region during the year, with sales growing by 14.4% – 11.3% on a currency adjusted basis – to €541 million (see Figure 3).

Europe remained the business' biggest market in sales terms, with turnover increasing by 1.8% – or 5.4% when adjusted for currency effects – to €2.24 billion. In North America, sales finished ahead by 3.0% to €1.92 billion, but when adjusted for currency effects, sales actually slipped back by 1.7%.

Meanwhile, sales in Latin America/Africa/Middle East fell by 2.3% to €821 million. When adjusted for currency effects, turnover in the region moved forward by 3.6%.

Commenting on the global consumer healthcare market, Bayer said that although growth had “ebbed slightly” during 2009, price increases had kept the market relatively stable.

Inventory adjustments by traders had negatively impacted the first half of the year, Bayer noted, while expansion in emerging markets had not fully offset the low growth rates in industrialised countries.

Consumer Health accounted for 34.5% of Bayer HealthCare's total sales for 2009, which increased by 3.8% on both a reported and currency- and portfolio-adjusted basis to €16.0 billion. EBIT grew by 21.0% to €2.64 billion.

Bayer's total group sales – comprising the CropScience and MaterialScience sub-groups as well as HealthCare – dropped by 5.3%, or 5.9% adjusted for currency effects, to €31.2 billion. EBIT declined by 15.2% to €3.01 billion.

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Voluntary Liquidation

Pharmacy Channel enters liquidation

Pharmacy Channel Ltd, the digital media network, has been wound up and liquidators have been appointed.

Peter Kubik, the joint liquidator, said that, based on current financial information it was uncertain if there would be a dividend available for the benefit of unsecured creditors.

Arun Patel, the company director who chaired the creditors' meeting where the decision was taken, could be personally liable for the joint liquidators' 'statement of affairs' fee. If there are insufficient assets, Patel will have to pay for their assistance in helping him place the company into liquidation.

Last year, Pharmacy Channel claimed to be the UK's largest targeted out-of-home health-care digital media network. It offered OTC companies targeted viewership for personal health and beauty products, and claimed to replace point-of-sale material and in-store trade marketing as well as to educate pharmacy and counter staff.

OTC Publications, which publishes **OTC bulletin**, is among the organisations on the list of unsecured creditors.

Before the liquidation had been announced, a spokesperson for the company told **OTC bulletin** that Colorama Pharmaceuticals was Pharmacy Channel's principal backer.

OTC

IN BRIEF

■ **NUTRITION 21** can now sell its **Chromax** chromium picolinate brand in Canada, after the ingredient was approved by the Canadian regulatory authority, Health Canada. The US-based firm said that natural health products based on chromium picolinate could now be approved in less than 60 days, after Health Canada issued a revised monograph.

■ **MARTEK BIOSCIENCES** has completed its US\$200 million (€145 million) acquisition of **Amerifit Brands** (**OTC bulletin**, 10 February 2010, page 3). Meanwhile, Martek reported sales up by 3% to US\$89.8 million for its first quarter ended 31 January 2010.

■ **ORIOLA-KD** now owns 100% of Russian retailer **Vitim & Co** and wholesaler **Moron**. The Finnish firm acquired a 75% stake in the two companies in April 2008 (**OTC bulletin**, 31 March 2008, page 1).

OTC

Annual Results

Futura Medical cuts loss as product launches loom

Futura Medical cut its operating loss by 30% to £1.53 million (€1.69 million) in 2009, as it anticipates the first commercial launches of products in its pipeline.

Development and regulatory work on the CSD500 condom – which is set to become Futura's first commercially-available product – was largely complete, the company pointed out, while the formulation of its PET500 product for enhanced sexual control had been successfully changed so it could be marketed in the US without any further regulatory approvals or clinical data.

The CSD500 condom – which is designed to help healthy men maintain a firmer erection when wearing a condom – would be submitted for a European CE quality mark by the end of March, Futura said, with approval expected before the end of June.

Once approval had been granted, CSD500 would be passed to SSL International, Futura said, for the condom specialist to prepare for the product's commercial launch under its Dur-ex brand name.

Futura noted that SSL would not be commenting on CSD500 ahead of the launch due to commercial sensitivities, but both companies believed that the condom – which contains the erectogenic gel Zanafil – had "significant commercial potential".

Meanwhile, Futura's PET500 topical product to delay ejaculation has moved closer to a

commercial launch in the US, following a formulation change to comply with the current Food and Drug Administration (FDA) monograph for male genital sensitizers (**OTC bulletin**, 30 September 2009, page 5).

PET500 could now be launched in the US without any further regulatory approvals, Futura pointed out, adding that discussions with potential commercial partners were ongoing.

Getting PET500 onto the market in the US as quickly as possible was a key priority, the company said, as a second launch would give it two sales-generating products on the market.

A clinically-proven product to treat premature ejaculation, but that was marketed as a product "to enhance sexual control", would find greater acceptance from sufferers of premature ejaculation, believed Futura.

Other products in Futura's pipeline include a topical gel for erectile dysfunction licensed to SSL, a topical "rapid anaesthetic delivery" product and a topical pain-relief product. The latter two both use the company's DermaSys delivery technology.

During 2009, Futura raised £2.46 million through two share placings to help fund its general corporate expenses and its research and development pipeline. The company said it would continue to manage its financial resources carefully, noting that its cash burn was "modest" as it moved closer to its goal of generating revenues from its products.

OTC

Product Recalls/Legal Cases

FDA refuses Matrixx letter request

Matrixx Initiatives has been told by the Food and Drug Administration (FDA) in the US that a warning letter, telling the company to file New Drug Applications (NDAs) for two of its Zicam Cold Remedy intranasal products, would not be withdrawn. Matrixx said it was "evaluating its options".

It is the second time since the letter was received by Matrixx on 16 June 2009 (**OTC bulletin**, 19 June 2009, page 15) that the FDA has confirmed its stance on this issue.

After receiving the letter – which cites reports the two intranasal products could cause a loss of sense of smell for users – Matrixx stopped shipping its Zicam Cold Remedy Nas-

al Gel and Zicam Cold Remedy Gel Swabs and voluntarily withdrew them from the market.

Matrixx disputes that the products can cause a loss of smell, but was told by the FDA in November that the agency was "unwilling to reverse its position" and that the company should file NDAs for the two products (**OTC bulletin**, 16 November 2009, page 12).

The product withdrawals have left Matrixx facing numerous lawsuits. On 3 March, federal lawsuits were filed in Ohio and Kentucky on behalf of four people who claimed that they had lost their senses of taste and smell after using the products.

OTC

Mergers & Acquisitions

Walgreens set to buy Duane Reade

Walgreens, the largest US drugstore chain, is set to buy Duane Reade and its 257-strong New York-based drugstore chain for US\$1.08 billion (€800 million) in cash.

Greg Wasson – Walgreens' president and chief executive officer – said Duane Reade was a “compelling strategic acquisition” that gave the company a “leading position in the largest regional drugstore market in the US”.

Duane Reade's 257 stores are located within the New York City metropolitan area – which has a population of almost 19 million – and generated sales of US\$1.8 billion in the 12 months ended 26 December 2009. The stores had the “highest sales per square foot in the retail drugstore industry nationwide”, Walgreens pointed out. Walgreens' currently has only 70 drugstores in the area.

Synergies of US\$120 million-US\$130 million would be achieved in the third year after completion, Walgreens noted, adding that the firm would also benefit from Duane Reade's existing net operating losses which would provide additional value over time.

Following the completion of the transaction, which should be before 31 August 2010, Duane Reade would continue to operate under its brand name, Walgreens said, and decisions would be taken on how best to “harmonise” the two brands in the future.

Walgreens reported sales of US\$63 billion in the year ended 31 August 2009. The company operates 7,162 drugstores.

OTC

IN BRIEF

■ **SANOFI-AVENTIS** has now completed its US\$1.9 billion (€1.4 billion) acquisition of US OTC company **Chattem**. Sanofi-Aventis said the deal would help it become a “global diversified healthcare leader”. Chattem will serve as a vehicle to switch Sanofi-Aventis' prescription allergy medicine Allegra to non-prescription status in the US (*OTC bulletin*, 20 January 2010, page 1).

■ **HERBALIFE** blamed negative currency effects for a 1.5% fall in its sales to US\$2.32 billion (€1.7 billion) in 2009. In local currency terms, sales increased by 5.1%. Operating profit at the US-based direct-selling firm dropped by 10.9% to US\$296 million.

OTC

Sales & Marketing Agreements

Newly-formed Xena gains rights to six brands in UK

Newly-formed UK-based pharmaceutical company Xena Healthcare insisted it had taken a “major step” towards becoming a “leading international OTC medicines business” after acquiring the sales and marketing rights to six brands from LPC Pharmaceuticals.

Colin Darroch – chairman and founder of Xena – said the exclusive agreement gave the company both a business in the UK market and the potential to grow some established brands in international markets.

The portfolio of brands had annual sales in excess of £2 million (€2.2 million), said Xena, adding that it wanted to achieve double-digit annual sales growth.

The deal gives Xena the Cepton range of spot and acne medicines, including a medicated gel, a medicated skin-wash product and a medicated lotion. The company also gains the

Ispagel constipation medicines, as well as the Dalivit line of multivitamin drops for infants and young children.

The deal also includes: Psorin, a line of pharmacy-only medicines for psoriasis sufferers; the Hemocane medicine for haemorrhoids; and the Uvistat sun care range.

Shailesh Patel, marketing director and co-founder of Xena, noted that over the coming months the firm's focus would be on building the brands through “new promotional and marketing initiatives”. He declined to comment in detail, but said there would be a “major push” in the pharmacy-based categories.

Commenting on Xena's longer-term ambitions, Darroch said that the company planned to develop the brands through line extensions whilst strengthening its portfolio with other new and novel brands.

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Business Strategy

Taisho closes retail scheme

Japan's Taisho Pharmaceutical said its special agreement with pharmacies and drugstores that are owned by Taisho shareholders would end on 31 March, as the scheme had achieved its purpose.

The scheme – which has been running since 1978 – currently accounted for “virtually all” transactions between Taisho and pharmacies or drugstores, the company said, with the programme having developed over the years into a “recognised force” in Japan’s retail industry.

Designed to promote “co-prosperity”, Taisho said that through the programme the company had contributed substantially to improving the management of member stores, provided members with “exclusive shareholder merchandise”, assisted in sales system development, hosted special seminars and proposed in-store marketing ideas.

Despite closing the scheme, Taisho stressed that as a leading OTC manufacturer it was committed to growing its partnerships with pharmacies and drugstores.

OTC

Results Forecast/Preliminary Results

Stada forecasts a positive 2010

Stada Arzneimittel is expecting both its sales and earnings to grow in 2010, thanks to the structural and operational growth opportunities available.

However, the German firm warned that the operational environment remained challenging and the company’s performance would “depend to a large extent” on the impact of currency fluctuations as well as how its markets recovered from the global economic crisis.

Reporting its preliminary results for 2009, Stada said that group turnover had fallen by 5% to €1.57 billion. However, when adjusted for portfolio changes and currency effects, the group’s sales had increased by 4%.

Adjusted for one-time special effects, currency effects and interest-rate hedge transactions – totalling €21.5 million before taxes – operating profit decreased by 5% to €211 million. Excluding the adjustments, Stada’s operating profit grew by 9% to €192 million.

OTC

Annual Results

Nycomed’s OTC sales flat despite pantoprazole move

Nycomed’s total OTC sales edged forward by 0.6% in local currencies in 2009. As reported, however, turnover dropped by 5.4% to €418 million over the 12 months.

About a fifth of this total – €74.3 million – was generated by Nycomed’s non-prescription 20mg pantoprazole tablets, which received pan-European approval in June 2009 (*OTC bulletin*, 19 June 2009, page 1), and its non-prescription calcium products.

Performance in Germany

Commenting on the performance of its Pantozol Control-branded pantoprazole product in Germany – one of the first countries where Nycomed’s OTC heartburn treatment was launched – the company said the brand had taken a 7% market share of the total OTC heartburn category in September 2009 and had maintained its share around that level since.

By the end of the year, Nycomed had introduced its non-prescription pantoprazole product in Austria, Estonia, Finland, France, Germany, Hungary, Latvia, Lithuania, the Netherlands, Norway, Poland, Sweden and Switzerland. Outside of Europe, the product is available without a prescription in Australia. The com-

pany said that the product had so far performed above expectations.

Meanwhile, Nycomed noted the Pantoloc Control brand name – one of the five names Nycomed can use in Europe along with Pantozol Control, Pantecta Control, Somac Control and Controloc Control – would be used when Novartis Consumer Health launched the product in a further 14 European countries “later in 2010” through a co-marketing agreement announced in February (*OTC bulletin*, 10 February 2010, page 1).

Brian McNamara, head of Europe for Novartis’ OTC business, said that the goal of the agreement was to make Pantoloc Control a leading OTC brand in Europe.

Nycomed’s OTC sales excluding calcium OTC and pantoprazole OTC – which are reported as part of its Specialty Products and Gastrointestinal businesses respectively – edged up by 0.2% in local currencies, but fell back by 6.6% as reported to €343 million.

OTC sales – excluding calcium OTC and pantoprazole OTC – accounted for 10.6% of Nycomed’s total group sales, which declined by 3.6% as reported and by 1.8% in local currencies to €3.23 billion.

OTC

Annual Results

Nepstar falls after partnership ends

China Nepstar said its sales for 2009 had fallen by 7.5% to CNY2.22 billion (€238 million), after it had ended its partnership with the 355-strong drugstore chain Yunnan JianZhi-Jia at the start of the year. On an adjusted basis, turnover grew by 10%, the company said.

Same-store sales – covering stores opened before December 2007 – increased by 2.6%, China’s largest direct-operated drugstore chain said, thanks to introducing a number of growth strategies in the second half of the year.

Third- and fourth-quarter same-store sales finished 3.8% and 10.5% ahead respectively, Nepstar pointed out, after it had expanded product offerings, adjusted prices, streamlined store operations and enhanced its marketing.

Commenting on the Chinese market, Ian Wade, Nepstar’s chief executive officer, said the company had seen increased consumer spending on healthcare products as healthcare

reform and economic development continued to progress and the size of the middle class in China continued to grow.

As of the 31 December 2009, Nepstar was operating 2,479 stores, having closed 113 and opened 238 over the 12 months.

Sales of OTC drugs had represented 36.9% of Nepstar’s sales during the year, the company noted, with prescription drugs contributing another 23.2%. Nutritional supplements generated 20.6%, herbal products 3.6% and other products the remaining 15.7%.

Operating income dropped by 21.8% to CNY110 million – 14.1% on an adjusted basis – as total operating expenses as a percentage of sales increased from 41.6% to 43.5%.

Looking ahead, Wade said the firm would be more active in opening and acquiring stores in areas where economic trends were favourable.

OTC

Annual Results

Acquisitions boost turnover at Atrium

A combination of acquisitions and organic growth helped Canada's Atrium Innovations push sales up by 17.1% to US\$320 million (€237 million) in 2009.

The company said acquisitions had added US\$50.8 million to its turnover, and organic growth of its branded business had contributed a further US\$14.8 million.

However, this had been partially offset by a US\$12.2 million decline in contract manufacturing sales, said Atrium, along with a negative currency effect of US\$6.6 million.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 9.3% to US\$80.8 million. Excluding the currency effects, EBITDA would have grown by 12.6% to US\$83.2 million, Atrium said.

Atrium's most recent purchase for US\$35.0 million was the US-based nutritional supplements company Garden of Life (*OTC bulletin*, 30 September 2009, page 2).

OTC

IN BRIEF

■ **AVICENNA** – the UK-based virtual pharmacy chain – said it had hired corporate advisers to help find **acquisition targets**. Avicenna reported revenue up by 85.7% to £5.2 million (€5.7 million) in 2009, as membership rose to 1,000-plus independent pharmacies. Operating profit grew by 46% to £1.5 million.

OTC

Regulatory Affairs

EFSA only okays handful of general-function claims

Only a handful of the 416 submissions in the second batch of general-function health claims assessed by the European Food Safety Authority (EFSA) have been given the okay.

The proportion of positive opinions is even lower than for the first batch released last year, when around a third of the 523 health claims evaluated were given a positive opinion. At the time, EFSA said the main problem was the poor quality of information supplied, particularly on the substance involved (*OTC bulletin*, 16 October 2009, page 11).

The authority's reasons for rejecting claims this time were similar. "Experts issued unfavourable opinions on most of the claims in the second series due to the poor quality of the information provided to EFSA," it stated.

EFSA explained that some negative opinions had been due to the "lack of information to identify the substance on which the claim is based". Probiotics were cited as an example.

Another reason given by the authority was a "lack of evidence that the claimed effect is indeed beneficial to the maintenance or improvement of the functions of the body". It cited "food with antioxidant properties".

The authority also pointed out that a "lack of human studies with reliable measures of the claimed health benefit" had been an issue

for some of the submissions it had received.

Positive opinions had been possible, according to EFSA, when there "was sufficient scientific evidence available to support the claim, such as those related to vitamins and minerals".

The opinions are taken into account by the European Commission and member states when authorising health claims.

EFSA said its Panel on Dietetic Products, Nutrition and Allergies (NDA) was now working on the list of outstanding claims. It said the work should be completed by 2011, depending on the final number of claims received.

The general-function health claims are covered by Article 13.1 of the European Union's regulation on nutrition and health claims for foods. The claims cover the role of nutrients in growth, development and functions of the body; psychological and behavioural functions; and slimming/weight control or reduction in hunger. They should be based on generally-accepted scientific evidence and should be well understood by the average consumer.

Between July and December 2008, EFSA received from the European Commission a draft list of 4,185 claims for evaluation.

The Commission had produced this list after examining over 44,000 claims supplied by the member states.

OTC

First-Half Results

Consumer sales hold firm at Aspen

Aspen Pharmacare's South African Consumer division overcame challenging market conditions and damage to one of its production facilities to post sales up by 6% to R575 million (€57.0 million) in the six months ended 31 December 2009.

Describing the Consumer division's performance as "credible", the South African company noted that sales had been negatively impacted by a shortage in certain infant-formula products after the division's nutritionals manufacturing facility had been impaired.

Infant-formula production had now been restored, Aspen pointed out, but overall performance indicators would be distorted until full production had been resumed and insurance payments settled.

Looking forward, Aspen said that its domestic Consumer business – which includes eye-drops, infant formulas, laxatives and vitamins – had proven resilient in the face of difficult trading conditions, but growth was likely to be restrained by the weak economy.

OTC sales up by 18%

Aspen did not give six-month figures for its South African OTC business, which is part of the company's dominant South African Pharmaceuticals division. It did, however, point out that according to IMS data its OTC sales had grown by 18% in calendar 2009, compared to a market that had improved by 12%.

IMS data also showed that Aspen's OTC business had increased its market share to 15.4%

at the end of 2009, Aspen said. The business remained the second-largest in terms of share behind Adcock Ingram at 18.9%. Johnson & Johnson was in third place with 7.6%. IMS valued the South African OTC market in 2009 at R5.80 billion.

The South African Pharmaceuticals division, which also includes prescription products, reported sales up by 30% to R1.98 billion in the six months ended 31 December 2009.

Total South African turnover by Aspen's Pharmaceuticals and Consumer divisions grew by 23% to R2.55 billion. This represented 56% of the company's total group sales for the six months, which rose by a tenth to R4.58 billion.

Sub-Saharan Africa contributed another 6%, with sales down by 39.9% to R279 million. International turnover – including sales of prescription, OTC and consumer products – was up by 12% to R1.80 billion.

OTC

Industry Initiatives

Companies control green prescriptions

The 'green prescription' scheme – whereby German doctors write recommendations for non-reimbursable, non-prescription medicines on notes designed to look like prescribing pads – is now in the hands of a group of manufacturers.

Germany's medicines manufacturers' association, the BAH – which had been the leading proponent of the scheme – said it had handed over responsibility to a coalition of its member companies. These companies are currently creating a website at www.ini.gruenerezepte.de through a Bonn-based umbrella organisation called Amedicon.

According to the BAH, approximately 15 million green prescription forms had been distributed to general practitioners in Germany since it started a push a year ago to encourage doctors to use the scheme (*OTC bulletin*, 30 April 2009, page 15).

The push included an information campaign and supporting materials, such as waiting-room posters and order forms, many of which were distributed through the doctors' magazine *Ärzte Zeitung*. Furthermore, the pharmacists' magazine, *Pharmazeutischen Zeitung*, was used to encourage pharmacists to order green prescribing pads and forward them to doctors.

Quoting IMS Health data, the BAH said the number of recommendations for non-prescription medicines through the scheme had increased by a tenth in the whole of 2009 and by 15% in the fourth quarter of the year.

"Almost 70% of all general practitioners now use green prescriptions in their practice," the BAH stated.

Meanwhile, the association added, a survey conducted by Institut für Demoskopie Allensbach had discovered that 56% of Germans were aware of the scheme.

The green prescription initiative started in 2004, shortly after the German government delisted the vast majority of non-prescription medicines from reimbursement by statutory health insurance funds.

OTC

IN BRIEF

■ **RELIV INTERNATIONAL** said sales had dropped by 13.0% to US\$85.4 million (€62.9 million) in 2009, as the global economic crisis took its toll on the US-based nutrition and direct-selling company.

OTC

Regulatory Affairs

German court dismisses previous cinnamon rulings

Legal rulings that Diabetruw and Nobilin Gluco Zimt cinnamon capsules are medicines rather than dietetic foods cannot be justified, according to Germany's federal court of justice, the Bundesgerichtshof.

The Bundesgerichtshof has reversed earlier rulings by two state courts in Celle and Hamm, and has remanded the cases back for further consideration.

In each case, the federal court of justice has told the lower courts to consider whether "the claimed physiological effect – reducing blood-sugar levels – could also be achieved by ingesting a corresponding amount of pure cinnamon through food".

The legal dispute centres on whether the cinnamon capsules are "medicines by func-

tion", as alleged by the plaintiff, Verband Sozialer Wettbewerb, which is an industry body aimed at promoting fair competition (*OTC bulletin*, 25 January 2007, page 17).

In delivering its judgements, the Bundesgerichtshof leaned heavily on the European Court of Justice's (ECJ's) finding that garlic capsules were food supplements rather than medicines (*OTC bulletin*, 30 November 2007, page 9).

"The concept of medicines by function should only cover those products for which pharmacological characteristics have been scientifically established and which are intended to produce a diagnosis by a doctor or to restore, improve or affect physiological functions," the Bundesgerichtshof stated.

OTC

IN BRIEF

■ **NOVARTIS CONSUMER HEALTH** is seeking to extend the maximum treatment period and increase the maximum pack size of **Voltarol Emulgel P** in the UK, according to consultation document ARM 66 released by the Medicines and Healthcare products Regulatory Agency (MHRA). The company wants the maximum treatment period for the topical analgesic containing 1.16% w/w diclofenac diethylammonium to be extended from up to seven days to up to 14 days. Furthermore, it wants the maximum pack size for the pharmacy-only medicine to be increased from 50g to 100g, thereby allowing the launch of a 75ml pressurised dispenser and 100mg laminated and aluminium tubes. Comments on the consultation should reach the MHRA by 6 April 2010.

■ **MHRA** – the UK's Medicines and Healthcare products Regulatory Agency – has upheld a complaint from a member of the public about an error on Reckitt Benckiser's **Nurofen** website. The website recommended ibuprofen plus codeine to treat weak muscular pain and ibuprofen lysine for more severe pain. The regulatory body noted that Reckitt Benckiser had withdrawn the web pages, and had taken steps to prevent similar errors in the future.

■ **ASA** – the UK's Advertising Standards Authority – has rejected two complaints about SSL International's television advertising for its

Durex Play O pleasure-enhancing gel. The commercial features a series of women experiencing heightened sexual pleasure thanks to Durex Play O. The activity is set against a background of the Queen of the Night aria from Mozart's opera *The Magic Flute* (*OTC bulletin*, 14 November 2008, page 19). The commercial was shown on Channel 4 at approximately 10.00pm, despite being cleared by Clearcast with a post-11.00pm timing restriction. Noting that the complainants were of the view that the commercial was unsuitable for broadcast at any time, the ASA pointed out that the advertisement was shown during the break of programmes that did not attract many younger viewers. A similar complaint was dismissed by the ASA last year (*OTC bulletin*, 17 April 2009, page 14).

■ **MHRA** – the UK's Medicines and Healthcare products Regulatory Agency – has told Reckitt Benckiser that a statement claiming its **Strepsils Handy Tube** was "the perfect hand-bag essential" (*OTC bulletin*, 16 November 2009, page 17) must not be used in a press release again. The regulatory body concluded that the product should not be considered "essential" because it was medicinal and should only be used by those suffering from "specific conditions". Reckitt Benckiser agreed not to use the claim in future press releases.

OTC

The OTC Marketing Awards 2010

Winners of the OTC Marketing Awards 2010 were announced by OTC bulletin – in association with IMS Consumer Health and IRI – at a Gala Dinner & Awards Presentation at London’s Park Lane Hotel on 4 March 2010.



Deborah Wilkes, editor & publisher of OTC bulletin, welcomed guests to the Awards Presentation



Jason Byles, global general manager of IMS Consumer Health, gave a short speech



Blair Ruelens, managing director of IRI in the UK, said a few words to guests



Award – OTC Company of the Year
Sponsors – IMS Consumer Health & IRI
Winner – GlaxoSmithKline Consumer Healthcare



Comedian and actor Hugh Dennis entertained more than 460 guests at the OTC Marketing Awards 2010



Award – OTC Brand of the Year
Sponsor – Euro RSCG Life
Winner – Alli (GlaxoSmithKline)



Award – OTC Launch of the Year
Sponsor – Tena
Winner – Alli (GlaxoSmithKline)



Award – OTC Brand Revitalisation of the Year
Sponsor – Spink
Winner – Voltarol (Novartis Consumer Health)



Award – Most Innovative New OTC Product
Sponsor – SourceOTC
Winner – Alli (GlaxoSmithKline)



Award – Best OTC Marketing Campaign on a Big Budget
Sponsor – IRI
Winner – Alli (GlaxoSmithKline); campaign by Bezier, Hive Health, Mediacom, PAA, Virgo Health, WCRS



Award – Best OTC Marketing Campaign on a Small Budget
Winner – Full Marks (SSL International); campaign by McCann Manchester, National School Partnership, Universal McCann



Award – Best OTC Consumer Advertising on Television
Sponsor – Pegasus
Winner – Motilium 10 (McNeil Products); advertising by Carat, 7Beaufort



Award – Best OTC Consumer Advertising in the Press
Winner – Sanatogen (Bayer Consumer Care); advertising by JWT, Mindshare



Award – Best OTC Consumer Advertising Out-of-Home
Winner – Durex Play (SSL International); advertising by McCann Manchester


 Photographs taken on the night can be purchased from Smile Photography
www.smilephotography.net




Award – Best OTC Consumer Advertising on the Internet
Sponsor – OTC *bulletin*
Winner – Dentyl pH Mouthwash (Dendron); advertising by Bray Leino



Award – Best OTC Public Relations Campaign for a Medicine
Winner – Alli (GlaxoSmithKline); campaign by Virgo Health



Award – Best OTC Public Relations Campaign for a Non-Medicine
Winner – Lloydspharmacy Online Doctor (Lloydspharmacy); campaign by Citigate Dewe Rogerson



Award – Best New OTC Packaging Design
Winner – PediTech ActiFreeze (Passion for Life Healthcare); designed by Seymourpowell



Award – Best OTC Trade & Professional Advertising
Sponsor – OTC Magazine
Winner – Full Marks (SSL International); advertising by McCann Manchester



Award – Best OTC Pharmacy Training
Winner – 30-Minute Tutor (Boots); training by CIG Healthcare Partnership



Award – Best OTC Pharmacy Support Package
Sponsor – The Company Chemists' Association
Winner – Alli (GlaxoSmithKline); support package by Bezier, Hive Health, Mediacom, PAA, Virgo Health, WCRS



Award – Best OTC Pharmacy Salesforce
Sponsor – IMS Consumer Health
Winner – GlaxoSmithKline Consumer Healthcare



Award – Best OTC Multiple Retailer of the Year
Sponsors – The Company Chemists' Association and OTC *bulletin*
Winner – Boots

OTC *bulletin* – Essential Reading

www.otc-bulletin.com

CONSUMER *viewpoint*

Nasal congestion is the subject of this month's Consumer viewpoint survey of ailments suffered by Europe's consumers. The survey appears exclusively in OTC bulletin courtesy of Ipsos MORI.

Spaniards are more likely to say they have suffered from nasal congestion during the past year than their counterparts in France, Germany, Italy or the UK, according to our **Consumer viewpoint** European survey.

Of the five countries covered by the Ipsos MORI survey, Spain has the highest proportion of people who say that they have suffered from nasal congestion during the past year at 29.5%, followed by Germany at 22.0%, Italy at 16.8%, France at 13.8% and the UK at 10.1% (see Figure 1).

Women are slightly more likely than men to have suffered from nasal congestion in France, Germany and Spain, and sufferers are generally more likely to be 35-54 year-olds (see Figure 2).

As can be seen from Figure 3, OTC remedies are the most popular treatment option for nasal congestion in Germany, Italy, Spain and the UK. In France, however, prescription products are the preferred choice.

Germany has the highest proportion of sufferers who have treated the condition with an OTC product at 60.7%, although Italy, Spain and the UK are close behind (see Figure 4). There are wide variations in the age and sex of OTC treaters (see Figure 5).

France has the highest proportion of both prescription and herbal treaters at 44.2% and 11.4% respectively (see Figures 6 and 7).

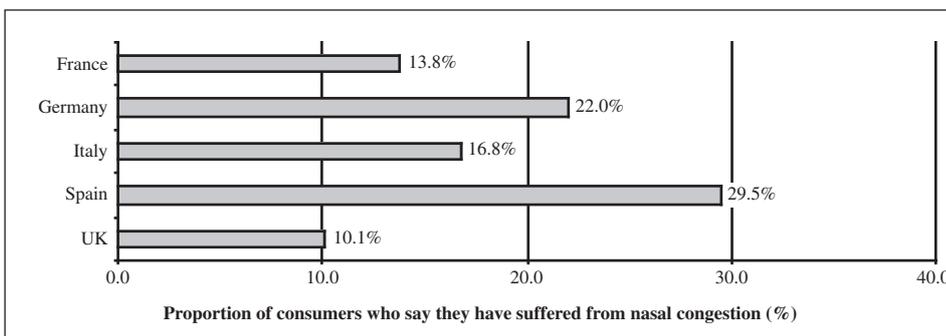


Figure 1: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion within the past year (Source – OTC bulletin 2010/Ipsos MORI)

	Proportion of sufferers (%)					Index				
	Fra	Ger	Ita	Spa	UK	Fra	Ger	Ita	Spa	UK
Male	44.9	42.4	49.0	44.3	51.4	94	87	100	93	106
Female	55.1	57.6	51.0	55.7	48.6	106	112	100	106	95
18-24	10.9	11.9	9.2	11.2	11.4	95	134	101	93	91
25-34	18.8	13.4	17.8	27.1	9.0	99	99	101	131	54
35-44	20.2	23.3	24.1	21.8	21.1	105	116	122	115	107
45-54	19.2	20.2	17.9	15.9	25.9	125	112	109	98	152
55-64	16.1	13.9	14.0	10.6	15.8	95	97	95	84	107
65+	14.8	17.2	17.1	13.4	16.9	83	69	92	69	87

Figure 2: Consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion in the past year, analysed by sex and age. The index indicates the likelihood that a consumer in a specific population group will have suffered from nasal congestion, and is the ratio of the proportion of total sufferers in a population group to the proportion of that group in the population as a whole (Source – OTC bulletin 2010/Ipsos MORI)

Ipsos MORI and the ailments survey

Our **Consumer viewpoint** ailments survey appears exclusively in *OTC bulletin* courtesy of Ipsos MORI. The survey is based on research conducted in February 2009 using Capi-bus, the market researcher's weekly European omnibus service. Ipsos MORI carried out face-to-face interviews with 1,000 plus adults in each of the survey countries – France, Germany, Italy, Spain and the UK. An OTC remedy was defined as a product purchased over-the-counter from a pharmacy or off a shop shelf.

■ For more information on the research supplied by Ipsos MORI, please contact Susan Purcell (Tel: +44 208 861 8000; Fax: +44 208 861 5515; E-mail: Susan.Purcell@ipsos-mori.com).

OTC

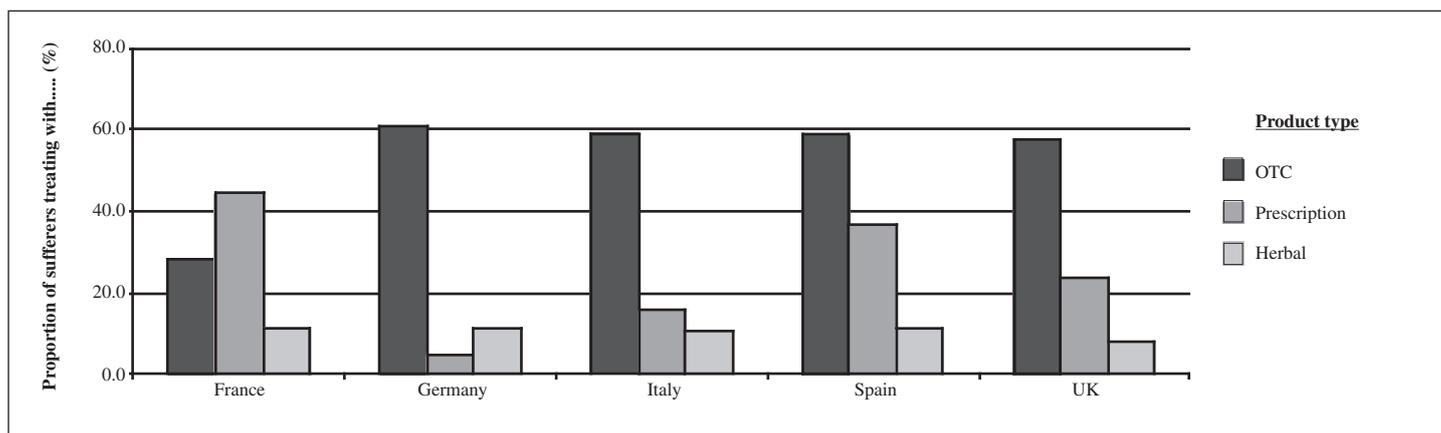


Figure 3: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion who have treated the condition with an OTC, prescription or herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)

nasal congestion

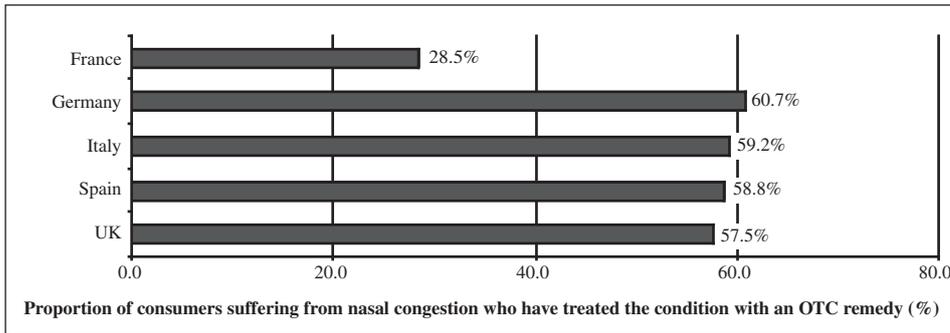


Figure 4: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion who have treated the condition with an OTC remedy (Source – OTC bulletin 2010/Ipsos MORI)

	Proportion of sufferers treating with OTC (%)					Index				
	Fra	Ger	Ita	Spa	UK	Fra	Ger	Ita	Spa	UK
Male	27.1	37.2	54.0	41.4	49.4	57	77	111	87	102
Female	72.9	62.8	46.0	58.6	50.6	140	122	90	112	98
18-24	10.0	10.9	2.8	11.8	8.9	87	122	31	98	71
25-34	22.6	13.4	20.9	27.1	10.3	119	99	119	131	62
35-44	16.7	25.9	27.8	22.6	21.1	87	129	140	119	107
45-54	18.9	17.0	17.4	19.0	33.9	123	94	106	117	199
55-64	19.5	16.1	16.4	9.9	13.6	115	112	111	79	93
65+	12.3	16.8	14.7	9.6	12.2	69	67	79	49	63

Figure 5: Consumers in France, Germany, Italy, Spain and the UK who have used an OTC remedy to treat nasal congestion, analysed by sex and age. The index provides a measure of the likelihood that a consumer suffering from nasal congestion in a specific population group will have treated the condition with an OTC remedy, and is the ratio of the proportion of total OTC treaters in a population group to the proportion of that group in the population as a whole (Source – OTC bulletin 2010/Ipsos MORI)

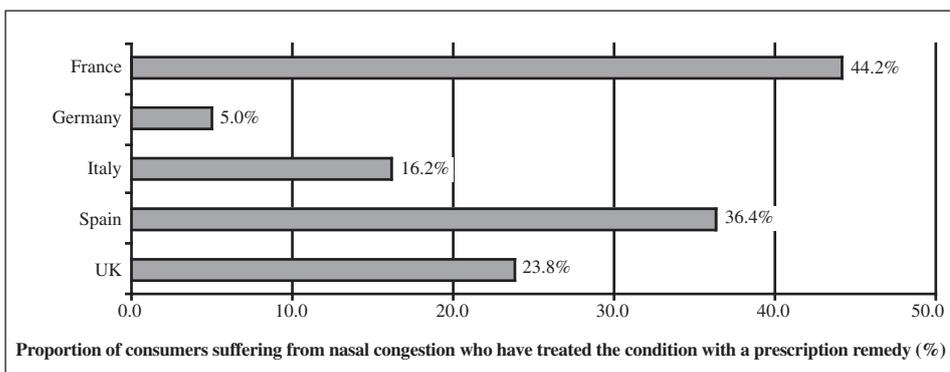


Figure 6: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion who have treated with a prescription remedy (Source – OTC bulletin 2010/Ipsos MORI)

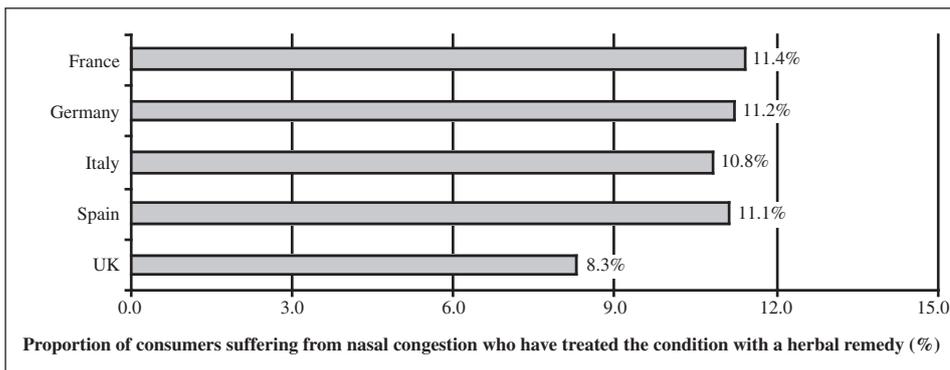


Figure 7: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from nasal congestion who have treated the condition with a herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)

Lawsuits

US lawsuit targets fish-oil supplements

Eight manufacturers and retailers are selling fish-oil supplements with “serious chemical contamination”, according to a lawsuit in the US.

Filed in a California court on 3 March, the lawsuit claims that some fish-oil capsules have “illegally undisclosed and unnecessarily high levels of contamination with polychlorinated biphenyl (PCB) compounds. According to the lawsuit, products from the eight companies have “PCB contamination above the so-called safe-harbour limits set for human PCB contamination under California’s Proposition 65”.

The US Council for Responsible Nutrition (CRN) dismissed the move as a “lawsuit looking for media attention, not a public safety concern for consumers”.

The industry association said the lawsuit had been filed in California to take advantage of a state law, Prop 65, which has conservative standards that are not law in the rest of the nation.

“The information disclosed during the press conference danced around the details, offering a lack of specificity to the general public about the levels of PCB compounds found in the fish-oil products that were tested,” added the CRN. “Though the lawyers suggest that the levels of PCBs found in these products far exceed what is acceptable by Prop 65 standards, the actual levels of PCBs found in the majority of these products do not appear to exceed the Prop 65 limit (90 ng/day).”

“Furthermore,” continued the CRN, “they fail to mention that the Food and Drug Administration’s (FDA’s) tolerance level for PCBs in fish of 2,000 parts per billion far exceeds the levels of PCBs found in fish oil.”

The lawsuit names CVS Pharmacy, GNC, Now Health Group, Omega Protein, Pharmavite, Rite Aid, Solgar and TwinLab.

The Mateel Environmental Justice Foundation is one of the three named plaintiffs.

OTC

IN BRIEF

■ **FDA** – the US Food and Drug Administration – has warned consumers in **Puerto Rico** that two hand sanitisers contain high levels of a bacteria, *Burkholderia cepacia*, that can cause serious infections in humans. Bee-Shield Hand Sanitizer with Aloe Vera and MD Quality Hand Sanitizer with Aloe Vera are distributed only in Puerto Rico.

OTC



Dermatology specialist Galderma is backing its Curanail antifungal treatment for fungal nail infections with a £2.0 million (€2.1 million) consumer campaign in the UK.

Product manager Alexey Borozna said £1.5 million of this figure would be invested in an eight-week burst of television advertising starting on 31 May. A combination of 30-second and 10-second commercials would run on a selection of channels during programmes watched by upmarket women, he added, noting that the campaign would feature modified versions of existing spots.

Curanail would also be backed by press advertising in colour supplements published with national newspapers, general-interest magazines and television-listing titles, he said.

Furthermore, Borozna pointed out that the company would target men through sponsorship of cricket matches including England versus Australia, England versus Pakistan, and Twenty 20 Finals day.

Galderma has also introduced slimmer packaging for Curanail, which carries prominent straplines highlighting the “once weekly”, “maximum strength” and “medicated” treatment. The new packaging also includes before and after shots to give consumers an idea of the improvement that can be achieved by treating a fungal nail infection with Curanail.

Quoting data from IRI for the 52 weeks ended 26 January 2010, Borozna said the fungal nail infection segment was up by 12% to £6.4 million. Curanail was the UK’s number one selling OTC brand for mild fungal nail infection affecting up to two nails, he added, with a market share of 62%.

A pharmacy-only medicine, Curanail 5% Nail Lacquer contains 5% w/v amorolfine.

Launches

Schwabe’s Spitzner grows with lavender

Schwabe’s Spitzner Arzneimittel business in Germany has introduced a “unique” herbal anxiety remedy based on lavender oil.

Each Lasea softgel capsule contains 80mg standardised lavender oil. The medicine is indicated for relieving anxious moods in adults.

Three pack sizes are available. A pack of 14 capsules has a recommended retail price of €9.79, while 28 capsules retail at €17.98. The largest 56-capsule pack costs €29.95.

Spitzner is in the process of setting up a brand website at www.lasea.de.

Marketing Campaigns

GSK backs Biotène with an international initiative

GlaxoSmithKline Consumer Healthcare is backing its recently-acquired Biotène range of products for dry mouth with a digital marketing campaign in Europe and the US.

The company said websites had been introduced in the US and the UK, and would be launched in continental European countries over the “coming months”.

The educational websites provide information about dry mouth including its symptoms, causes and advice on how to prevent the condition. In addition, consumers can find out the range of Biotène products available in their country, and access links to local organisations including dental associations.

In the UK, GlaxoSmithKline said it planned to launch a sampling initiative to “encourage trial and help pharmacists familiarise their customers with the options available to them”. In the US, the website encourages healthcare professionals to order samples of Biotène products.

GlaxoSmithKline acquired Biotène in November 2008 for US\$170 million (€125 million) from the privately-held company Laclede (OTC bulletin, 31 October 2008, page 1).



GlaxoSmithKline Consumer Healthcare’s websites for Biotène aim to “demystify” dry mouth by educating consumers about the condition

Worldwide sales of Biotène in 2009 were £26 million (€29 million). Nearly three-quarters of this figure, £19 million, was generated in North America. A further £3 million came from Europe, and the remaining £4 million was made in the company’s Rest of World region (OTC bulletin, 26 February 2010, page 6).

Biotène comprises a range of products including mouthwash, toothpaste, gel, spray and chewing gum. They are based on a patented system made up of three enzymes that are found in healthy saliva – glucose oxidase, lactoperoxidase and lysozyme.



Sanofi-Aventis said its decision to reintroduce consumer advertising for its Dolirhume cold remedies in France after an absence in recent years was having a positive impact on the brand.

The humorous campaign by the Publicis Dialog agency imitates the speech impediment caused by a cold. It substitutes the made-up word “enrhubé” for “enrhumé”, which means “with a cold”.

Slogans based around “enrhubé” are the cornerstone of the campaign, with one reading “Barlez-vous l’enrhubé?” instead of “Parlez-vous l’enrhumé?”, which translates as “Do you speak ‘cold’?”. Another states “Un rebède en comprimé contre le rhube” instead of “Un remède en comprimé contre le rhume”, or “A complete remedy for colds”.

Sanofi-Aventis said the campaign was intended to make cold sufferers feel less socially excluded.

The campaign got underway in December 2009 with four consumer-press advertisements (one of which is pictured above left) for the main paracetamol/pseudoephedrine combination medicine. These were followed from January onwards by radio spots, point-of-sale material including a tissue dispenser (pictured above centre), and three pharmacy-press advertisements (one of which is pictured above right).

Line Extensions

Bayer Vital freshens up German Lefax offering

A fresh and convenient way to relieve bloating is how Bayer Vital is positioning the latest addition to its simethicone-based Lefax brand in Germany.

Lefax Extra Lemon Fresh is claimed to be Germany's "first microgranules for bloating". The orodispersible microgranules dissolve in the mouth "within seconds", claims Bayer.

As the lemon-flavoured granules can be taken without water, the sachets are ideal for carrying in a pocket, purse or wallet for relieving bloating when on the move, the firm insists.

The sachets contain no sugar and are thus suitable for diabetics, Bayer says. Furthermore, adds the company, they are appropriate for pregnant women suffering from bloating.

As the active ingredient simethicone works physically, rather than pharmacologically, Lefax Extra Lemon Fresh is classified as a pharmacy-exclusive medical device.

This legal status has allowed Bayer Vital to support the launch with a consumer-sampling campaign. The brand website at www.lefax.de includes a coupon that consumers can download, print out and present to their pharmacist to obtain a free sample.

Launch pharmacy-press advertising highlights the sampling initiative and promises a consumer-advertising campaign. It also provides details of a free telephone helpline via which pharmacists can obtain details of how to participate.

The pharmacy-press advertising shows the granules forming the shape of a cheetah as they pour out of a sachet. A headline reads "Schnell gegen Blähungen", or "Fast against bloating".

The advertising claims Lefax Extra Lemon Fresh is "quickly and reliably effective against pain, cramps and pressure in the stomach".

A pack of 16 individual sachets – each containing 125mg simethicone – has a recommended retail price of €7.28.



Lefax Extra Lemon Fresh is a dissolve-in-the-mouth formulation for relieving bloating

The recommended maximum daily dose is three sachets for children aged from six to 14 years, and six sachets per day for older children and adults.

The Lefax Extra sub-brand also includes flavourless liquid-filled capsules and peppermint-flavoured chewable tablets. The 125mg capsules are classified as a medical device, while the 105mg tablets are a pharmacy-exclusive medicine. Lower-dosed Lefax 42mg chewable tablets also have medicinal status.

Bayer Vital's roster of Lefax medicines also includes a pump liquid containing 41.2mg/ml simethicone. The firm's Enzym Lefax chewable tablets – which combine 41.2mg simethicone with 50mg pancreas powder – are classified as a traditional medicine, while its macrogol-based laxative, Lefax Activolax powder, also has medicinal status.



Bayer Vital has changed the name of its Aspirin Forte pharmacy-only analgesic in Germany to Aspirin Coffein.

Each Aspirin Coffein tablet contains 500mg acetylsalicylic acid as well as 50mg caffeine.

The company said the caffeine – equivalent to that contained in a cup of coffee – "raises the efficacy of acetylsalicylic acid by 30% to 40%". Furthermore, the caffeine accelerated the absorption of acetylsalicylic acid, added Bayer.

Line Extensions

Opticrom goes on general sale in UK

A general-sale list version of Opticrom Allergy Eye Drops has been launched by Sanofi-Aventis in the UK ahead of the hayfever season.

The company said it had added Opticrom Hayfever Eye Drops to its portfolio to give consumers "complete access" to the brand. "Opticrom is the first leading hayfever eye-care brand to be available as a general-sale list medicine," the company added.

Like the existing pharmacy-only Opticrom Allergy Eye Drops, the newcomer is based on 2% w/v sodium cromoglicate. It has a recommended retail price of £5.62 (€6.19).

A strapline on the front of the packaging states Opticrom Hayfever Eye Drops is "For the relief of eye symptoms of hayfever only".

Marketing plans for hayfever season

Sanofi-Aventis is supporting the Opticrom brand this hayfever season with a consumer website at www.opticrom.co.uk, as well as public relations activity and advertising in national newspapers, women's magazines and health publications. The slogan for the campaign will be "Lift the misery of hayfever eyes fast with Opticrom".

No television advertising is planned.

The company said its combined marketing spend for the Opticrom and Nasacort brands would be £0.25 million.

Launched a year ago, Nasacort Allergy Nasal Spray is a pharmacy-only medicine based on the active ingredient triamcinolone acetonide (OTC bulletin, 17 March 2009, page 17). Promotional activity this year will feature the amended strapline "When hayfever strikes, Nasacort sticks".



Sanofi-Aventis has extended its Opticrom brand in the UK with a general-sale list medicine called Opticrom Hayfever Eye Drops

Line Extensions

Nutrigen offers sprinkle format

Taste-free vitamin and mineral sprinkles are the latest addition to Vivatinell's Nutrigen Kids' Supplement brand in the UK.

The company said that Vitamixin Sprinkles could be added to food to provide parents with a "scientifically formulated, simple nutritional solution to support their child's health and diet needs".

The food supplement did not affect the flavour, colour, texture or taste of food, the company added.

A strapline on the packaging urges consumers to "Fortify home made food to power-up children".

A pack of 30 sachets has a recommended retail selling price of £6.99 (€7.69). Each sachet provides 10 vitamins and four minerals.

The company said the product was recommended for children aged between six months and two years and should be taken once a day.

Vivatinell noted Vitamixin Sprinkles was already available in its home market of Turkey as well as parts of Cyprus.



Vitamixin Sprinkles is a new food supplement for kids that can be sprinkled onto food without affecting the taste

Marketing Campaigns

Online videos back Quigley's Cold-eeze

The Quigley Corporation is backing its Cold-eeze cold remedy with a series of online videos designed to advise Americans on how to prevent, treat and beat the common cold.

The company noted that the series was presented by the physician and medical correspondent Bob Arnot, and was available to "millions of viewers" through a variety of outlets on the internet.

Relaunches

Boehringer Ingelheim gives Pharmaton brand a facelift

"Clinically proven against tiredness and lack of energy" is how Boehringer Ingelheim is positioning Pharmaton on its new packaging in the UK.

The company has also changed the name of the general-sale list medicine from Pharmaton Capsules to Pharmaton Vitality Capsules to "clearly sum up what the brand is about".

A similar revamp had been implemented in continental Europe, the US and South America, said Boehringer Ingelheim.

In the UK, the new pack front features the silhouettes of two energised figures. Straplines point out that the product contains "multivitamins & minerals plus Ginseng G115", and "Enhances mental and physical capacity".

Boehringer Ingelheim noted that the familiar orange livery had been retained and the formulation had not been changed.

Elizabeth Denny, Pharmaton's senior brand manager, said that the new name and updated look brought the capsules into a new decade. "Pharmaton is a premium results-orientated brand, and we really feel that the new name – along with the updated packaging – reflects



Pharmaton Vitality Capsules is the new name for Boehringer Ingelheim's Pharmaton Capsules

this even more," she commented.

Current trade-press advertising for Pharmaton Vitality Capsules highlights the revamp.

The capsules come in packs of 30, 60, or 100 with recommended retail selling prices of £8.99 (€9.89), £15.99 and £21.99 respectively.

Marketing Campaigns

McNeil brings back frog for Motilium 10

"Unbeaten relief for a queasy stomach" is McNeil Products' new promise to UK consumers in its latest marketing campaign for Motilium 10.

As part of the £1.0 million (€1.1 million) campaign, the company has introduced new point-of-sale material to pharmacies. This includes a dummy-pack tray and A3 posters that feature the claim ahead of the return of the "frog" television advertising in the summer.

The commercial is based around images of bloated, sick, queasy and overly-full frogs that are returned to health by Motilium 10. "Get your stomach back to normal," is the sign-off message at the end of the commercial.

The indications of Motilium 10 (domperidone) now include relief of symptoms of nausea and vomiting (OTC bulletin, 31 March 2009, page 15).



Weleda has introduced a range of 12 homoeopathic medicines into German pharmacies that are said to meet the needs of the whole family.

None of the products – which are supplied as 'globuli' or alcohol-free sucrose pellets – carry specific indications. Instead, consumers should ask a doctor or pharmacist for advice.

Nevertheless, Weleda said the portfolio offered "gentle help for babies and children", as well as providing remedies for the domestic medicines cupboard and for use whilst travelling.

Quoting results from a recent study, Weleda said one in four Germans used homoeopathic remedies, and a further third were open to doing so in future.

Among the homoeopathic remedies that the firm is offering are arnica, belladonna, bryonia, camomile, monkshood and St John's wort.

APRIL

15 April

- **Phytopharmaceuticals in Europe**

Bonn, Germany

Speakers at this one-day conference – organised by Germany's medicines manufacturers' association, the BAH, and conducted in German – will include Werner Knöss of the German federal institute for medicines and medical devices, BfArM.

Contact: BAH, Ubierstrasse 71-73, 53173 Bonn, Germany.

Tel: +49 228 957 45 0.

Fax: +49 228 957 45 90.

E-mail: bah@bah-bonn.de.

Website: www.bah-bonn.de.

16 April

- **Medicines Variations Regulation**

London, UK

This one-day event – organised by the UK's Medicines and Healthcare products Regulatory Agency (MHRA) – will focus on the new European Variations Regulation that came into operation on 1 January 2010.

Contact: Conferences and Learning Centre, MHRA, 16th Floor, Market Towers, 1 Nine Elms Lane,

London SW8 5NQ, UK.

Tel: +44 20 7084 2903.

Fax: +44 20 7084 3522.

E-mail: conferences@mhra.gsi.gov.uk.

Website: www.mhra.gov.uk.

19, 20-21 & 22 April

- **Regulatory Affairs in Central and Eastern Europe**

Budapest, Hungary

A pre-conference symposium on 'Regulatory affairs in the CIS region' and a post-conference workshop on 'Practical application of pharmacovigilance in regulatory affairs' will accompany this two-day conference on pharmaceutical regulatory affairs in central and eastern Europe.

Contact: Informa UK, PO Box 406,

Byfleet KT14 6WL, UK.

Tel: +44 20 7017 7481.

Fax: +44 20 7017 7823.

E-mail: registrations@informa-ls.com.

Website: www.informa-ls.com.

ence focusing on nutraceuticals, cosmeceuticals, functional foods and functional drinks.

Contact: IIR Exhibitions,

5th Floor, 29 Bressenden Place, London SW1E 5EW, UK.

Tel: +44 20 7017 7026.

Fax: +44 20 7017 7818.

E-mail: knorris@iirx.co.uk.

Website: www.vitafoods.eu.com.

30-31 May

- **Pharmaceutical Regulatory Affairs in the Middle East**

Dubai, United Arab Emirates Bahrain, Kuwait, Saudi Arabia and other countries in the Middle East will be discussed.

Contact: Management Forum,

98-100 Maybury Road, Woking, Surrey GU21 5JL, UK.

Tel: +44 1483 730071.

Fax: +44 1483 730008.

E-mail: registrations@management-forum.co.uk.

Website: www.management-forum.co.uk.

9-11 June

- **46th AESGP Annual Meeting**

Dubrovnik, Croatia

'Connecting with self-care. The future of self-medication in the new Europe' will be the theme of the 46th Annual Meeting of the Association of the European Self-Medication Industry, the AESGP.

The three-day meeting will include a session entitled 'How to be successful in self-care', featuring presentations from Manfred Scheske, president of GlaxoSmithKline Consumer Healthcare for Europe; Etienne de Larouillière, vice-president and head of global business unit OTC at Nycomed; Cavan Redmond, senior vice-president and group president of Pfizer Diversified Businesses; and Dirk Van de Put, president and chief executive officer, global OTC, at Novartis Consumer Health.

Speakers at the meeting will also include: Martin Terberger and Basil Mathioudakis of the European Commission; Thomas Lönngren of the European Medicines Agency (EMA); Dagmar Roth-Behrendt of the European Parliament; and Catherine Geslain-Lanéelle and Vittorio Silano of the European Food Safety Authority (EFSA).

Contact: AESGP, 7 Avenue de Tervuren, 1040 Brussels, Belgium.

Tel: +32 2 735 51 30. Fax: +32 2 735 52 22. E-mail: c.andreason@aesgp.be.

Website: www.aesgp.be.

MAY

6 May

- **Healthcare Products and Food Supplements**

Bonn, Germany

Tanja Karasch of Wyeth Consumer Healthcare, Stefan Sandner of Diapharm Regulatory Services and Hartwig Sievers of PhytoLab, will be among speakers at this one-day meeting.

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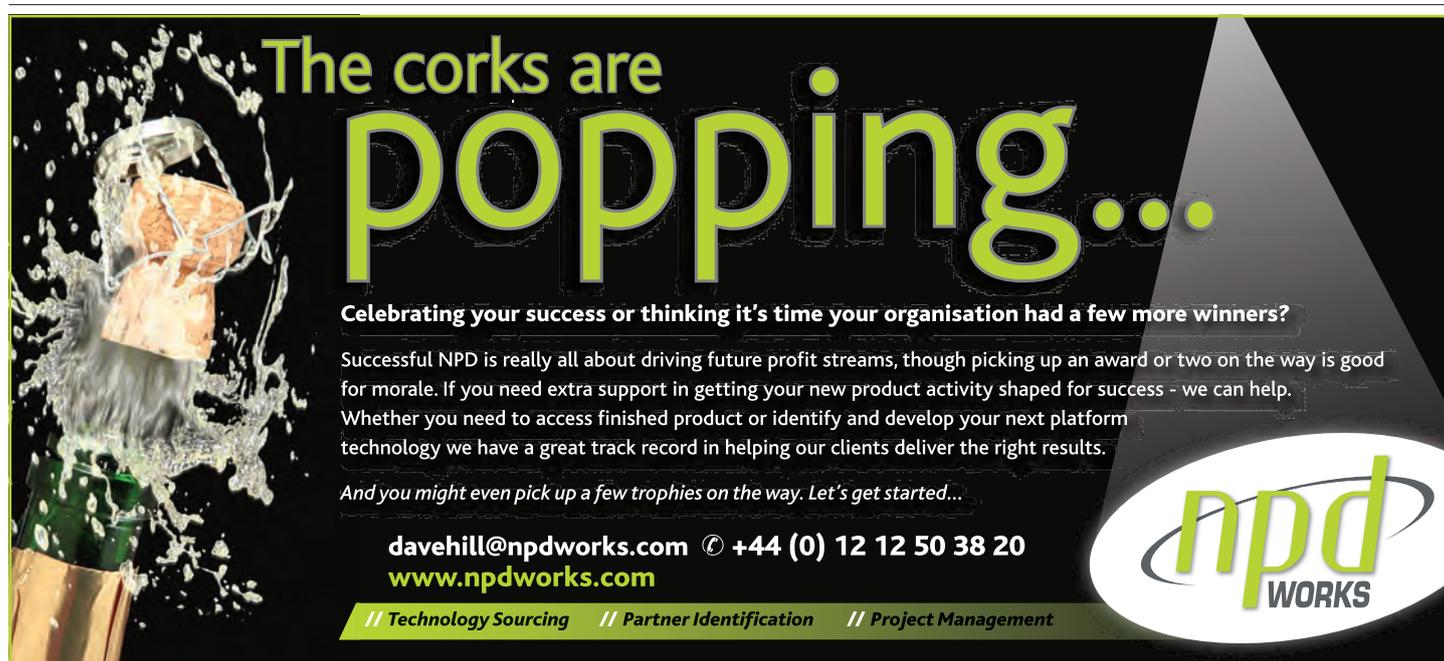
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OTC Marketing Awards 2010

GSK's Alli breaks record at Awards

Continued from front page

OTC Pharmacy Support Package.

Furthermore, GlaxoSmithKline was named OTC Company of the Year and Best OTC Pharmacy Salesforce, taking the company's Awards tally to eight.

Alli, which is based on the active ingredient orlistat, was launched in 24 countries across the European Union in April 2009 (*OTC bulletin*, 30 April 2009, page 1).

Organised by *OTC bulletin* in association with IMS Consumer Health and IRI, the OTC Marketing Awards 2010 recognise the achievements of the British OTC industry. Winners in the 19 categories are chosen by our Super Retail Panel, Expert Judging Panel, Industry Executive Panel or independent research.

SSL International was the other big winner on the night. The company's Full Marks head-lice remedy won Best OTC Marketing Campaign on a Small Budget and Best OTC Trade & Professional Advertising, while its Durex Play brand captured Best OTC Consumer Advertising Out-of-Home.

Meanwhile, the Award for Best OTC Multiple Retailer of the Year went to Boots. It is the first time the UK's largest pharmacy chain has triumphed since the Award was added to the OTC Marketing Awards four years ago.

More than 460 people attended the Gala Dinner & Awards Presentation at London's Park Lane Hotel on 4 March 2010.

The Winners Supplement and photographs from the night are bound into the centre of this issue of *OTC bulletin*.

OTC

Lawsuits

German court clears akut for omeprazole

Continued from front page

Omep Akut name it used upon launch last year (*OTC bulletin*, 31 August 2009, page 21).

Following an expedited appeal, the upper regional court found that the akut suffix referred not to the way in which the medicine worked, but rather to the ailment.

As *OTC bulletin* went to press, the full ruling on the case had not yet been made publicly available.

OTC

Industry Associations

Suydam will retire from CHPA at end of this year

Linda Suydam, who has been president of the US Consumer Healthcare Products Association (CHPA) since 2002, announced her retirement last week at the organisation's annual executive conference.

She has decided to retire at the end of this year when her term ends. The immediate past chair of the CHPA, Bayer HealthCare's **Timothy Hayes**, is leading the search to find Suydam's replacement.

"Her leadership within the association led us to countless successes," remarked the current CHPA chair **Christopher DeWolf**, who is president and chief executive officer of Lil' Drug Store Products.

"Under Linda's direction," said DeWolf, "the CHPA has supported the safety and efficacy of many key OTC ingredients, established the CHPA Educational Foundation as a growing resource aimed at educating consumers on the safe and effective use of OTCs, and created the comprehensive StopMedicineAbuse.org effort, integrating a host of partnering organisations into the fight against teen medicine abuse, particularly OTC cough medicines."

Noting that Suydam's 21 years with the US Food and Drug Administration (FDA) had proved invaluable "to advancing the mission of the CHPA", DeWolf highlighted her receipt of the FDA's Distinguished Alumni Award in 2008 (*OTC bulletin*, 13 June 2008, page 23).

Suydam's citation for the award was her "exceptional management of FDA programmes in medical devices, radiological health and agency-wide, and leadership to fight abuse and ensure safe use of OTC medicines". This recognition underscored her ability to work across organisations, the CHPA said, and bring together different voices for the collective good.

During her time at the FDA, Suydam rose from an entry-level position to senior associ-



Linda Suydam



Christopher DeWolf

ate commissioner, the highest-ranking, non-political executive post at the agency.

DeWolf was re-elected chair of the CHPA at the conference. His six vice-chairs – **Charles Hough** of Novartis, Numark's **Patrick Loneragan**, McNeil's **Peter Luther**, Schering-Plough's **James Mackey**, **Jeffrey Needham** of Perrigo and GlaxoSmithKline's **Roger Scarlett-Smith** – also remain unchanged.

Three new executives on the CHPA's board are **Edward Kuehnle**, president of Catalina Marketing Services; **Diane Manwaring**, who is North American president of Lansinoh Laboratories; and **Robert Wengel**, the senior vice-president professional services at The Nielsen Company.

OTC

IN BRIEF

SANOFI-AVENTIS' board of directors has confirmed that it will seek ratification at the firm's annual general meeting on 17 May of **Serge Weinberg's** appointment as a director to replace **Gunther Thielen**, who resigned last year for personal reasons. It will also propose that **Catherine Bréchnac** is appointed to

succeed **Jean-Marc Bruel**, who is not seeking reappointment to the board. Four other directors – **Chris Viehbacher**, **Robert Castaigne**, **Lord Douro** and **Christian Mulliez** – will be proposed for re-election to the firm's 16-person board.

OTC

Manufacturers

BMS designates its new chief executive

Lamberto Andreotti, 59, has been designated by Bristol-Myers Squibb's board as the firm's next chief executive officer. He will take over the role on 4 May when **James Cornelius** retires, although Cornelius, 66, will continue as chairman.

Andreotti is currently president and chief operating officer, a position he took in March 2009 after more than a decade with the firm. He was previously with Kabi Pharmacia and Pharmacia & Upjohn.

Noting that Cornelius had transformed the firm from a pharmaceutical company with related healthcare business into a next-generation biopharmaceutical company, Andreotti said he would lead Bristol-Myers Squibb into the next phase of its biopharma journey.

Most recently, Bristol-Myers Squibb divested its infant-nutrition business Mead Johnson Nutrition (*OTC bulletin*, 20 January 2010, page 4). Mead Johnson's adult counterpart was sold to Novartis in 2004.

Over the past few years, the company has divested many non-prescription assets.

Retailers

Royal Pharmaceutical Society recruits Gordon as new chief

The Royal Pharmaceutical Society of Great Britain (RPSGB) has recruited **Helen Gordon** – chief executive of the Royal College of Obstetricians and Gynaecologists (RCOG) – as chief executive of the new professional leadership body.

Gordon will start her new role on 1 July and eventually take over from **Jeremy Holmes**, who previously announced he would step down as chief executive and registrar following the merger of the society into the General Pharmaceutical Council and professional leadership body (*OTC bulletin*, 16 October 2009, page 23).

Before leading the RCOG in 2005, Gordon – previously Moffatt – was chief executive of Queen Mary's Sidcup NHS Trust for five years.

Steve Churton, the RPSGB's president, said Gordon was a "highly regarded manager" who had a "clear understanding" of healthcare.

Noting that Gordon would be joining at a "pivotal time" in the society's history, he added: "This appointment will bring skills, knowledge and experience to the new professional



Helen Gordon

leadership body and will ensure we deliver exceptional service to members in all areas."

Gordon added she was looking forward to leading the society in its "core mission of providing high-quality services to members and championing their professional interests".

The society said Holmes would lead the merger process until the handover, which would take place once a date had been set. Meanwhile, Gordon would be involved in an "extensive period of induction and orientation".

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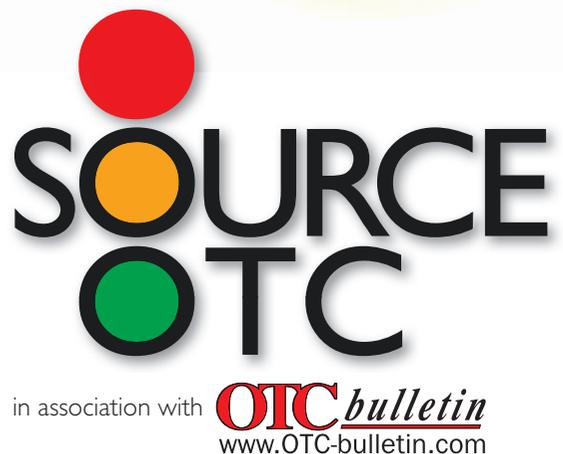
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