

OTC *bulletin*

THE BUSINESS NEWSLETTER FOR EUROPE'S CONSUMER HEALTHCARE INDUSTRY

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European Commission has a rethink on health claims

The European Commission has decided to change the process for adopting general health claims for foods.

The move comes after industry and some member states complained about the Commission's progressive approach whereby claims were set to be adopted in a number of batches. They pointed out that this approach could lead to market distortions between companies whose claims had been rejected and companies whose claims had not yet been assessed.

Furthermore, concerns had been expressed that botanical ingredients were treated differently under the food claims regulation than they were under the legislation for traditional herbal medicinal products.

Botanicals will be handled separately

The Commission announced this week that the community list of permitted general health claims for foods would now be established in two steps. The list for all substances other than botanicals would be adopted in a single step, it explained, with claims for botanicals considered once the first step had been completed.

The Commission noted that the European Food Safety Authority (EFSA) was expected to finalise opinions on all claims other than botanicals by the end of June 2011. The Commission would then "immediately" follow up with the

necessary legislative measures.

The community list of permitted general health claims for foods – covered by Article 13.1 of regulation 1924/2006 – should have been completed by 31 January 2010. However, it became clear some time ago that the deadline would not be met (OTC *bulletin*, 30 October 2009, page 18).

The first batch of permitted general health claims was finally put forward for adoption recently. But the European Union's Standing Committee on the Food Chain and Animal Health (SCFCAH) did not adopt the claims (OTC *bulletin*, 30 July 2010, page 13).

Adoption was necessary for these general health claims to be included in a community register, as described by Article 20 of the regulation. Claims rejected by EFSA would have featured in a negative list in the community register and would have had to have been withdrawn from the market.

The first batch was based on the 94 scientific opinions published by the European Food Safety Authority (EFSA) last October. EFSA only gave the go-ahead to approximately a third of the first batch of general health claims (OTC *bulletin*, 16 October 2009, page 11).

EFSA has since published a second series of opinions (OTC *bulletin*, 17 March 2010, page 11), and will soon publish a third.

Pfizer may divest its Capsugel unit

Pfizer is exploring strategic options, including divestment, for its Capsugel drug-delivery business.

Capsugel – which is part of Pfizer's Diversified Businesses division, together with the Animal Health, Consumer Healthcare and Nutrition operations – recorded sales of US\$740 million (€535 million) in 2009. Pfizer pointed

Scheske gets PepTcell post

Manfred Scheske – the former European president of GlaxoSmithKline Consumer Healthcare – has taken the new role of chief executive officer of Consumer Health at the drug-discovery firm PepTcell.

Scheske will have full responsibility for PepTcell's consumer health portfolio. This in-

Business Strategy

GNC announces US\$350mn IPO

General Nutrition Centers – GNC – is looking to raise up to US\$350 million (€255 million) through an initial public offering (IPO).

The US-based nutritional supplements retailer said that it intended to use the proceeds from the IPO for working capital and general corporate purposes.

GNC did not state how many shares it planned to sell or other details of the offer.

Acquired by private-equity firm Apollo Management for US\$750 million seven years ago (*OTC bulletin*, 31 October 2003, page 3), GNC postponed a planned IPO in 2006 (*OTC bulletin*, 17 November 2006, page 1).

GNC reported sales of US\$1.71 billion in 2009, with an operating profit of US\$181 million. At the end of the year, the company had more than 6,900 outlets – over 5,400 of which were in the US – and had franchise operations in 47 countries (*OTC bulletin*, 31 March 2010, page 7).

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IN BRIEF

■ **NBTY** has now been taken over by private-equity company **The Carlyle Group** in a deal worth US\$3.8 billion (€2.89 billion). The US-based supplements manufacturer and retailer announced the deal in July (*OTC bulletin*, 30 July 2010, page 1), and secured shareholder support in September (*OTC bulletin*, 29 September 2010, page 8).

■ **MEDA** has completed its US\$350 million (€253 million) acquisition of **Alaven**. The Swedish firm said the deal would give it a “strategic OTC platform in the US” (*OTC bulletin*, 10 September 2010, page 1).

■ **SANOFI-AVENTIS** has made a hostile bid for **Genzyme** worth US\$18.5 billion (€13.4 billion). The US-based biopharmaceutical company’s board had previously rejected two bids from the French firm (*OTC bulletin*, 10 September 2010, page 4) and has refused to enter into negotiations with Sanofi-Aventis.

■ **TAMRO** said its sales had improved by **6.6% to €1.45 billion** in its second quarter ended July 2010. The Finnish wholesaler and retailer added that its operating profit had risen by 13% to €34.4 million over the three months.

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Trading Update

Germany’s Stada suffers from setbacks in Serbia

Difficulties in collecting payments from Serbian wholesalers will cause Stada Arzneimittel to record a one-time €29.5 million pre-tax charge in the third quarter of this year.

“By far the most significant individual case,” the German group explained, “concerns trade accounts receivable due to Stada’s subsidiary, Hemofarm, from the Serbian wholesaler group Velefarm.” Hemofarm – which owns a minority stake in Velefarm, as does the Serbian state – has agreed a deal with the wholesaler that will see Velefarm appoint a chief restructuring officer and allows the wholesaler to pay Hemofarm the money it owes “on a gradual basis over several years”.

Stada has installed a new management team

at Hemofarm, following the recent departure of long-serving president Miodrag Babic. The new team is to “modify the local distribution model with the goal of improving the risk profile with respect to wholesalers and customers”.

Improvement by the end of 2010

The German group said it would have to turn around its Serbian business by the end of this year if it was to achieve its 2010 target of increasing its sales and operating profit.

In the first half of this year, Stada’s total sales in Serbia declined by 21% to €35.8 million, or just under 5% of group turnover ahead by 3% to €778 million (*OTC bulletin*, 10 September 2010, page 10).

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Business Strategy

Alliance Boots to cut around 900 jobs

Alliance Boots plans to cut around 900 jobs over the next three years.

The pan-European retailer and wholesaler said the move would involve “non-store” jobs, which were based within the UK part of its Health & Beauty division and the related contract manufacturing activities. The cuts would primarily be in Nottingham, it added.

Alliance Boots pointed out the job losses represented under 10% of the non-store workforce of these businesses in the UK. “Where possible,” the company stated, “the reduction will be achieved through staff turnover and by offering redeployment to other areas within the group.”

According to Alliance Boots, the “efficiency

drive” should reduce operating costs by £56 million (€64 million) annually from 2013/2014. It added that rolling out the initiative over the next three years would cost around £67 million.

Alex Gourlay, chief executive officer of the Health & Beauty division, said the initiative would give the business “a stronger, more agile support infrastructure”.

Alliance Boots noted that the efficiency drive would focus on moving to a leaner central-support organisation equipped with better systems, streamlining manufacturing operations, and optimising supply-chain activities.

The company employs more than 115,000 people around the world, including approximately 70,000 in the UK.

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Business Strategy

New Bayer CEO targets healthcare deals

Marijn Dekkers, Bayer’s newly-installed chief executive officer, said that acquisitions would be on his agenda and that the healthcare market was most likely to offer up opportunities.

Although Dekkers did not elaborate on specific target areas, he said that Bayer Healthcare – which includes Bayer Consumer Care – and Bayer Crop Science had the greatest

scope for expansion through acquisitions.

Dekkers – who took over from Werner Wenning on 1 October (*OTC bulletin*, 30 September 2009, page 23) – noted that the company could undertake a deal the size of its €16.3 billion acquisition of fellow German pharmaceutical firm Schering in 2006 (*OTC bulletin*, 31 March 2006, page 1).

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Mergers & Acquisitions

Omega Pharma in talks to buy Laboratoire de la Mer

Omega Pharma is in exclusive talks to acquire the French natural products company Laboratoire de la Mer.

The Belgian firm said it was in negotiations with TCR Capital – the majority shareholder in Laboratoire de la Mer’s parent company CH-Pharma – and expected to reach an agreement within the next two weeks.

Acquiring Laboratoire de la Mer would expand its presence in the cough/cold sector, said Omega, as well as add approximately €25 mil-

lion to sales and €8.0 million to earnings before interest, tax, depreciation and amortisation (EBITDA) in 2011.

Based around a range of seawater-containing products, Laboratoire de la Mer’s portfolio includes the Hydrasense, Nasalmer, Physiomer and Sinoclear nasal-care products, as well as the Audiclean ear-care brand and Opticalm eye-care line. The company also offers the Lipozone slimming products and the Varidraine heavy-legs line, as well as distributing the Algodentyl oral- and dental-care brand.

Laboratoire de la Mer’s brands are available in 50 countries worldwide through distribution partners including Omega, which sells the products in Australia, the Benelux countries, Greece and New Zealand. Around 85% of the firm’s sales are generated in markets outside of France.

Marc Coucke, Omega’s chief executive officer, said Laboratoire de la Mer’s flagship brands would expand the company’s position in the natural care market while its “expertise and assets in the fast-growing cough and cold segment” fitted exactly with Omega’s strategy.

Drive to reach global top 10

The news about Laboratoire de la Mer comes after Omega announced in March that it would consider buying innovative brands or businesses with global potential as part of its drive to become one of the world’s top 10 OTC players (*OTC bulletin*, 31 March 2010, page 2).

Acquisitions would play a part, Omega noted, in expanding its five new business categories of Classics, Cough & Cold, Derma, Multi-Locals and Parasites. Focusing on just the five business areas would enable Omega to shift away from niches with sales of €50 million to €100 million, the company said, to large categories like dermatology and cough/cold.

Omega claims to be the 13th biggest OTC company in the world with sales of €814 million in 2009 and a presence in 35 countries (*OTC bulletin*, 10 February 2010, page 11).

IN BRIEF

■ VALEANT has completed its merger with Biovail. The enlarged company will have sales of around US\$1.75 billion (€1.26 billion) (*OTC bulletin*, 30 June 2010, page 3).

Mergers & Acquisitions

Reckitt to sell two SSL brands

Reckitt Benckiser has agreed to sell two of RSSL International’s OTC brands in the UK and Ireland to satisfy competition concerns raised by the European Commission.

The UK-based company said it would sell “two relatively minor local SSL brands” to gain European Commission approval for its £2.54 billion (€2.92 billion) takeover of SSL.

A spokesperson for Reckitt Benckiser said the names of the brands would be revealed once the European Commission had approved the acquisition, which was likely to be on or by 25 October 2010.

Reckitt Benckiser announced in July that it was acquiring SSL in a deal that would add the Durex and Scholl brands to its global health and personal care portfolio (*OTC bulletin*, 30 July 2010, page 1).

The company said the purchase would increase annual sales at its Health & Personal Care division by more than a third to about £2.8 billion. The enlarged division with SSL would represent a third of the group’s total turnover, it added.

Reckitt Benckiser has just extended – for a second time – the period for shareholders in SSL to accept its takeover offer. The closing date is now 29 October 2010.

On the initial closing date of 16 September 2010, shareholders representing 45.68% of SSL’s stock had accepted the bid (*OTC bulletin*, 29 September 2010, page 4).

By the second closing date of 7 October 2010, the figure had risen to 62.65%.

Business Strategy

Oriola rebrands its wholesaling units

Oriola-KD is bringing its wholesale businesses in Russia and Sweden under the same corporate banner, as the Finnish company looks to create a Europe-wide identity.

From January 2011, Oriola-KD’s Moron operation in Russia and KD Pharma business in Sweden would operate under the Oriola name, the pan-European wholesaler and retailer said.

The change will bring both businesses into line with Oriola-KD’s wholesaling operations in Estonia, Finland, Latvia and Lithuania.

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Business Strategy/Regulatory Affairs

Children's Tylenol returns to US stores

McNeil Consumer Healthcare has returned one of its Children's Tylenol liquid products to the US market, shortly after a Congressional committee said it would investigate further the recall that had led to the product's withdrawal, as well as other recalls initiated by the Johnson & Johnson subsidiary.

McNeil confirmed it had resumed shipping limited quantities of Children's Tylenol Grape Splash liquid – which had been manufactured by an affiliate in Canada – during the week commencing 4 October 2010.

Almost one million bottles were set to be shipped in the first week, according to William Weldon, Johnson & Johnson's chairman and chief executive officer, with the company expecting to distribute a total of four million bottles in the US by the end of the year.

The resumption of shipping came just under six months after the product – along with a further 43 OTC medicines for infants and children – had been withdrawn from the US market in April 2010, following problems at McNeil's facility in Fort Washington, Pennsylvania (*OTC bulletin*, 14 May 2010, page 1).

McNeil had warned in June that it did not expect to have sources of supply for most of the recalled products made at Fort Washington before the end of the year (*OTC bulletin*, 30 June 2010, page 1). As a result, US sales by the company's OTC & Nutritionals business were expected to decline by US\$600 million (€436 million) in 2010 (*OTC bulletin*, 30 July 2010, page 4).

Weldon announced the resumption of shipping of Children's Tylenol on 30 September as he testified to a US congressional committee investigating the problems at Fort Washington and so-called "phantom recalls" by McNeil of its Motrin products in 2008.

The April recall caused the US House of Representatives' Committee on Oversight and Government Reform to launch an investigation which was then widened after the US Food and Drug Administration (FDA) provided documents to the committee. These showed McNeil had known there was a potential problem with one of its Motrin analgesics in 2008, but instead of issuing a recall, had sent out a contractor to buy the products back directly from retailers (*OTC bulletin*, 11 June 2010, page 1).

Prior to the 30 September hearing, the committee also raised questions over another "phantom recall", this time involving Children's Tylenol, which may have taken place in 2009 (*OTC bulletin*, 29 September 2010, page 10).

Addressing the issues raised by the committee, Weldon admitted that Johnson & Johnson had "let the public down", but said actions had been taken at McNeil to fix the problems.

Weldon pointed out that McNeil was "revamping" the Fort Washington facility to bring both its equipment and procedures "up to the high standards we set for ourselves". It was spending US\$100 million "across McNeil" on facilities and equipment, he added, and Johnson & Johnson as a whole was restructuring its quality and operations responsibilities (*OTC bulletin*, 10 September 2010, page 31).

Turning to Johnson & Johnson's actions prior to a retailer-level recall of Children's Tylenol in September 2009 (*OTC bulletin*, 16 October 2009, page 16), Weldon admitted it had employed a contractor to carry out an "instore assessment" in July ahead of the official recall. He denied, however, that the contractor had been told to purchase any products.

He also noted that the September 2009 recall of Children's Tylenol had not been related to the problems that led to the April 2010 recall.

Addressing the alleged "phantom recall" of Motrin analgesics in 2008, Weldon told the committee that he believed McNeil had "acted with good intentions" and he did not view the use of a contractor to retrieve the product, by itself, as "inappropriate".

However, Weldon conceded that McNeil should have handled the situation differently.

Too long to happen

Joshua Sharfstein, principal deputy commissioner of the FDA, told the committee that in his opinion it had taken too long for the recall to happen.

"It was clear in November 2008 that the Motrin lots did not meet specifications. Yet the actual recall did not happen until early August of the following year. This took too long," he said.

In April 2009, he admitted, the firm sent a report to the FDA indicating that it was purchasing product from the shelves of retailers. "This communication did not fully disclose the likely scale of the action or the way the company was intending to proceed," he said.

"It seemed strange that the company had paid a contractor to go into retail stores across the country to purchase all available product while acting like a regular customer, and not disclosing whether it was a recall," he said.

Nethertheless, it had taken until July for the FDA to tell the firm that a recall should be conducted. "In my opinion," Sharfstein said, "that



McNeil Consumer Healthcare resumed shipping its Children's Tylenol Grape Splash liquid on 4 October

message should have been given sooner."

Sharfstein also pointed out that the Motrin issue had "raised important questions" about the current voluntary system of drug recalls.

"The FDA has no legal authority to require a manufacturer to recall a drug product that is unsafe or is not in compliance with current good manufacturing practice," Sharfstein said.

In the case of the Motrin recall, if the FDA had had the authority "simply to order a recall to be done in the right way", Sharfstein insisted, these events would not have occurred.

Sharfstein's position was backed by the committee's chairman Edolphus Towns, who in July presented a bill to the US House of Representatives that would give the FDA the power to issue mandatory recalls of adulterated or misbranded drugs.

Towns said that the evidence the committee had heard indicated some "very serious problems" with the way Johnson & Johnson "viewed its responsibility to the public" and with its "day-to-day relationship with the FDA".

He added that although Johnson & Johnson claimed the FDA knew about the "phantom recall" of Motrin, the company had done everything it could to avoid a formal recall and accused the firm of trying "to pull a fast one on the American public". "Johnson & Johnson did everything it could to avoid a formal recall," he said.

A criminal investigation had been started by the Justice Department, Towns said, but the committee would continue its enquiries.

First-Half Results

Sigma suffers loss after goodwill cut

Sigma Pharmaceuticals recorded a net loss of A\$219 million (€155 million) in the six months ended 31 July 2010 once it had registered an asset-impairment charge of A\$220 million related to the potential sale of its Pharmaceuticals division to South Africa's Aspen Pharmacare.

Explaining the reason for the charge, the Australian firm said that although the A\$900 million deal with Aspen (*OTC bulletin*, 10 September 2010, page 3) was not yet complete, the fact that Sigma's board had accepted the offer meant the division's goodwill valuation had had to be reduced.

The write-off is at the lower end of the range given by Sigma in September, when the company warned that it would have to reduce the goodwill value of its Pharmaceuticals division by between A\$220 million-A\$270 million (*OTC bulletin*, 29 September 2010, page 8).

Sigma has now wiped over A\$400 million off the goodwill value of its Pharmaceuticals division – which houses the company's Herron OTC brand, Arrow generics business and its medical and manufacturing operations – over the past 18 months.

In April, Sigma said it had booked a goodwill impairment charge of A\$184 million on the division for the year ended 31 January 2010, with A\$49.1 million cut from the value of the

Herron brand and A\$135 million from the generics business (*OTC bulletin*, 16 April 2010, page 2).

As Figure 1 shows, the Pharmaceuticals division reported a loss before interest and tax of A\$198 million over the six months ended 31 July. Sales edged up by 1.8% to A\$276 million.

Excluding the goodwill impairment charge and other adjustments, the underlying earnings before interest and tax (EBIT) at the Pharmaceutical division stood at A\$40.2 million.

Commenting on the division's OTC business, Sigma said its OTC brands had suffered from the uncertainty surrounding the ownership of the business and the withdrawal of advertising support.

Tighter controls on non-prescription combination analgesics containing codeine (*OTC bulletin*, 31 August 2009, page 1) – which came into force on 10 May 2010 – had also damaged

OTC sales, the company pointed out.

The reduced support for Herron had led to a 25% fall in the brand's grocery-store turnover, Sigma said, adding that its Natural brand had also suffered a drop in the same retail channel. However, strong sales growth in grocery stores had been reported by the Vita-Minis and other brands, the company noted.

Meanwhile, Sigma's Healthcare wholesaling and retailing division – which will become the company's focus once the Pharmaceuticals division is sold to Aspen – reported positive EBIT of A\$28.6 million, although this was down by 17% compared to the same period a year earlier. Sales rose by 8.0% to A\$1.35 billion.

The Healthcare division's positive EBIT result helped to reduce slightly Sigma's overall group loss before interest and tax to A\$180 million. Group sales increased by 6.9% to A\$1.62 billion over the six months.

Business	Annual sales (A\$ millions)	Change (%)	EBIT (A\$ millions)
Pharmaceuticals	276	+1.8	-198*
Healthcare	1,346	+8.0	29
Sigma Pharmaceuticals	1,621	+6.9	-180**
* Includes A\$18.1 million of unallocated losses ** Includes corporate expenses of A\$10.9 million			

Figure 1: Breakdown of Sigma Pharmaceuticals' sales and earnings before interest and tax (EBIT) in the six months ended 31 July 2010 (Source – Sigma)

Business Strategy

Chattem escapes Sanofi restructure

Sanofi-Aventis' recently-acquired US consumer healthcare business, Chattem, will not be affected by the company's plans to restructure its US pharmaceutical operations.

A spokesperson for the French firm told *OTC bulletin* that Chattem would not be impacted by its plans to "streamline" the Pharmaceutical Operations division in the US, which covered prescription products only.

Restructuring the business would lead to the loss of approximately 1,700 jobs, Sanofi-Aventis said, which accounted for around 25% of the division's total workforce.

Sanofi-Aventis acquired Chattem in February for US\$1.9 billion (€1.4 billion) to act as the company's US consumer healthcare division (*OTC bulletin*, 14 May 2010, page 8).

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Mergers & Acquisitions

Lloydspharmacy grows online offering

Lloydspharmacy – the UK's second-largest pharmacy chain – has expanded its online product offering by acquiring an 80% stake in the internet and mail-order retailer Betterlife Healthcare for an undisclosed sum.

Acquiring the stake in Betterlife – which specialises in mobility and disability living aids – allowed Lloydspharmacy to "meet the needs of customers beyond the provision of traditional pharmacy services", the Celesio-owned pharmacy chain pointed out. The deal also reflected its "commitment to growing the range of products and services" it offered.

Claiming that Lloydspharmacy had "pioneered the provision of online pharmacy and healthcare services", Paul O'Hanlon, Lloydspharmacy director, commented that the deal would not only build the firm's online offering but would also introduce Betterlife's products to a "whole new customer base" through

Lloydspharmacy's 1,650 pharmacy stores.

The independent living and mobility sector was a rapidly growing market, Lloydspharmacy claimed, with retail sales worth £500 million (€578 million) a year and a business-to-business market – such as care homes, health clinics and hospitals – worth an additional £1.1 billion.

Further growth was expected, the company added, as an ageing population sought to maintain their independence, improve their quality of life and stay in their own homes.

In September, Celesio said that its Mail-Order Pharmacies division – consisting of Doc-Morris in Germany and Vitusapotek in Norway as well as Lloydspharmacy in the UK – had enjoyed a positive first half of the year, with sales rising by 16.8% – 16.7% on a local currency basis – to €142 million (*OTC bulletin*, 10 September 2010, page 5).

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Mergers & Acquisitions

Unilever to buy Alberto Culver

Unilever is set to expand its Personal Care business by acquiring Alberto Culver and its portfolio of haircare and skincare brands for US\$3.7 billion (€2.7 billion) in cash.

The deal will give the Anglo-Dutch company the Simple range of skin and beauty products, which Alberto Culver acquired in January (*OTC bulletin*, 20 January 2010, page 6), as well as the TRESemmé, Nexxus and VO5 haircare brands and the Noxzema skincare line. They will join Unilever's existing brands, including Dove, Pond's, Sunsilk and Vaseline.

US-based Alberto Culver has operations in nine countries, including Argentina, Australia, Canada, Mexico, New Zealand, South Africa, the UK and the US.

Unilever pointed out that in the year ended 30 June 2010, Alberto Culver had recorded sales of approaching US\$1.6 billion and earnings before interest, tax, depreciation and amortisation (EBITDA) of more than US\$250 million.

Paul Polman, Unilever's chief executive officer, said that personal care was a strategic category for the company. Noting that 10 years ago the Personal Care business had accounted for just 20% of the group's total turnover, Polman said that strong organic growth meant it now represented more than 30%.

Unilever's worldwide sales slipped back by 1.7% to €39.8 billion in 2009.

The acquisition is subject to approval by regulators and Alberto Culver shareholders.

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Trading Update

Taisho forecasts a bigger sales uplift

Japan's Taisho Pharmaceutical has increased its sales forecasts for the first half and full year ending 31 March 2011, following better performances from its Self-Medication and Prescription divisions.

Group sales for the six months ended 30 September 2010 were now expected to rise by 2.5% to ¥133 billion (€1.16 billion), said Taisho, up from a forecast given in May of €130 billion. Full year sales were expected to rise by 2.7% to ¥266 billion, the firm noted, up from its previous forecast of ¥262 billion.

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Supply Agreements/Annual Results

NAI and Nestlé announce exclusive supplement deal

Natural Alternatives International (NAI) said Nestlé Nutrition had executed an agreement giving it exclusive rights to market a sustained-release tablet version of NAI's beta-alanine sports nutrition product SR CarnoSyn.

The deal formed part of an existing collaboration and exclusivity deal between the two firms, the US-based supplements company said.

NAI also revealed that it had gained, for the next two years, the "first right of offer" to supply nutritional supplements to Nestlé Nutrition's Performance Nutrition division. The Performance Nutrition business was aiming to take its PowerBar brand into the sports nutritional supplements field, the company noted.

Meanwhile, NAI said lower contract manufacturing sales to its two largest customers had led to a steep drop in turnover from continuing operations in the year ended 30 June 2010.

Sales at NAI fell back by 11.3% to US\$65.6 million (€47.9 million) due to a US\$7.9 mil-

lion decline in contract manufacturing turnover following "lower volumes of existing products in existing markets" sold to its two largest customers.

Lower sales of the company's branded products portfolio – blamed on a weak performance by the Pathway to Healing brand – compounded the fall in contract-manufacturing business.

Partially offset by new customers

These declines had been partially offset by increased contract manufacturing sales to other existing customers and to new customers, NAI pointed out, as well as a rise in royalty income related to a distribution agreement for the company's patented CarnoSyn beta-alanine sports nutrition product.

In contrast to the sales performance, NAI's operating income from continuing operations improved from just US\$0.4 million in the previous 12 months to US\$3.3 million this time.

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Annual Results

Sales rise at smaller Nutrition 21

Shorn of its retail and direct-selling operation, Nutrition 21 reported sales from continuing operations up by 14.0% to US\$8.76 million (€6.40 million) and a positive operating result of US\$1.94 million in the year ended 30 June 2010.

A year earlier, the US-based chromium supplement specialist reported an operating loss of US\$17.4 million – as it cut the goodwill valuation of its assets by US\$17.5 million – and a 16% fall in sales as it struggled with the impact of the global economic downturn (*OTC*

bulletin, 30 October 2009, page 10).

In response, Nutrition 21 sold its retail and direct-selling operation and switched its focus to its profitable ingredients business (*OTC bulletin*, 20 January 2010, page 2).

Despite the positive sales and operating income results, the company still suffered a total net loss of US\$3.66 million, as interest expenses of US\$3.78 million wiped out the operating income gains. This was compounded by a US\$1.82 million loss related to the sale of the retail and direct-selling business.

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IN BRIEF

■ **VEROPHARM** – the manufacturing arm of Russia's Pharmacy Chain 36.6 – said **OTC sales had accounted for 12%** of its first-half sales of RUB2.67 billion (€64.3 million) compared to 9% a year earlier. Prescription products generated 70% of the total, with Adhesive Bandages accounting for 17%.

■ **FERROSAN** said its sales had improved by **9% to almost €100 million** in the first half of

2010. The Danish firm noted that its Consumer Health division – which includes the Multi-tabs and Imedeem brands – had accounted for close to 85% of its turnover. The newly-created Medical Devices division generated the remainder.

■ **INDIA'S ELDER** Pharmaceuticals has increased its stake in its Bulgarian subsidiary Elder Biomeda from 61.0% to 92.2%.

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“High-fibre fruit flavour chews with Omega-3 and vitamins A, C, D and E,” is Oxford Nutrascience’s on-pack description of its new Chewyz reduced-sugar confectionery in the UK.

Chewyz will initially be available from Tesco Nutri Centre stores, but Oxford Nutrascience plans to launch the product in other countries. The company said it aimed to launch, or licence the product to a third party, in the US during 2011.

Nigel Theobald, chief executive of Oxford Nutrascience, said: “Healthier confectionery tends to mean sugar-free confectionery, but this all too often means taste-free confectionery.” He maintained that the launch of Chewyz showed that “chewy sweets can be better for you and taste great too”.

Oxford Nutrascience pointed out that Chewyz was based on the company’s technology, which enabled “functional ingredients such as vitamins and minerals to be added without compromising taste, texture and stability” (OTC bulletin, 11 June 2010, page 7). The company added that Ocean Nutrition’s MEG-3 meant “you can’t even taste the fish from omega-3”.

In the UK, Chewyz is expected to have a recommended retail selling price of £2.99 (£3.45) for a 100g bag containing a mixture of blackcurrant, orange and strawberry chews. The company recommends that consumers should take no more than six chews a day.

Product packaging highlights that “Chewyz look and taste like yummy sweets, but they have reduced sugar, are high in fibre and are bursting with vitamins and nutritious goodies”.

The company is backing the launch with in-store activity, including a presence in customer magazines, product sampling, and a trade public-relations campaign.

IN BRIEF

■ **GIVING VITAMIN D SUPPLEMENTS** to healthy children with normal vitamin D levels does not improve bone density at the hip, lumbar spine, forearm or in the body as a whole, according to a new **Cochrane Systematic Review**. However, the review found there was “some indication that children who had low levels of vitamin D in their blood might benefit from supplementation”. “We now need randomised controlled studies focused on vitamin D deficient children to confirm if vitamin D supplements would help this particular group,” commented the study leader, Dr Tania Winzenberg from the Menzies Research Institute Tasmania in Hobart, Australia.

Regulatory Affairs

Diapharm claims European first for combination herbal

Diapharm said it had registered Europe’s first traditional herbal medicinal product to be combined with minerals.

The traditional herbal medicine containing 40mg hawthorn extract together with potassium and magnesium salts has just been registered by Germany’s federal institute for drugs and medical devices (BfArM) using the simplified procedure established by European directive 2004/24/EC. The product is indicated for supporting cardiovascular function and protecting against climatic stress.

Diapharm plans to register the traditional herbal medicine in other European Union countries, including Austria and the UK.

The German pharmaceutical services pro-



Germany has just registered Diapharm’s traditional herbal medicine containing hawthorn extract and minerals

vider said the product would be launched in Germany and other markets by a third party. “Approximately one quarter of all traditional herbal medicinal products in the European Union originate from Diapharm in this way,” it noted.

Advertising Complaints

UK’s ASA backs Flomax campaign

Twenty-one complaints about Boehringer Ingelheim’s television and press advertising for Flomax Relief have been rejected by the UK’s Advertising Standards Authority (ASA).

The complainants, who believed the symptoms described in the advertising were often an early sign of prostate cancer, were concerned that men could be discouraged from “seeking essential treatment for symptoms that could be indicative of a more serious problem”.

The humorous campaign urges older men to “Take control of your annoying pee problems”. It uses an animated letter “P” to represent the symptoms of benign prostatic hyperplasia or an enlarged prostate, which include frequent urination and weak flow (OTC bulletin, 31 March 2010, page 13).

The UK was the first country in the world to make Flomax Relief (0.4mg tamsulosin hydrochloride) a non-prescription medicine for treating benign prostatic hyperplasia in men aged between 45 and 75 years (OTC bulletin, 18 December 2009, page 1).

Explaining its decision, the ASA noted that Flomax Relief had been authorised as a pharmacy-only medicine by the UK’s Medicines and Healthcare products Regulatory Agency (MHRA). It added that the MHRA had reviewed the advertising.

The ASA pointed out that men had to be diagnosed with benign prostatic hyperplasia before taking the medicine, and they had to be assessed by a doctor within the first six weeks after starting treatment. Furthermore, it added, men were encouraged to stop taking the medicine if their symptoms had not improved after 14 days, or if they worsened.

The ASA concluded that precautions were highlighted in “the usual way” for non-prescription medicines as well as by the completion of a questionnaire at a pharmacy.

In April, Boehringer Ingelheim rejected suggestions by a UK newspaper that switching Flomax Relief to non-prescription status could put lives at risk (OTC bulletin, 30 April 2010, page 13).

CORRECTION

■ **NOVARTIS CONSUMER HEALTH** has asked us to point out that the UK television commercial for **Otrivine** Adult Metered Dose 0.1% Nasal Spray does not include claims that it is

moisturising and prevents dryness and irritation as stated on page 20 of the 29 September 2010 issue of **OTC bulletin**.

Regulatory Affairs

HMPC moves on with herbal work

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

At its meeting in September, the HMPC finalised monographs for *Arctium lappa L. radix* (burdock root) and *Leonurus cardiaca L. herba* (motherwort), as well as one covering *Thymus vulgaris L.* and *Thymus Zygis Loeffl. ex L. aetheroleum* (thyme oil). The total number of final monographs is now 69.

One more Community list entry finalised

The new final Community list entry is also for *Thymus vulgaris L.* and *Thymus Zygis Loeffl. ex L. aetheroleum* (thyme oil). It will be sent to the European Commission for adoption.

The HMPC has also adopted three draft Community herbal monographs, which have been put out for public consultation until 15 February 2011. They are for *Achillea millefolium L. flos* (yarrow flower), *Achillea millefolium L. herba* (yarrow), and *Commiphora molmol Engler, gummi-resina* (myrrh).

Furthermore, the committee noted that no monograph or list entry would be established for *Euphrasia officinalis L.* and *Euphrasia rostkoviana Hayne herba* (eyebright).

Giving its reasons, the HMPC said "no adequate data are available on liquid water extracts which are *ex tempore* made as infusions for application as an ocular impregnated dressing and on nasal ointments for the relief of local nasal irritation in common cold". "Since the efficacy of the claimed uses is undocumented, and external eye application of *ex tempore* preparations is not hygienic and not safe, therapeutic use cannot be recommended," it added.

OTC

IN BRIEF

■ **MHRA** – the UK's Medicines and Healthcare products Regulatory Agency – has started an informal consultation on the legislation allowing health professionals and others to sell, supply and/or administer medicines through exemptions from the usual restrictions of the Medicines Act. The agency noted that Patient Group Directions and exemptions for podiatrists were being considered separately. The deadline for sending comments to the MHRA is 1 November 2010.

OTC

Government Measures

Medicines in firing line of French cost cutting

Cutting prices and reducing the 35% reimbursement rate are two of the main ways in which France's government plans to save €2.4 billion from the country's healthcare budget in 2011.

The government also intends to encourage higher rates of generic prescribing and lower the threshold above which medicine producers must pay rebates to health insurers on the sales of individual products.

Under the planned measures, price cuts will be implemented by France's economic committee for healthcare products, CEPS, with a goal of saving €500 million.

France's reimbursement rate of 35%, which according to the government applies to products with a less important therapeutic value, will be reduced to 30%. However, the higher

reimbursement rates of 65% and 100%, and the lower rate of 15% introduced earlier this year will remain.

Additionally, the mandatory clawbacks paid by companies on drugs with a turnover growth rate above 1.0% will now be applied to those with a growth rate of 0.5% or more.

The French government said the savings of €2.4 billion were needed to achieve its goal of restricting healthcare budget growth to 2.9% in 2011. The government intends to reduce the growth rate to 2.8% in 2012.

Meanwhile, figures from Celtipharm show sales of medicines reimbursed at the 15% rate introduced in April – including some non-prescription medicines – fell by 22.9% in value between April and August. This compared with 8.4% for the medicines market as a whole.

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CONSUMER *viewpoint*

Eczema 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.

French people are more likely to say they have suffered from eczema during the past year than their counterparts in Germany, Italy Spain or the UK, according to our **Consumer viewpoint** European survey.

Of the five countries covered by the Ipsos MORI survey, France has the highest proportion of people who say they have suffered from eczema during the past year at 7.4%, followed by the UK at 5.2%, Italy at 2.3%, Germany at 2.2% and Spain at 1.2% (see Figure 1).

In all five of the survey countries, women are more likely than men to say they have suffered from eczema (see Figure 2).

The low incidence of eczema in the survey countries means the following results should be treated with caution.

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.

Spain has the highest proportion of sufferers who have treated the condition with an OTC remedy at 84.0% (see Figure 4).

OTC treaters are more likely to be women than men in most countries (see Figure 5).

France has the highest proportion of people who have treated eczema with a prescription remedy at 55.7% (see Figure 6).

Germany has the highest proportion of herbal treaters at 14.7% (see Figure 7).

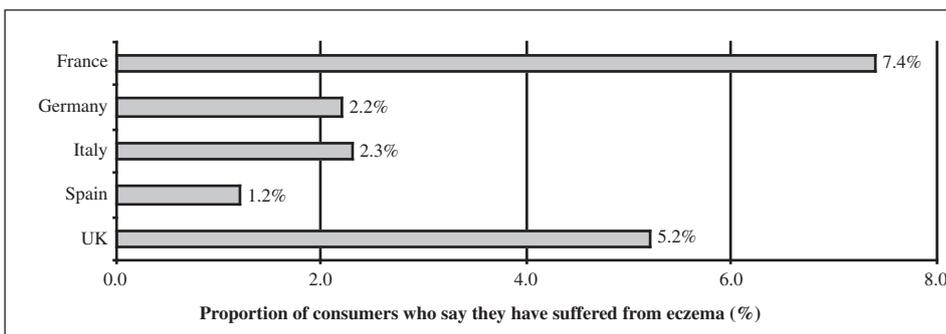


Figure 1: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema within the past year (Source – OTC bulletin 2010/Ipsos MORI)

	Proportion of sufferers (%)					Index				
	Fra	Ger	Ita	Spa	UK	Fra	Ger	Ita	Spa	UK
Male	37.7	23.3	45.3	41.5	37.8	79	48	93	87	78
Female	62.3	76.7	54.7	58.5	62.2	119	149	107	112	121
18-24	16.6	–	6.9	26.3	21.9	144	–	76	219	175
25-34	21.2	31.3	23.6	–	14.9	112	230	134	–	89
35-44	15.3	21.3	30.9	45.2	11.9	79	106	156	238	60
45-54	10.1	14.3	12.6	20.4	22.9	66	79	77	126	135
55-64	20.1	11.0	6.2	8.1	16.5	119	76	42	64	112
65+	16.5	22.0	19.8	–	11.9	92	88	106	–	61

Figure 2: Consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema 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 eczema, 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).

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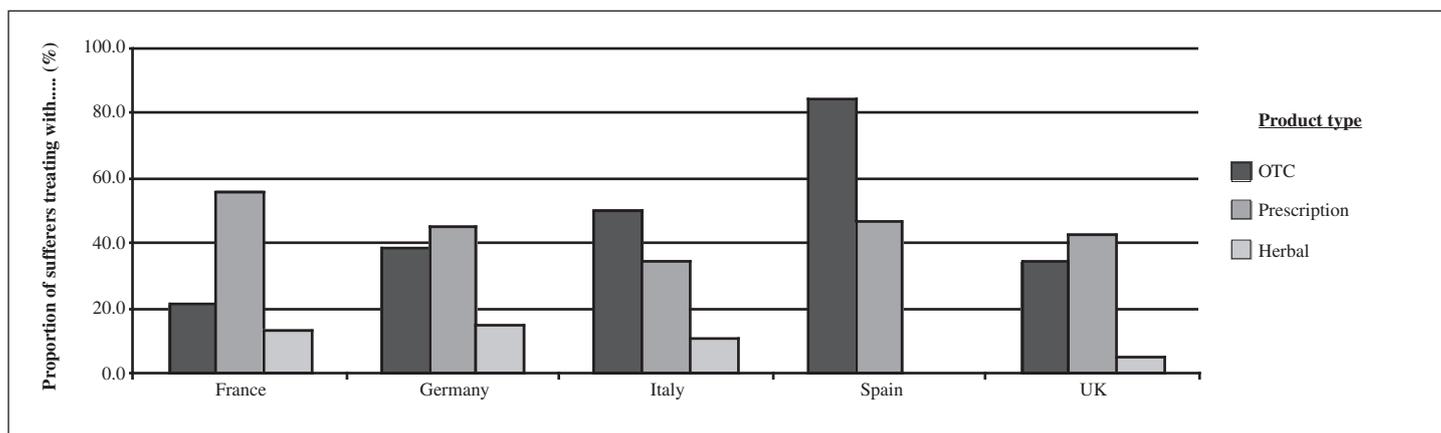


Figure 3: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema who have treated the condition with an OTC, prescription or herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)

eczema

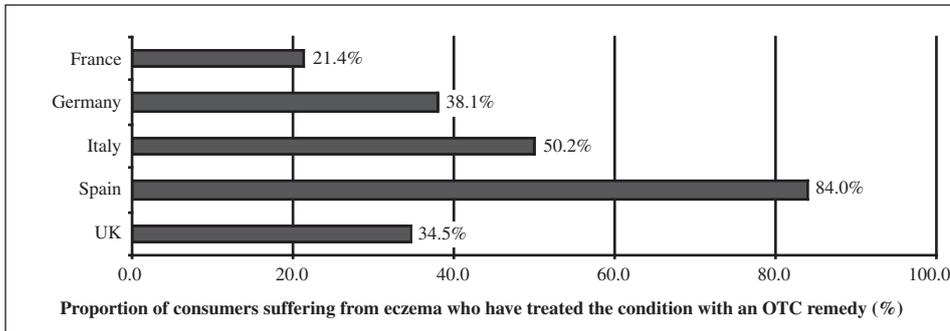


Figure 4: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema who have treated the condition with an OTC remedy (Source – OTC bulletin 2010/Ipsos MORI)

	Proportion of sufferers treating with OTC (%)					Index				
	Fra	Ger	Ita	Spa	UK	Fra	Ger	Ita	Spa	UK
Male	44.3	–	55.0	40.8	24.0	93	–	113	86	49
Female	55.7	100.0	45.0	59.2	76.0	107	194	88	113	148
18-24	31.4	–	6.7	31.3	27.0	273	–	74	261	216
25-34	25.9	37.1	30.4	–	12.4	136	273	173	–	74
35-44	7.9	20.0	30.8	34.8	2.8	41	100	156	183	14
45-54	6.8	–	25.1	24.3	28.1	44	–	153	150	165
55-64	6.2	4.1	7.0	9.7	21.7	37	28	47	77	148
65+	21.8	38.8	–	–	8.0	122	155	–	–	41

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

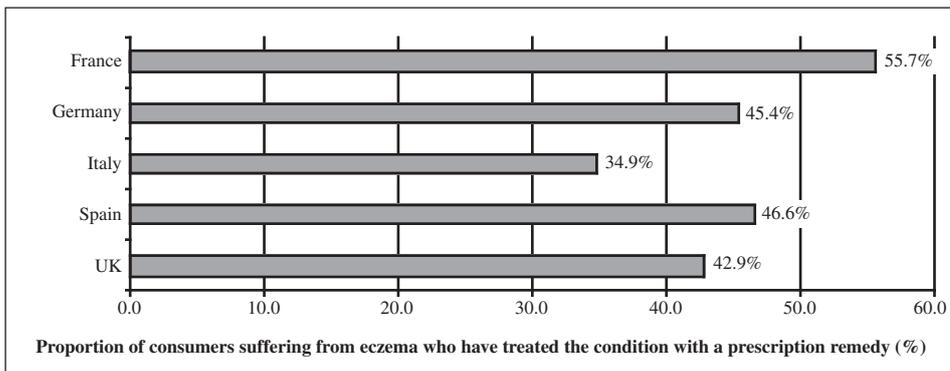


Figure 6: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema who have treated the condition with a prescription remedy (Source – OTC bulletin 2010/Ipsos MORI)

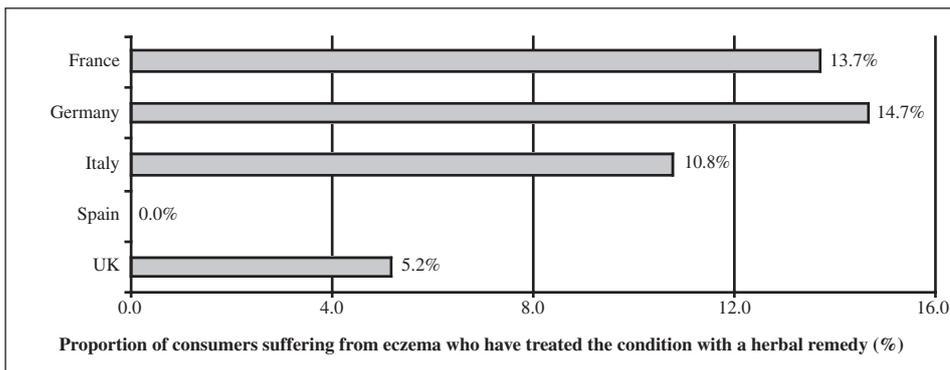


Figure 7: Proportion of consumers in France, Germany, Italy, Spain and the UK who say they have suffered from eczema who have treated the condition with a herbal remedy (Source – OTC bulletin 2010/Ipsos MORI)

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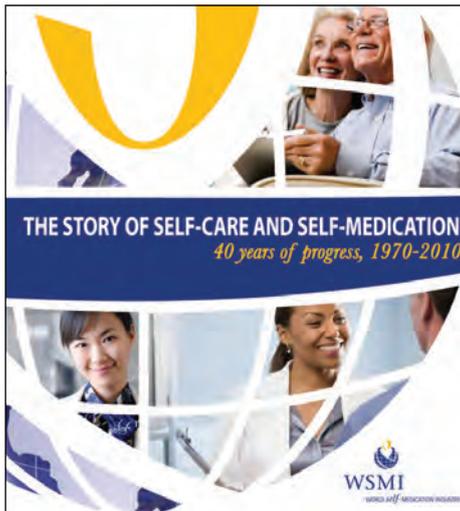


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The story of self-care and self-medication over the past four decades is set out in a new booklet from the World Self-Medication Industry (WSMI).

The industry group said the booklet explored how the “healthcare scene had experienced a push-back against the paternalistic model of health towards a more person-centric approach involving self-care and responsible self-medication”.

“Non-prescription medicines are tools of self-care, supporting health awareness and healthy practices,” comments the booklet, adding that “responsible self-medication with non-prescription medicines is increasingly being recognised as the first line of treatment and as a foundation of public health and healthcare systems”.

OTC

IN BRIEF

■ **FDA** – the US Food and Drug Administration – is awarding US\$0.9 million (€0.6 million) to the **Pan American Health Organization (PAHO)** to research and develop an information hub for medical products and related regulatory processes and systems within the Americas region. The FDA said the funding would help all of the PAHO member states, including the US, gain a better understanding of other countries’ regulatory systems.

■ **TWO-THIRDS** of adults in the US are **users of dietary supplements**, according to a recent survey conducted for the US Council for Responsible Nutrition (CRN) by Ipsos Public Affairs. The CRN said the proportion of supplement users had remained similar for a number of years. The figure of 66% in 2010 compared with 65% in 2009, 64% in 2008, 68% in 2007 and 66% in 2006. The 2010 online survey found that 74% of supplement users classified themselves as “regular” users, while 21% claimed to be “occasional” users and 5% said they were “seasonal” users. The CRN pointed out that the proportion of supplement users taking vitamin D products had risen from 19% in 2009 to 27% in 2010 following positive publicity. The survey was conducted between 17 August 2010 and 22 September 2010.

OTC

Regulatory Affairs

FDA steps in to control US mouth rinse claims

The Food and Drug Administration (FDA) in the US has warned Johnson & Johnson – together with retailers CVS and Walgreens – to stop making “unproven” claims that three of their mouth rinses can remove plaque above the gum line or promote healthy gums.

“These claims suggest the products are effective in preventing gum disease when no such benefit has been demonstrated,” said the regulatory agency, adding that the claims meant the products were defined as drugs.

The mouth rinses concerned are Johnson & Johnson’s Listerine Total Care Anticavity Mouthwash, and the store-brand products CVS Complete Care Anticavity Mouthwash and Walgreen Mouth Rinse Full Action.

In Warning Letters sent to the three companies, the FDA noted that the mouth rinses contained the active ingredient sodium fluoride. The regulatory agency said the ingredient was effective in preventing cavities but had not been found to be effective in removing plaque or preventing gum disease.

The companies have 15 days to correct the violations. The FDA said failure to do so could result in seizure of the mouth rinses, or other civil or criminal penalties.

The FDA said its actions were part of efforts to curb an “increasing number of Federal Food Drug and Cosmetic Act violations among the makers/marketers of mouthwashes concerning unproven claims of therapeutic benefits”. “It

is important for the FDA to take appropriate enforcement action when companies make false or unproven product claims to ensure that consumers are not misinformed or misled,” commented Deborah Autor, director of the Office of Compliance in the FDA’s Center for Drug Evaluation and Research.

Under federal law, noted the FDA, a company could not claim its product was effective in treating a disease unless those claims had been reviewed and approved by the FDA in a New Drug Application or the active ingredient had been generally recognised as safe and effective for these claims in an OTC drug monograph.

Commenting on the letter, a spokesperson for Johnson & Johnson said that the company would “respond to the agency in an appropriate and timely manner”.

Walgreens noted that it was “committed to working with the FDA on this matter and will be responding to the letter accordingly”, while CVS said it was currently reviewing the letter, and would “fully comply with all FDA labelling requirements”.

In the Warning Letters, the FDA also noted that the names of Johnson & Johnson’s and Walgreens’ mouth rinses included “Total Care” and “Full Action” respectively. Together with the unproven marketing claims, said the FDA, this suggested the products provided benefits beyond preventing cavities.

OTC

Regulatory Affairs

Information proposal moves to next stage

Patients’ right to know – rather than companies’ right to inform – has been endorsed by the European Parliament’s Environment, Public Health and Food Safety committee in adopting a report on the European Union’s proposed legislation on information to patients (**OTC bulletin**, 31 March 2010, page 11).

The report – which has not been amended to include a proposed ban on television advertising for non-prescription medicines (**OTC bulletin**, 30 June 2010, page 23) – should be voted upon by Parliament in December.

The proposed legislation, which would give the general public more access to information

about prescription-only medicines, does not apply to non-prescription medicines.

Amendments were passed by the committee that restrict companies to providing information only about their own medicines and third parties from spreading misinformation.

The committee also wants member states to give their citizens objective and unbiased information on medicines. The general public should also have ready access to a medicine’s summary of product characteristics, its labelling and package leaflet, and a version of its assessment report.

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Line Extensions

Scholl sets sights on UK fungal nails

“Kills 99.9% of nail fungus” is SSL International’s marketing claim for the latest addition to its Scholl footcare brand in the UK.

The company said new Scholl Fungal Nail Treatment was a “complete all-in-one fungal nail treatment”. Supplied as a device that fits easily into a bag or bathroom cabinet, it contains a bottle of nail liquid to kill fungus and prevent the spread and recurrence of infection, together with disposable files and a spring-loaded dispenser.

Treatment consists of two phases. The first

New Scholl Fungal Nail Treatment is a medical device

“kill” phase, which lasts for four weeks, involves a combination of filing the affected nail and applying the liquid daily. During the second “protection” phase, which lasts for 9-12 months, the user has to apply the liquid once a week until the nail has grown out.

A medical device, Scholl Fungal Nail Treatment has a recommended retail selling price of £19.99 (€22.89). The company said one pack provided a complete course of treatment.

Straplines on the packaging point out that the product is “Clinically tested”, “Kills 99.9% of nail fungus” and “Helps prevent spread of infection and recurrence”.

The company is supporting the launch with trade-press advertising, a consumer information leaflet and point-of-sale material.

Quoting data from SymphonyIRI Group, SSL said sales of products for fungal nail infections had increased by 14% to £6.5 million at retail prices in 2009. Galderma’s Curanail was the market leader with a share of more than 60%.

Marketing Campaigns

GlaxoSmithKline introduces global joint-pain programme

GlaxoSmithKline is supporting its pain relievers with a global “educational” programme that encourages people to self-manage their joint pain.

The company said it had teamed up with the international Bone and Joint Decade (BJD) initiative to launch the Liberate programme, which provided “information on practical and clinically-proven techniques” from medical experts to reduce the global burden of joint pain.

The Liberate programme will initially be launched in the English language in Australia and the UK, with a Spanish version available in Colombia. The company said Liberate would be translated into multiple languages in 2011.

The programme, which is based around a website at www.liberatefrompain.com, emphasised the importance of a “holistic” approach to joint-pain management, said GlaxoSmithKline.

Visitors to the website can download a series of booklets covering alternative therapies, diet, exercise, medications, mental attitude, and tools and devices. A spokesperson for the company said copies of the booklets would also be distributed to healthcare professionals through GlaxoSmithKline’s operations and the BJD.

The medications booklet, which is entitled ‘Pain-relieving medications – know your options’, informs readers about the different types of pain reliever. It lists categories – paracetamol, oral non-steroidal anti-inflammatory drugs (NSAIDs), topical NSAIDs and opioids – and provides examples of brands.

GlaxoSmithKline Consumer Healthcare’s Panadol brand is given as the example of a paracetamol-based medicine. Noting that para-



GlaxoSmithKline’s Liberate pain-management programme will initially be launched in Australia, Colombia and the UK

cetamol is “available over-the-counter without a prescription”, the booklet highlights that the active ingredient is “recommended by experts around the world as the first pain-relieving medication that you should try for joint pain”. Commenting that “most people can use paracetamol safely” because “it rarely causes side-effects” if the required dose is taken, the booklet adds that it is also the pain reliever that most experts recommend for people with conditions such as asthma and high blood pressure.

Oral NSAID brands mentioned in the booklet are Pfizer Consumer Healthcare’s Anadin, Reckitt Benckiser’s Nurofen and Novartis Consumer Health’s Voltaren, while Dendron’s Ibuleve is one of the topical NSAID brands highlighted. Opioid brands include GlaxoSmithKline Consumer Healthcare’s Solpadeine.

The BJD is an international initiative supported by the United Nations and the World Health Organization, as well as 73 governments worldwide.



An effervescent food supplement that dissolves in water to produce a “tasty, energy-boosting drink” is the latest addition to Seven Seas’ Multibionta brand in the UK.

Multibionta Boost is the first product in the Multibionta range not to contain probiotics. Seven Seas said each orange-flavoured tablet provided a “unique combination of vitamins and minerals needed for effective energy release” together with ginseng and guarana for “a natural energy lift”.

The newcomer would compete with Bayer HealthCare’s Berocca, said Seven Seas, which had “dominated the effervescent/energy segment for many years with little or no branded competition”.

Suitable for adults and children aged over 12 years, Multibionta Boost is supplied in packs of 12 one-a-day tablets with a recommended retail selling price of £4.29 (€5.05).

Traditional Herbal Medicines

Schwabe registers milk thistle in UK

Schwabe Pharma UK is the first company to register a milk thistle product as a traditional herbal medicine in the UK using Europe's simplified procedure.

The company pointed out that its Thisilyn Milk Thistle and Thisilyn Maximum Strength Milk Thistle were both indicated for over-indulgence with food and drink based on traditional use.

Noting that the transition period for European directive 2004/24/EC ended on 30 April 2011, Paul Kerry, managing director of Schwabe Pharma UK, said his company could supply other firms with a 'piggy-back' variation to its registration. "Some companies have already contacted us and are in a position to launch their own versions of our milk thistle



Thisilyn Milk Thistle and Thisilyn Maximum Strength Milk Thistle are indicated for over-indulgence with food and drink based on traditional use

traditional herbal medicines before the April 2011 deadline," he said.

Kerry highlighted that Schwabe Pharma UK already had 18 registrations for traditional herbal medicines, and planned to obtain more.

Thisilyn Milk Thistle has a recommended retail selling price of £9.99 (€11.50) for 30 capsules, while Thisilyn Maximum Strength Milk Thistle retails at £12.99 for 30 capsules. A strapline on the pink and white packaging points out that the products are "Traditionally used for over-indulgence, indigestion and upset stomach".

The on-pack indication is "A traditional herbal medicinal product used to relieve the symptoms associated with occasional over-indulgence of drink and food, based on traditional use only".

Schwabe Pharma UK said it planned to back the two Thisilyn products with a "significant" programme of consumer advertising and public relations activity.

Marketing Campaigns

Pfizer pushes Americans to clean out medicine cabinets

Pfizer Consumer Healthcare is encouraging Americans to "de-clutter and clean out" their medicine cabinets, as it seeks to capitalise on Johnson & Johnson's product recall woes.

The company is giving away up to half a million packs of its Advil pain relievers as part of the Medicine Cabinet Cleanout campaign.

Pfizer is backing the campaign with a television commercial, which highlights that "thousands" of people are switching from Johnson & Johnson's Tylenol brand to Advil "every day". A voiceover urges viewers to visit the brand website, promising that "the first 500,000 people get a free bottle of Advil".

Commenting on the campaign, Pfizer said it encouraged consumers to "clean out their medicine cabinets and properly dispose of unwanted, expired and recalled products".

The campaign includes a website at www.medicinecabinetsafety.com, which provides consumers with important medicine cabinet safety tips such as check for recalled products and check expiry dates.

"To help consumers replenish their medicine cabinets with a trusted and effective over-the-counter pain reliever", Pfizer is providing a coupon for a free pack of Advil to the first 500,000 eligible people who register on the website. Consumers have a choice of 24 Advil Tablets or 20 Advil Liqui-Gels.

The campaign follows a series of product recalls by Johnson & Johnson's McNeil Consumer Healthcare subsidiary in the US. The re-



Pfizer Consumer Healthcare is giving away up to half a million packs of its Advil pain relievers in the US



calls have involved Tylenol pain relievers containing acetaminophen, known as paracetamol in many markets (see page 4).

Pfizer is one of a number of companies seeking to capitalise on Johnson & Johnson's product recalls in the US.

Novartis Consumer Health recently announced it would give away up to a quarter of a million bottles of its new Children's Triaminic Fever Reducer Pain Reliever (*OTC bulletin*, 13 August 2010, page 19).

In addition, Prestige Brands extended its Little Remedies range of paediatric OTC medicines with Little Fevers Fever/Pain Reliever (*OTC bulletin*, 10 September 2010, page 18).

OIC



Portability and discretion are the main advantages of a new, smaller pack of the Maalox stomach remedy in France, according to Sanofi-Aventis.

The French company said the 12-tablet pack, which is the size of a credit card, allowed consumers to take the medicine more easily throughout the day. The durable design means the pack can be carried in a bag, briefcase or pocket.

The pack boasted an innovative design, pointed out the company, explaining that two blister packs of six tablets, a patient information leaflet and the outer

carton were a single unit. Whenever the product is used, essential information is always displayed.

The new non-reimbursable, non-prescription medicine is available in a choice of mint-flavoured or sugar-free lemon-flavoured chewable tablets. The retail price without tax for a pack of 12 is €2.35.

Maalox is already available in France in packs of 40 chewable tablets, as well as a 250ml bottle of mint-flavoured liquid and a pack of 20 sachets of lemon-flavoured liquid.

OIC

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Launches

Pfizer takes trimebutine into French self-medication arena

French people suffering from intestinal pain can for the first time buy trimebutine tablets without a prescription, following Pfizer's launch of an OTC version of its prescription-only medicine Débridat.

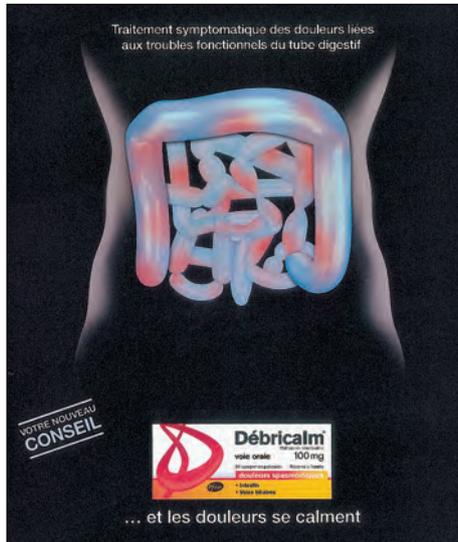
Known as Débricalm, the non-reimbursable, non-prescription medicine is supplied as coated tablets containing 100mg of the antispasmodic ingredient trimebutine maleate. A pack of 20 tablets has a retail price without tax of €3.10.

Straplines on the packaging point out that the medicine is indicated for painful spasms in the intestines.

Pfizer is marketing Débricalm as a "conseil" or "advisory" medicine.

The company is backing the launch with a series of pharmacy-press advertisements. One carries the slogan "L'efficacité passé entre vos mains" or "The efficacy passes into your hands". Another is based around an image of an abdomen with twisted blue and red balloons instead of intestines. "Débricalm.....et les douleurs se calment" or "Débricalm.....and the pain subsides" is the message to pharmacy staff.

Débricalm is authorised for use by adults only. Users should take one tablet three times



Débricalm is an OTC version of Pfizer's prescription-only medicine Débridat

a day, rising to at most six tablets a day in cases of extreme pain.

Trimebutine maleate was switched from prescription-only to non-prescription status in May of this year at a maximum strength per tablet of 100mg and a maximum pack size of 2g.

Marketing Campaigns

Seven Seas starts £4m UK campaign

Seven Seas is backing its Pure Cod Liver Oil and JointCare ranges with a £4.0 million (€4.6 million) marketing campaign in the UK this winter.

The campaign includes a dedicated television commercial for Seven Seas Pure Cod Liver Oil, which will be the first for the capsules and liquids in five years. Called "Your body is a temple", the commercial is expected to reach over 19 million adults in the UK.

Noting that it "taps into modern consumer needs", Seven Seas said the advertising was "designed to maximise exposure of the brand" and raise awareness of its benefits.

The commercial features "an average bloke" called Steve, who takes Seven Seas Pure Cod Liver Oil capsules to maintain the health of his muscles, bones, eyes and skin. "This results in his body creating a mini temple of worship for the health-giving properties of the capsule, in a humorous and engaging way", explained Seven Seas.

The commercial is running on terrestrial and satellite channels from 14 October until 14 November.

Meanwhile, the company said a "heavy-weight" campaign for its Seven Seas JointCare range would focus on its new Joint Age Calculator, which is available at www.jointagecalculator.co.uk.

Seven Seas is also backing Seven Seas Pure Cod Liver Oil and JointCare with press advertising, point-of-sale material, and public relations activity.



Lanes Health has repackaged its Olbas decongestant brand in the UK with a "contemporary style" that emphasises its "combination of pure plant oils".

According to the company, the new packaging "moves the brand on but does not alienate loyal users".

Lanes Health is backing the revamp with a £1.3 million (£1.5 million) consumer-advertising campaign, which will include an updated version of the established commercial featuring a family of animated noses (OTC bulletin, 16 December 2005, page 18). The creative communicated a "more involved story around usage for the whole family", it added.

The television advertising, which will run from 15 November until 20 February, will be reinforced by a consumer and trade public relations campaign positioning Olbas as "part of a 'relax and recuperation' pack for busy modern women to keep them and their families on their feet when feeling under the weather".



Seven Seas is backing its Haliborange brand with the first "viral" video for the food supplement in the UK.

The company said the "humorous, yet educational" video aimed to highlight the benefits of Haliborange Kids Omega-3 in "an appealing fashion".

Devised by the agency TBWA\Manchester, the video is based around a confused-sounding boy describing his day on his way home from school.

"I did geography today with Mr what's his name," he says, adding that "Florida is the capital of err America, and that is next to Fran San Frisco". The message "Inattentiveness in children could be linked to low Omega-3" then appears on the screen, followed by "Haliborange increases Omega-3 levels".

The video ends with a pack of Haliborange Kids Omega-3 and the address of the Haliborange website at www.haliborange.com.

The company is backing the video with regional radio advertising in London, the Midlands and southern counties, together with public relations activity and point-of-sale material.



Seven Seas is backing Seven Seas Pure Cod Liver Oil in the UK with the first television commercial for the product in five years

Hedrin Once impresses more pharmacists

Thornton & Ross' Hedrin dominates the advertising rankings 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.

Pharmacists' minds were still on head lice during September, thanks to Thornton & Ross' launch campaign for its Hedrin Once head-lice treatment.

For the second month running, the brand topped the best current trade-press advertising section of our monthly **Pharmacy viewpoint** survey (*OTC bulletin*, 10 September 2010, page 22). And not only did the brand widen its lead over its trade-press challengers, it also grabbed a second pole position in the television advertising section (see Figures 1 and 2).

When IMS Consumer Health surveyed UK pharmacists between 4 and 27 September 2010 using its Intr@PharmQ service, 14% said Hedrin was backed by the best current trade-press advertising. They had noticed the launch campaign for the line extension Hedrin Once, which is a medical device that is claimed to kill head lice in one application and is available as either a spray gel or liquid gel.

Featuring a gap-toothed, shaggy-haired child pointing to a pack of Hedrin Once, the trade-press advertising is headlined "Once! Now, that's all it takes to treat head lice!". It urges pharmacists to "Use your head, use your Hedrin" and promises that there will be "no more treating head lice twice", because "one treatment does the job".

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

The television commercial that Thornton & Ross is using to back Hedrin Once made its first appearance in **Pharmacy viewpoint** with a joint first position. It captured 7% of the vote in the television-advertising section, sharing top spot with Reckitt Benckiser's Bonjela and

Boehringer Ingelheim's Flomax Relief.

The same slogan "Use your head, use your Hedrin" is used in the Hedrin Once television commercial, which features different children playing. "Why treat head lice twice?" a voice-over asks, adding: "Hedrin Once Spray Gel could kill head lice and eggs in just one 15-minute treatment. No traditional pesticides, no combing, job done."

Meanwhile, Reckitt Benckiser unveiled an advertising campaign earlier this year for the line extension Bonjela Complete Plus, which is claimed to offer "Complete mouth ulcer care" (*OTC bulletin*, 31 May 2010, page 17).

Built around the promise "Our most complete treatment ever", the commercial features a woman unsuccessfully attempting to treat an ulcer by putting a plaster inside her mouth.

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

Television advertising for Flomax Relief targets older men with the straightforward message "Take control of your annoying pee problems" (*OTC bulletin*, 31 March 2010, page 13). The letter 'P' represents the symptoms of benign prostatic hyperplasia, and is seen distracting one man from his game of golf, irritating a second trapped in a traffic jam and keeping a third awake at night.

In December of last year, the UK became the first country in the world to make Flomax Relief a non-prescription medicine for treating benign prostatic hyperplasia in men aged between 45 and 75 years (*OTC bulletin*, 18 December 2009, page 1).

In the pharmacy-support package section of **Pharmacy viewpoint**, GlaxoSmithKline Consumer Healthcare's efforts on behalf of its Alli and NiQuitin brands were recognised by pharmacists. More than one in ten pharmacists voted for the firm's weight-loss medicine Alli in

BEST CURRENT REPRESENTATIVE DETAILING

Rank	Brand	Company	Product type	Pharmacists (%)
1	NiQuitin	GlaxoSmithKline	Smoking-cessation aid	7
2	Lemsip	Reckitt Benckiser	Cough/cold remedy	5
3=	Alli	GlaxoSmithKline	Weight-loss medicine	4
	Pantoloc	Novartis	Heartburn remedy	4
	Seven Seas	Seven Seas	Food supplement	4
	Solpadeine	GlaxoSmithKline	Oral analgesic	4
7=	Canesten	Bayer Consumer Care	Antifungal	3
	Hedrin	Thornton & Ross	Head-lice remedy	3
	Nurofen	Reckitt Benckiser	Oral/topical analgesic	3

Base: 100 pharmacists who named a brand of OTC medicine or food supplement

Figure 4: Unprompted response of UK pharmacists between 4 September and 27 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).



Marketing activity from Thornton & Ross highlights the latest addition to its Hedrin head-lice treatments, Hedrin Once

first place, while its smoking-cessation aid NiQuitin was in third place (see Figure 3). It is the fourth month in a row that Alli has topped the rankings.

The company was also the best performer in the best current representative detailing section, in which the two brands swapped places, with NiQuitin achieving first spot with 7% of the vote (see Figure 4).

Reckitt Benckiser's Lemsip was in second place. The company has just launched Lemsip Max Lemon Flavour Tablets, which are claimed to be "the very first flexible cold and flu tablets" that can either be "swallowed as a tablet or dissolved quickly to make a soothing hot drink" (OTC bulletin, 10 September 2010, page 19).

The company 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.



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

PHARMACY *viewpoint*

BEST CURRENT TRADE-PRESS ADVERTISING

Rank	Brand	Company	Product type	Pharmacists (%)
1	Hedrin	Thornton & Ross	Head-lice remedy	14
2	Nurofen	Reckitt Benckiser	Oral/topical analgesic	8
3=	Canesten	Bayer Consumer Care	Antifungal	5
	Nicorette	McNeil Products	Smoking-cessation aid	5
	Solpadeine	GlaxoSmithKline	Oral analgesic	5
6	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	4
7=	Benylin	McNeil Products	Cough/cold remedy	3
	Colgate	Colgate Palmolive	Oral care	3
	Gaviscon	Reckitt Benckiser	Heartburn remedy	3
	Pantoloc	Novartis	Heartburn remedy	3

Base: 100 pharmacists who named a brand of OTC medicine or food supplement

Figure 1: Unprompted response of UK pharmacists between 4 September and 27 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	7
	Flomax	Boehringer Ingelheim	Benign prostatic hyperplasia	7
	Hedrin	Thornton & Ross	Head-lice remedy	7
4=	Canesten	Bayer Consumer Care	Antifungal	6
	Nurofen	Reckitt Benckiser	Oral/topical analgesic	6
	Pantoloc	Novartis	Heartburn remedy	6
7=	Gaviscon	Reckitt Benckiser	Heartburn remedy	4
	Voltarol	Novartis	Topical analgesic	4
9=	Alli	GlaxoSmithKline	Weight-loss medicine	3
	Full Marks	SSL International	Head-lice remedy	3
	NiQuitin	GlaxoSmithKline	Smoking-cessation aid	3
	Panadol	GlaxoSmithKline	Oral analgesic	3
	Sominex	Actavis	Sleep aid	3

Base: 100 pharmacists who named a brand of OTC medicine or food supplement

Figure 2: Unprompted response of UK pharmacists between 4 September and 27 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	11
2	Nurofen	Reckitt Benckiser	Oral/topical analgesic	9
3	NiQuitin	GlaxoSmithKline	Smoking-cessation aid	5
4=	Canesten	Bayer Consumer Care	Antifungal	4
	Panadol	GlaxoSmithKline	Oral analgesic	4
6=	Covonia	Thornton & Ross	Cough/cold remedy	3
	Gaviscon	Reckitt Benckiser	Heartburn remedy	3
	Imigran	GlaxoSmithKline	Migraine remedy	3
	Nicorette	McNeil Products	Smoking-cessation aid	3

Base: 100 pharmacists who named a brand of OTC medicine or food supplement

Figure 3: Unprompted response of UK pharmacists between 4 September and 27 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)

Retailers

Groupe PHR runs French campaign

A customer loyalty card, an exclusive range of products and a free magazine are among the products and services highlighted to pharmacy customers by France's Groupe PHR in a multimedia advertising campaign promoting its Viadys and Pharma Référence stores.

Groupe PHR said it wanted to inform customers about the products and services available from Viadys and Pharma Référence pharmacies, as well as confirming the role of the pharmacist as a healthcare player who was not just limited to dispensing medicines.

The 'virtual' chain of more than 2,600 outlets – representing 11% of France's pharmacies – is using television commercials, radio spots and billboards to communicate its cam-



Groupe PHR's advertising campaign in France includes humorous television commercials

paigned entitled "C'est ça la pharmacie services", or "That's pharmacy services".

One billboard advertisement offers Viadys and Pharma Référence customers a free health magazine and free disease-prevention services, whilst another boasts a loyalty card and "many advantages". The vivid blue posters also feature the strapline "Vous donner toutes les raisons de préférer votre pharmacie", or "Giving you all the reasons to prefer your pharmacy", along with an image of Groupe PHR's president, Lucien Bennatan.

The campaign also includes two television commercials that use humour to draw customers' attention to the services offered by pharmacists. In one, a man trips over tools in his garage before attempting to soothe the pain by putting his foot in a freezer, which falls shut on his leg. In the other, a couple sharing a romantic dinner are disturbed by sounds of indigestion coming from the woman, who tries to cover the noise by turning up her stereo.

Visitors to the Viadys and Pharma Référence websites are also promised an exclusive range of products, fun and educational presents for children, and special offers for customers with a loyalty card.

Launches/Marketing Campaigns

Fiery cough lozenges give Covonia more clout in UK

Thornton & Ross has extended its Covonia brand with "warming" cough lozenges in the UK, and is investing in the "largest-ever" consumer marketing campaign for the range of winter remedies.

The company pointed out that its new Covonia Double Action Cough Lozenges were handmade in Yorkshire using traditional boiling methods to produce a "unique" double-sided lozenge. "The brown side warms the mouth and soothes the throat," explained the company, "while the white side simultaneously targets airways, clearing congestion and helping people to breathe more easily."

Noting that the lozenges combined a "super-strong flavour with ingredients to help ease your cough or cold symptoms", Covonia's marketing manager Ed Round said that they were "not for the faint of heart". "If you can handle the power, it's an experience you won't soon forget," he added.

In a survey of over 400 cough-lozenge users, pointed out Thornton & Ross, 93% of cough and cold sufferers who tried the product said the lozenges gave substantial relief. Furthermore, two-thirds said they would switch from their current cough lozenge to Covonia Double Action Cough Lozenges, the company added.

Covonia Double Action Cough Lozenges are available in a choice of Strong Original or



Thornton & Ross has taken its Covonia brand into the UK lozenges market with the launch of Covonia Double Action Cough Lozenges

Berry Blast versions. They are supplied in 51g packs with a recommended retail selling price of £1.59 (€1.80).

Straplines on the packaging point out that the product has a "Warming flavour", "Soothes mouth and throat", and "Clears airways". The unlicensed product is the first in the Covonia range to have packaging featuring the red bull from the brand's advertising.

The bull takes a central role in Thornton & Ross' £4 million plus consumer campaign for Covonia this winter, which includes internet, press, radio and television advertising as well as public relations activity.

Devised by the agency Bray Leino, the latest television advertising for Covonia includes a commercial for the new cough lozenges as well as spots for the existing Covonia Chesty Cough Mixture and Covonia Catarrh Relief Formula. The commercials are running from October until March on both terrestrial channels, including ITV, Channel 4 and Five, and digital satellite/freeview channels.

The 20-second execution for the lozenges brings a new twist to the brand slogan "Cough medicines with clout" by using the sign-off message "Lozenges with clout! When you're out and about".

An ill-looking man is seen walking down a street. "Oh dear. He needs new Covonia cough lozenges to soothe his mouth and throat," states a voiceover, as the bull holding a pack of cough lozenges breaks through a wall running along the street. The voiceover then explains that one side of the lozenge has a "warming flavour", while the other helps "clear his airways".

A cut-down 10-second version of the commercial is also running.



Television advertising for Covonia Double Action Cough Lozenges positions the product as "Lozenges with clout! When you're out and about"

OCTOBER

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 & 27 October

- **Nutraceuticals and Functional Foods**

London, UK

Topics for discussion at this two-day meeting include global perspectives and evolution of functional foods, marketing opportunities, nutrition and health claims, nanotechnology, 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

1-5 November

- **The 16th Autumn Introductory Course**

Prague, Czech Republic

This five-day residential course – organised by The Organisation for Professionals in Regulatory Affairs (TOPRA) – will cover regulatory affairs and marketing authorisation in Europe.

Contact: TOPRA.

Tel: +44 20 7510 2560.

Fax: +44 20 7537 2003.

E-mail: meetings@topra.org.

Website: www.topra.org.

5-8 November

- **8th WSMI Asia-Pacific Regional Conference**

Chinese Taipei

'The changing landscape of self-medication' is the theme of the 8th World Self-Medication Industry (WSMI) Asia-Pacific Regional Conference to be held in Chinese Taipei.

The four-day meeting will review the global and regional regulatory trends and developments in self-medication, with a focus on switching, new indications and market opportunities.

Contact: 2010 WSMI Secretariat.

Tel: +886 2 8226 1010. E-mail: 2010wsmi.tw@gmail.com.

Website: www.2010wsmi-taiwan.org.

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: +49 6222 9807 0.

Fax: +49 6222 9807 77.

E-mail: meetyou@europlx.com.

Website: www.raucon.com.

8-10 November

- **Pharmaceutical Regulatory Affairs in Latin America**

London, UK

Arturo González-Martínez Glaxo-SmithKline's director of regulatory affairs for Mexico, will chair this three-day meeting.

Contact: Management Forum.

Tel: +44 1483 730071.

Fax: +44 1483 730008.

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

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

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.

Tel: +61 2 9922 5111.

Fax: +61 2 9959 3693.

E-mail: conference2010@asmi.com.au.

Website: www.asmi.com.au.

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.

22 & 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.

24 November

- **Basics of Regulatory Affairs**

Brussels, Belgium

A one-day course from 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.

DECEMBER

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.

13-15 December

- **Pharmacovigilance**

London, UK

A three-day course for those working on drug safety monitoring in Europe, Japan and the US.

Contact: Management Forum.

Tel: +44 1483 730071.

Fax: +44 1483 730008.

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

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

FEBRUARY 2011

1-2 February

- **AESGP Conference**

Brussels, Belgium

This two-day conference – organised by the Association of the European Self-Medication Industry, the AESGP – will focus on food supplements and herbal medicines.

Contact: AESGP.

Tel: +32 2 735 51 30.

Fax: +32 2 735 52 22.

E-mail: l.gits@aesgp.be.

Website: www.aesgp.be.

MARCH 2011

28-30 March

- **DIA Annual EuroMeeting**

Geneva, Switzerland

A three-day conference organised by the Drug Information Association (DIA).

Contact: DIA European Office.

Tel: +41 61 225 51 51.

Fax: +41 61 225 51 52.

E-mail: diaeurope@diaeurope.org.

Website: www.diahome.org.

Companies keep on acquiring

The past few months have seen a flurry of mergers and acquisitions affecting the OTC industry. Deborah Wilkes reports.

Glance through recent issues of *OTC bulletin* and you will quickly find dozens of stories involving mergers and acquisitions. Aspen Pharmacare, Church & Dwight, Elder, Meda, Omega Pharma, Prestige Brands, Reckitt Benckiser, Sanofi-Aventis, Teva, Thornton & Ross, Valeant and Vemedica are just some of the companies striking significant deals affecting their OTC businesses (see Figure 1).

One important piece of news came in July, when Reckitt Benckiser announced that it had agreed to buy SSL International for £2.54 billion (€2.91 billion). The deal will add the Durex and Scholl brands to Reckitt Benckiser's global health and personal care portfolio (*OTC bulletin*, 30 July 2010, page 1).

A decade of speculation

The announcement came after almost a decade of speculation that Reckitt Benckiser would bid for SSL and its Durex and Scholl brands.

Getting its hands on the two 'powerbrands' was a key attraction for the company. Reckitt Benckiser's chief executive officer, Bart Becht, said the two brands would bring its total number of powerbrands to 19.

Reckitt Benckiser's existing healthcare powerbrands are Gaviscon, Mucinex, Nurofen and Strepsils. The company also has the Clearasil powerbrand in personal care.

All but one of these powerbrands were gained by acquiring either US-based Adams Respiratory Therapeutics for US\$2.3 billion (€1.67 billion) in 2008 (*OTC bulletin*, 15 February 2008, page 3), or Boots Healthcare International for £1.93 billion in 2006 (*OTC bulletin*, 14 February 2006, page 3).

Becht pointed out that the SSL deal would be a "step change" for Reckitt Benckiser's global Health & Personal Care division. Health & Personal Care's annual sales would increase by more than a third to approximately £2.8 billion, he said, adding that the enlarged division would represent a third of the group's total turnover.

Acquiring SSL, which sells into more than 100 countries worldwide, would also boost the company's presence in China and Japan, remarked Becht.

The purchase price is 3.2-times SSL's reported sales of £803 million in the year ended 31 March 2010 (*OTC bulletin*, 31 May 2010,

page 8). It is also more than 20-times SSL's operating profit of £126 million.

Becht maintained that Reckitt Benckiser could boost SSL's branded consumer business, which saw sales rise by 4.1% on an adjusted basis to £632 million. He said Reckitt Benckiser's proven innovation and brand-building capabilities, as well as its greater distribution strength, could benefit the acquired business, particularly the Durex and Scholl brands.

Reckitt Benckiser also noted the enlarged company could reduce costs by around £100 million a year by the end of 2012.

Cost savings combined with the growth potential of the SSL business made the acquisition "attractive" to Reckitt Benckiser's shareholders, said Becht.

SSL's OTC portfolio includes the Earex ear drops, Full Marks head-lice treatments, Meltus cough medicines, Mister Baby baby products, and Syndol and Cuprofen pain relievers. Asked in July whether it planned to divest any brands, Reckitt Benckiser said that it would assess the "growth potential and strategic fit" of SSL's smaller brands.

Reckitt Benckiser has had to agree to sell two of SSL's OTC brands in the UK and Ireland to satisfy competition concerns raised by

Getting its hands on the two 'powerbrands' was a key attraction for Reckitt Benckiser

the European Commission (see page 3).

The company said they were "two relatively minor local SSL brands". A spokesperson for Reckitt Benckiser added that the names of the brands would be revealed once the European Commission had approved the acquisition, which was likely to be on or by 25 October 2010.

Reckitt Benckiser has just extended – for a second time – the period for SSL's shareholders to accept its takeover offer. The closing date is now 29 October 2010.

By the second closing date of 7 October 2010, shareholders representing 62.65% of SSL's stock had accepted the bid.

Meanwhile, Prestige Brands Holdings has just agreed to pay US\$190 million to private-equity group Charlesbank Capital Partners for

Blacksmith Brands Holdings and its portfolio of OTC brands (*OTC bulletin*, 29 September 2010, page 1).

Describing the Blacksmith deal as "transformative", US-based Prestige said that gaining the Efferdent and Effergrip oral-care products, the PediaCare cough and cold remedy for infants and children, Luden's throat drops and the NasalCrom allergy product underlined its commitment to increasing its OTC presence.

Once the brands – with combined annual sales of around US\$90 million – had been integrated, Prestige continued, OTC healthcare products would represent 75% of the company's annual turnover, which stood at US\$302 million in the year ended 31 March 2010. Prestige's Household Cleaning Products business will account for the remaining 25%.

The deal would also expand the company's "core brands" from five to eight, Prestige noted. Efferdent/Effergrip, Luden's and PediaCare are to become core brands, joining the Chloraseptic and Little Remedies cough and cold lines, the Clear Eyes eyecare range, the Compound W/Wartner wart-removal products and The Doctor's NightGuard oral-care brand.

Overall, the firm's enlarged OTC Healthcare division would generate annual sales of around US\$300 million, Prestige pointed out, with six brands each generating sales of over US\$25 million.

Matthew Mannelly, Prestige's chief executive officer, said the acquisition was consistent with the company's strategy of acquiring businesses that had "strong consumer franchises", and were also "important to retailers".

In 2009, Prestige announced that it would focus on its OTC Healthcare division and its smaller Household Cleaning Products business (*OTC bulletin*, 16 November 2009, page 8).

Since then, Prestige's acquisition policy has focused exclusively on the OTC market. The company said it was seeking OTC brands that had strong consumer recognition, were attractive to retailers and would add to its existing core categories of cough and cold, eye and ear care, oral care, and skin and foot care.

Meda is another company that has bolstered its OTC business through recent acquisitions.

The Swedish company has just completed its US\$350 million purchase of the US-based speciality pharmaceutical firm Alaven (see page 2). Announcing the deal at the end of August, Meda said the acquisition would give it a "stra-

tegic OTC platform in the US" (*OTC bulletin*, 10 September 2010, page 1).

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

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

Prior to acquiring Alaven, Meda had no OTC presence in the US. It is unable to launch Betadine there as it does not hold the rights.

Took another step forward

A few weeks after announcing the Alaven deal, Meda took another step forward in its plan to expand its OTC business by acquiring fellow Swedish firm BioPhausia's portfolio of Nordic OTC brands for SEK190 million (*OTC bulletin*, 29 September 2010, page 1).

Meda has gained BioPhausia's Novalucol and Novaluzid indigestion remedies, C-vimin and E-vimin vitamin products, Resulax constipation remedy and Kajos potassium supplement. It is paying just over twice the combined annual sales of the brands, which stood at SEK88 million in 2009.

Anders Larnholt, Meda's vice-president of corporate development and investor relations, told *OTC bulletin* that Meda's OTC offering had grown steadily over the past few years. It now accounted for around SEK1.5 billion of total group sales, which had reached SEK13.2 billion in 2009.

Other substantial deals completed recently include the takeover of NBTY by private-equity company The Carlyle Group in a deal worth US\$3.8 billion (see page 2). The price is about 1.5-times the US-based supplements manufacturer and retailer's turnover of US\$2.58 billion for the year ended 30 September 2009 (*OTC bulletin*, 30 November 2009, page 8).

Israeli generics firm Teva has now completed its €3.63 billion purchase of German generics and OTC player Ratiopharm (*OTC bulletin*, 13 August 2010, page 3).

In addition, US-based Valeant Pharmaceuticals International has just finished its merger with Canada's Biovail. The enlarged company will have sales of approximately US\$1.75 billion (see page 3).

Valeant recently said OTC brands – along with proprietary prescription products and branded and unbranded generics – would be an important part of the enlarged firm's strategic focus (*OTC bulletin*, 29 September 2010, page 7).

After a short break, Omega Pharma is now back on the acquisition trail. The Belgian com-

MERGER & ACQUISITION NEWS	OTC bulletin Issue
Pfizer explores strategic options for Capsugel	This issue
Omega Pharma in talks to buy Laboratoire de la Mer	This issue
Prestige Brands agrees to pay US\$190 million for Blacksmith Brands	29 September 2010
Meda pays SEK190 million for BioPhausia's Nordic OTC brands	29 September 2010
Elder Pharmaceuticals to buy NeutraHealth in a deal valuing the UK-based company at £12.2 million	29 September 2010
Meda to pay US\$350 million for Alaven	10 September 2010
Aspen Pharmcare bids A\$900 million for the Pharmaceuticals division of Sigma Pharmaceuticals	10 September 2010
Novartis takes majority stake in Alcon	10 September 2010
Vemedica Pharma acquires Sleepzz brand from Liberty Healthcare	10 September 2010
Thornton & Ross acquires the Allens brand from Allen & Co	10 September 2010
Teva Pharmaceutical Industries pays €3.63 billion for Ratiopharm	13 August 2010
Reckitt Benckiser to pay £2.54 billion for SSL International	30 July 2010
The Carlyle Group to pay US\$3.80 billion for NBTY	30 July 2010
Sanofi-Aventis to acquire Canderm Pharma for an undisclosed sum	30 June 2010
Valeant Pharmaceuticals to merge with Biovail	30 June 2010
Sanofi-Aventis to pay PLN420 million for Nepentes	31 May 2010
Church & Dwight to acquire Simply Saline brand for undisclosed sum	31 May 2010
Valeant Pharmaceuticals to pay C\$10.5 million for Vital Science	14 May 2010

Figure 1: Some mergers and acquisitions involving OTC businesses in the past six months (Source – *OTC bulletin*)

pany announced at the end of September that it was in exclusive talks to buy the French natural products company Laboratoire de la Mer. Omega expected to reach an agreement as *OTC bulletin* went to press (see page 3).

Acquiring Laboratoire de la Mer would expand its presence in the cough/cold sector, said Omega, as well as add approximately €25 million to sales and €8.0 million to earnings before interest, tax, depreciation and amortisation (EBITDA) in 2011.

The news comes after Omega announced in March that it would consider buying innovative brands or businesses with global potential as part of its drive to become one of the world's top 10 OTC players (*OTC bulletin*, 31 March 2010, page 2).

Omega claims to be the 13th biggest OTC company in the world with sales of €814 million in 2009 and a presence in 35 countries (*OTC bulletin*, 10 February 2010, page 11).

On a slightly smaller scale

On a slightly smaller scale, Church & Dwight has acquired the Simply Saline brand of nasal saline solutions in the US from Blairex Laboratories for an undisclosed sum. The US-based company said the acquired brand would complement its existing Sterimar nasal saline solution brand in Europe and other parts of the world (*OTC bulletin*, 31 May 2010, page 3).

Church & Dwight maintained that Simply Saline had the potential to be even bigger, even though it was already the number one nasal saline solution brand in the US with annual turnover of around US\$20.0 million.

Also on a smaller scale, India's Elder Pharmaceuticals is set to grow its European presence by buying NeutraHealth in a deal that values the UK-based supplements specialist at £12.2 million (*OTC bulletin*, 29 September 2010, page 3). And Vemedica Pharma has boosted its position in the Dutch OTC sleep-aid market by acquiring the Sleepzz brand from Liberty Healthcare for an undisclosed sum (*OTC bulletin*, 10 September 2010, page 10).

Furthermore, Thornton & Ross has recently 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, and Allens Extra Strong Cough Lozenge.

The deal follows a string of brand acquisitions in the UK by Thornton & Ross over the past two years, including the Cerumol, Metanium and Radian B brands (*OTC bulletin*, 20 January 2010, page 3).

One major deal has still to be resolved: Aspen Pharmcare's A\$900 million (€628 million) bid for the Pharmaceuticals division of Australia's Sigma Pharmaceuticals (*OTC bulletin*, 10 September 2010, page 3).

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 deal is set to be held at the end of October.

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. These have annual sales of over A\$600 million, which will be added to Aspen's A\$180 million Australian business.

Meanwhile, Pfizer has just announced a strategic review of its Capsugel business, which could see the drug-delivery operation divested. A company spokesperson stressed that the strategic review did not involve Pfizer Consumer Healthcare or the other operations in Pfizer's Diversified Businesses division (see page 1).

The biggest news story of 2010, however, has been the ongoing transformation of San-

Business Strategy

Pfizer may divest its Capsugel unit

■ *Continued from front page*

out that Capsugel was "the world's leading provider of hard capsules and an innovator in drug-delivery systems".

A Pfizer spokesperson stressed that the decision to review strategic options only affected Capsugel and did not involve the other businesses in the division.

Cavan Redmond, senior vice-president and group president of the Diversified Businesses division, commented that Capsugel was a "unique business" with "strong potential for growth outside of Pfizer".

Pfizer noted that Capsugel offered "innovative dosage forms and solutions for the healthcare industry", and had a "strong customer base representing a cross-section of leading pharmaceutical, consumer healthcare and dietary supplement companies globally".

Pfizer has hired Morgan Stanley to conduct a review of the strategic options for Capsugel, and expects to make an announcement by the end of the first quarter of 2011.

The Diversified Businesses division was created following Pfizer's US\$68 billion acquisition of smaller rival Wyeth a year ago (*OTC bulletin*, 30 October 2009, page 3).

ofi-Aventis into a global OTC player through a series of local acquisitions.

The most recent deal came in June, when Sanofi-Aventis announced that it was set to double the size of its Consumer Health Care business in Canada by acquiring the skincare specialist Canderm Pharma for an undisclosed sum (*OTC bulletin*, 30 June 2010, page 1).

The French pharmaceutical firm said that buying the privately-held company would increase its Consumer Health Care sales in Canada to around C\$50 million (€40 million). Canderm reported turnover of C\$24 million in 2009, which represented about 10% of Canada's non-prescription anti-ageing skincare market.

Hugh O'Neill, president and chief executive officer of Sanofi-Aventis Canada, said the company planned to consolidate its dermatology portfolio under the Canderm umbrella to create a Canadian leader in medical dermatology.

Canderm's existing portfolio includes cosmeceuticals, physician-recommended dermatological products, physician-practised cosmetic procedures and OTC brands. These include the Cliniderm line of "irritant free" products for sensitive skin and scalp, the NeoStrata anti-ageing range, and Rosacure+ for facial redness.

Canderm was Sanofi-Aventis' second major OTC acquisition in North America this year.

In March, the company entered the US OTC market by paying approximately US\$1.9 billion

for Chattem (*OTC bulletin*, 17 March 2010, page 9). The move was primarily designed to enable the Consumer Health Care business to launch an OTC version of its allergy medicine Allegra (fexofenadine hydrochloride) in the US.

In May, meanwhile, Sanofi-Aventis announced it was set to acquire Nepentes in a deal that valued the Polish OTC company at PLN420 million (€105 million) (*OTC bulletin*, 31 May 2010, page 1).

Big boost to turnover

Canderm, Chattem and Nepentes are the latest in a series of OTC acquisitions by Sanofi-Aventis, which helped push up worldwide sales by the company's Consumer Health Care business by 80.1% – 65.4% at constant exchange rates – to €578 million in the second quarter of 2010 (*OTC bulletin*, 13 August 2010, page 2).

Chris Viehbacher, chief executive officer of Sanofi-Aventis, recently said that the expansion of Consumer Health Care would continue as he was "very strongly in favour" of the business (*OTC bulletin*, 13 August 2010, page 2).

"This is a very important business because it puts us in direct contact with customers," Viehbacher stressed. "We have brands that have grown for decades, and therefore offer us sustainable growth, and the business also offers the concept of affordable medicines, no matter what the income range."

OTC

People

Scheske gets PepTcell position

■ *Continued from front page*

-cludes what the company describes as a "first-in-class" cough suppressant with clinically-proven efficacy and safety profile, as well as a small-molecule drug for inflammatory flare which has a clinically-proven safety analgesic profile and is entering Phase III trials.

Noting London-based PepTcell had mid- to late-stage drugs in development, including vaccines, anti-inflammatories, and respiratory and cancer treatments, its chief executive officer Gregory Stoloff said that consumer health was an important part of the firm's business.

Scheske's "superb industry knowledge and insight" would be invaluable, Stoloff said, "for guiding our groundbreaking consumer assets to market".

PepTcell, Scheske added, was "uniquely positioned" to bring breakthrough products to the two largest consumer health markets "which have not seen substantial innovation in decades".

Scheske's 25-year career with GlaxoSmithKline Consumer Healthcare included six years as president of the firm's North American busi-



Manfred Scheske has been appointed chief executive officer of PepTcell's Consumer Health business

ness, where he played a key role in acquiring Block Drug.

More recently, he oversaw the launch of Alli, GlaxoSmithKline Consumer Healthcare's weight loss drug, which was the first pan-European prescription-to-non-prescription switch. He left the firm about six months ago (*OTC bulletin*, 16 April 2010, page 1).

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Retailers & Wholesalers

Fortune places Barra in top 10

Ornella Barra, chief executive of Alliance Boots' Pharmaceutical Wholesale division, is ranked ninth in the list of the 50 most powerful international women in business published by US-based *Fortune* magazine.

A qualified pharmacist, Barra was promoted to her current post last year. She was previously the wholesale and commercial affairs director (*OTC bulletin*, 12 February 2009, page 23).

In addition to her work at Alliance Boots, Barra is involved with the European Pharmacists Forum, which she founded over 10 years ago to support pharmacists in the delivery of healthcare.

Alliance Boots said it viewed Barra's *Fortune* ranking as a testament to the company, its teams and its increasingly global nature. "Barra is best known for her commitment and enthusiasm to the profession and healthcare industry," it added.



Ornella Barra

IN BRIEF

■ **THE CEUTA GROUP** said **Edwin Besant** – its co-founder and chief executive – had been named Deloitte Director of the Year for healthcare and life sciences. Founded 16 years ago, the UK-based company is now the leading outsourcing sales and marketing company within the healthcare and beauty industry in Europe.

■ **GALENICA** has appointed **Felix Burkhard** and **Jean-Claude Cléménçon** to its corporate executive committee. Burkhard is head of the Swiss group's retail business, while Cléménçon is head of its logistics unit. They have both been with the company for 15 years.

Retailers

Royal Pharmaceutical Society makes Astbury first president

The Royal Pharmaceutical Society (RPS) has now shed its regulatory function to become the professional leadership body for pharmacists and pharmacy in England, Scotland and Wales.

Martin Astbury has been elected president of the RPS, and **John Gentle** is treasurer.

Astbury said the new RPS was committed to "building a better future". "It will offer all the support and advice our members need to stay up-to-date at every stage of their career," he added, "and can be an influential voice for our profession."

Commenting on the role of the RPS, pharmacy minister Earl Howe said "a strong professional voice is essential for realising our vision of clinically-led healthcare services". "The RPS will be an important partner in the future for developing our policy on pharmacy and medicines," Howe added.

The RPS has pharmacy boards for England, Scotland and Wales, and an assembly develops initiatives for Great Britain as a whole.

Helen Gordon is the chief executive of the RPS (*OTC bulletin*, 30 July 2010, page 25).



Martin Astbury



John Gentle

Manufacturers

Johnson is new Scolr chairman

Carl Johnson has taken over from **Michael Taglich** as the chairman of US-based Scolr Pharma.

A former president and chief executive officer of Matrixx Initiatives, Johnson was elected a director of Scolr in June. He retired from Matrixx in 2008, but agreed to serve as a consultant to the company until 31 March 2009 to assist with the leadership transition (*OTC bulletin*, 31 October 2008, page 23).

He has also been vice-president of commercial development at Perrigo.

Johnson said that "Scolr's unique technology gives us the opportunity to develop and market extended-release nutritional and OTC drug products that we believe will provide significant benefit to the consumer".

Taglich will remain on Scolr's board.

Market Research Agencies

Ruelens resigns from SymphonyIRI Group

Blair Ruelens has resigned as UK managing director of SymphonyIRI Group just two years after taking up the post.

The market research agency said Ruelens was relocating to Canada to focus on "important family issues".

Dan Finke, who has been promoted to the new position of deputy UK managing director, will be acting managing director until a permanent replacement for Ruelens is found.

Finke joined SymphonyIRI – previously known as IRI (*OTC bulletin*, 30 July 2010, page 7) – fifteen years ago as a business analyst trainee. In 2005, he moved to India to establish SymphonyIRI's offshore client services unit. He has also taken the lead in securing contracts with some of the company's largest clients and has managed a number of its international change programmes.

Industry Associations

US CHPA recruits Melville to replace retiring Suydam

The US Consumer Healthcare Products Association (CHPA) said **Scott Melville** of the Healthcare Distribution and Management Association (HDMA) would become its president at the beginning of November.

Melville will replace **Linda Suydam**, who earlier this year announced plans to retire after eight years with the industry association (*OTC bulletin*, 17 March 2010, page 22). Suydam had previously spent 21 years at the US Food and Drug Administration (FDA).

Has worked for pharmaceutical firms

The CHPA pointed out that Melville brought more than two decades of experience of healthcare, legislative, regulatory and association management to his new role. He is currently the HDMA's senior vice-president for government affairs and general counsel.

Before moving to the HDMA, Melville was

an attorney and head of government relations for Cephalon. He has also held public policy and government affairs positions at Hoffmann-La Roche and Sterling Winthrop, and he is a former chairman of the Pennsylvania Biotechnology Association.

Prior to joining the healthcare industry, Melville was legislative counsel and Appropriations Committee associate on the staff of Congressman Jerry Lewis.

"Melville's experience in public policy, coalition building, and working with government officials and key stakeholders will be invaluable in guiding the industry through the rapidly changing healthcare environment," commented Christopher DeWolf, chair of the CHPA's board and president and chief executive officer of Lil' Drug Store Products. "His understanding of the vital role that OTC medicines and dietary supplements play in America's



Scott Melville



Linda Suydam

healthcare system uniquely positions him to lead the association."

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