

# OTC bulletin

THE BUSINESS NEWSLETTER FOR EUROPE'S CONSUMER HEALTHCARE INDUSTRY

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## Meda is set to acquire Alaven for US\$350mn

**S**weden's Meda looks set to enter the US OTC market after agreeing to buy speciality pharmaceutical company Alaven for US\$350 million (€272 million). The deal is expected to close in October.

The purchase price is more than three-times US-based Alaven's annual turnover of around SEK800 million (€85.9 million). Meda pointed out that about 25% of Alaven's turnover came from the company's portfolio of OTC brands, including the Prefera prenatal vitamin range.

Commenting on the deal, Anders Lönnér, Meda's chief executive officer, said it strengthened the Swedish company's US operation and would help it become more profitable thanks

to cost and marketing synergies.

Acquiring Alaven would provide Meda with a "strategic OTC platform in the US", the company said, through which it could commercialise "strategic pipeline opportunities".

Meda's current OTC offering is primarily based around its Betadine antiseptic brand, which had sales of SEK898 million in 2009 (*OTC bulletin*, 26 February 2010, page 10).

Meda is well-established in the US with a portfolio of prescription brands, which generated sales of SEK2.75 billion in 2009 and accounted for around a fifth of the company's SEK13.2 billion group sales. However, it has

■ *Continued on page 16*

## Stada simplifies into region hubs

**S**tada Arzneimittel aims to simplify its management structure and improve transparency by reorganising into regional sales and marketing hubs.

These hubs in western Europe, southern and eastern Europe, Russia and the Commonwealth of Independent States (CIS), and in Asia will each be headed by a marketing director who will report directly into executive chairman Hartmut Retzlaff.

Retzlaff said the reforms – that would be implemented from 1 October – would make

## Denmark speeds up general-sale moves

**D**enmark has decided that all non-prescription medicines will be switched to general-sale status after two years on the market, unless "exceptional circumstances go against it".

The Danish Medicines Agency said its new procedure meant non-prescription medicines would be restricted to pharmacy-only status for a period limited to two years.

At the end of the two-year period, explained the agency, they would be released for sale outside of pharmacies, unless there were exceptional circumstances.

New generic versions of non-prescription

■ *Continued on page 13*

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## Mergers &amp; Acquisitions

# Aspen raises its bid for a smaller part of Sigma

**A**spen Pharmacare has bid A\$900 million (€628 million) for the Pharmaceuticals division of Australia's Sigma Pharmaceuticals.

The offer is around A\$250 million more than the South African firm had previously bid for the entire Sigma group, including the wholesaling and pharmacy retailing interests that the Australian firm will retain. Its previous offer of A\$1.43 billion would have seen Aspen assume Sigma's debts of A\$785 million (OTC

*bulletin*, 30 July 2010, page 3).

Sigma has agreed to negotiate exclusively with Aspen until 15 October. "Subject to agreement on definitive terms and conditions," the Australian firm said, "Sigma's directors will recommend that shareholders vote in favour of the sale, in the absence of a superior alternative."

A shareholders' general meeting to approve the transaction is set to be held at the end of October. If the deal does not go ahead "for reasons relating to Sigma", Aspen will be entitled to a break-up fee of 0.5% of the purchase price.

The proposed deal for the Pharmaceuticals division includes Sigma's consumer healthcare brands such as Herron, as well as its generics operation and its prescription brands, orphan drugs, medical products and a contract-manufacturing business.

Aspen – which already has a A\$180 million sales and marketing operation in Australia – believes Sigma will act as "an established point of entry to the Australian generics and OTC sectors for introducing Aspen's pipeline of generic and OTC products".

The South African firm also plans to use its Australian business as a platform from which to expand throughout the Asia-Pacific region and anticipates synergies from adding Sigma's production to its global manufacturing network.

In the year ended 31 January 2010, Sigma's Pharmaceuticals division incurred an operating loss of A\$125 million on turnover down by 5.6% to A\$671 million as the firm wrote-off A\$49.1 million of goodwill attached to its Herron brand and A\$375 million of goodwill attached to its Arrow generics operation (*OTC bulletin*, 16 April 2010, page 2).

Sigma is now facing a class action lawsuit from shareholders following the poor results. The firm said if legal proceedings were issued it would "vigorously" defend itself against them.

The two firms said the A\$900 million purchase price represented a multiple of 12-times the division's underlying earnings before interest and tax (EBIT) of A\$75 million.

Aspen's existing Australian subsidiary generates annual sales of around A\$180 million from an Ethicals division and an OTC/Grocery division, which currently markets the Bio-Oil skincare products, Murine eye drops range and Tixylix cough and cold brand.

## Mergers &amp; Acquisitions

# Novartis takes Alcon majority

**N**ovartis has paid Nestlé US\$28.3 billion (€22.2 billion) for another 52% of Alcon's shares in a deal that the two firms agreed more than two years ago (*OTC bulletin*, 15 April 2008, page 4).

The Swiss company now owns a 77% stake in the world's "largest and most profitable eyecare company" and will fully consolidate the business in its financial results. Maintaining that the two firms had complementary pharmaceutical portfolios for diseases in the front and back areas of the eye, Novartis noted that Alcon was also global leader in ophthalmic surgical products and that these would sit alongside its own broad contact-lens portfolio.

"The eyecare sector offers further growth opportunities underpinned by the increasing unmet needs of emerging markets and an ageing population," commented Novartis, adding that majority ownership of Alcon provided "opportunities for collaboration".

## Will seek out opportunities

Kevin Buehler, president and chief executive officer of Alcon, promised that Alcon and Novartis would "seek out opportunities to create greater value through arm's-length agreements that leverage our combined strengths and capabilities".

Alcon generated an operating income of US\$2.3 billion from 2009 sales of US\$6.5 billion, Novartis said.

The combined eyecare business – also including Ciba Vision's 2009 sales of US\$1.7 billion as well as a contribution from selected ophthalmic pharmaceuticals from Novartis – had a proforma turnover last year of approximately US\$8.7 billion.

Novartis noted that it had offered in January to acquire the remaining 23% of Alcon held by minority shareholders at a fixed exchange ratio of 2.8 Novartis shares for each remaining Alcon share (*OTC bulletin*, 20 January 2010, page 5). It has already paid US\$38.7 billion in total for its current stake.

Novartis has stated that it intends to create a new eyecare division called Alcon. This will include Alcon's US\$1 billion consumer business deriving primarily from contact-lens disinfectants under the Opti-Free brand as well as artificial tears and products for dry eyes under the Systane label. Alcon also offers ICaps vitamin and mineral supplements.



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## Mergers &amp; Acquisitions

## Oriola adds to Russian chain

Finland's Oriola-KD has expanded its Russian pharmacy business by acquiring the 70-strong 03 Apteka pharmacy chain for approximately €12 million.

The acquisition, which is expected to close by the end of the year, will grow Oriola-KD's pharmacy presence in Russia to 250 stores, all of which are based in and around Moscow.

The 03 Apteka chain, which employs about 350 people, generated sales of €40 million in 2009, Oriola-KD said, and achieved an operating profit margin of around 5%.

Oriola-KD entered the Russian retail market in 2008 by buying a 75% stake in Moscow-based retailer Vitim & Co and its 140-strong Stary Lekar pharmacy chain (*OTC bulletin*, 31 March 2008, page 1). At the same time, it also acquired the Russian wholesaler Moron.

The firm noted that it was currently operating 180 Stary Lekar pharmacies in the Moscow region. Adding the 03 Apteka chain supported its strategy of expanding its pharmaceutical retail operation in the area, Oriola-KD said.

Eero Hautaniemi, president and chief executive officer of Oriola-KD, had previously said that the company would continue to grow both its retail and wholesale operations in Russia despite the difficult market conditions (*OTC bulletin*, 14 May 2010, page 12).

The tough Russian operating environment was blamed for a 66% fall in Oriola-KD's operating profits in the first quarter of this year to €4.2 million, and a 20% drop in the second quarter to €8.4 million (*OTC bulletin*, 13 August 2010, page 5).

Hautaniemi said steps had been taken to improve the efficiency of the Russian business.

Earlier this year, Oriola-KD entered the Swedish pharmacy market after teaming up with retail group Kooperativa Förbundet (KF) to acquire 171 former state-owned Apoteket pharmacies, which had sales of SEK4.4 billion (€0.5 billion) in 2008 (*OTC bulletin*, 16 November 2009, page 1).

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## IN BRIEF

**SANOFI-AVENTIS** has had an **US\$18.5 billion** (€14.4 billion) bid for Genzyme rejected for a second time by the US-based biopharmaceutical company. The French firm's first identical bid was rejected at the end of July.

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## First-Half Results

## Restructuring costs hit profits at Omega Pharma

Restructuring costs, coupled with greater investment in new products and geographic expansion, held back Omega Pharma's profits in the first half of 2010.

Marc Coucke, Omega's chief executive officer, said that establishing a new centralised marketing and innovation team to support its local operations, as well as restructuring its operations in France and some emerging markets, had all contributed to a decline in earnings.

Noting that the restructuring of Omega's French business was "progressing well", Coucke pointed out that the changes included a "focused marketing, sales and supply organisation, better internal communication and a more cohesive structure".

During the period, Omega had also hired a team of "industry experts" to strengthen the Belgian company's management structure at corporate and regional levels, Coucke said.

Higher investments in innovation and marketing activities to support product roll-outs had also impacted profitability, he noted.

The cost of executing these plans led to Omega's earnings before interest, tax, depreciation and amortisation (EBITDA) dropping by 11% to €60.1 million over the first half of the year (see Figure 1), despite sales growing by 3% to €424 million.

Commenting on the sales growth, Coucke noted that the company's key skincare brands, its head-lice remedy Paranix and its Jungle Formula mosquito repellent had posted double-digit gains.

Sales of the ACO skincare range increased by 16%, while a 41% improvement was reported for the Bodysol brand and the Cliniderm line achieved an even bigger 77% rise.

Paranix, meanwhile, posted turnover up by 26%, and Jungle Formula saw a 36% gain.

A shift by consumers towards natural remedies had lifted sales of aromatherapy products, Omega said, noting its Phytosun Arôms range in France had seen a 29% rise in sales.

After boosting its portfolio with the launches of the XLS Medical weight-loss range and Dermalex Repair cortisone-free eczema cream in the first half of the year, Omega said it was set to expand its Silence anti-snoring brand and Dermalex range, as well as refresh its Paranix line, during the remainder of 2010.

Belgium was the only one of Omega's geographic regions to report a rise in earnings during the opening six months, with EBITDA increasing by 24% to €18.2 million. The growth was attributed to strong performances from both OTC brands and generics, which lifted turnover by 11% to €125 million.

The Emerging Markets region suffered the biggest fall, with EBITDA dropping by 59% to €4.3 million, as Omega continued to invest heavily in research and development, multiple product roll-outs, new business structures and new staff. The fall came despite a 13% rise in sales to €46.4 million.

Increased marketing costs led to a 9% fall in EBITDA in the Western Europe region to €35.4 million. Sales growth in the region had been hampered by the poor economic environment in a number of countries, Omega said, as turnover edged up by just 1% to €176 million.

In France, Omega's continued efforts to turn the business around had a detrimental effect on EBITDA – which declined by 6% to €9.1 million over the period – as the company restructured the operation and took on new staff. Delayed restocking by wholesalers and the closure of a manufacturing plant led to an 8% fall in sales to €76.6 million.

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Business	First-half sales (€ millions)	Change (%)	EBITDA (€ millions)	Change (%)
Western Europe	175.8	+1	35.4	-9
Belgium	124.6	+11	18.2	+24
France	76.7	-8	9.1	-6
Emerging Markets	46.4	+13	4.3	-59
Total OTC	423.5	+3	67.0	-9
Corporate expenses	–	–	-6.9	–
<b>Total Omega</b>	<b>423.5</b>	<b>+3</b>	<b>60.1</b>	<b>-11</b>

Figure 1: Omega's sales and earnings before interest, tax, depreciation and amortisation (EBITDA) in the first half of 2010 (Source – Omega Pharma)

First-Half Results

# Celesio raises ambitions for DocMorris

Celesio will rebrand all its pharmacies outside the UK as DocMorris stores, as it seeks to double its customer numbers in continental Europe, Ireland and Scandinavia by 2015.

Fritz Oesterle, chairman of Celesio's management board and chief executive officer, said the firm would "expand DocMorris to become the leading pharmacy brand in Europe" over the next few years.

In all countries outside of the UK – where the Lloydspharmacy name will continue to be used – Celesio's pharmacies will use the DocMorris brand name. Oesterle explained that the DocMorris name had the "greatest European potential" of its existing pharmacy brands.

In July, Celesio announced that it had taken the DocMorris brand into a fourth market by converting one of its existing 162 Italian pharmacies into a DocMorris pilot store (*OTC bulletin*, 30 July 2010, page 9).

The Italian business joins the original DocMorris mail-order operation and virtual pharmacy chain in Germany, as well as the recently established DocMorris Apotek chain in Sweden (*OTC bulletin*, 26 February 2010, page 2) and the two DocMorris pilot pharmacies in Ireland (*OTC bulletin*, 31 March 2010, page 5).

Oesterle said that in addition to opening new pharmacies – a process already underway in Sweden – and rebranding pharmacies in Ireland and Italy, the firm would develop the DocMorris franchise business which already existed in Germany into a Europe-wide operation.

Celesio's Retail Pharmacies business was operating 2,311 stores as of the 30 June 2010 – 15 down from the same time last year – but 15 more than at the end of 2009. During the first half of 2010, the division had opened 22 stores, Celesio said, of which 19 were in Sweden. A further three pharmacies were acquired, while 10 were sold or closed.

	First-half sales (€ millions)	Change (%)
France	3,441	-2.6
UK	2,337	+2.0
Germany	2,176	+13.8
Brazil	704	–
Austria	528	+2.1
Norway	498	+13.1
Other	1,824	+7.8
<b>Total</b>	<b>11,509</b>	<b>+10.8</b>

Figure 2: Celesio's sales in the first half of 2010, broken down by country (Source – Celesio)

Business	First-half sales (€ millions)	Change 2009/2010 (%)	EBITDA (€ millions)	Change 2009/2010 (%)
Retail Pharmacies	1,619	+4.1	130.9	-10.8
Mail-Order Pharmacies	142	+16.8	6.7	–
Other Business Areas	2	-17.3	-0.5	–
Patient & Consumer Solutions	1,764	+5.0	137.1	-4.4
Pharmacy Solutions	9,425	+10.9	230.1	+23.7
Other	320	–	-42.7	–
<b>Total Celesio</b>	<b>11,509</b>	<b>+10.8</b>	<b>324.5</b>	<b>+9.6</b>

Figure 1: Celesio's sales and earnings before interest, tax, depreciation and amortisation (EBITDA) in the first half of 2010, broken down by business (Source – Celesio)

Despite the lower numbers, the Retail Pharmacies business reported sales up by 4.1% – 0.6% in local currencies – to €1.62 billion for the first half (see Figure 1).

Prescription sales, which had "developed well" over the period, had driven the rise, Celesio noted. By contrast, sales of non-prescription medicines had failed to match the performance of their prescription counterparts, the firm said, due to the difficult economic environment, particularly in the UK and Ireland.

## UK earnings affected by prices

The Lloydspharmacy chain in the UK accounted for 62.4% of Retail Pharmacies' total sales for the six months, with the business reporting a good performance in the prescription category, despite a reduction in the number of pharmacies. Earnings, however, had been hit by lower reimbursement prices, Celesio noted.

Celesio's Vitusapotek chain in Norway had shown "robust development", the company noted; while in Italy, government measures cutting the prices of generics had hit the earning power of its pharmacies.

In the Netherlands, generics tendering in all but name had hurt earnings, Celesio said.

To strengthen its position in the Dutch market, Celesio is set to merge its pharmacy business with Phoenix Pharmahandel's Escura Apotheken chain. This will create the country's second-largest pharmacy chain with 115 fully-owned stores and 40 franchise-partner stores (*OTC bulletin*, 30 June 2010, page 5).

Turning to its fledgling Swedish chain, Celesio said that it had opened 19 DocMorris Apotek pharmacies as of the end of June, and remained on track to have opened between 30–40 stores by the end of the year.

Establishing the Swedish chain had a negative effect on Retail Pharmacies' earnings before interest, tax, depreciation and amortisation

(EBITDA), which fell back by 10.8% – 13.7% in local currencies – to €131 million.

The decline was blamed by Celesio on expenses related to setting up the Swedish chain, as well as a squeeze on earnings in a number of other markets, such as the UK, Ireland and the Netherlands.

Away from the Retail Pharmacies business, Celesio's mail-order operations enjoyed a positive first half of the year, with sales rising by 16.8% – 16.7% on a local currency basis – to €142 million. The firm's largest mail-order business, DocMorris in Germany, had been boosted by better prescription sales, Celesio said, while the smaller Lloydspharmacy and Vitusapotek operations had continued to expand.

Mail-Order Pharmacies achieved a positive EBITDA of €6.7 million, compared with a loss of €2.1 million last time.

In the Other Business Areas unit – which is dominated by the Apotheke DocMorris franchise operation in Germany – turnover fell by 17.3% to €2.0 million. Celesio said it had been working to optimise the product ranges, marketing support and retail services offered to DocMorris franchise members.

As of 30 June 2010, 155 German pharmacies had signed up to the franchise scheme.

During the first half of 2010, Celesio's Patient & Consumer Solutions division recorded turnover up by 5.0% to €1.76 billion. In local currencies the growth was a more modest 1.8%. The division's EBITDA fell by 4.4% – 7.3% in local currencies – to €137 million.

At the dominant Pharmacy Solutions division, which includes Celesio's wholesale business, sales grew by 10.9% – 8.6% in local currencies – to €9.43 billion.

Celesio's total turnover rose by a similar amount, with all but France reporting sales growth (see Figure 2).

Business Strategy

# Mentholatum focuses on innovation

“Genuine innovation” lies at the heart of The Mentholatum Company’s plan to increase its worldwide sales by a third by 2013, according to Andrew Tasker, the company’s UK managing director and vice-president in charge of Europe, the Middle East and Africa. “Mentholatum can make a real difference by bringing innovative ingredients backed by a high level of scientific support to the OTC market,” he states, observing that all too often companies present “pack changes or rebranding of old molecules” as product innovation.

Tasker says Mentholatum intends to “double its sales in Europe during the next three to four years”. This will help increase the company’s annual worldwide sales by a third to approximately US\$400 million (€315 million) by 2013, he adds.

## Geographical expansion opportunities

Geographical expansion is also a key element of the growth strategy for Mentholatum’s business in the Europe, Middle East and Africa regions, which has its headquarters in Glasgow. “People tend to think of us as a small sleepy Scottish company,” says Tasker, “but we are becoming a European business trading out of a Scottish base”.

He points out that the business – which is run as a standalone unit within US-based Mentholatum, itself a part of Japan’s Rohto Pharmaceutical – trades in more than 80 markets. “There are some interesting geographical expansion opportunities, particularly in Africa and central and eastern Europe,” Tasker comments.

Rohto reported sales up by 2.5% to ¥113 billion (€1.05 billion) in the year to 31 March 2010. The Japanese company’s operating income moved ahead by 7.8% to ¥12.5 billion.

As can be seen from Figure 1, around 58% of Rohto’s annual turnover in the 12-month period was generated by skincare products, including Mentholatum’s portfolio. A further 23% came from eyecare lines, including eye drops, eyewash preparations and contact lens products.

Business	Sales (\$ billions)	Growth (%)
Skincare products	66.2	+4.9
Eyecare products	25.8	+0.8
Internal medicines	16.1	-2.0
Others	5.3	-3.0
<b>Total Rohto</b>	<b>113.4</b>	<b>+2.5</b>

Figure 1: Rohto Pharmaceutical’s sales in the year to 31 March 2010 (Source – Rohto Pharmaceutical)

Although three-quarters of Rohto’s annual turnover was generated in the company’s home market of Japan, the proportion of overseas sales is growing rapidly. Of Rohto’s overseas sales worth ¥30.2 billion, around 58% was generated in Asia, 23% in North America, 14% in Europe, and the remainder in other markets.

Rohto currently has seven factories and five research and development facilities worldwide.

The company has just spent £10 million (€11 million) developing Mentholatum’s Glasgow facility, where the topical analgesics Deep Heat, Deep Freeze and Deep Relief are among the products made. The investment has trebled the manufacturing capacity at the plant to 42 million tubes of product a year. Mentholatum said the investment would help expand both its UK and global export businesses (*OTC bulletin*, 30 June 2010, page 6).

As well as targeting new markets, Tasker believes there is still plenty of scope for growth in the UK, where Mentholatum’s brands lead the topical analgesics market.

He maintains that innovative products could “catch the imagination of pharmacists”. “Proposals in a recent government White Paper mean pharmacy is faced with probably its biggest opportunity in decades to take a more prominent role in primary healthcare,” he says. “But the relatively low level of genuine innovation in the OTC market means pharmacists have “probably lost a little bit of their appetite.”

According to Tasker, the time is right for industry to develop more innovative products backed by strong scientific support. He stresses the importance of direct communication with consumers – through pharmacy recommendation, public relations or education – as well as pure advertising.

Marketing director Bernice Simpson stresses that Mentholatum is striving to reinforce the credibility of its OTC brands with “the best possible clinical and scientific support data”. She adds that the company is stepping up its investment in the pharmacy sector, as it wants to ensure pharmacists and their staff are educated about the benefits of its new products.

Tasker points to Regenovex as a good example of Mentholatum’s approach to innovation, but it has not been without some controversy. The range of joint-care products, which made its worldwide debut in the UK at the end of 2009, is currently being rolled out internationally (*OTC bulletin*, 30 April 2010, page 15).

Comprising oral capsules, a topical gel and a patch, the Regenovex range contains a com-

bination of hyaluronic acid and the green-lipped mussel extract Bionovex Oil. Mentholatum claims that the dual-action products contain key functional ingredients which work together to help maintain joints.

Mentholatum is backing the UK launch with a £1.0 million multimedia campaign, including television and press advertising, public relations activity, sampling initiatives and a brand website at [www.regenovex.co.uk](http://www.regenovex.co.uk).

Soon after the campaign began, Mentholatum hit trouble with the UK’s Advertising Standards Authority (ASA), which rejected some of the company’s claims (*OTC bulletin*, 31 May 2010, page 17). However, modified communications currently position Regenovex as “A completely new generation of advanced joint-care products”. On-pack claims describe the capsules as “An advanced formulation for joint health”, and the gel and patch as “Targeted action for problem joints”.

## Health claim at European level

Tasker tells *OTC bulletin* that Mentholatum is seeking approval for a health claim for Regenovex at the European level through the European Food Safety Authority (EFSA). He says the proposed health claim is covered by Article 13.5 of the European Union’s food claims regulation, which applies to claims based on newly-developed scientific evidence. However, he declines to give further details at this stage.

Regenovex complements Mentholatum’s existing portfolio of topical pain relievers comprising Deep Heat, Deep Freeze and Deep Relief. Tasker notes that Mentholatum is seeking to establish itself as the leader in specialist joint and muscle care, not just in the UK but throughout Europe.

Mentholatum is set to follow up the launch of Regenovex by entering the female-health category with two personal lubricants, Tasker says. Developed by Burdica Biomed, the product Zestica Fertility is aimed at couples trying to conceive a baby, while Zestica Moisture is formulated for post-menopausal women. Like Regenovex, both products are based on hyaluronic acid technology.

A distribution agreement with Burdica Biomed will see Mentholatum initially launch the two medical devices in the UK during October, notes Tasker, adding that they will then be rolled out across Europe.

Tasker claims the difficult economic climate has made it easier for Mentholatum to gain access to new technology developed by univer-



**There are some interesting geographical expansion opportunities for Mentholatum in Africa and central and eastern Europe, says Andrew Tasker, the company's UK managing director and vice-president in charge of Europe, the Middle East and Africa**

sities and start-up companies, which are finding it harder to attract venture-capital funding.

Mentholatum has a “very strong relationship” with all of the Scottish universities, says Tasker, as well as others throughout the UK and continental Europe. “Universities have great enthusiasm to work with commercial companies,” he adds, “not just because they want to turn existing ideas into commercial realities but because there is a two-way flow of ideas.”

Development companies, adds Tasker, are much keener in the difficult economic climate to talk to commercial companies like Mentholatum about how their technology can be used in OTC or beauty products.

#### Keen to gain technology

Tasker says Mentholatum is particularly keen to gain technology to develop its core product categories: eyecare led by the Rohto brand; joint and muscle care led by Deep Heat, Deep Freeze, Deep Relief and Regenovex; lip care led by Softlips; and medicated skincare led by Oxy. The company is also interested in acquiring brands, he adds, provided there is “an opportunity to take them to the next stage using our technology”.

Tasker cites Oxy as an example of the type of brand that Mentholatum would like to acquire. “We are looking for brands that need development and innovation,” he says, “and will benefit from our technology.”

Mentholatum purchased Oxy from GlaxoSmithKline in 2004 for an undisclosed fee. The deal covered the Oxy range worldwide, including acne treatments, washes and cleansing pads (*OTC bulletin*, 17 December 2004, page 1).

Two years ago, Mentholatum repositioned

Oxy as a range “Engineered for male skin” in the UK (*OTC bulletin*, 31 October 2008, page 20). Many of the products now have a “unique spot-fighting formulation”, which will be highlighted over the next few months, says Tasker, adding that “we are going to be doing more work on this, and you will see more focused communications coming through”.

Mentholatum can also tap into the expertise of its Japanese parent company, Rohto Pharmaceutical, which is one of the top three global players in consumer eyecare. At the end of last year, Rohto Dry Eye Relief made its European debut in the UK (*OTC bulletin*, 18 December 2009, page 15).

Noting that Rohto is determined to increase its share of the European market, Tasker draws attention to the fact that the array of eyecare products on offer in Japan is much broader than in Europe. Japanese consumers can choose from eyecare products including formulations for young, middle-aged and older people, as well as lubricants, allergy products and antibacterial variants. “Japanese consumers understand the benefits of eyecare, and they take a more lifestyle approach to these products,” he says.

“A mother in Japan, for instance, would not let her child get out of the swimming pool with chlorine in his or her eyes,” adds Tasker. “She would use an eyeshot to wash the chlorine out.”

Tasker says Mentholatum intends to bring the range of fresh eyecare concepts to the UK and continental Europe.

Discussing the UK eyecare market, Tasker stresses the importance of gaining support for products from healthcare professionals, including ophthalmologists, opticians and pharmacists. Noting that Rohto Dry Eye Relief is available from the Tesco Opticians chain, he says opticians have generally not been outlets for eyecare ranges, partly because many products were pharmacy-only medicines. Rohto Dry Eye Relief, however, is a medical device and can be sold by opticians. “A culture change is under-

way,” promises Tasker.

Noting that the Zestica products are medical devices, Tasker confirms that Mentholatum is exploring opportunities to launch medical devices in a “couple of areas”. “Using device legislation appropriately can be as important to the OTC industry as switching medicines from prescription-only to pharmacy status,” he maintains, noting that “communicating with consumers is much easier”.

#### Innovative patented product

Launching Rohto Dry Eye Relief in the UK last December, Mentholatum described the medical device as an “innovative patented product” based on a bi-polymer called HydraMed.

Mentholatum said it had taken the current gold standard, hyaluronic acid, and combined it with a new ingredient, tamarind seed polysaccharide. The company claimed that the hyaluronic acid helped restore and retain hydration, while the tamarind seed polysaccharide helped repair the surface of dry eyes. According to Mentholatum, the two ingredients worked together synergistically to provide an effect far greater than the sum of the bi-polymer’s two parts.

Quoting a double-blind study involving 22 patients, Mentholatum said Rohto Dry Eye Relief had improved eye condition by 56.5% and was up to five times more effective in treating damage compared with hyaluronic acid alone.

Tasker stresses that Rohto’s resources, including the £10 million investment in the Glasgow facility, will play a key role in helping Mentholatum achieve its ambitious growth target. As well as investing in “new generation plant”, Mentholatum has created an “advanced research and development facility”. The company aims to bring “world-class innovation steeped in the very latest science, ingredients and delivery technology to consumer healthcare”, he says.



The Mentholatum Company has recently launched Rohto Dry Eye Relief and Regenovex in Europe, and repositioned Oxy medicated skincare products as a range “Engineered for male skin”

## Annual Results

# Perrigo targets hole left by J&J recall

Johnson & Johnson's many recalls of OTC products and resulting absence from some categories has presented store-brand manufacturers with a US\$100 million (€77.5 million) opportunity, according to Perrigo's chief executive officer Joseph Papa.

Although Papa admitted that Perrigo did not have the capacity to fill entirely the hole in the market left by Johnson & Johnson's woes, he said the US-based store-brand specialist had been "shipping all it could ship" to take advantage of the opportunity.

In January, Johnson & Johnson initiated a voluntary recall of certain lots of a number of its OTC brands, including Tylenol, which had been made in Puerto Rico (*OTC bulletin*, 10 February 2010, page 22). A few months later, the firm announced a recall involving more than 40 OTC medicines for infants and children made at its Fort Washington facility in the US, and halted production at the plant (*OTC bulletin*, 14 May 2010, page 1).

Johnson & Johnson admitted in June that it would not have sources of supply for the majority of the products made at the Fort Washington plant before the end of 2010 (*OTC bulletin*, 30 June 2010, page 1).

The recalls and Johnson & Johnson's resulting absence from certain OTC categories were responsible for three percentage points of the 4% rise in sales of Perrigo Consumer Healthcare's existing products in its fourth quarter ended 26 June 2010. Overall, Consumer Healthcare's sales increased by 18% in the fourth quarter to US\$481 million (see Figure 1).

Asked how "sticky" this new business would be, Papa said he expected that half of the people who had switched to store-brand alternatives from Johnson & Johnson's brands would not switch back when the branded products returned to the shelves.

He noted that historically, when consumers moved from national brands to store brands of their own volition, approximately 90% never

Business	Fourth-quarter sales (US\$ millions)	Change (%)	Operating income (US\$ millions)	Change (%)
Consumer Healthcare	481	+18	67	+19
Prescription Pharmaceuticals	84	+77	17	+38
Active Pharmaceutical Ingredients	38	-2	6	-
Other	16	+21	-12	-
<b>Total Perrigo*</b>	<b>619</b>	<b>+22</b>	<b>78</b>	<b>+40</b>

\* Excluding the discontinued Israel Consumer Products business

Figure 1: Perrigo's sales and operating income in its fourth quarter ended 26 June 2010 (Source – Perrigo)

switched back to the national brands.

Judy Brown, Perrigo's chief financial officer, said acquisitions had added to the recall-related turnover. Acquiring the store-brand infant formula manufacturer PBM and Australia's Orion Laboratories in March (*OTC bulletin*, 17 March 2010, page 3; *OTC bulletin*, 31 March 2010, page 1), had driven Consumer Healthcare's fourth-quarter sales growth, as had launching new products.

Existing products – primarily analgesics – contributed US\$17 million of the growth, and PBM and Orion added US\$46 million, Perrigo noted, while new products generated a further US\$19 million. A positive foreign exchange impact added a further US\$2.0 million.

These gains had been partially offset by a decrease of approximately US\$10 million in sales of existing gastrointestinal, nutrition and oral electrolyte products, Perrigo pointed out.

## Consumer Healthcare up by 12%

During the full year, Consumer Healthcare sales grew by 12% to US\$1.83 billion (see Figure 2), driven by US\$89 million in additional sales from PBM, Orion and a number of other acquisitions made over the past two years.

New products contributed US\$70 million of Consumer Healthcare's sales rise, to which was added a further US\$61 million from existing items, primarily generated by gastrointestinal, cough/cold and analgesics products. These in-

creases were partially offset, however, by a US\$19 million decline in feminine hygiene, nutrition and smoking-cessation products.

Net sales had also been reduced by an approximately US\$7.0 million negative currency impact, Perrigo noted.

Looking forward, Perrigo said it expected its Consumer Healthcare sales to improve by 21%-23% in the year ending June 2011.

Papa noted that IRI figures for the 52 weeks ended 4 July 2010 had shown that in the major US OTC categories – analgesics; cough, cold, allergy and sinus; gastrointestinal; smoking cessation; and vitamins – store brands had "outperformed" both the national brands and the categories as a whole.

Using the analgesics category as an example, Papa pointed out that sales of store-brand analgesics had increased by 18.2% over the 52 weeks, while turnover from the national brands had decreased by 8.2%, dragging back the category as a whole by 1.5%.

"Consumers continue to realise the value of the store-brand proposition," Papa insisted.

Commenting on future product launches, Papa said that Perrigo was looking forward to introducing a store-brand version of Sanofi-Aventis' Allegra (fexofenadine) allergy medicine as soon as possible.

Sanofi-Aventis applied in March to switch Allegra from prescription-only to OTC status in the US (*OTC bulletin*, 14 May 2010, page 8), and Papa expects the French company to have OTC Allegra on the market "sometime in March 2011".

In July, Perrigo acquired exclusive rights to sell and market store-brand OTC Allegra from Teva Pharmaceutical Industries (*OTC bulletin*, 30 July 2010, page 19).

"It is a great product," Papa insisted, claiming Allegra had the "efficacy of Zyrtec (cetirizine) and the side-effect profile of Claritin (loratadine)". He also pointed out that as a prescription brand, Allegra had been more suc-

Business	Annual sales (US\$ millions)	Change (%)	Operating income (US\$ millions)	Change (%)
Consumer Healthcare	1,833	+12	305	+30
Prescription Pharmaceuticals	238	+45	50	+73
Active Pharmaceutical Ingredients	139	+2	15	-
Other	59	-13	-33	-
<b>Total Perrigo*</b>	<b>2,269</b>	<b>+13</b>	<b>336</b>	<b>+36</b>

\* Excluding the discontinued Israel Consumer Products business

Figure 2: Perrigo's sales and operating income in the year ended 26 June 2010 (Source – Perrigo)

Second-Quarter Results

# Acquisitions boost sales at Hypermarcas

Brazil's leading OTC company, Hypermarcas, said that acquiring the Neo Química OTC and generics business and the Luper Indústria Farmacéutica OTC company had helped to drive up its Pharma sales by 89.4% to BRL282 million (€124 million) in the second quarter of 2010.

Neo Química and Luper added BRL101 million in sales to the company's Pharma division, which comprises the Dorsay Monange OTC business and the company's prescription unit. Excluding the acquisitions, Pharma's turnover increased by 21%.

Purchased for BRL52.2 million in April, Luper brought the Ambroflux and Bequidex cough/cold OTC brands as well as the Cetrafin paracetamol range to Hypermarcas' Dorsay Monange OTC business (*OTC bulletin*, 30 April 2010, page 9).

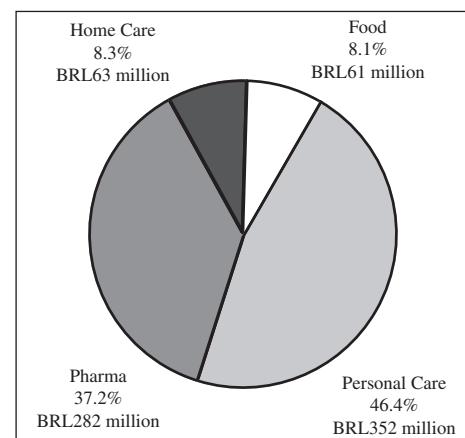
Neo Química, meanwhile, was acquired at the end of 2009 in a cash and share deal worth

BRL1.29 billion. Neo Química not only expanded Dorsay Monange, it also took Hypermarcas into the Brazilian generics market for the very first time (*OTC bulletin*, 18 December 2009, page 3).

Pharma sales accounted for 37.2% of Hypermarcas' total second-quarter turnover (see Figure 1), which improved by 79.2% to BRL758 million. Sales at Hypermarcas' Personal Care business more than doubled to BRL352 million, thanks to a number of acquisitions, and accounted for 46.4% of the company's total sales. Home Care and Food accounted for the remaining 16.4%.

Total group earnings before interest, tax, depreciation and amortisation (EBITDA) grew by a third to BRL155 million.

Following the close of the quarter, Hypermarcas continued with its aggressive acquisition policy by acquiring for around BRL350 million Mabesa do Brasil, a manufacturer of



**Figure 1: Hypermarcas' sales in the second quarter of 2010 – BRL758 million – broken down by business (Source – Hypermarcas)**

disposable and absorbent diapers, feminine pads and wet wipes. Mabesa reported net sales in 2009 of BRL267 million. The company's gross profit stood at BRL102 million.

cessful than Pfizer's Zyrtec product.

However, Perrigo's attempts to bring a store-brand version of Reckitt Benckiser's guaifenesin-based cough medicine Mucinex to market have stalled.

UK-based Reckitt Benckiser recently won an appeal against a ruling that Perrigo's Abbreviated New Drug Application (ANDA) for 600mg extended-release guaifenesin tablets did not infringe the patent for Mucinex (*OTC bulletin*, 13 August 2010, page 7).

Papa said there was now only a "low possibility" of Perrigo's store-brand Mucinex product coming to market before the end of the company's current financial year, and nothing could be expected before the fourth quarter.

## Correcting violations

Meanwhile, Papa said the firm was on track to correct the violations at its Allegan, Michigan, manufacturing plant discovered by the US Food and Drug Administration (FDA) earlier this year (*OTC bulletin*, 11 June 2010, page 1).

The FDA issued the company with a Warning Letter concerning the Allegan plant – which makes some of the company's store-brand ibuprofen products – after uncovering "significant violations" of current Good Manufacturing Practice (cGMP) regulations.

Papa said the plant should be ready for FDA reinspection by around October/November.

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## Mergers &amp; Acquisitions

## Vemedia gains Sleepzz brand

Vemedia Pharma has bolstered its position in the Dutch OTC sleep-aid market by acquiring the Sleepzz brand from Liberty Healthcare for an undisclosed sum.

Sleepzz generated €1.8 million in ex-factory sales in 2009, a spokesperson for Vemedia told **OTC bulletin**, and was the number two brand in the Dutch OTC sleep-aid and tranquillizer market behind Vemedia's own plant-based sedative Valdispert.

Built around three melatonin-based sleep aids, the Sleepzz line also includes an anti-snoring spray and anti-snoring strips, a sleep-aid for children and the Mind Fit ginkgo biloba-based supplement. The range also offers a supplement to improve blood circulation in the legs.

The spokesperson said Vemedia planned to grow the Sleepzz brand with line extensions.

Meanwhile, Vemedia said that its turnover during the first half of 2010 had improved by 4.0% to €25.7 million, thanks to a strong second quarter.

Earnings before interest, tax, depreciation and amortisation (EBITDA) dropped by 23.6% to €3.0 million, due to a rise in marketing costs.

OTC

## Co-promotion Agreements

## P&G gets first look at Silenor

Procter & Gamble has obtained first refusal on the rights to develop an OTC version of Silenor (doxepin), a new insomnia treatment developed by US-based speciality pharmaceutical firm Somaxon Pharmaceuticals.

Somaxon has awarded a "right of first negotiation" to Procter & Gamble for the rights to develop and market an OTC version of Silenor in the US, as part of a co-promotion agreement between the two companies. The agreement will see Procter & Gamble market the recently-approved prescription version of Silenor to "primary care and other high-prescribing physicians" via its professional healthcare salesforce.

Thomas Finn, president of global health care at Procter & Gamble, said the deal was an "excellent fit" with the company's "current and future business interests".

OTC

## First-Half Results

## Stada overcomes slide in domestic brand sales

Turnover at Stada Arzneimittel's Branded Products division rose by 8% to €203 million in the first half of 2010, despite sales in its core German market falling during the period.

Branded Products accounted for 26% of the German firm's total group sales in the first six months. These grew by 3% to €778 million (see Figure 1). Around two-thirds of the division's sales are generated by non-prescription brands.

A Germany-wide recall of all haemorrhoid products containing bufexamac – including Stada's Mastu brand – ordered by the country's federal institute for drugs and medical devices, BfArM, in December (**OTC bulletin**, 18 December 2009, page 13) had hit Branded Products' sales, the company noted.

Coupled with a weaker than usual winter season, the recall had led to a 2% decline in Branded Product's sales in Germany over the six months to €61.9 million.

Mastu – which had generated 2009 sales of €1.2 million in Germany – had since been reformulated and relaunched back onto the market, Stada pointed out.

The impact of the recall and the poor winter season had been partially offset by acquiring the Eunova nutritional-supplement brand at the end of 2009, the company added, which had contributed €2.0 million.

Branded Products accounted for 24% of the company's total domestic sales, which slipped

ped back by 8% to €260 million.

Outside of Germany, sales of Branded Products in Russia improved by 34.6% to €47.5 million. These represented 49% of Stada's total turnover in Russia, which grew by 24% – 17% at constant exchange rates – to €96.8 million.

The company noted that acquiring five branded gynaecology products in Russia at the end of 2009 had added €1.7 million to sales.

An 18% decline for Branded Products in Italy to €20.9 million was in contrast to double-digit sales growth by the Generics division, which helped drive up Stada's total sales in the country. These grew by 24% to €66.7 million.

In Belgium, Branded Products' sales improved by 16.7% to €3.5 million. These accounted for 5% of Stada's total sales in the country, which grew by 11% to €68.2 million.

Stada's Branded Products business in Spain posted sales up by 26% to €4.3 million, contributing a tenth to total group sales which rose by 19% to €43.5 million.

Meanwhile, Branded Products' sales edged up by 4% to €2.4 million in France, with total group sales in the country remaining flat at €38.4 million.

Branded Products generated 8% of Stada's total sales in Serbia, as turnover fell by 17.6% to €2.8 million. Total group turnover in the country decreased by 21% – 15% at constant exchange rates – to €35.8 million.

Business	First-half sales (€ millions)	Change (%)	Operating profit (€ millions)	Change (%)
Generics	545	+1	76.2	+15.1
Branded Products	203	+8	38.7	+13.1
Commercial	30	+20	4.5	–
Group/other	0	–	-20.9	–
<b>Total Stada</b>	<b>778</b>	<b>+3</b>	<b>98.6</b>	<b>+15</b>

Figure 1: Stada's sales and operating profit in the first half of 2010 by business (Source – Stada)

OTC

### IN BRIEF

■ VALEANT PHARMACEUTICALS said turnover at its Specialty Pharmaceuticals division – including OTC brands – had grown by 31% to US\$127 million (€98.6 million) in the second quarter of 2010.

■ DAIICHI-SANKYO reported OTC sales down by 2.7% to ¥9.3 billion (€85.7 mil-

lion) in its first quarter ended 30 June 2010.

■ TAKEDA said turnover at its Consumer Healthcare business had grown by 4.2% to ¥13.8 billion (€127 million) in the three months ended 30 June 2010. Operating income more than doubled to ¥3.5 billion.

OTC

## First-Half Results

# Poor winter leaves sales flat at Boiron

French homoeopathy specialist Boiron blamed a low level of winter illnesses, coupled with a difficult operating environment at the end of last year, for its flat performance in the first half of 2010.

Sales for the period stood still at €222 million, following a 1.1% decline in the first quarter of the year (*OTC bulletin*, 14 May 2010, page 12) and a 1.3% rise in the second quarter.

Domestic sales edged up by 0.3% to €126 million over the first half (see Figure 1). Non-proprietary medicines had delivered a 0.9% rise, Boiron said, but this had been almost wiped out by a 1.7% decrease for OTC specialties.

Increased sales of the OTC specialties Camilia for teething pain and Arnica gels and creams, the company pointed out, had partially offset lower turnover from the Oscillococcinum flu brand and Stodal cough products.

Outside of France, turnover in Russia had dropped by 8.9%, Boiron said, due to the poor winter flu season, which had hit sales of Oscillococcinum. Meanwhile, its Russian wholesale business had been disrupted by the economic crisis, the company noted, and uncertainty over government regulations covering the distribution of pharmaceuticals.

In Spain, a double-digit rise in sales of OTC specialties – led by Oscillococcinum and the

Sédatif PC stress and anxiety brand – was coupled with better sales of non-proprietary medicines, leading to a 9.3% lift in turnover.

A double-digit rise in sales of non-proprietary medicines had driven up sales in Italy by 6.9%, Boiron said. This was aided by a 3.8% increase in turnover from OTC specialties, most notably Oscillococcinum and Stodal.

In the Baltic States and Bulgaria, significant increases had been reported, Boiron noted, thanks to deliveries that had been delayed at the end of 2009, pushing them over into early 2010. By contrast, the economic crisis in Poland had led to a 27.6% drop in sales.

The lower incidence of winter illnesses had been responsible for the 10.5% decline in Belgian sales, Boiron noted, with OTC specialties and non-proprietary medicines suffering respective falls of 12.6% and 7.9%.

Boiron's European sales, excluding France, edged up by 0.4% to €76.1 million, thanks to positive currency effects. During the first half, the firm noted, its Portuguese subsidiary had started operating.

North American sales slipped back by 8.9% to €15.7 million on the back of a 12.1% decline in the US, caused by a fall in sales of OTC specialties and Oscillococcinum in particular.

Furthermore, US sales from Boiron's UNDA

Business	First-half sales (€ millions)	Change (%)
France	126.4	+0.3
Europe*	76.1	+0.4
North America	15.7	-8.9
Other countries	3.4	+33.7
<b>Boiron</b>	<b>221.5</b>	<b>±0.0</b>
Non-proprietary	131.7	+2.1
OTC specialties	89.4	-2.8
Other	0.4	-17.8

\* Excluding France

Figure 1: Breakdown of Boiron's sales in the first half of 2010 (Source – Boiron)

business declined sharply by 73.2%.

Canadian sales dropped by 1.2%, as a 25.1% rise in Boiron Canada's turnover – driven by the Camilia, Coryxalia and Stodal brands – was wiped out by an 81% slump in sales at the UNDA business.

Outside of Europe and North America, sales increased by 33.7% to €3.4 million, as operations in Brazil and Tunisia got underway.

Boiron's operating income for the period fell by 55% to €9.2 million, as the firm spent more on marketing and productivity improvements, as well as research and development.

## Second-Quarter Results

## Nasivin lifts Nycomed's OTC sales

Nycomed's total OTC sales moved forward by 14.9% to €96.9 million in the second quarter of 2010. In local currencies, however, the rise was a more modest 4.9%.

OTC sales had picked up during the three months, the Swiss firm noted, driven primarily by the Nasivin nasal spray in Russia and the Commonwealth of Independent States (CIS).

Nasivin's performance had been backed up by better sales of the Neosalidina analgesic brand in Brazil – thanks to increased marketing – and the Riopan antacid in Mexico, the firm noted.

These gains had been partially offset by a fall in sales across the Nordic countries and Germany, Nycomed noted, as well as lower sales of the Xymelin nasal decongestant and Sanostol multivitamin brands.

German sales had been hit by the withdrawal of all products containing bufexamac – including Nycomed's Faktu Akut range – ordered by the country's federal institute for drugs and

medical devices, BfArM (*OTC bulletin*, 18 December 2009, page 13).

Nycomed's OTC sales excluding calcium OTC and pantoprazole OTC – which are reported as part of its Specialty Products and Gastrointestinal businesses respectively – moved forward by 14.3% to €83.8 million. In local currencies, sales only edged up by 1.0%.

During the quarter, Novartis Consumer Health introduced Nycomed's Pantoloc Control OTC pantoprazole product in 11 European markets (*OTC bulletin*, 30 July 2010, page 2), as part of the co-marketing agreement signed between the two companies in February (*OTC bulletin*, 14 May 2010, page 22).

OTC sales – excluding calcium OTC and pantoprazole OTC – accounted for 10.7% of Nycomed's total group sales, which declined by 0.1% as reported and 5.0% in local currencies to €787 million.

## IN BRIEF

■ CHURCH & DWIGHT reported sales up by 2.9% to US\$641 million (€487 million) in its second quarter ended 2 July 2010. The US-based firm said the growth had been driven by product launches – including Trojan Fire and Ice condoms – and consumer demand for the company's "value" brands.

■ RELIV INTERNATIONAL posted sales down by 6.1% to US\$18.8 million (€14.1 million) in the second quarter of 2010. The company said the turnover from its international operation had risen by 18.7% to US\$2.9 million, but this had been more than offset by a 9.5% drop in US sales to US\$15.9 million.

■ NUTRACEUTICAL INTERNATIONAL said its net sales had grown by 12.9% to US\$44.5 million (€33.5 million) in its third quarter ended 30 June 2010. The US-based nutritional supplement firm's net income grew even faster, rising 26.7% to US\$3.8 million.

## Mergers &amp; Acquisitions

## Alvogen is after Bosnalijek stake

US-based generics specialist Alvogen has declared its interest in buying the 19.3% stake in OTC and generics player Bosnalijek held by the Bosnian government.

However, the government has not yet announced if or when it will launch a formal auction process for its 1.51 million shares. An auction had originally been scheduled for May 2010, but was subsequently shelved.

By taking a stake in Bosnalijek, Alvogen – which is headed by former Actavis chief executive officer Robert Wessman – would substantially increase its presence in central and eastern Europe. Speaking earlier this year as Alvogen opened an office in Bucharest, Romania, Wessman said the firm saw “great opportunities for our business in eastern Europe”.

OTC brands such as Bronchobos (carbocisteine) and Pilful (minoxidil) accounted for around a quarter of Bosnalijek’s group turnover in 2009, which advanced by 2% to BAM110 million (€56.2 million).

In the first half of 2010, the company suffered a 2% sales fall to BAM48.7 million.

## Licensing Agreements

## Thornton & Ross snaps up new head-lice technology

Thornton & Ross has acquired the worldwide rights, excluding China and the US, to use EctoPharma’s Kindaped technology for head-lice treatments.

Dieno George, chief executive officer of Thornton & Ross, said the non-insecticide technology would enable the UK-based company to launch a “range of novel, effective and consumer-friendly aqueous-based products”. These would be introduced “firstly in Europe and then in emerging markets around the world”.

Kindaped was complementary to Thornton & Ross’ silicon-based Hedrin range, which includes Hedrin 4% Lotion, Hedrin Once Liquid Gel, and the Hedrin Louse Detector Comb, George pointed out.

EctoPharma said Kindaped was based on octane diol technology, and worked by disrupting the waxy covering on an insect’s epicuticle. This caused death by dehydration.

Independent tests had shown octane diol technology to be more effective and less potentially damaging to health than existing head-lice

products containing pyrethroids or organophosphates, EctoPharma claimed.

Under the terms of the agreement, Thornton & Ross will pay EctoPharma over £2.0 million (€2.4 million) in milestone payments based on the development of future products. In addition, EctoPharma will receive royalties on sales as those products become established.

In a separate deal, Thornton & Ross has strengthened its position in the UK by acquiring the Allens brand from Allens & Co for an undisclosed sum.

Established in the early 1900s, the range of cough products includes Allens Pine & Honey Balsam, Allens Original Cough Lozenge, Allens Extra Strong Cough Lozenge and Allens Menthol & Blackcurrant Cough Lozenge.

George said the acquisition would broaden the company’s distribution base and enhance its “growing presence” in the cough market. The company owns Covonia, which it said was “the UK’s number two and fastest-growing major cough brand”.

## Recalls

## NBTY recalls some supplements in US

NBTY has recalled a number of store-brand dietary supplements in the US “because they may contain undeclared soy”.

The US-based company said the products contained soy but were distributed in packaging that did not list the presence of soy.

Consumers with an allergy or severe sensitivity to soy ran the risk of a “serious or life-threatening” reaction if they took the products, said NBTY, stressing there had been “no adverse reaction complaints relating to the recall”.

The recall affects packs of ten effervescent tablets sold under the AirHealth, Air Protector, Air Shield and Immune System Support brands, and packs of eight sticks offered under the AirHealth and Walborn names. Retailers hit by the recall include CVS, Safeway, Walgreens and Walmart.

NBTY said the products had been manufactured and packaged for its Leiner Health Products subsidiary by a contract manufacturer.

## Regulatory Affairs

## ASA gets wider online remit in UK

Online advertising restrictions policed in the UK by the Advertising Standards Authority (ASA) will be extended from 1 March 2011 to include all material “which can be properly accepted as constituting an advertisement”.

The ASA’s present online remit includes advertisements in paid-for space and sales promotions wherever they appear. But from next March, the Committee of Advertising Practice (CAP) code will apply in full to online marketing communications, including the rules relating to misleading advertising.

“The new remit focuses specifically upon material which can be properly accepted as con-

stituting an advertisement,” commented the ASA. Put more simply, the ASA says the code will be extended to cover marketing communications that have the primary intent “to sell something”. “[The communication] need not necessarily include a price or seek overtly an immediate or short-term financial transaction,” it added.

Direct solicitations of donations as part of fund-raising activities are also covered by the new arrangements, as is “non-paid-for space online under the advertiser’s control”. The latter extension, noted the ASA, should bring advertiser-controlled pages on social-networking websites under the scope of the CAP code.

Sanctions that may be applied to companies breaking the new rules include removing paid-for search advertising that links to the page hosting the non-compliant marketing communication as well as ‘naming and shaming’ online advertisers on the ASA website.

Press releases, investor relations material and similar marketing communications found on websites remain outside the ASA’s jurisdiction.

## IN BRIEF

■ PROPHASE LABS – owner of the Cold-EEZE cough and cold brand – said sales had dropped by over a third to US\$1.1 million (€0.9 million) in the second quarter of 2010. The firm had an operating loss of US\$2.3 million.

Regulatory Affairs

# Proposed German move threatens supplements

A draft law tabled during Germany's summer parliamentary recess would require many food supplements, dietetic foods and fortified foods to undergo an administrative assessment before they enter the market.

Under the draft amendment to Germany's foodstuffs and consumer goods law, the LFGB, food supplements, dietetic foods and fortified foods would no longer be legally classified as foods, but rather as food additives. This change would mean such products were subject to pre-market approval through a registration procedure, rather than the notification used for foods.

Food supplements and similar products are currently exempt from the registration system because they are considered "foods or characteristic ingredients of foods". But the planned change would block off this exemption for products that do not clearly fall within the definition of a food.

Industry associations have urged their members to object to the draft law as Germany's lower house of parliament, the *Bundestag*, prepares to consider it over the next few months.

Germany's medicines manufacturers' association, the BAH, has told the German Ministry

for Food, Agriculture and Consumer Protection that the draft legislation would move German law farther away from European Union law. It was not clear, the BAH added, to what extent the planned changes would affect products that were already on the market.

The European Federation for Naturopathy warned that "innovation will be blocked".

Meanwhile, the US-based Council for Responsible Nutrition (CRN) has written to the ministry, arguing that the planned change would conflict with European law, especially the Food Supplements Directive 2002/46/EC and the Food Additives Regulation 1333/2008/EC.

The CRN urged the ministry to withdraw the amendment and to consult with industry. If that approach proved impossible, the association added, it would urge the *Bundestag* to reject the proposal.

According to German law firm Forstmann, Büttner & Krüger, "there is no practical or legal basis for such a legal discrimination against fortified foods, dietetic foods and food supplements". Not only did the proposal contravene European law, the company said, it also went against previous rulings by German courts.

Regulatory Affairs

# US FDA to discuss dextromethorphan

The OTC industry in the US is highlighting the benefits and medical needs for dextromethorphan as the Food and Drug Administration (FDA) considers introducing curbs on the cough suppressant.

The FDA's Drug Safety and Risk Management Advisory Committee will meet on 14 September to discuss the abuse potential and public health benefits of prescription and non-prescription drugs containing dextromethorphan.

The meeting follows a request from the Drug Enforcement Administration for a "scientific and medical evaluation and scheduling recommendation for dextromethorphan in response to the increased incidence of abuse, especially among adolescents".

Linda Suydam, president of the Consumer Healthcare Products Association (CHPA) in the US, said industry wanted to "stop the intentional abuse of cough medicine while allowing for continued, responsible availability of these medicines".

A briefing book produced by the CHPA for the advisory committee meeting insists that "building awareness through education – in addition to legislative initiatives such as national age restrictions on purchases – provides the most effective approach to address this teen substance abuse problem".

The CHPA has supported educational efforts to curb abuse of dextromethorphan, including the StopMedicineAbuse.org website, for many years.

The industry association acknowledges that "some teenagers and young adults intentionally abuse large amounts of medicines containing dextromethorphan to get high".

More than 100 non-prescription cough and cold medicines in the US contain dextromethorphan, including products sold under the Robitussin, Tylenol and Vicks brands.

OTC

Regulatory Affairs

# Denmark speeds up general-sale switches

■ *Continued from front page*

medicines that were already sold outside of pharmacies would gain general-sale status immediately, the agency added.

Giving its reasons for introducing the new procedure, the Danish Medicines Agency said selected non-prescription medicines had been available outside of pharmacies for more than eight years without leading to "any identifiable issues". There had been no increase in consumption, added the agency, except for certain nicotine products and nasal sprays.

## Does not change criteria

The Danish Medicines Agency said that the new procedure would speed up the process of switching medicines to general-sale status, but it would not change the criteria on which decisions were based.

In practice, the agency explained, the licens-

ing committee would conduct "annual reviews" to assess whether any non-prescription medicines that had had pharmacy-only status for two years should be stopped from making the move to general-sale status.

Denmark ended its pharmacy monopoly on the sale of non-prescription medicines on 1 October 2001 (*OTC bulletin*, 31 July 2001, page 13). Supermarkets and other general-sale retail outlets were initially only able to sell a relatively small selection of non-prescription medicines, including analgesics and nicotine-replacement therapy (NRT) products.

Since then, however, Denmark has given general-sale status to many more non-prescription medicines, including topical antiviral products, topical antifungals, and H<sub>2</sub>-antagonists.

Nearly 2,000 general-sale outlets are selling non-prescription medicines in Denmark.

## IN BRIEF

■ **atrium innovations** said that acquiring nutritional supplement firms Garden of Life and Trophic Canada had helped drive its **second-quarter sales** up by 17.3% to US\$85.2 million (€66.1 million). Sales of Wobenzym products in Germany remained challenging, the Canadian firm said, although the situation had improved in the latter part of the quarter following the launch of two complementary products.

OTC

# CONSUMER viewpoint .....

**Excess ear wax 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.**

Britons are more likely to say they have suffered from excess ear wax during the past year than their counterparts in France, Germany, Italy or Spain, according to our **Consumer viewpoint** European survey.

Of the five countries covered by the Ipsos MORI survey, the UK has the highest proportion of people who say that they have suffered from the condition during the past year at 4.2%, followed by Italy at 1.8%, and France at 1.4% (see Figure 1).

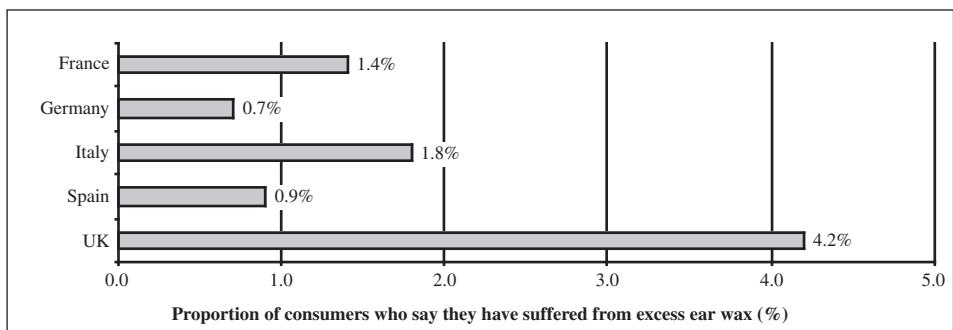
The low incidence of excess ear wax in the survey countries means that the following results should be treated with caution.

In Germany, Italy and the UK, men are more likely than women to say they have suffered from excess ear wax, but the reverse is the case in France and Spain (see Figure 2).

As Figure 3 shows, prescription products are the most popular treatment option in France, Germany and the UK, but OTC remedies are preferred in Italy and Spain.

The UK and France have the highest proportion of sufferers who have treated excess ear wax with an OTC product (see Figure 4). OTC treaters are more likely to be men than women in most countries (see Figure 5).

France has the highest proportion of people who have treated the condition with a prescription or a herbal remedy at 39.4% and 10.1% 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 excess ear wax 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	35.6	70.3	75.5	45.2	69.6	74	<b>145</b>	<b>155</b>	95	<b>143</b>
Female	64.4	29.7	24.5	54.8	30.4	<b>123</b>	58	48	<b>105</b>	59
18-24	7.4	–	3.4	–	3.8	64	–	37	–	30
25-34	29.0	11.4	10.1	7.1	10.0	<b>153</b>	84	57	34	60
35-44	7.4	8.8	17.6	23.1	12.2	38	44	89	<b>122</b>	62
45-54	6.7	37.3	23.7	28.6	18.8	44	<b>207</b>	<b>145</b>	177	<b>111</b>
55-64	36.8	11.7	8.8	22.5	13.5	<b>218</b>	81	59	<b>179</b>	92
65+	12.7	30.6	36.3	18.6	41.7	71	<b>122</b>	<b>195</b>	95	<b>215</b>

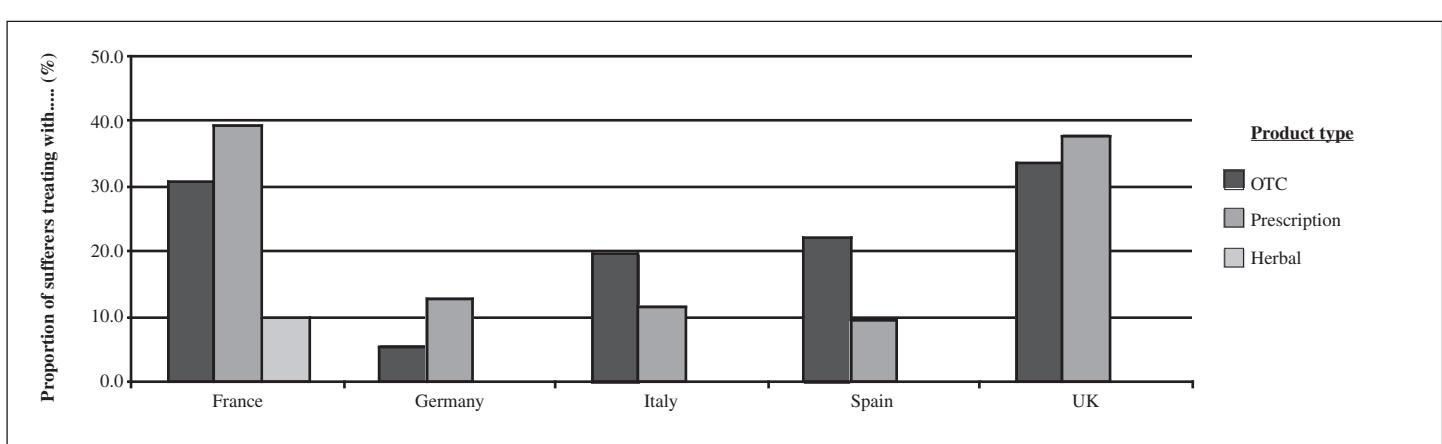
**Figure 2: Consumers in France, Germany, Italy, Spain and the UK who say they have suffered from excess ear wax in the past year, analysed by sex and age. The index indicates the likelihood that a consumer in a specific population group will have suffered from excess ear wax, and is the ratio of the 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 Capibus, 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 excess ear wax who have treated the condition with an OTC, prescription or herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)**

## Regulatory Affairs

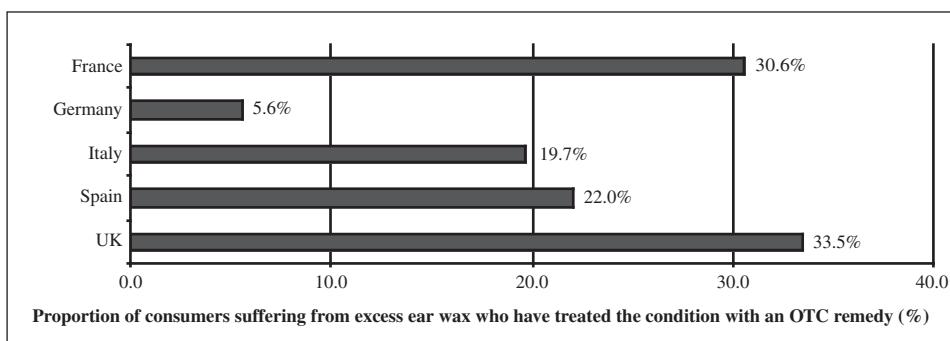
*excess ear wax*

Figure 4: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from excess ear wax 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	22.4	100.0	67.6	100.0	66.0	47	<b>206</b>	<b>139</b>	<b>210</b>	<b>136</b>
Female	77.6	–	32.4	–	34.0	<b>149</b>	–	63	–	66
18-24	12.9	–	–	–	–	<b>112</b>	–	–	–	–
25-34	51.2	–	–	–	9.1	<b>269</b>	–	–	–	54
35-44	–	–	–	43.3	3.5	–	–	–	<b>228</b>	18
45-54	–	100.0	21.4	56.7	23.2	–	<b>556</b>	<b>130</b>	<b>350</b>	<b>136</b>
55-64	35.9	–	–	–	27.7	<b>212</b>	–	–	–	<b>188</b>
65+	–	–	78.6	–	36.5	–	–	<b>423</b>	–	<b>188</b>

Figure 5: Consumers in France, Germany, Italy, Spain and the UK who have used an OTC remedy to treat excess ear wax, analysed by sex and age. The index provides a measure of the likelihood that a consumer suffering from excess ear wax 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)

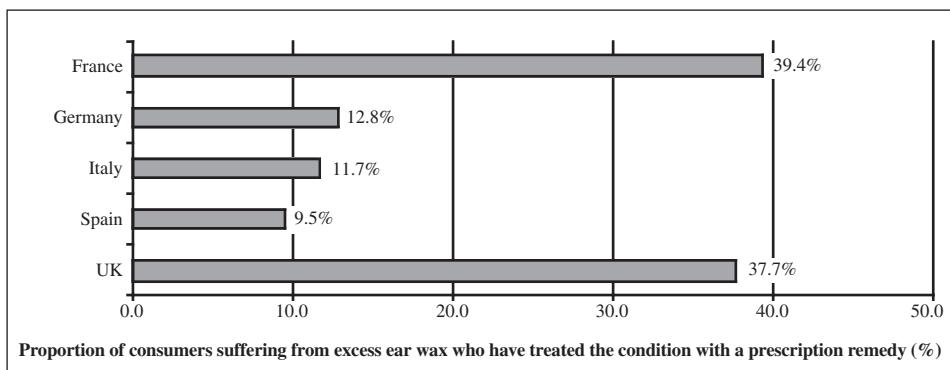


Figure 6: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from excess ear wax who have treated the condition with a prescription remedy (Source – OTC bulletin 2010/Ipsos MORI)

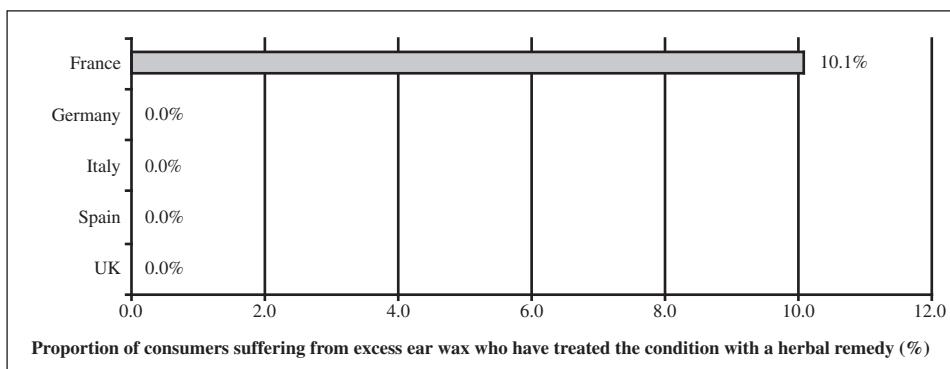


Figure 7: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from excess ear wax who have treated the condition with a herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)

## FDA issues warning to Tiger Balm maker

Haw Par Healthcare has run into trouble with the US Food and Drug Administration (FDA) over the misbranding of its Tiger Balm Pain Relieving Patch and its failure to meet manufacturing standards.

In a Warning Letter sent to the Singapore-based company, the FDA said that the Tiger Balm patch – which is marketed in the US as a topical analgesic for the temporary relief of minor aches and pains – was a new type of drug that must be approved.

The FDA drew attention to the fact that packaging for the product stated that “its ingredients penetrate the skin and are absorbed, thus stimulating blood circulation around the area of pain”. The agency pointed out, however, that the Tentative Final Monograph for OTC External Analgesics did not allow the terms “ingredients penetrate the skin and are absorbed” and “stimulating blood circulation” as indications.

According to the FDA, this language suggested “a novel delivery system”, which would make Tiger Balm a new drug requiring approval through a New Drug Application (NDA).

Furthermore, the FDA noted that the packaging displayed the active ingredients – camphor, capsaicum and menthol – in milligrams when they should have been in percentages.

Meanwhile, the regulatory agency highlighted a number of problems at Haw Par’s manufacturing facility in Singapore.

“Your firm has not established scientifically sound and appropriate specifications, standards, sampling plans, and test procedures designed to assure that drug products conform to appropriate standards of identity, strength, quality and purity,” the letter said.

It added that the firm had failed “to thoroughly investigate unexplained discrepancies or the failure of a batch or any of its components to meet any of its specifications, whether or not the batch has already been distributed”.

Furthermore, the letter maintained that employees lacked the training required to perform their jobs.

The Warning Letter was issued by the FDA following an inspection of Haw Par’s facility in October of last year.

The FDA warned that products manufactured by Haw Par at the facility, which also include Kwan Loong Oil for pain relief, could be refused entry into the US if the company did not correct the violations.

Mergers &amp; Acquisitions

# Meda is set to acquire Alaven

■ Continued from front page

no OTC presence in the country, and is unable to launch Betadine in the US as it does not hold the rights.

As well as providing an OTC presence, the deal would "significantly" enhance its existing prescription marketing capabilities in the US, Meda added, and expand its therapeutic focus in the US market to include both gastrointestinal and women's health products.

Prescription gastrointestinal brands form the basis of Alaven's business. The rectal inflammation product Proctofoam is its leading brand with an annual turnover of around US\$25.0 million. The company has approximately 180 employees, of which 150 are dedicated to marketing and sales. All manufacturing is outsourced to third parties.

Meanwhile, Meda reported sales down by 13% to SEK5.99 billion in the first half of 2010. The decline was blamed primarily on generic competition for two of its prescription products in the US and negative currency effects.

Sales of Betadine fell by 9.8% to SEK423 million. On a constant exchange rate basis, the brand's sales were flat.

OTC

Business Strategy

# Stada simplifies

■ Continued from front page

the group's "second-level management much slimmer". Regional finance directors will be responsible to chief financial officer Helmut Kraft, while the hub manufacturing directors will report into newly-appointed chief production and development officer Axel Müller (*OTC bulletin*, 13 August 2010, page 27).

One of Müller's first tasks will be to rationalise the group's manufacturing base, which currently numbers 14 facilities, four of which are in Russia and three in Serbia. This total excludes the packaging plant in Etten-Leur, the Netherlands, that Stada has just transferred, along with its 113 full-time employees, to Hans-free from 1 August.

"We still have three facilities too many," Retzlaff insisted, adding that talks were underway with parties interested in acquiring certain plants.

OTC

Legal Cases

# Consumers may be buried under too many warnings

**A**n "avalanche of trivial information" would result if companies were required publicly to disclose to investors all adverse event reports, the US Consumer Healthcare Products Association (CHPA) and Council for Responsible Nutrition (CRN) have told the country's Supreme Court.

In an *amicus curiae* brief in support of Matrixx Initiatives' Supreme Court appeal – involving reporting standards under federal securities laws – the two associations argue that such an avalanche would "bury investors".

Matrixx is appealing a decision by the Ninth Circuit Court of Appeals to re-open a lawsuit against the maker of Zicam nasal sprays that had been dismissed by a district court many years earlier. The firm had been accused of not telling investors its Zicam nasal sprays could cause a loss of sense of smell, or anosmia, a claim later taken up by the Food and Drug Administration (FDA), which demanded that Matrixx submit to the agency over 800 reports that the firm had received (*OTC bulletin*, 19 June 2009, page 15).

"In a holding inconsistent with other federal courts of appeal, the Ninth Circuit rejected the statistical significance standard and implemented a broad requirement for disclosure of adverse events," commented the CHPA.

Drug companies had previously been held to have no duty to disclose adverse event reports by the First, Second and Third Court of Appeals Circuits until the reports provided sta-

tistically significant evidence that the adverse events might be caused by – and were not simply randomly associated with – a drug's use.

In its filing to the Supreme Court, Matrixx argued that reviving the case had "immense consequences" for pharmaceutical companies, investors and consumers (*OTC bulletin*, 30 June 2010, page 4).

At issue is the question of whether a complaint can be made under US securities laws based on a company's non-disclosure of adverse event reports, even if the complaint contains no allegation that the reported adverse events are statistically significant.

The CHPA and CRN argue forcefully that a plaintiff cannot. Maintaining that adverse event reports must be analysed carefully to determine whether a causal association between event and product exists, the associations stress that reports for OTC medicines and supplements "are more likely to be submitted by consumers, and may be less informative and medically precise than reports submitted by healthcare providers".

They also note that 'overwarning' has the effect of not warning at all because "the reader stops paying attention to excess warnings". "Undifferentiated disclosures could also cause consumers to stop using beneficial medications based on unfounded concerns based on adverse event reports, and could decrease appropriate responses to real safety issues," they add.

Oral arguments are expected to be heard by the Supreme Court this autumn.

OTC

## IN BRIEF

■ BEIERSDORF said sales by its Consumer division, which includes the Eucerin and Nivea brands, had grown by 5.7% – 2.6% on an adjusted currency basis – to €2.74 billion in the six months ended 30 June 2010. The rise was driven by double-digit growth in the Americas and the Africa, Asia and Australia region. In Europe, sales edged ahead by just 0.8%. The Consumer division accounted for 86.5% of the German company's total turnover, which grew by 7.8% to €3.17 billion.

■ ORION said sales of its **Burana ibuprofen painkiller** had increased by 10.6% to €5.1 million in the second quarter of 2010.

■ CHINA NEPSTAR's sales grew by 5.8% to CNY565 million (€65.6 million) in the second quarter of 2010, as the Chinese drugstore chain moved into the convenience sector to offset the negative impact of government policies. China Nepstar said it had begun selling health foods, drinks, personal care products and household lines in May, as it sought to transform its outlets into "neighbourhood drugstores with one-stop convenience for many day-to-day needs". The move came after the government cut the prices of pharmaceuticals that were on China's Essential Drug List and Reimbursement List. OTC drugs made up 37.7% of sales.

OTC

## Regulatory Affairs

## Three more herbal monographs done

Three more Community herbal monographs and two more Community list entries have been finalised by the European Union's Committee on Herbal Medicinal Products (HMPC).

Monographs for *Rosmarinus officinalis L. folium* (rosemary leaf), *Rosmarinus officinalis L. aetheroleum* (rosemary oil), and *Vitis vinifera L. folium* (red vine leaf) were finalised at the HMPC's meeting in July 2010, bringing the total number of final monographs to 66.

The two new final Community list entries are for *Vitis vinifera L. folium* (red vine leaf), and *Hamamelis virginiana L. folium et cortex aut ramunculus destillatum* (hamamelis distillate). They will be sent to the European Commission for adoption.

The HMPC also adopted three draft Community herbal monographs for *Cinnamomum verum J.S. PRESL. cortex* (cinnamon), *Cinnamomum verum J.S. PRESL. corticis aetheroleum* (cinnamon bark oil), and *Arctostaphylos uva-ursi (L.) Spreng. folium* (bearberry leaf).

The HMPC noted that no comments or new data had been received on its public statement for *Salvia officinalis L. aetheroleum* (sage essential oil). No monograph or list entry would be established due to safety concerns over the high level of thujone, it said.

OIC

## Regulatory Affairs

## Ireland proposes to split herbal substances in two

The Irish Medicines Board (IMB) has launched a public consultation on a proposal to allocate common herbal substances into two lists.

The first list – containing herbal substances that are not suitable for use in food supplements – includes echinacea, ginkgo biloba, St John's wort and valerian. The IMB said these herbal substances were considered to be potentially toxic or to have potent pharmacological action that made them medicines according to European Union directive 2001/83/EC.

Artichoke, evening primrose and hawthorn are included on the second list, which consists of herbal substances that are suitable for inclusion in food supplements. "Products containing such herbs would take the form of tablets, capsules, other solid and liquid dosage forms and the dried herbs themselves or teas made from these herbs," explained the IMB.

The agency noted that when concentrated extracts or tinctures of the permitted substances were used – or other parts of the plant – then safety for use in food could not necessarily be guaranteed. Potential users should consult the IMB on individual cases, it advised.

The IMB stressed that no medicinal claims could be made for food supplements containing herbal substances.

Consultation on the two proposed lists of herbal substances, which are available on the IMB's website at [www.imb.ie](http://www.imb.ie), runs until 30 September 2010.

Giving its reasons for proposing the two lists, the IMB pointed out that the number of applications to use the simplified procedure for traditional herbal medicinal products introduced by European Union directive 2004/24/EC had been "disappointingly small compared with the number of products actually on the market". The regulatory agency added that some companies were "continuing to place herbal medicinal products on the market inappropriately under the guise of food supplements".

After April 2011, a herbal medicinal product cannot remain on the market legally unless it is either authorised as a medicine or registered as a traditional herbal medicinal product.

The IMB maintained that the two lists would "facilitate the registration process and give greater clarity to companies".

OIC

## Switches

## New Zealand to review ipecacuanha

Weleda has made a proposal in New Zealand that could see some cough and cold medicines containing ipecacuanha stay on general sale for use by children aged 6-12 years.

New Zealand's regulatory agency, Medsafe, announced recently that sales restrictions on certain cough and cold medicines for children under 12 years of age would be introduced with effect from 1 May 2011.

Medsafe said medicines based on the active ingredients dextromethorphan or phenylephrine would only be available from pharmacies after 1 May. Medicines containing these active ingredients would only be available in supermarkets, if they were relabelled for use in adults and children over 12 years of age, added the medicines agency.

Medicines based on guaifenesin were unaffected by the changes, noted Medsafe, adding it was considering an appeal against plans to reclassify medicines containing ipecacuanha.

Weleda's proposal for ipecacuanha will be reviewed at the next meeting of New Zealand's Medicines Classification Committee on 2 November. The company has suggested that a dosage limit should be included in the reclassification from general-sale to pharmacy-only status. Products with an alkaloid content of less than 40µg per dose would stay on general sale.

At the meeting, the committee will also consider a New Medicine Application for a medicine containing an extract of ginkgo biloba.

The committee may also reconsider an application from Reckitt Benckiser to switch its Strepfen 8.75mg flurbiprofen lozenges from pharmacy-only to general-sale status for the relief of pain, swelling and inflammation associated with severe sore throats. "The submission will be reconsidered if the company provides data confirming that consumers can clearly differentiate and understand the difference between Strepfen and unmedicated prepa-

rations like Strepsils," noted the committee.

It may also take another look at a proposal from Johnson & Johnson to reclassify its Regaine 5% minoxidil solution from pharmacy-only to general-sale status for the treatment of common baldness in healthy men and women. The company needs to provide "improved labelling appropriate for general sale".

Also on the agenda is an application from Bayer to switch its Losec 10mg omeprazole tablets from pharmacist-only to pharmacy-only status in the country.

The committee will also consider a submission from The Podiatrists' Board to reverse switch packs of medicated plasters or pads containing 40% salicylic acid from pharmacy-only to pharmacist-only status for the removal of hard corns.

It will also review an application from Pharmacybrands to reverse switch solid dose preparations containing 150mg or less of aspirin from general-sale to pharmacy-only status for inhibition of blood clotting and reducing the risk of heart attack and stroke.

OIC

## Business Strategy

## Thornton & Ross opens derma unit

Thornton & Ross has set up a dermatology division in the UK that is “dedicated to providing a wide range of dermatology products specifically designed for patients with eczema and dry skin conditions”.

Claimed to cover “skincare from A to Z”, T&R Derma offers a new emollient cream called Aquamol as well as the existing Zeroderma portfolio of products acquired last year (**OTC bulletin**, 30 October 2009, page 9).

Aquamol is a general-sales list medicine, which is claimed on the packaging to be “A clinically proven emollient cream with a unique formula that provides a sustained moisturising effect”. A 500g pump pack has a trade price of £6.40 (€7.65).

The “comprehensive” Zeroderma portfolio includes the Zerobase, Zerocream and Zerogent emollient creams, and the Zerolatum, Zerolatum Plus and Zeroneum emollient bath additives. Thornton & Ross said new products would be added to the range soon.

Trade prices of Zeroderma products range from £1.04 to £7.07.

Janet Maclean, marketing manager of T&R Derma, said Thornton & Ross would develop the division “through investment, new product development and resources for professionals”.

Thornton & Ross owns a number of related dermatology products including the Virasoothe cooling gel for the symptoms of chicken pox and the Metanium nappy rash ointment.



Aquamol is a new emollient cream from Thornton & Ross

## Line Extensions

## Prestige Brands aims to capitalise on J&J recalls

Prestige Brands is seeking to capitalise on Johnson & Johnson’s product recalls in the US by extending its Little Remedies range of paediatric OTC medicines with a formulation for relieving fever and pain.

Called Little Fevers Fever/Pain Reliever, the new addition comprises concentrated drops containing acetaminophen. Prestige said the product was “specially formulated to provide small, concentrated doses for easier administration”.

The introduction comes soon after Johnson & Johnson’s McNeil Consumer Healthcare subsidiary recalled all lots of 44 OTC medicines for infants and children manufactured at its Fort Washington facility in the US. The recall included liquid Tylenol products containing acetaminophen, known as paracetamol in many markets (**OTC bulletin**, 14 May 2010, page 1).

McNeil recently warned that it did not expect to have sources of supply for most of the products made at the plant before the end of 2010 (**OTC bulletin**, 30 June 2010, page 1).

According to Prestige, the launch of Little Fevers Fever/Pain Reliever was a response to the “void in available over-the-counter treatments for fever and minor pain relief”.

Little Fevers Fever/Pain Reliever was “available nationally to provide parents with the active ingredient they need in a trusted brand name”, commented Prestige Brands, pointing out that the product was free of artificial flavours and colours, alcohol, saccharin and gluten.

Packaging highlights the product is “medicated for infants”, “safe, gentle & effective” and has a “great tasting natural berry flavour”.

Little Fevers Fever/Pain Reliever contains



Prestige Brands has extended its Little Remedies range in the US with Little Fevers Fever/Pain Reliever

80mg acetaminophen, and is suitable for infants aged up to five years. A 30ml bottle retails at US\$6.99 (€5.45).

Prestige noted the newcomer was the 25th product in the Little Remedies range, which includes Little Allergies, Little Noses, Little Ouchies and Little Tummys formulations.

Prestige Brands is one of a number of companies seeking to capitalise on Johnson & Johnson’s product recalls in the US. Novartis recently launched a children’s acetaminophen syrup called Children’s Triaminic Fever Reducer Pain Reliever, and gave away up to a quarter of a million bottles to “help parents restock their medicine cabinets” (**OTC bulletin**, 13 August 2010, page 19).

OTC

## Marketing Campaigns

## Herbalife signs two sponsorship deals

Herbalife has agreed two new sports sponsorship deals in Israel and India, bringing its worldwide total to around 150.

Firstly, the US-based direct-selling specialist is sponsoring Israeli football club Maccabi Haifa. The two-year deal to be the club’s Official Sponsor for Sports Nutrition covers branding on its kits, stadium, training facilities, media channels and bus.

Secondly, Herbalife is sponsoring India’s

Mary Kom – a four-time world-boxing champion and ambassador for the International Boxing Association.

In addition, Herbalife has renewed its sponsorship of badminton player Saina Nehwal. She has just been ranked number three in the world.

Herbalife recently became the Official Nutrition Sponsor of Barcelona Football Club (**OTC bulletin**, 11 June 2010, page 14).

OTC

Line Extensions

# Reckitt Benckiser claims a first with flexible Lemsip

“The very first flexible cold and flu tablets” is how Reckitt Benckiser is positioning the latest addition to its Lemsip brand in the UK and Ireland.

Reckitt Benckiser pointed out that Lemsip Max Lemon Flavour Tablets was a “two-in-one” product that could either be “swallowed as a tablet or dissolved quickly to make a soothing hot drink”. The “unique” formulation is backed by the marketing message “You choose how to use”, and packaging informs consumers to “Swallow or dissolve”.

The company said research had found that 27% of consumers in the cold and flu sector shopped across product formats. The highest overlap was between hot drinks and capsules, it observed.

The launch of Lemsip Max Lemon Flavour Tablets meant consumers no longer had to make a “capsule versus hot drink choice”, commented Reckitt Benckiser, adding that the product offered “effective relief from cold and flu symptoms, ease-of-use and format control in the one formulation”.

Reckitt Benckiser said it would back the new addition with dedicated television and radio commercials featuring the “popular Lemmy character” and building on the Lemsip brand’s “comfort” positioning.

Advertising for Lemsip Max Lemon Flavour Tablets would be part of a £7.0 million (€8.5 million) multimedia marketing campaign for the Lemsip brand this winter, added the com-



Reckitt Benckiser's new Lemsip Max Lemon Flavour Tablets is a “two-in-one” formulation that can either be swallowed or dissolved to form a hot drink

pany, noting that half of the media would focus on the newcomer.

A spokesperson for Reckitt Benckiser said further details of the campaign would be available soon.

Lemsip Max Lemon Flavour Tablets is suitable for adults and children aged 12 years and over. Adults aged 16 years and over should take two tablets every 4-6 hours, but should not take more than four doses in any 24 hours. Children aged 12-15 years should consume one tablet every 4-6 hours, but should not take more than four doses in any 24 hours.

Available in packs of 12 tablets, the product has a recommended retail price of £3.99.

Line Extensions

# Hexal boosts its Gingium offering

Hexal has expanded its range of Gingium ginkgo biloba medicines in Germany with a high-strength 240mg variant.

Each one-a-day Gingium Extra coated tablet contains 240mg dried ginkgo-biloba extract, which Hexal said corresponded to the daily dose recommended by Germany's Institute for Quality and Efficiency in Healthcare, IQWiG.

The generics specialist already offers 40mg, 80mg and 120mg coated tablets, as well as a 40mg/ml liquid.

A pharmacy-only medicine, Gingium Extra is indicated for combating declines in mental performance in adults.

The recommended retail selling prices are €33.28 for 20 tablets, €60.59 for 40 tablets and €112.00 for a pack of 80.

## Television and press advertising

Hexal is promising “massive marketing support” behind the line extension. This includes a further burst of the television commercial that features a businessman forgetting the name of his colleague (*OTC bulletin*, 30 October 2009, page 16).

Television advertising is accompanied by a consumer-press campaign in titles including *Apotheken Umschau*, *Bunte* and *Stern*.

Furthermore, at the end of August Hexal started a series of evening lectures on memory loss and dementia that will tour 19 German cities.



“Fun” and “delicious” is how Seven Seas describes the latest addition to its Haliborange range of food supplements for children in the UK.

Haliborange Kids Vitamin D Calcium Softies take the form of strawberry shapes, and are supported by the on-pack claim “May help promote strong bones and teeth”.

Seven Seas pointed out that one softie provided “100% of the recommended daily allowance of vitamin D and is ideal for children who don't get enough calcium or vitamin D in their diet”.

The company added that the softies were free of artificial colours and sweeteners, as well as gluten, yeast and wheat.

Suitable for children aged 3-12 years, one softie containing 250mg calcium and 5µg vitamin D should be taken each day. A jar of 30 retails at £4.99 (€6.05).

The launch follows the introduction last year of Haliborange Kids Multivitamin Fruit Softies, which are backed by the on-pack claim “May help promote healthy growth and development”.



Sebapharma says the latest addition to its Sebamed skincare range in Germany contains a three-way protective complex comprising olive oil, silk proteins and phytosterols.

Sebamed Seifenfreies Waschstück mit Olive is said to be particularly suitable for washing sensitive and dry skin on the hands and face.

A 150g bar has a recommended retail selling price of €2.15.



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OTC Marketing Awards 2011

# OTC Awards open to small as well as big

**C**ompanies of all sizes – from the biggest down to the smallest – have the opportunity to win one of **OTC bulletin's** prestigious OTC Marketing Awards 2011.

Nineteen categories cover a wide range of disciplines in the OTC industry, including internet advertising, out-of-home advertising, trade advertising, pharmacy training, public relations initiatives and packaging design. And retailers could win the Award for Best OTC Multiple Retailer of the Year.

It's time to start preparing your entries. Our entry deadline of 3 December 2010 probably seems a long way ahead, but you need to start thinking about turning your latest campaign into a prestigious Award winner.

The winners will be announced at a Gala Dinner & Awards Presentation on Thursday, 10 March 2011 at London's Park Lane Hotel.

**OTC bulletin** is pleased to announce that the OTC Marketing Awards 2011 will be jointly co-hosted this year by IMS Consumer Health and SymphonyIRI Group. This will be the ninth year in a row for IMS Consumer Health, while SymphonyIRI Group is a co-host for the third consecutive time.

The two companies said the joint initiative built on the global alliance announced in 2007.

We are also pleased to welcome back many Award sponsors for another year.

Euro RSCG Life – which has consistently

supported the Awards – is once again sponsoring the OTC Brand of the Year Award.

Company Chemists' Association, which is the recognised body for multiple pharmacy in the UK, is sponsoring the Award for Best OTC Pharmacy Support Package for the seventh time.

Our thanks also go to Spink for once again sponsoring the Award for OTC Brand Revitalisation of the Year.

Pegasus has opted once again to sponsor the Award for Best OTC Consumer Advertising on Television.

Tena is back on board for the Award for OTC Launch of the Year.

Bounty & Bounty Health Network is a first-time sponsor for the Award for Best OTC Marketing Campaign on a Small Budget.

Doctors.net.uk is another first-time sponsor for the Award for Best OTC Trade & Professional Advertising.

And last – but by no means least – Mash Health is sponsoring the Award for Best OTC Pharmacy Training.

■ Find out how to enter, attend or sponsor the OTC Marketing Awards 2011 by contacting Jenna Lawrence or Val Davis at **OTC bulletin** (Tel: +44 1564 777550; Fax: +44 1564 777524; E-mail: jenna.lawrence@otc-bulletin.com or val.davis@otc-bulletin.com). Alternatively, visit the Awards website at [www.otc-bulletin.com/awards](http://www.otc-bulletin.com/awards).

## The OTC Marketing Awards 2011:

### OTC Company of the Year

*Sponsored by IMS Consumer Health and SymphonyIRI Group*

### OTC Brand of the Year

*Sponsored by Euro RSCG Life*

### OTC Launch of the Year

*Sponsored by Tena*

### OTC Brand Revitalisation of the Year

*Sponsored by Spink*

### Most Innovative New OTC Product

### Best OTC Marketing Campaign on a Big Budget

**Best OTC Marketing Campaign on a Small Budget**  
*Sponsored by Bounty & Bounty Health Network*

### Best OTC Consumer Advertising on Television

*Sponsored by Pegasus*

### Best OTC Consumer Advertising in the Press

### Best OTC Consumer Advertising Out-of-Home

### Best OTC Consumer Advertising on the Internet

### Best OTC Public Relations Campaign for a Medicine

**Best OTC Public Relations Campaign for a Non-Medicine**  
*Sponsored by Doctors.net.uk*

### Best New OTC Packaging Design

**Best OTC Trade & Professional Advertising**  
*Sponsored by Doctors.net.uk*

### Best OTC Pharmacy Training

*Sponsored by Mash Health*

### Best OTC Pharmacy Support Package

*Sponsored by the Company Chemists' Association*

**Best OTC Pharmacy Salesforce**  
*Sponsored by IMS Consumer Health*

**Best OTC Performer Outside Pharmacy**  
*Sponsored by SymphonyIRI Group*

### Best OTC Multiple Retailer of the Year

*Sponsored by the Company Chemists' Association and OTC bulletin*

**OTC bulletin**

In association with **ims** | SymphonyIRI Group

# OTC Marketing Awards

Recognising the achievements of the British OTC industry

Gala Dinner & Awards Presentation

IMS Consumer Health and SymphonyIRI Group are co-hosts for OTC bulletin's OTC Marketing Awards 2011

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# Hedrin Once is first with pharmacists

*Thornton & Ross' Hedrin grabbed the attention of pharmacists in our Pharmacy viewpoint monthly survey of UK pharmacists' attitudes to OTC sales and marketing, which is published exclusively in OTC bulletin courtesy of the Intr@PharmQ service from IMS. The Alli, Bonjela and Pantoloc brands also got noticed.*

As summer fades and school starts, pharmacists' thoughts have turned to head lice, encouraged by Thornton & Ross and its trade campaign for Hedrin Once, the latest line extension that is claimed to kill head lice in one application and is available as either a spray or liquid gel.

One in eight UK pharmacists said that Hedrin was backed by the best current trade-press advertising for an OTC medicine or dietary supplement when they responded to IMS Consumer Health's Intr@PharmQ survey between 5 August and 1 September (see Figure 1).

## One treatment does the job

Hedrin Once is the focus of Thornton & Ross' current trade-press advertising for the brand under the headline "Once! Now, that's all it takes to treat head lice!". Featuring a gap-toothed, shaggy-haired child pointing to a pack of Hedrin Once, the advertisement urges pharmacists to "Use your head, use your Hedrin".

It promises that there will be "No more treating head lice twice", because "one treatment does the job".

Pointing out that a new clinical trial had shown that Hedrin Once Gel can kill 100% of lice and eggs in one 15-minute treatment, the advertising copy emphasises that no pesticides are used and no laborious combing is required. "There's really only one treatment to recommend," it advises.

A medical device, Hedrin Once liquid and spray come in 60ml packs with recommended retail selling prices of £6.99 (€8.45).

The same slogan "Use your head, use your Hedrin" is also used in the Hedrin Once television commercial that shows different children playing. A voiceover asks: "Why treat head lice twice?" before continuing: "Hedrin Once Spray Gel could kill head lice and eggs in just one 15-minute treatment. No traditional pesticides, no combing, job done."

The commercial made its debut towards the

end of the survey period on 23 August, and as a result did not make it into the television table.

The two brands with their noses in front in the best current television advertising section are Reckitt Benckiser's Bonjela and Novartis' Pantoloc, each of which attracted 6.9% of the vote (see Figure 2).

Launched earlier this year, Bonjela Complete Plus is claimed to offer "Complete mouth ulcer care" (*OTC bulletin*, 31 May 2010, page 17). The commercial is built around the claim "Our most complete treatment ever", and features a woman unsuccessfully attempting to treat an ulcer by putting a sticking plaster inside her mouth.

Bonjela Complete Plus is "an advanced complete treatment that forms a protective layer like a plaster", the commercial maintains, adding that the product "soothes pain, aids healing and lasts for up to four hours".

Bonjela shares first place with Novartis' launch commercial for the heartburn remedy Pantoloc Control, which under various brand names gained non-prescription status in all 27 member states of the European Union last year (*OTC bulletin*, 19 June 2009, page 1).

Created by the agency Adrenalin, the pan-European commercial for the pantoprazole-based medicine is based around images of everyday situations, including parents having breakfast with their children, and a woman meeting a friend for lunch. The aim, explained Novartis, was to encourage consumers to "question why they should lose a single moment to heartburn when they could have day and night relief with Pantoloc Control" (*OTC bulletin*, 30 July 2010, page 18).

Built around the slogan "All day, all night heartburn relief", the commercial is part of a £2.0 million television and press advertising campaign for the pharmacy-only medicine (*OTC bulletin*, 14 May 2010, page 22).

Novartis is also supporting Pantoloc Control with press advertising, point-of-sale mate-

## BEST CURRENT REPRESENTATIVE DETAILING

Rank	Brand	Company	Product type	Pharmacists (%)
1=	Alli	GlaxoSmithKline	Weight-loss medicine	4.6
	Gaviscon	Reckitt Benckiser	Heartburn remedy	4.6
	Nurofen	Reckitt Benckiser	Oral/topical analgesic	4.6
	Pantoloc	Novartis	Heartburn remedy	4.6
5	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	3.4

Base: 87 pharmacists who named a brand of OTC medicine or food supplement

**Figure 4: Unprompted response of UK pharmacists between 5 August and 1 September 2010 when they were asked the question: "In your opinion, which OTC medicine/dietary supplement is currently backed by the best representative detailing?" (Source – *OTC bulletin*/IMS' Intr@PharmQ service)**

## Intr@PharmQ and Pharmacy viewpoint

**Pharmacy viewpoint** is a monthly survey of pharmacy attitudes to OTC marketing in the UK, which appears exclusively in **OTC bulletin** courtesy of the Intr@PharmQ service from IMS.

The survey highlights pharmacists' attitudes to OTC marketing campaigns – both as healthcare professionals and consumers – as well as

reflecting their general feelings about particular OTC brands.

Intr@PharmQ is a rapid information-gathering service consisting of web-based interactive questionnaires on the Intr@Pharm community pharmacy portal. Questionnaires can be set up on the site quickly, and responses collated within days.

The service can be used to ask pharmacists about a range of subjects including products, company image and representatives. **OTC**

- For further information contact Tai Azeez, IMS, 7 Harewood Avenue, London NW1 6JB, UK (Tel: +44 20 3075 4142; Fax: +44 20 7393 5900; E-mail: TAzeez@uk.imshealth.com).



Thornton & Ross' current pharmacy-press advertising highlights Hedrin Once, the latest addition to its Hedrin range of head-lice remedies

rial, training for pharmacists and their staff, and public relations activity.

The pharmacy-support package for the Pantoloc brand, however, was ranked by pharmacists behind that for GlaxoSmithKline's Alli weight-loss medicine, which received nearly one in 10 of the votes cast (see Figure 3).

In the representative detailing section of **Pharmacy viewpoint**, Alli and Pantoloc had to share the top spot with Reckitt Benckiser's Gaviscon and Nurofen, each capturing 4.6% of the vote (see Figure 4).



Reckitt Benckiser is backing its new Bonjela Complete Plus with a television commercial highlighting how the mouth-ulcer remedy provides the protection of a plaster but is easier to apply



Wonderful everyday moments feature in Novartis Consumer Health's launch television commercial for its Pantoloc Control heartburn medicine in the UK

# PHARMACY *viewpoint*

## BEST CURRENT TRADE-PRESS ADVERTISING

Rank	Brand	Company	Product type	Pharmacists (%)
1	Hedrin	Thornton & Ross	Head-lice remedy	12.6
2	Nurofen	Reckitt Benckiser	Oral/topical analgesic	9.2
3	Canesten	Bayer Consumer Care	Antifungal	8.0
4	Solpadeine	GlaxoSmithKline	Oral analgesic	6.9
5	Alli	GlaxoSmithKline	Weight-loss medicine	5.7
6=	Full Marks	SSL International	Head-lice remedy	4.6
	Wartner	Omega Pharma	Skincare	4.6
8=	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	3.4
	Nicorette	McNeil Products	Smoking-cessation aid	3.4
	Slimfast	Unilever	Slimming aid	3.4

Base: 87 pharmacists who named a brand of OTC medicine or food supplement

Figure 1: Unprompted response of UK pharmacists between 5 August and 1 September 2010 when they were asked the question: "In your opinion, what is the best current trade-press advertisement for an OTC medicine/dietary supplement?" (Source – OTC bulletin/IMS' Intr@PharmQ service)

## BEST CURRENT TELEVISION ADVERTISING

Rank	Brand	Company	Product type	Pharmacists (%)
1=	Bonjela	Reckitt Benckiser	Mouth-ulcer treatment	6.9
	Pantoloc	Novartis	Heartburn remedy	6.9
3=	Alli	GlaxoSmithKline	Weight-loss medicine	5.7
	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	5.7
	Gaviscon	Reckitt Benckiser	Heartburn remedy	5.7
	Nurofen	Reckitt Benckiser	Oral/topical analgesic	5.7
7=	Canesten	Bayer Consumer Care	Antifungal	4.6
	Full Marks	SSL International	Head-lice remedy	4.6
	Sominex	Actavis	Sleep aid	4.6
	Voltarol	Novartis	Topical analgesic	4.6
11=	Magicool	FranceMed	Cooling spray	3.4
	NiQuitin	GlaxoSmithKline	Smoking-cessation aid	3.4
	Piriton/Piriteze	GlaxoSmithKline	Allergy remedy	3.4

Base: 87 pharmacists who named a brand of OTC medicine or food supplement

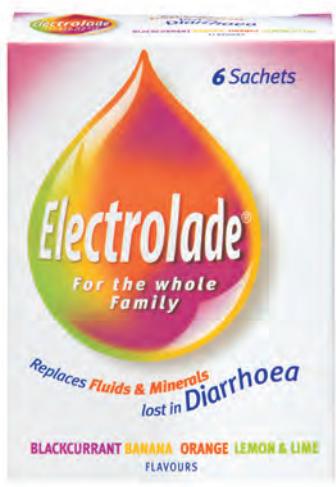
Figure 2: Unprompted response of UK pharmacists between 5 August and 1 September 2010 when they were asked the question: "In your opinion, what is the best current television consumer advertisement for an OTC medicine/dietary supplement?" (Source – OTC bulletin/IMS' Intr@PharmQ service)

## BEST CURRENT PHARMACY-SUPPORT PACKAGE

Rank	Brand	Company	Product type	Pharmacists (%)
1	Alli	GlaxoSmithKline	Weight-loss medicine	9.2
2=	Canesten	Bayer Consumer Care	Antifungal	6.9
	Nurofen	Reckitt Benckiser	Oral/topical analgesic	6.9
4	Pantoloc	Novartis	Heartburn remedy	5.7
5=	NiQuitin	GlaxoSmithKline	Smoking-cessation aid	4.6
	Solpadeine	GlaxoSmithKline	Oral analgesic	4.6
7=	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	3.4
	Gaviscon	Reckitt Benckiser	Heartburn remedy	3.4
	Imigran	GlaxoSmithKline	Migraine remedy	3.4
	Wartner	Omega Pharma	Skincare	3.4

Base: 87 pharmacists who named a brand of OTC medicine or food supplement

Figure 3: Unprompted response of UK pharmacists between 5 August and 1 September 2010 when they were asked the question: "In your opinion, which OTC medicine/dietary supplement is currently backed by the best pharmacy-support package (consumer/trade advertising, bonus deals, profit margin, training, etc.)?" (Source – OTC bulletin/IMS' Intr@PharmQ service)



"Colourful, juicy and vibrant" is how Actavis describes the revamped packaging for its Electrolade oral rehydration product in the UK.

The prominent picture of fruit on the old packaging has been replaced with a colourful droplet that highlights the rehydrating properties of the product. One strapline points out that the general-sales list medicine "Replaces fluids and minerals lost in diarrhoea", while another draws attention to the choice of four flavours.

Noting that the main competitor was blackcurrant-flavoured, Actavis said Electrolade was "the only brand on the market that offers a variety pack containing four different flavours". This made it "an easy choice for parents", the company added.

Actavis noted that the relaunch would be backed by a range of point-of-sale material, including wobblers and shelf-edgers.

A pack of six sachets has a recommended retail price of £2.35 (£2.80), while a pack of 20 sells for £7.99.

OTC



Three-dimensional drops of water symbolise the hydrating and soothing effect of Hydrocortison Hexal on revised packaging for the German firm's pharmacy-only skincare medicine.

Hexal said it had retained the predominantly blue livery of the packaging, as well as the 0.25% and 0.5% strengths and 20g and 50g pack sizes.

A prescription-only 1.0% variant is also available.

OTC

## IN BRIEF

**AUDEN MCKENZIE** has renamed its Corlan pellets for mouth ulcers in the UK as Hydrocortisone 2.5mg Muco-Adhesive Buccal Tablets. The company explained that the change had been made following its acquisition of the pharmacy-only medicine from UCB Pharma in March of this year. A pack containing 20 tablets has a recommended retail selling price of £5.95 (£4.96).

OTC

## Marketing Campaigns

# Cymalon understands cystitis – which is more than men do

"Really rubbish gifts" is the theme of Actavis' new digital and social media campaign for its Cymalon range of cystitis remedies in the UK.

The company is investing more than £0.25 million (£0.30 million) in the campaign, which positions Cymalon as the product that "understands how women feel, especially when it comes to providing effective relief for the burning pain of cystitis".

Actavis explained that the campaign compared men's lack of understanding when selecting thoughtful gifts with their absence of knowledge about cystitis.

Running from July until November, the campaign is based around a competition on Facebook. Visitors to the Facebook page can give themselves a chance to win prizes, including iTunes vouchers, by uploading photos of really rubbish gifts they have received. A tarantula spider and facial hair bleach are just two of the gifts revealed to date.

To drive women to the Facebook page, Actavis is running banner advertisements on female-oriented websites including Cosmopolitan, NetDoctor, Yahoo Mail and Facebook.

The banner poses the question: "Does your man ever understand what you really want?"



A competition on social-media website Facebook is central to Actavis' digital campaign for Cymalon

It then pictures a woman's ideal gift of a pair of shoes followed by a man's actual gift of a car wheel. "He won't understand the burning pain of cystitis either," continues the banner, adding "Thankfully, we do".

Actavis noted that Cymalon accounted for around 30% of the market for cystitis remedies, which was currently worth around £5 million annually.

The Cymalon range consists of Cymalon Sachets with a recommended retail price of £4.45 for six sachets, Cymalon Liquid priced £4.45 for 60ml, and Cymalon Cranberry Extract priced £4.95 for 60 tablets.

OTC

## Launches

# Teva UK reveals its OTC generics range

Teva UK aims to deliver "good health for less" by entering the UK's OTC market with a range of more than 20 pharmacy and general-sales list medicines that will be available exclusively from pharmacies.

Initially offering "high-quality" products for pain relief, allergy relief, cold and flu relief, gastrointestinal complaints and skincare, the range will be supplied under the Teva umbrella brand plus the international non-proprietary name (INN) of the active ingredients. It will be launched to consumers in the autumn, with further products to be added in 2011.

Ryan Ruscoe, OTC brand manager for Teva UK, said the company had "selected the range to meet consumers' everyday healthcare needs, and to give them a real alternative to leading brand remedies".

A year ago, Teva UK – the country's lead-



More than 20 medicines make up Teva UK's OTC range

ing generics firm – announced it intended to gain a strong foothold in the OTC medicines market by launching a range of non-prescription products into the pharmacy channel (**OTC bulletin**, 30 September 2009, page 3).

At the time, Teva noted that its pharmacy salesforce and its reward schemes would help to attract pharmacy customers.

OTC

**OCTOBER**

5 October

**■ Essential Learning on Phytopharmaceuticals**

*Bonn, Germany*

Willmar Schwabe's Günther Meng will join representatives from the German medicines manufacturers' association, the BAH, at this one-day event, conducted in German.

*Contact: BAH.**Tel: +49 228 957 450.**Fax: +49 228 957 4590.**E-mail: bah@bah-bonn.de.**Website: www.bah-bonn.de.*

7-10 October

**■ Expopharm 2010**

*Munich, Germany*

International pharmaceutical trade fair and conference.

*Contact: Gabriele Stadler, Werbe- und Vertriebsgesellschaft Deutscher Apotheker.*  
Tel: +49 6196 928 411.  
Fax: +49 6196 928 404.  
E-mail: g.stadler@wuv.aponet.de.  
Website: www.expopharm.de.

12-13 October

**■ Regulatory Affairs in Asia**

*Cologne, Germany*

A two-day event covering pharmaceutical regulatory affairs in countries such as China and Korea.

*Contact: Henriette Wolf-Klein, Forum Institut für Management.*  
Tel: +49 6221 500 680.  
Fax: +49 6221 500 555.

*E-mail: h.wolf-klein@forum-institut.de.  
Website: www.forum-institut.de.*

18-19 October

**■ Bridging the Regulatory Gap Between Australia/New Zealand and Europe**

*London, UK*

The pharmaceutical industry and regulatory environment in Australia and New Zealand will be discussed at this two-day seminar.

*Contact: Management Forum.**Tel: +44 1483 730071.**Fax: +44 1483 730008.*

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

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

19 &amp; 20-21 October

**■ Pharmaceutical Labelling and Packaging**

*London, UK*

A pre-conference workshop entitled 'Written information provision

26-27 October

**■ How Can Non-Prescription Medicines Best Contribute to Public Health?**

*Antwerp, Belgium*

Speakers at this two-day conference – organised by the Association of the European Self-Medication Industry, the AESGP – include: Xavier de Cuyper of the Belgian Federal Agency for Medicines and Health Products; Dagmar Roth-Behrendt of the European Parliament; Eric Abadie of the Committee for Medicinal Products for Human use (CHMP); Noël Wathion of the European Medicines Agency (EMA); and Kent Woods of the UK Medicines and Healthcare products Regulatory Agency (MHRA).

*Contact: Association of the European Self-Medication Industry, the AESGP.**Tel: +32 2 735 51 30. Fax: +32 2 735 52 22.**E-mail: l.gits@aesgp.be. Website: www.aesgp.be.**Tel: +61 2 9922 5111.**Fax: +61 2 9959 3693.**E-mail: conference2010@asm.com.au.**Website: www.asm.com.au.*

22 &amp; 23-24 November

**■ Regulatory Affairs in Emerging Economies**

*London, UK*

A pre-conference workshop entitled 'Emergence of Mexico, Argentina, Turkey and the Middle East: practical regulatory advice' will accompany this two-day event.

*Contact: Informa UK.**Tel: +44 20 7017 7481.**Fax: +44 20 7017 7823.**E-mail: registrations@informa-ls.com**Website: www.informa-ls.com.*

beyond the European Union: spotlight on the Americas' will accompany this two-day meeting.

*Contact: Informa UK.**Tel: +44 20 7017 7481.**Fax: +44 20 7017 7823.**E-mail: registrations@informa-ls.com.**Website: www.informa-ls.com.*

21-22 October

**■ The 1x1 on the OTC Market**

*Düsseldorf, Germany*

Rabea Steffen of Johnson & Johnson will speak at this two-day conference, conducted in German.

*Contact: Michaela Gottwald, Forum Institut für Management.*

*Tel: +49 6221 500 610.**Fax: +49 6221 500 555.**E-mail: m.gottwald@forum-institut.de.**Website: www.forum-institut.de.*

25-26 &amp; 27 October

**■ Nutraceuticals and Functional Foods**

*London, UK*

Topics for discussion at this two-day conference include global perspectives, functional foods, marketing opportunities, nutrition and health claims, and probiotics. The meeting will be followed by a half-day workshop on 'Protecting product innovation'.

*Contact: Samantha Graves, SMi Group.**Tel: +44 20 7827 6052.**Fax: +44 87 0909 0712.**E-mail: sgraves@smi-group.co.uk.**Website: www.smi-online.co.uk.***NOVEMBER**

2 November

**■ Hot Topics in Advertising**

*London, UK*

A one-day event run by the UK's Medicines and Healthcare products Regulatory Agency (MHRA).

*Contact: MHRA.**Tel: +44 20 7084 2903.**Fax: +44 20 7084 3522.**E-mail: conferences@mhra.gsi.gov.uk.**Website: www.mhra.gov.uk.*

8-9 November

**■ EuroPLX 44**

*Barcelona, Spain*

A two-day partnering and licensing forum focusing on OTC medicines, nutraceuticals, branded prescription drugs and generics.

*Contact: RauCon.**Tel: +44 6222 9807 0.**Fax: +44 6222 9807 77.**E-mail: meetyou@europlx.com.**Website: www.raucon.com.*

18 November

**■ ASMI Conference**

*Sydney, Australia*

'Bringing self-care to life' is the theme of this one-day conference, organised by the Australian Self-Medication Industry (ASMI).

*Contact: ASMI.*

2 December

**■ Marketing Authorisation in Latin America**

*Düsseldorf, Germany*

A one-day event looking at Argentina, Brazil, Chile, Colombia, Mexico and Peru.

*Contact: Henriette Wolf-Klein,**Forum Institut für Management.**Tel: +49 6221 500 680.**Fax: +49 6221 500 555.**E-mail: h.wolf-klein@forum-institut.de.**Website: www.forum-institut.com.*

6-7 December

**■ EMA/TOPRA**

**Joint Review of the Year and Look to the Future**

*London, UK*

This two-day conference is organised by the European Medicines Agency (EMA) and The Organisation for Professionals in Regulatory Affairs (TOPRA).

*Contact: TOPRA.**Tel: +44 20 7510 2560.**Fax: +44 20 7537 2003.**E-mail: meetings@topra.org.**Website: www.topra.org.***FEBRUARY 2011**

1-2 February

**■ AESGP Conference**

*Brussels, Belgium*

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# UK general practitioners like the idea of self-care

**General practitioners in the UK are positive about self-care but have reservations about switches, according to an exclusive study by medeConnect Healthcare Insight, part of the Doctors.net.uk group. Deborah Wilkes reports.**

More than nine out of ten general practitioners in the UK believe that self-care by patients has an important role to play in general practice, and a similar proportion feel that general practice could benefit from more self-care by patients for minor ailments. Furthermore, nearly eight out of ten general practitioners are likely to encourage more patients to practice self-care in the future.

However, only just over a third want more medicines to be switched from prescription-only to pharmacy (POM-to-P) status.

These are the main findings of a study of general practitioners carried out exclusively for **OTC bulletin** by medeConnect Healthcare Insight, part of the Doctors.net.uk group, which is the UK's largest online professional network of doctors. Doctors.net.uk conducted the study in July 2010 using its monthly general practitioner omnibus survey.

The survey covered a representative sample of general practitioners in England's 10 Strategic Health Authorities (SHAs), as well as in Northern Ireland, Scotland and Wales. Of the 1,011 general practitioners who took part in the survey, 58% were men and 42% were women. About 65% were categorised as principals, 27% as salaried and 8% as locums. The proportion

working in a dispensing practice was 17%.

In terms of practice size, 49% were based in a practice employing at least six general practitioners, 30% in a practice of four or five, and 19% in a practice of two or three. The other 2% were single-handed general practitioners.

As can be seen from Figure 1, 92% of the general practitioners surveyed agreed with the statement "Self-care by patients has an important role to play in general practice". Half strongly agreed and 42% agreed.

Only 2% disagreed with the statement, with the other 5% neither agreeing nor disagreeing.

Responses by general practitioners to the statement "General practice could benefit from more self-care by patients for minor ailments" were broadly similar. As Figure 2 shows, 91% agreed with the statement – 54% strongly agreed and 37% agreed – while 2% disagreed and 7% neither agreed nor disagreed.

## Time spent recommending OTC medicines

The results also highlight that general practitioners currently spend a significant amount of their time recommending OTC medicines.

Simon Grime, head of healthcare at Doctors.net.uk, says general practitioners are "regularly and increasingly asked by patients about OTC brands and for recommendations". "Brand own-

ers need to engage general practitioners to ensure their brands are front of mind during consultations," he adds.

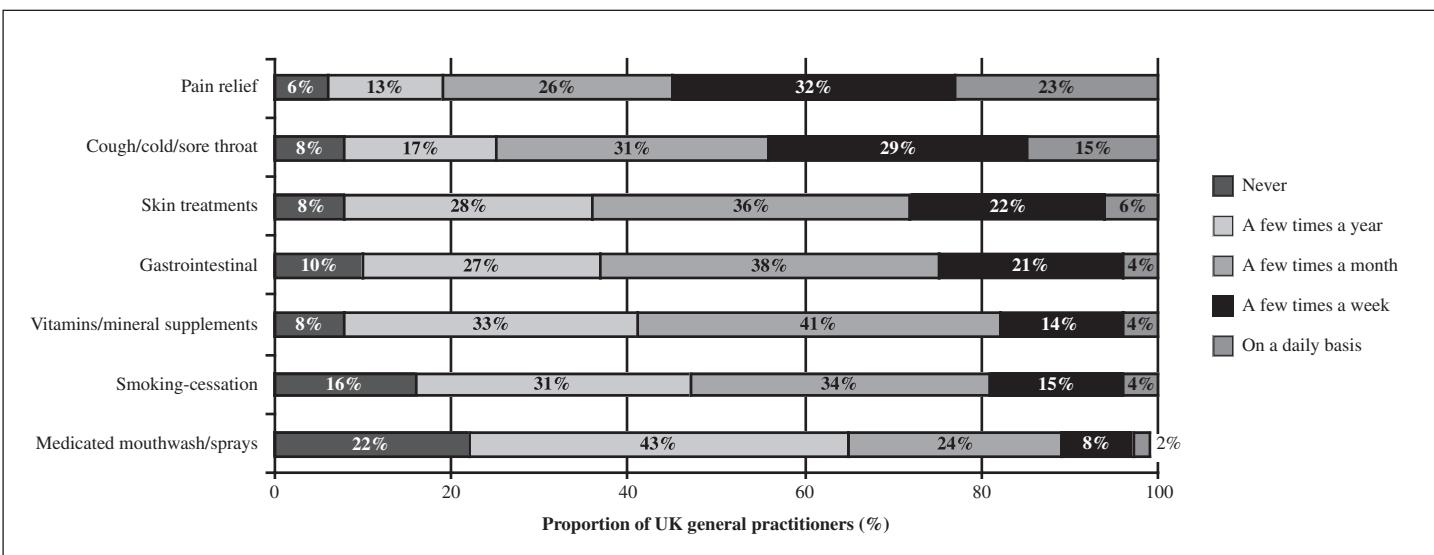
Around 23% of general practitioners said, for example, that they were asked "on a daily basis" to recommend OTC medicines for pain relief, and a further 32% said this happened "a few times a week" (see Figure 3). On average, the general practitioners surveyed reckoned that 28% of their patients asked them to recommend OTC medicines for pain relief (see Figure 4).

A similar picture emerged for cough, cold and sore-throat products. Around 15% of general practitioners said they were asked to make recommendations "on a daily basis", and a further 29% selected the "a few times a week" option. General practitioners said, on average, that 27% of their patients asked them for a recommendation regarding OTC medicines for coughs, colds and sore throats.

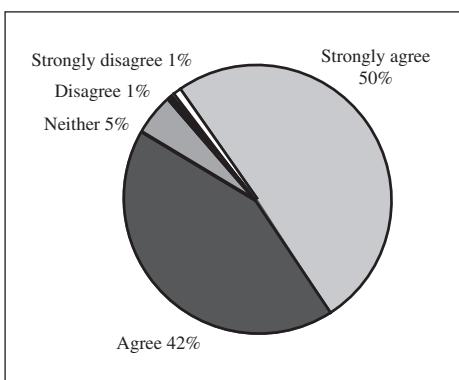
The results are consistent with research carried out for the Proprietary Association of Great Britain (PAGB) nearly three years ago. This revealed that around 57 million consultations with general practitioners each year involved a minor ailment (**OTC bulletin**, 15 February 2008, page 13).

The PAGB's research led to the launch of the Self Care Campaign earlier this year (**OTC bulletin**, 31 March 2010, page 11). The campaign aims to "bring an end to the culture of dependency on the National Health Service (NHS) for minor illnesses". It is backed by the Royal College of General Practitioners (RCGP), the NHS Alliance, the National Association of Primary Care and the PAGB.

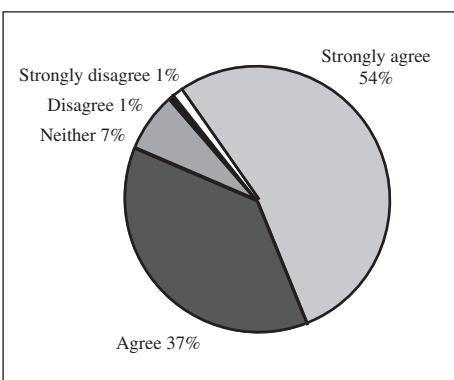
Of the 57 million consultations each year involving minor ailments, notes the Self Care Campaign, 51 million are for minor ailments alone. This is nearly one-fifth of general practitioners' workload at an estimated annual cost



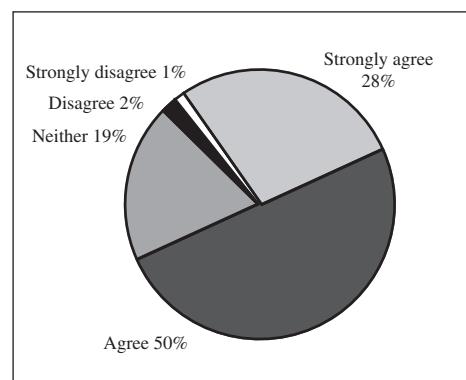
**Figure 3: Response of UK general practitioners when they were asked the question: "How frequently are you asked by patients for recommendations of over-the-counter medicines in the following categories?" (Source – Doctors.net.uk July 2010)**



**Figure 1: Response of UK general practitioners to the statement: "Self-care by patients has an important role to play in general practice"**  
(Source – Doctors.net.uk July 2010)



**Figure 2: Response of UK general practitioners to the statement: "General practice could benefit from more self-care by patients for minor ailments"**  
(Source – Doctors.net.uk July 2010)



**Figure 5: Response of UK general practitioners to the statement: "In future, it is likely that I will encourage more patients to practice self-care"**  
(Source – Doctors.net.uk July 2010)

of £2 billion (€2.4 billion), it adds.

"With the NHS Confederation forecasting a £20 billion shortfall in NHS funding over the next five years, a shift in behaviour around treating minor ailments could save the NHS £10 billion during that time," the campaigners say.

The Self Care Campaign's message is timely, as the new coalition government seeks approval for proposals set out in its health White Paper on 12 July. These would see general practitioners "given freedom and responsibility for commissioning care for their local communities".

### Some good news for campaigners

The Doctors.net.uk survey has some good news for the campaigners. The vast majority of general practitioners surveyed agreed that "In future, it is likely that I will encourage more patients to practice self-care". As can be seen from Figure 5, more than three-quarters of general practitioners agreed with this statement.

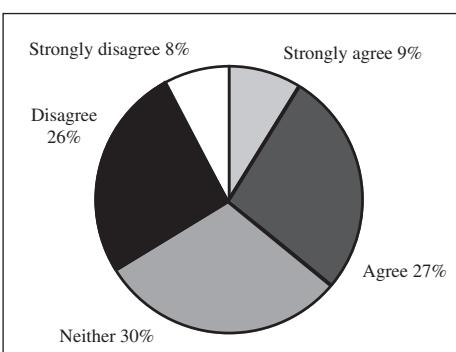
However, there was a note of caution in their responses. Only 28% strongly agreed with the statement, while 50% were not prepared to say more than they agreed. And although only 3%

disagreed, as many as 19% neither agreed nor disagreed with the statement.

The prospect of more medicines being released from prescription control rang alarm bells for general practitioners. Only 36% of general practitioners either strongly agreed or agreed that "More medicines should be switched from prescription-only to pharmacy (POM-to-P) status". And almost as many – 34% – strongly disagreed or disagreed with the idea, with the remaining 30% neither agreeing nor disagreeing (see Figure 6).

When general practitioners were questioned about a selection of recent POM-to-P switches, only a few said they were "very comfortable" with any of them. The survey also indicated that general practitioners were far more comfortable with some than others.

For instance, the majority of general practitioners – 56% – were either "very comfortable" or "comfortable" with the switch of chloramphenicol 0.5% w/v eye drops for treating acute bacterial conjunctivitis (*OTC bulletin*, 30 November 2004, page 1). Only 27% were "very uncomfortable" or "uncomfortable" with the



**Figure 6: Response of UK general practitioners to the statement: "More medicines should be switched from prescription-only to pharmacy (POM-to-P) status"**  
(Source – Doctors.net.uk July 2010)

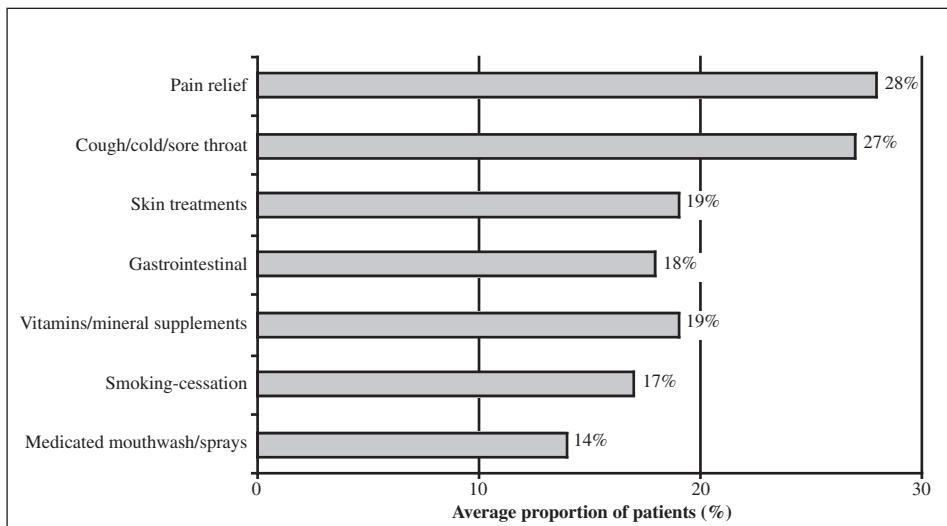
switch (see Figure 7 on page 28).

Similarly, the switch of 60mg orlistat oral capsules – GlaxoSmithKline Consumer Healthcare's Alli weight-loss aid (*OTC bulletin*, 29 January 2009, page 1) – also fared relatively well. Over 40% of general practitioners were either "very comfortable" or "comfortable" with the switch, which was a higher proportion than the 36% who were either "very uncomfortable" or "uncomfortable".

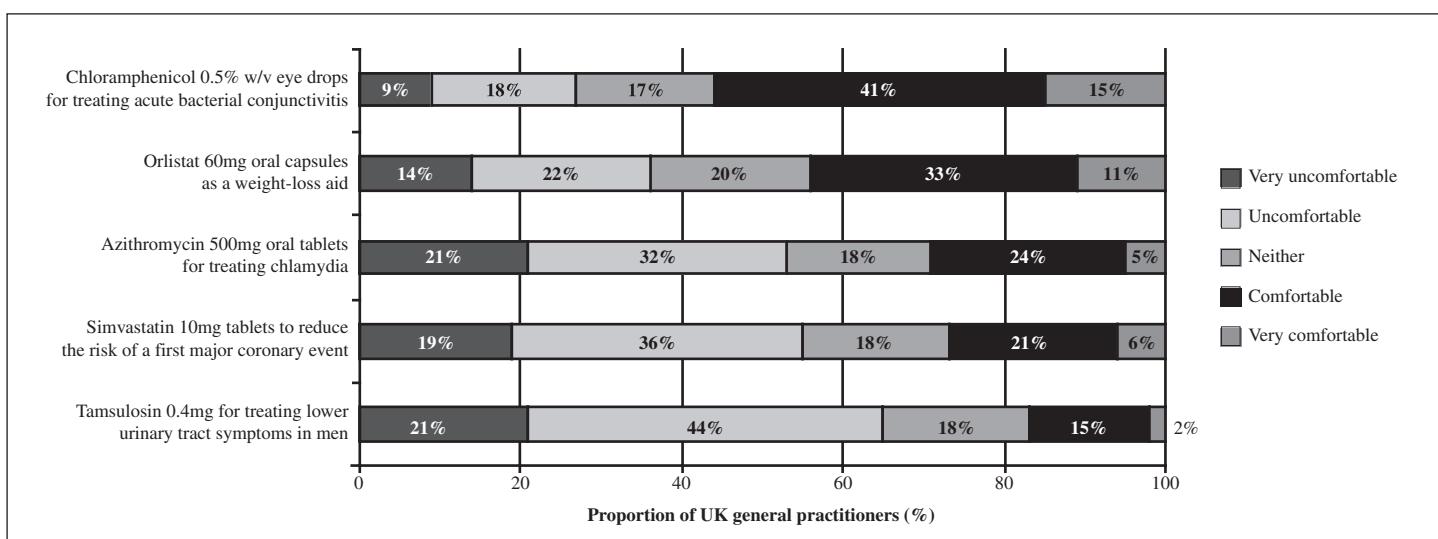
But the switch of 0.4mg tamsulosin hydrochloride for treating lower urinary tract symptoms in men – Boehringer Ingelheim's Flomax Relief (*OTC bulletin*, 18 December 2009, page 1) – was not very popular with general practitioners, according to the survey. Only 17% of general practitioners said they were either "very comfortable" or "comfortable" with the switch, while the majority, 65%, were either "very uncomfortable" or "uncomfortable".

### Mixed response for switches

The survey also produced a mixed response when general practitioners were probed about their views on switching medicines for a range of conditions from POM-to-P status. Only a handful of general practitioners were "very comfortable" about any of the conditions presented to them, but many were "very uncom-



**Figure 4: Average response of UK general practitioners when they were asked the question: "And within each category, approximately what proportion of your patients actually ask for a recommendation regarding over-the-counter medicines?"**  
(Source – Doctors.net.uk July 2010)



**Figure 7: Response of UK general practitioners when they were asked the question: "How comfortable are you with the switch from prescription-only to pharmacy (POM-to-P) status of the following medicines?" (Source – Doctors.net.uk July 2010)**

fortable" about several of the options (see Figure 8 on this page).

Erectile dysfunction fared best. A third of general practitioners said that they were either "very comfortable" or "comfortable" with POM-to-P switches for this condition. Nevertheless, a total of 41% were either "very uncomfortable" or "uncomfortable".

Pfizer is keen to switch its erectile dysfunction drug, Viagra (sildenafil citrate). However, its initial application through Europe's centralised licensing procedure was withdrawn nearly two years ago (*OTC bulletin*, 28 November 2008, page 1).

Treating lower urinary tract infections with antibiotics did almost as well as erectile dysfunction. Although half of general practitioners were either "very uncomfortable" or "uncomfortable" with this concept, 30% were either "very comfortable" or "comfortable".

Earlier this year, Actavis pulled out of its application to switch the antibiotic trimethoprim

from POM-to-P status for treating recurring urinary tract infections in women (*OTC bulletin*, 16 April 2010, page 1). The decision was announced almost five years after the UK's Medicines and Healthcare products Regulatory Agency (MHRA) started consulting on the switch application, which was hit from the beginning by concerns about increased bacterial resistance.

#### Switching medicines for osteoporosis

Only 26% of general practitioners were either "very comfortable" or "comfortable" with the possibility of POM-to-P switches for medicines for osteoporosis. More than half were "very uncomfortable" or "uncomfortable".

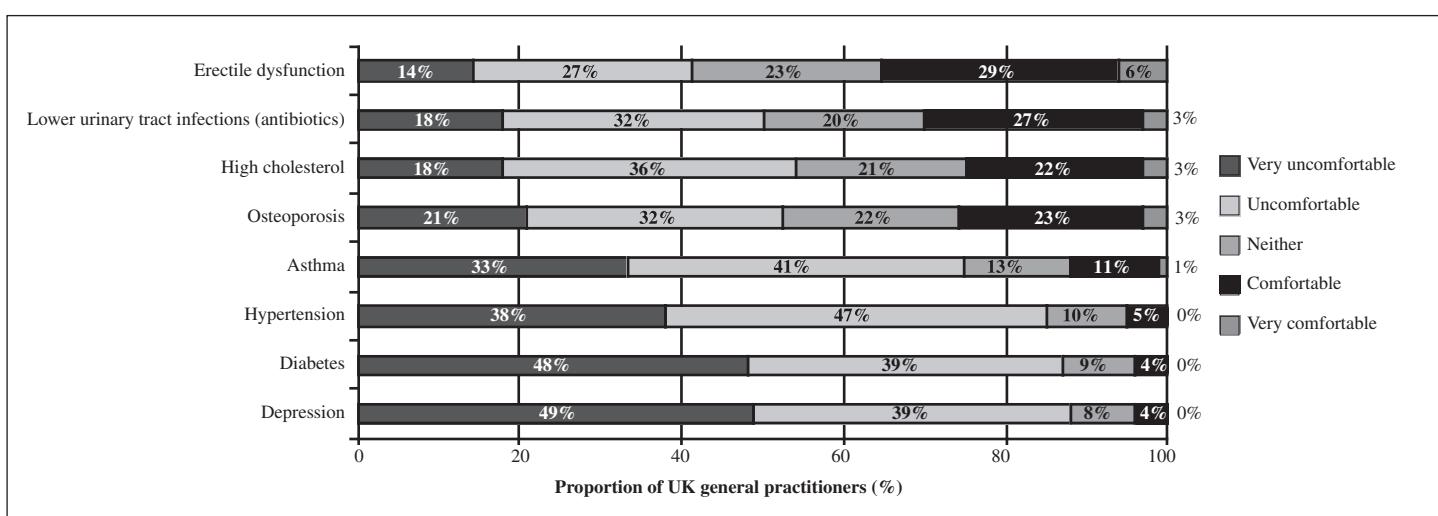
But this was more positive than the reaction to POM-to-P switches for asthma medicines. Just 12% of general practitioners were either "very comfortable" or "comfortable" about such moves, while 74% were "very uncomfortable" or "uncomfortable".

General practitioners were particularly concerned about the prospect of POM-to-P switches for medicines to treat depression, diabetes or hypertension. Nearly nine out of ten general practitioners surveyed were either "very uncomfortable" or "uncomfortable" about switching medicines for these conditions, which have been on the OTC industry's switch agenda for years.

The results of the survey suggest that the OTC industry clearly needs to find ways of making general practitioners feel more comfortable about its switch agenda. However, the industry should be pushing against an open door when it comes to increasing the amount of self-care.

- For further information about surveys and other services available from Doctors.net.uk contact Simon Grime, head of healthcare, Doctors.net.uk, 90 Milton Park, Abingdon OX14 4RY, UK (Tel: +44 7827 350703; E-mail: simon.grime@mess.doctors.org.uk; Website: www.doctors.net.uk).

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**Figure 8: Response of UK general practitioners when they were asked the question: "How comfortable are you with some medicines for the following conditions being available from pharmacies without a prescription?" (Source – Doctors.net.uk July 2010)**

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Manufacturers

# Whitcomb set to take charge of Ransom

**F**red Whitcomb is set to become chief executive officer of William Ransom & Son just over 18 months after failing in an attempt to remove the existing board of the troubled natural healthcare company.

He will take over from **Ivor Harrison** when he leaves Ransom on 27 September to join the healthy snacks company Snapz.

Whitcomb, who holds a 13.98% stake in the UK-based company, was an executive director of Ransom from June 2005 to December 2007.

In June of this year, Whitcomb was welcomed back onto Ransom's board as a non-executive director by the company's chairman David Suddens, who said that Whitcomb had requested representation and had emphasised a desire to work with the existing board and management (*OTC bulletin*, 30 June 2010, page 27).

In January 2009, Whitcomb and fellow shareholder Stephen Quinn tabled a motion at Ransom's general meeting to remove the existing board (*OTC bulletin*, 29 January 2009, page 8). If the proposal had succeeded Whitcomb and Quinn would have been named executive di-

ectors, with former executive director David Wilkie and Frank Lewis in non-executive roles.

Whitcomb, along with Quinn, was co-founder of natural products firm Optima Healthcare, which Ransom acquired in 2005 (*OTC bulletin*, 17 June 2005, page 5).

Commenting on Whitcomb's appointment as chief executive officer, Ransom said Whitcomb had the "entrepreneurial drive" to help grow sales and develop new opportunities for Ransom by building on the groundwork laid out by Harrison.

Harrison joined Ransom just over two years ago (*OTC bulletin*, 15 April 2008, page 21). He took control shortly after the company had experienced a major setback when the Medicines and Healthcare products Regulatory Agency (MHRA) temporarily suspended its manufacturer's licence for certain products made at its plant in Witham, Essex (*OTC bulletin*, 17 December 2007, page 5).

A few months later, Harrison instigated a turnaround plan, with the aim of streamlining the business and returning it to profitability



Fred Whitcomb

(*OTC bulletin*, 29 September 2008, page 6). The plan has seen Ransom divest numerous brands over the past two years.

Meanwhile, Ransom will make more changes to the board at its annual general meeting on 28 October. **David Suddens** will step down as chairman. He will be replaced by **Sir Roger Jones** – a fellow of the Royal Pharmaceutical Society and founder of Penn Pharmaceuticals – who will become non-executive chairman. In addition, **Tim Rogers** will leave the board.

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## Manufacturers

# Johnson & Johnson gets new quality control chief

Johnson & Johnson has given corporate vice-president **Ajit Shetty** the task of implementing its new manufacturing, quality and compliance framework, which has been drawn up in the wake of the company's product recall woes.

Shetty would head up a team of "veteran manufacturing experts", said Johnson & Johnson, adding that they would facilitate more effective coordination of the company's quality, compliance and supply chain organisations.

## Each of company's three divisions

Johnson & Johnson has also appointed chief quality officers for each of its three divisions – Consumer, Medical Devices & Diagnostics and Pharmaceutical.

Product recalls and suspending production at McNeil Consumer Healthcare's Fort Washington manufacturing plant led to US sales at Johnson & Johnson's OTC & Nutritionals business falling by US\$187 million (€147 million) in the second quarter of 2010 (*OTC bulletin*, 30 July 2010, page 4).

Production at Fort Washington is not expected to restart until the latter half of 2011, and Johnson & Johnson has admitted that it does not expect to have alternative supply for most

of the products made at the plant before the end of this year.

As a result, US sales at the firm's OTC & Nutritionals business are expected to decline by US\$600 million in 2010.

In May, the Committee on Oversight and Government Reform within the US House of Representatives announced that it was investigating McNeil's voluntary recall involving over 40 OTC medicines for infants and children made at Fort Washington (*OTC bulletin*, 14 May 2010, page 1).

This came on top of a Warning Letter received by Johnson & Johnson earlier in the year from the Food and Drug Administration (FDA) in the US about its OTC plant in Las Piedras, Puerto Rico (*OTC bulletin*, 10 February 2010, page 22).

The Warning Letter led Johnson & Johnson voluntarily to recall a number of its OTC brands manufactured at Las Piedras due to complaints of an "unusual mouldy, musty or mildew-like odour that, in a small number of cases, was associated with temporary and non-serious gastrointestinal events".

The recall was extended in June (*OTC bulletin*, 30 June 2010, page 12) and again in July.

## Manufacturers

# Novartis reshuffles regional OTC heads

**Brian McNamara** has been appointed head of the Americas region for Novartis' OTC business, following a reshuffle of the regional management team.

McNamara, who was previously region head Europe for the company's OTC business, now has responsibility for North and Latin America.

The post of region head Europe has been filled by **Kevin White**, who was previously region head for Latin America, Middle East and Africa.

In addition, **Stefan Kundert** has been appointed region head International Operations, with a remit covering China, India and Russia, as well as Africa, Asia-Pacific and the Middle East. Kundert was previously in charge of the Asia-Pacific region.

McNamara, White and Kundert all report to George Gunn, worldwide head of Novartis' Consumer Health division.

Meanwhile, the Swiss company has not yet appointed a new worldwide head for its OTC business, following the departure of Dirk Van de Put earlier this year (*OTC bulletin*, 30 April 2010, page 23).

Van de Put left the job after just eight months to become the chief operating officer of McCain Foods.

After Van de Put left, Gunn took day-to-day control of the worldwide OTC business.

OIC

## IN BRIEF

■ **RATIOPHARM**'s chief executive officer Oliver Windholz will become a board member at pan-European wholesaling and pharmacy retailing group Phoenix Pharmahandel from 1 February 2011. He will replace sales and marketing director **Henry Iberl**, who is to retire. Phoenix' parent company, the Merckle group, has just divested Ratiopharm to Teva for approximately €3.63 billion.

■ **RED DOOR COMMUNICATIONS** is bolstering its Consumer Health division with two appointments. **Rachel Vrettos**, who has spent the past seven years at the UK-based public relations agency, has been promoted to head of Consumer Health, while **Vicky Lygoe** joins the company as a senior account manager. Lygoe moves to Red Door Communications from Edelman JCPR.

## Service Providers

# Du Peloux heads new Silliker unit

**Michel du Peloux** has joined Silliker as senior vice-president of the company's new global business unit dedicated to nutrition and health.

Silliker pointed out that du Peloux had "extensive experience in the field of nutrition, self-medication and OTC products".

Du Peloux previously worked for Merck KGaA's Consumer Health Care business as the chief executive officer for France and then as corporate vice-president of research and development and operations at the company's headquarters in Germany.

He has also worked for Novartis.

Part of Institut Mérieux, Silliker provides analytical testing, consulting, auditing and contract research activities to food companies.



Michel du Peloux

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