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Med-ad Update

Drug Companies to raise trade margins

Shortage of essential medicines on retail shelves may be over soon with major companies like Cipla, Mankind Pharma and Torrent deciding to give in to the demand of higher trade margins and hoping to end the stalemate between the industry and chemists.



With the new pharma pricing policy coming in place in July, 2013 stockists had reduced the in-shelf storage of essential drugs leading to a scarcity of such widely prescribed medications like pain killers, anti-infective, cardiac and anti-biotic. This scuffle between the pharma companies and stockists over the trade margins has led to this void of medicines availability.

Owing to this, many pharma giants have decided to raise the trade margins. Cipla, Mankind Pharma, Torrent are in the process to give in to the demand of higher trade margins. Cipla and Mankind have decided to raise their trade margins to 10% to stockists and 20% to retailers against the earlier 8% and 16% respectively on price controlled drugs.

The medicines that are short of supply also form a part of the national list of essential medicines (NLEM) disrupting their supply in states like Gujarat, Tamil Nadu, Jharkhand, West Bengal among others. MD and Global CEO of Cipla, Subhanu Saxena stated, "In the last several weeks, our trade partners have been resorting to destocking on account of their protest against the margins offered by companies."

DPCO 2013 however stipulates a trade margin of 16% to retailers and 8% to wholesalers for price controlled drugs as followed earlier. For those medicines that do not fall in the paradigm of the price control, they would be continued at a trade of 10% and 20%.



World Heart Day: Initiative

"Heart health should be at the heart of your health watch"

Suggesting simple ways to care about your heart making it a part of your daily life, Brandcare developed a series of free posters and collaterals that could be ordered. View full image here:

<http://brandspeak.brandcare.net/2013/08/09/world-heart-day-concepts-2013/>



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