

Sharing a Vision of Value and Innovation

PCO Manufacturing celebrated its 35th year in business last month (October).

Established in 1986, PCO Manufacturing Ltd is the market leading parallel importer of pharmaceutical products into Ireland, specialising in sourcing the highest quality pharmaceutical products from a network of authorised pharmaceutical wholesalers both domestically and across the European Union.

Irish Pharmacy News recently spoke to John Lanigan, PCO Manufacturing's Commercial Director to hear more about how the company is expanding in scale, and innovation.



John Lanigan Commercial Director



PCO Manufacturing was established in order to give pharmacists an additional supply channel to the traditional wholesalers. Over the years, the company has grown to become the largest parallel importer of medicines in Ireland.

John explains that the company has a vision for expansion coupled with offering cost effective solutions across the pharmacy market.

"Our vision in the early years was to offer a value proposition to both pharmacists with lower supply costs and to the State through lower reimbursement costs for medicines," he says. "Whilst pharmaceutical parallel import companies were already

established in some other EU countries the concept was new for Irish pharmacies but as the supply benefits became clear the business started to grow quickly.

"Today PCO employs 140 staff at our facility in Ashbourne and we have a wide supply network across 18 countries in the EU where we source ambient and cold chain medicinal and diagnostic products. Our product range has continued to grow and we now offer a wide range of ambient, cold chain, controlled drugs, high tech lines, OTC and exempt medicinal products."

Leading the Market

So what sets PCO apart from their competitors? Creating a difference

and maintaining an edge are key, he reflects.

"Our business model is structured in a different manner to our competitors in that we have all of our business functions and support services – Regulatory Affairs, Quality, Purchasing, Sales, Dispatch and IT located within our facility in Ashbourne in the Republic of Ireland and this gives us complete control over all aspects of our business. We don't outsource any aspect of our operation other than courier services for some deliveries.

"Our facility in Ashbourne ships over 1,500 orders each day including cold chain deliveries to community pharmacies and hospitals throughout Ireland and we offer a same day delivery service to many of our customers and a next day service to all others. We work with all of the main buying platforms and also operate a web ordering system which many of our customers find very useful for checking stock availability, pricing and stock ordering.

"As the market leader we have invested significantly in product licenses and currently hold over

600 licenses from the EMA and HPRA to parallel import products into Ireland, Northern Ireland and the UK."

Addressing Challenges

Like every business, the team at PCO Manufacturing had to adapt their work practices during Covid, to ensure that they could maintain supplies of medicines to pharmacies.

He adds, "Whilst some of our colleagues could work remotely from home many of our teams in Quality, Production and Dispatch had to continue to work in our Ashbourne facility and our primary objective here was to ensure that we provided a safe working environment for them.

"This involved significant changes to shift patterns to avoid large numbers of staff arriving and leaving at the same time and our teams showed great flexibility in ensuring that we continued to maintain product supply and we actually grew our volumes during this period."

Product shortages and out of stocks in the market have become a growing challenge for the industry in recent years. This in turn has led to increased demand for parallel import products.

"We were well placed to be able to react quickly to these situations. As we identified product supply shortages we worked closely with our suppliers across the EU to source additional stocks to ensure pharmacies could still access these medicines for their patients. Initially this was a very reactive process where we increased supply after identifying a potential shortage but as the

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CELEBRATING
35
Years
SERVING IRISH
PHARMACIES



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“This approach worked well and it was great to see originator and parallel suppliers working together to ensure that full market supply volumes were being maintained for patients.”

Working with Partners

Brexit remains high on the political agenda, despite the Covid-19 pandemic diverting attention. Has it impacted on PCO Manufacturing in the same way as many other importers?

“On the supply side Brexit has removed the UK as a potential supply country for us although in our preparations for Brexit we had already moved these UK sourced lines to other EU supply countries,” John told us.

“Transport from the EU to Ireland has been a major area for us as we use temperature controlled vehicles to transport all of our incoming stock and we worked closely with our transport partners to switch over to direct ferry routes from Europe to Ireland to avoid using the UK land bridge in order to reduce the risk of delays to supplies.

“Brexit has also presented us with new opportunities as we operate a sister company in Northern Ireland – NIP Pharma Ltd who sell into Northern Ireland and the UK markets. Following Brexit some UK based suppliers have withdrawn from the Northern Ireland market and there are ongoing supply challenges in that market which are driving increased demand and

we are working closely with our customers to see how best we can assist them.

“We are also working with some manufacturers who envisage supply challenges in these markets as a result of Brexit and our ability to supply stock from Ireland to these markets may help to alleviate some supply challenges.”

The past year has been particularly busy for PCO’s product team, who have been focused on identifying potential new lines for community pharmacy customers.

John continues, “Over the past year we have significantly increased our range of High Tech Medicines, Controlled Drugs, Cold Chain lines and OTC products and we have started to supply a number of hospital pharmacies.

“Parallel import supply is a relatively new area for hospitals in Ireland and our new products team are working closely with a number of hospital customers to identify opportunities where we can bring our experience in the community sector to hospital pharmacy supply. Our new products team have also been busy identifying potential new lines for our community pharmacy customers and we have a strong pipeline of new license applications in process which will deliver a wider product range to our customers into 2022. We have also increased our range of Exempt Medicinal Products and see this as a major growth area for PCO in the coming year as we already have an extensive network of suppliers across Europe from whom we can source these products and we can react quickly to market demands for EMPs.”

Supporting Pharmacy

Product shortages look to be an ongoing issue for community pharmacy in Ireland, which will take some time to correct. “We have been increasing our stock holding on some lines which have had intermittent supply issues. Another major challenge for pharmacists will be the new IPHA agreement which is being negotiated with the state and this may impact community pharmacies through further price re-alignment,” he adds.

In looking to the future, John says many plans for development are in the pipeline.

“We have a strong pipeline of new license applications in process and PCO have recently received planning permission for a major extension to the Ashbourne site to provide additional repackaging and warehousing capacity to meet our increased demand.

“We also see opportunities for PCO to carry out contract repackaging for manufacturers who may be facing either supply or logistical challenges related to low volumes required for the Irish market on some lines. These challenges may be as a result of either the introduction of the Falsified Medicines Directive (FMD) and/or Brexit both of which have resulted in specific packs being required for the Irish market which may not be cost effective for many companies given our population. PCO can bridge those gaps for manufacturers either through contract repackaging or through the parallel import route thus providing a very cost effective solution to maintaining the supply of those low volume lines to the Irish pharmacy market.”

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