



# Delivering Healthcare to the World



INTERNATIONAL FEDERATION OF  
PHARMACEUTICAL WHOLESALERS

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## ASSOCIATION OVERVIEW

The International Federation of Pharmaceutical Wholesalers (IFPW) represents a strong, effective platform to establish strategic dialogue within the global pharmaceutical community. The association is dedicated to helping its members and stakeholders advance the safe, efficient and continuous access to pharmaceuticals worldwide through the promotion of good distribution practices and services. Companies participating in IFPW have indispensable opportunities to network with their colleagues and explore future business ventures.



## STRATEGIC OBJECTIVES

2009 is a year of outreach and transition for IFPW. The Board of Directors has developed the following strategic objectives for 2009-2010, ensuring all industry leaders in the pharmaceutical supply chain are involved.

- ✦ Improve the image and promote the value proposition of full-line wholesalers to all stakeholders.
- ✦ Strengthen key stakeholder relationships through engaging in meaningful and relevant dialogues.
- ✦ Meet with the World Health Organization (WHO) to plan and execute global pandemic / disaster response networks.
- ✦ Continue to serve as the industry's international networking and information platform.

## PHARMACEUTICAL INDUSTRY OUTLOOK

The economic crisis is adding another layer of complexity to an already challenging market environment. As deterioration in the global economy continues to affect market demand, worldwide growth rates for 2009 are expected to be the lowest in at least 25 years. The forecast by IMS Health announces a world pharmaceutical market growth level of between 2.5% and 3.5% on a constant dollar basis.

The pharmaceutical industry will feel the impact of the economic climate, but to a lesser extent than many other industries – through 2010, when a rebound is expected. The current forecast for the 2009 global pharma market is just over US\$750 billion when currency exchange fluctuations are also taken into consideration.

In the U.S., the biggest market for prescription drugs, the market is expected to contract for the first time in more than 50 years by 1% to 2% to between US\$280 billion and US\$290 billion in 2009. Over five years, average annual growth is likely to be nil in the U.S.

Taking the five largest European markets (Germany, France, Italy, the U.K. and Spain) together with Japan and Canada, the average yearly growth rate will range between 1% and 4% over the next five years. Each market reflects a unique set of mechanisms to manage healthcare access and costs, including a growing emphasis on regional decision making, promotion of generic drug usage, and price reductions.

Higher growth is expected in pharmerging markets (Brazil, Russia, India, China, Turkey, Mexico and Korea), with average annual growth of 13% to 16% predicted. The seven pharmerging markets will contribute more than half of global market growth in 2009 and sustain an average 40% contribution through 2013. China is expected to become the third largest pharmaceutical industry by 2011, versus sixth place today.

Despite the pressures, there is still room for new drug launches and potential blockbusters. IMS predicts that between 50 and 60 new medicinal products will reach the market in the coming two years. Two thirds of these will be products aimed at niche uses and narrow patient populations. Between six and ten of the medicinal products launched in 2009 and 2010 could become blockbusters with an annual turnover of at least US\$1 billion.

While the pharmaceutical market is expected to rebound as the global economy recovers, an unprecedented level of potential patent expirations in 2011 and 2012 will curb sales growth. The global compound annual growth rate (CAGR) for pharmaceutical market growth is forecast to be 3% to 6% through 2013.

The current global financial upheaval should force drug makers to make significant changes, including expanding into emerging markets and raising the bar for developing new drugs. To strengthen their resilience, pharmaceutical manufacturers must adapt their strategies and tactics – re-evaluating their commercial models, pursuing opportunities in emerging markets, and strengthening the value proposition of their medicines in ways that resonate with payers and patients.

Because nearly 80% of all healthcare industry sales are sold through distribution companies, IFPW ensures its members are kept abreast of this changing marketplace.





## HELPING MEMBERS STAY ABREAST OF THE GLOBAL MARKETPLACE

In today's global pharmaceutical distribution industry, it makes good business sense to have a partner and ally like IFPW to help you stay abreast of current and future challenges. When you join IFPW, you become a member of an organization that is dedicated to helping its members and stakeholders advance the safe, efficient and continuous access to pharmaceuticals worldwide through the promotion of good distribution practices and services.

Throughout the world, the pharmaceutical wholesaler provides a critical link in the supply chain, linking the pharmaceutical research and development companies with the patient through pharmacy. In doing so it provides a strong, safe and effective distribution system in each of the countries in which IFPW members conduct business.

IFPW's task is to keep members informed about the rapid changes occurring in the industry and the opportunities associated with these changes throughout the world. Bi-weekly, IFPW reports on pharmaceutical manufacturers and distributors, healthcare trends and regulations, pharmacy news, technology/e-commerce and relevant issues facing pharmaceutical distribution through our **FOCUS** newsletter.



Held annually, the **CEO Roundtable** is an opportunity for the top executives of IFPW's distributor/wholesaler members to share experiences and discuss the opportunities and challenges facing the pharmaceutical distribution industry with over 25 of their colleagues. IMS Health leads off each CEO Roundtable providing a first glimpse at the year's outlook of the trends in the global pharma market and detailing the performance of the industry while shedding light on signs of structural shifts in the marketplace. The **CEO Roundtable** is a key opportunity to network and develop future business ventures.

## IMPACT - FIGHTING COUNTERFEIT MEDICINES

Counterfeit medical products are a major public health risk for all communities. The phenomenon has grown due to counterfeiting methods becoming more sophisticated and the increasing amount of merchandise crossing borders.

Responding to the growing public health crisis of counterfeit drugs, the World Health Organization (WHO) launched the **International Medical Products Anti-Counterfeiting Taskforce (IMPACT)**. At its core, IMPACT aims to build coordinated networks across and between countries in order to halt the production, trading and selling of fake medicines around the globe.

IFPW participates on IMPACT to represent the pharmaceutical distribution sector, specifically full-line pharmaceutical wholesalers.

IFPW's biennial **General Membership Meeting** strives to provide companies with the insight needed to be successful in a changing marketplace and showcase the industry from the perspective of pharmaceutical distribution. It represents a gathering of the industry's thought leaders, which strengthens relationships with other stakeholders and builds overall confidence in the healthcare delivery system. Attendees hear presentations of noted industry representatives forecasting the industry in order to better gauge the current industry conditions as well as how the industry may look in the future. Noted speakers - some of them your peers, others your customers - share their experiences and thoughts on how to take advantage of the globalization process, emerging distribution models, issues within the supply chain, emerging geographic markets, plus other subjects of critical importance in today's business environment.



2008 General Membership Meeting  
Dublin, Ireland

## IFPW MEETING CALENDAR

### 2010 CEO Roundtable

**IFPW Wholesaler Members Only**  
4-5 February 2010  
Waldorf Astoria Hotel  
New York, NY United States

### 2010 General Membership Meeting

13-14 September 2010  
The Hotel Shilla  
Seoul, South Korea

### 2012 General Membership Meeting

Fall 2012  
The JW Marriot Cancun Resort & Spa  
Cancun, Mexico



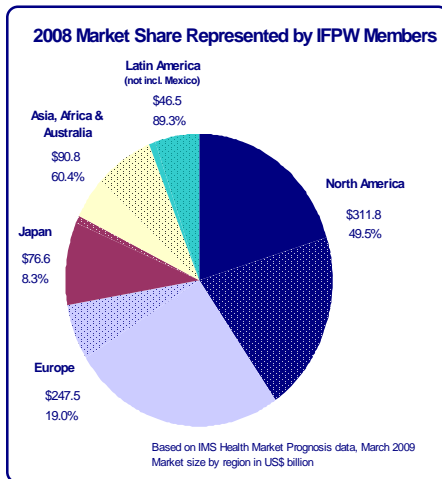
# INTERNATIONAL FEDERATION OF PHARMACEUTICAL WHOLESALERS

## MEMBERSHIP OVERVIEW

IFPW supports and represents the majority of stakeholders in the pharmaceutical distribution industry. Key to the industry are the full-line wholesalers. The activity of pharmaceutical full-line wholesaling consists of the purchase and sale, warehousing, storage, order preparation, and delivery of medicines. Pharmaceutical full-line wholesalers carry and distribute the full assortment of products (in range and depth) to meet the needs of those with whom they have normal business relations and deliver all medicines used in their geographical area of activity within a short time limit. IFPW represents wholesalers in 26 countries comprising 40% of the global market.



IFPW - Fostering Partnerships



IFPW membership is comprised of five categories representing a broad spectrum of stakeholders:

- ✧ **Association** - A national distributors' organization or for countries that have no national trade association, the pharmaceutical distributor doing in excess of 50 percent of the wholesale trade.
- ✧ **Wholesaler/Distributor** - Wholesale firms that also participate in their own national association.
- ✧ **Manufacturer** - Suppliers of ethical pharmaceutical and proprietary medicines and producers of other products distributed by wholesalers.

- ✧ **International Group** - Organizations consisting of national associations and/or individual pharmaceutical distributors from more than one country.
- ✧ **Service Organization** - Firms which provide a service, product or value to distributors for the distributors' internal use.

## IFPW WHOLESALER MEMBERS

### ASIA & AUSTRALIA

Beijing Pharmaceutical Inc.  
Chongqing Medicines Co., LTD.  
Medipal Holdings Corporation  
Nakakita Yakuhin K.K.  
Shanghai Pharmaceutical Co., Ltd.  
Sinopharm Group Co., Ltd.  
Suzuken Company, Ltd.  
Symbion Pharmacy Services  
Toho Holdings Co., LTD  
Zuellig Pharma Asia Pacific

### LATIN AMERICA

Droguería del Sud S.A.  
Droguería NENA C.A.  
Fármacos Nacionales SA de CV  
Grupo Casa Saba, S.A. de C.V.  
Profarma Distribuidora de Produtos Farmacêuticos S/A  
Química Suiza SA  
SantaCruz Distribuidora  
Socofar S.A.

### EUROPE, MIDDLE EAST & AFRICA

A & D Pharma Holdings NV  
Alliance Boots Plc  
Celesio AG  
Eurapharma  
Galenica Ltd.  
Hedef-Alliance Holding  
Mediq NV  
Norsk Medisinaldepot A/S  
Parazelsus Ltd  
Saudi Tadawi Healthcare Company  
United Drug plc  
United Pharmaceutical Distributors (UPD)

### UNITED STATES & CANADA

AmerisourceBergen Corporation  
Cardinal Health Inc.  
McKesson Corporation

## GLOBAL REPRESENTATION

IFPW programs thrive with the help and involvement of its members. IFPW is guided by the Board of Directors and their vision through the association's strategic plan. The Board represents the voice of the member in association affairs.

IFPW's Board of Directors is made up of eight Regional Directors and a maximum of seven Directors-at-Large who hold senior positions in pharmaceutical wholesale companies or their parent companies.

IFPW's Board of Directors for the 2008-2010 term are:

### ASIA & AUSTRALIA

Takuro Hasegawa  
Medipal Holdings Corporation

Takaaki Matsutani, *IFPW Vice Chair*  
Toho Holdings Co., LTD

Eric Von Zwisler  
Zuellig Pharma Asia Pacific

### EUROPE, MIDDLE EAST & AFRICA

Ornella Barra  
Alliance Boots Plc

Liam FitzGerald, *IFPW Chair*  
United Drug Plc

Wolfgang Mähr  
Celesio AG

### LATIN AMERICA

María Luisa Macchiavello  
Droguería del Sud S.A.

### UNITED STATES & CANADA

George S. Barrett  
Cardinal Health Inc.

Paul C. Julian  
McKesson Corporation

R. David Yost  
AmerisourceBergen Corporation