



Weekly Comment

Welcome to *Pharmacy Daily's* weekly comment feature.

This week's contributor is Norman Thurecht from JR Pharmacy Services.

Looking at yourself in the mirror

The process of benchmarking yourself is something that should not be daunting. The comparison of your pharmacy's results compared to some form of like pharmacy gives you a point of relativity: how did I go, why did I get that result and how and why would I change?

You can benchmark many things in pharmacy but the measures must be easily calculated and relevant. As a retail business you need to consider retail oriented key performance indicators (KPI's). These can be broken down into five main categories: **Sales; Gross Profit; Overheads; Net profit; Liquidity; and Productivity.**

Sophisticated retailers are reviewing this information constantly within their own organisations. However, without looking at their competitors the results are meaningless.

When going through the process of benchmark comparison, it is important to compare to like stores (i.e. not a total industry average). There is little point as a medical centre pharmacy comparing your results to a shopping centre pharmacy. The sales, GP, overheads and net profit results will be completely different.

The data to put the KPI's together must include quantitative data such as size of pharmacy, trading hours and number of full time equivalent staff to name a few.

The KPI report must be accurate, automated and be available in a very short time after the end of a reporting period. The competitive landscape in which we all operate means we must be aware of the results, what influences them and what to change almost instantly.



Norman Thurecht is an expert in pharmacy finances, having been with JR Accountants' Pharmacy Division since 2003. More info nthurecht@jr.com.au.

NZ Guild takes GSK to court

THE President of the New Zealand Pharmacy Guild has served a civil notice of claim on GlaxoSmithKline over a drug recall earlier this year.

Ian Johnson owns Johnson's Pharmacy in the Auckland suburb of Otara, has initiated the claim as a test case over the amount of work which was required of pharmacists as a result of the recall.

GSK in NZ withdrew a number of batches of the anticoagulant Marevan (warfarin) in January, due to a manufacturing error, which meant that some 3mg tablets had incorrect dosages.

Johnson said that as a result he had to contact seven patients and explain the issue, dispense replacement tablets, liaise with GPs and complete paperwork.

He's invoiced GSK NZ\$395.10 for the work, but the manufacturer has refused to pay the bill, he said.

"I accepted that I had a professional duty to safeguard my patients," he said.

"But I also saw this as GSK, whose medicine this was, asking me in my professional and business capacity to do work for them - necessary and urgent work.

"I expected that I would be paid

reasonable compensation for my work," the Guild President added.

NZ Guild ceo Annabel Young said the organisation had estimated the recall had cost pharmacies about NZ\$47 per patient.

"Community pharmacists' primary concern is patient safety, and they have an ethical and moral duty to look after their patients' health first. They stepped up to the call and utilised their time and expertise to help swiftly resolve this serious problem.

"Can a big business, which has had to recall potent medicines, request urgent services, take the benefit of the services and then refuse to pay?" she said.

"It is a very serious question and we would welcome a judicial decision on this point of law".

Young said many Guild members had spent hours on the recall and had a reasonable expectation that their costs should be covered.

"This is why the Guild has decided to place significant investment in this court action on behalf of all our members," she said.

Board member wanted

THE new national Pharmacy Board of Australia has advertised for nominations and expressions of interest from people interested in being appointed as a community member of the board.

Advertisements in weekend newspapers said the appointment is for up to three years, with existing pharmacy boards also being encouraged to nominate suitable candidates for the role.

Submissions must be received by 5pm AEST on Monday 21 Jun to boardservices@ahpra.gov.au.

Pharmacy E-Bulletin

THIS week's edition of the Repatriation General Hospital Pharmacy E-Bulletin is the first part of a series giving an overview of some of the evidence for complementary medicines used to treat menopausal symptoms.

Black cohosh is covered in this issue, while phytoestrogens will be looked at in a future edition.

The bulletin is available at auspharmlist.net.au/ebulletin.php.

Sigma suitor revealed

THE company which has made a "non-binding, indicative and conditional proposal" to take over Sigma Pharmaceuticals (*PD Friday*) has been revealed as South African pharmaceutical giant Aspen Pharmacare.

The 60c per share bid values Sigma at just over \$700 million, and saw the company's shares soar almost 40% on Fri to 48c each - still significantly below the offer price.

Aspen is the largest listed pharmaceutical company in South Africa, worth around US\$5 billion, and commenced operations in Australia in 2001, expanding its range to cover products such as Keflex, Redipred, Di-Gesic, Tazac, Tritace, Cardizem, Gastrostop, Murine and Phisohex.

Aspen also has a strategic partnership with Novartis and sales and marketing pacts with other companies including Abbott, Sanofi-Aventis and Teva.

Sigma, trading at its lowest price ever due to its recent travails, has also been made more attractive to foreign acquirers due to the plunge in the Australian dollar.

WIN 3 CARMEX® LIP BALMS

Pharmacy Daily has teamed up with Carmex this week and is giving 5 lucky readers the chance to win a supply of Carmex products for winter. The pack contains:



- 1x Carmex lip balm squeeze tube 10g,
- 1 x Carmex lip balm jar 7.5g and
- 1x Carmex lip balm Cherry Click Stick™ with SPF 15 4.25g- ideal for 3 months of winter!

The unique Carmex formula helps to soothe, moisturise and relieve

dry chapped lips caused by environmental factors - resulting in soft, healthy-looking lips. Carmex lip balm combines camphor & menthol in a soothing base of cocoa butter and waxes.

Try it for yourself and see why this award-winning lip balm is a favourite of celebrities and make-up artists all over the world!

For your chance to win this fantastic prize, simply send through an answer to the question below:

In 25 words or less, tell us why do you love Carmex lip balm?

Email your answer to: comp@pharmacydaily.com.au.

The most creative entry will win!

Entries must be in by COB on Friday and the winners will be announced in next Monday's *Pharmacy Daily* issue.

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UK supermarket cancer drug discount

BRITISH supermarket chain Asda has launched an unusual pharmaceutical marketing blitz, promising to sell expensive cancer drugs at "not for profit" prices.

The store said it would stock medicines that are not always available on the UK's National Health Service because they are deemed to be too expensive - and sell them at or close to cost price.

For example, lung cancer drug Iressa (gefitinib) will be available at ASDA for £2167 for a 30-tablet pack - compared to more than £3251 at Boots and other major pharmacy chains.

Asda issued a call to other pharmacy outlets to reduce their mark-ups and lower the price of all cancer drugs.

"The crippling cost of paying privately for cancer treatment has forced many people to spend their savings or even remortgage their house to pay for these drugs," said Asda pharmacist, John Evans.

"We are the first retailer to recognise this injustice and to do something about it, and we are calling on other retailers to follow our lead," he said.

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Mirixa adds asthma program

THE Pharmacy Guild's Mirixa software platform has launched a new program which "offers yet another revenue stream for pharmacies wanting to deliver professional services".

The addition centres on referring patients as potential participants in a clinical research program, which involves helping asthma patients gain access to a new once daily medicine.

When dealing with a customer who fits the required profile, Mirixa prompts the pharmacist to ask a small number of questions, and then subsequently to fax a form for all valid patients.

For each referral the pharmacy is paid a \$20 professional service fee, and the patients are later contacted for further assessment by the research organisation.

Soliris sponsor

THE sponsor of Soliris (eculizumab) (PD Fri) is now Alexion Pharmaceuticals, not Cedarglen Investments.

Abbott India growth

ABBOTT Pharmaceuticals has announced a US\$3.7 billion takeover of Indian branded generics manufacturer Piramal Healthcare Solutions.

The deal will push Abbot into the "leading market position in India, one of the world's most attractive and rapidly growing markets," said Abbott ceo Miles D. White.

Piramal has annual sales of about US\$500m a year, with the business growing 23% in the last 12 months.

The new business will become part of Abbott's newly created standalone Established Products Division.



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Mirixa Australia general manager, Roma Cecere, said the new program was a great opportunity for both pharmacies and patients.

"The clinical research industry is worth \$450 million to the Australian economy," she said.

"Researchers require quality patients for these studies and we all know that pharmacies see a lot of patients.

"Research referral is a perfect fit for pharmacy," Cecere added.

Mirixa is inviting pharmacies interested in signing up for the program to find out more on contact@mirixa.com.au.

US PSE prescriptions

A COALITION of pharmacies in the US city of Terre Haute, Indiana, has agreed to voluntarily implement a prescription-only policy for the sale of pseudoephedrine products.

The move is being made at the request of local police trying to crack down on methamphetamine manufacture, with the move set to be implemented by Kmart, Wal-Mart, JR Pharmacy, Kroger, CVS, and Terre Haute Prescription Shop.

Wal-Mart lawsuit

A MALPRACTICE lawsuit has been filed in Texas, USA by a man who claims he became ill after an error at a Wal-Mart pharmacy resulted in him being dispensed someone else's medication.

Court documents claim that Emile Nini was given the wrong drugs in March 2008, and that the defendants, including the pharmacist and the giant US pharmacy corporation, failed to notify him that the medications had been mixed up after the error was discovered.

The complaint also says the Wal-Mart pharmacy failed to implement safety measures designed to prevent such a mistake.



DISPENSARY CORNER

A GROUNDBREAKING operation in New Zealand has seen a cat's eyelids replaced with the lining of a sheep's stomach.

It sounds bizarre, but has saved they eyesight of the lucky feline which was born with a genetic defect called eyelid agenesis which stops animals' eyelids from forming properly.

Vet Gary Cullen rebuilt the eyelids using "collagen-rich sheep's stomach lining.

"Even though it's from a sheep, the body views it as part of itself, as a scaffold to grow into," he said, with the technology hoped to be one day used on humans.

AND while we're on the subject, a martial arts expert in China has used a rope somehow hooked up to his eyelids to pull a plane for five metres.

50-year-old Dong Changsheng took less than a minute to perform the stunt at the Changchun International Exhibition Centre in Jilin province.

The kung-fu master is renowned for his skills which have seen him given many awards.

"I have pulled a car with my eyelids before but this was the first time with an aeroplane," he said.

PEOPLE who have survived heart attacks are "highly likely to avoid sex," according to a study presented to the American Heart Association last week.

The scientists said unless doctors spoke to them about post-cardiovascular incident intercourse, patients had a significant fear it would kill them.

Lead researcher Stacy Lindau said that despite this fear, the chance of dying during sex was "really small".

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