

JPWA Guidebook

FY2021 edition

The Federation of
Japan
Pharmaceutical
Wholesalers
Association



Pharmaceutical wholesalers (Oroshi) support the foundation of healthcare in Japan

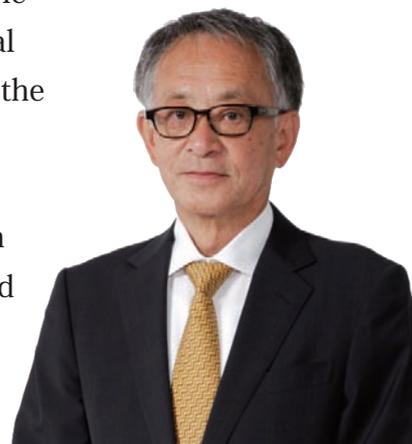
We, pharmaceutical wholesalers (Oroshi), act as a bridge between pharmaceutical companies and medical institutions by working to ensure that necessary pharmaceutical products are delivered promptly and reliably in the amount and at the time required.

Japan is a country that has experienced many natural disasters. Devastating natural disasters, such as earthquakes, typhoons, and torrential rains, have occurred in various parts of the country in recent years.

In addition, COVID-19 has evolved into a global pandemic, and significant changes, including the proposal of a new lifestyle, have been brought about not only in the field of healthcare but also in social and economic aspects.

Under these circumstances, we are striving to ensure a safe and stable supply of pharmaceutical products without any disruption to medical institutions by leveraging our vast experience accumulated through the years together with creative ingenuity.

We will continue to enhance our crisis management and distribution functions and work toward building a solid distribution system based on compliance. By fulfilling our social mission, that is, to ensure the safe and stable supply of pharmaceutical products at all times, we will support the healthy lives of people in this country.



Ken Suzuki
JPWA Chairman

We strive to provide safe, stable, and efficient supply of ethical drugs that support people's lives and health.

Organization of JPWA

JPWA is a nationwide organization consisting of members of wholesaler unions at prefectural and city levels organized by Oroshi, whose responsibility is to ensure a fair supply of ethical drugs.

70 member companies (counting only head offices) are affiliated with JPWA (as of August 1, 2020), and 55,305 employees (as of June 1, 2019) are striving to provide such services as purchase, storage, and supply of pharmaceutical products necessary for medical care. Their business activities play an extremely important role in the distribution of pharmaceutical products in Japan, and in FY2018, sales of pharmaceutical products by JPWA's member companies reached roughly 8.9 trillion yen.

Supporting members include 133 companies and organizations (as of August 1, 2020) that have joined JPWA as they share and support the objectives of the association.

Stable supply of ethical drugs and compliance

The most important mission of Oroshi is to ensure a safe and stable supply of pharmaceutical products without distinction between normal and emergency situations. In order to fulfill this mission, we have made the necessary investments and worked toward building a distribution system while keeping in mind proper quality control and safety management in pharmaceutical supply.

We are also committed to ensuring fair and free competition, and are striving to ensure thorough compliance so as not to conflict with related laws and regulations such as the Antimonopoly Act. In recent years, we have been working to further enhance public trust, with those in top management positions promoting compliance themselves.

Roles played by Oroshi

■ **We handle matters very carefully to meet the needs of, for example, medical institutions and health insurance pharmacies, and deliver ethical drugs promptly and reliably.**

Oroshi facilitate the prompt and reliable supply of approximately 14,000 kinds of ethical drugs (as of April 1, 2020) to approximately 240,000 hospitals, clinics, dental clinics, health insurance pharmacies, and others via "capillary-like" distribution networks. In addition, we have special functions, which include the recall of defective drugs and the provision and collection of ethical drug information (e.g., adverse drug reactions). We also supply over-the-counter (OTC) drugs to many pharmacies and drugstores.

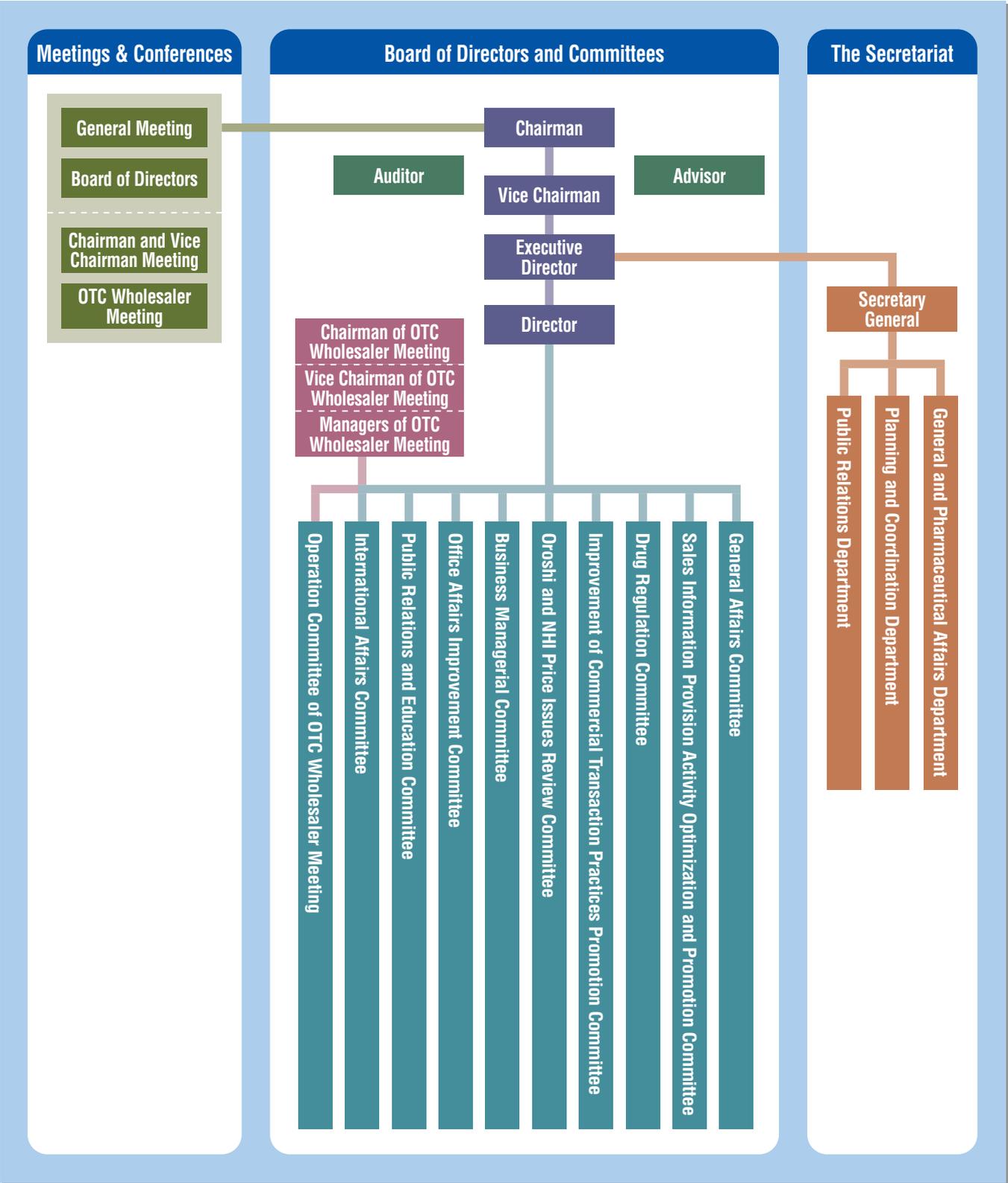
■ **In the event of a disaster or pandemic, we help save people's lives through pharmaceutical distribution.**

Every year, natural disasters and infectious disease-related pandemics occur in various countries and regions around the world. Recently, the COVID-19 outbreak has spread rapidly worldwide. Even under these circumstances, we, Oroshi, have worked hand in hand with national and local governments in order to fulfill our role of protecting people's lives through the distribution of pharmaceutical products, including, for example, the emergency delivery of drugs to a large cruise ship where the COVID-19 outbreak infected many of its passengers.

■ **Oroshi have a unique information provision function in Japan.**

Unlike pharmaceutical wholesalers in Europe and the United States, Japanese Oroshi have a unique function: to provide information. In addition to providing information on ethical drugs (e.g., adverse drug reactions) to medical institutions and health insurance pharmacies, some of our work is also related to physicians' selection of drugs. Such functions, which are delivered at the highest level in the world, are of high value from a social infrastructure perspective as well.

Organization of JPWA



Activities of the Committee

1 General Affairs Committee

In addition to matters concerning JPWA's organization, operation, activities, various regulations, and finances, this committee conducts necessary examinations of basic matters, such as surveys on the number of employees and wages at member companies.

2 Sales Information Provision Activity Optimization and Promotion Committee

In addition to grasping the status of activities to provide information on the sales of ethical drugs by pharmaceutical wholesalers, this committee examines matters related to providing necessary guidance and advice to pharmaceutical wholesale companies, and implements measures to promote appropriate activities.

3 Drug Regulation Committee

This committee examines, researches, and instructs the interpretation and operation of Pharmaceutical Affairs Law and regulations necessary for pharmaceutical wholesale companies in their regular work. In addition, this committee examines basic aspects related to the appropriate collection, communication, or provision of drug information and marketing specialist (MS) training.

4 Improvement of Commercial Transaction Practices Promotion Committee

With the aim of achieving the stable distribution of ethical drugs, this committee monitors the conditions of pharmaceutical distribution in each region (excluding discussions on transaction prices and business methods), this committee takes various measures to promote improved distribution based on "Guidelines for the Improvement of Commercial Transaction Practices of Ethical Drugs" formulated by the Ministry of Health, Labour and Welfare for stabilizing drug distribution under the medical insurance system, and responds to the need for a stable supply during disasters and infectious disease outbreaks. Furthermore, this committee handles such matters as cooperation with government and other organizations.

5 Oroshi and NHI Price Issues Review Committee

This committee conducts research and analysis how the reform of the NHI Price Scheme affects the market, etc., and examines measures to improve distribution based on the "Guidelines for the Improvement of Commercial Transaction Practices of Ethical Drugs" formulated by the Ministry of Health, Labour and Welfare, taking into account the ideal way of pharmaceutical distribution under the medical insurance system. In addition, based on discussions at "Central Social Insurance Medical Council" (Chukyo) regarding the reform of the NHI Price Scheme and discussions at the "Council for the Improvement of Commercial Transaction Practices of Ethical Drugs", this committee examines their measures and solutions by consolidating industry opinions.

6 Business Managerial Committee

This committee conducts surveys and research on the actual management condition of the pharmaceutical wholesale industry and prepares materials; provides basic judgment materials for stabilizing and strengthening the management foundation; and examines basic matters contributing to improved distribution.

7 Office Affairs Improvement Committee

With the aim of standardizing and streamlining operational systems for the distribution of ethical drugs, this committee addresses the improvement of various business operations, e.g., setting and managing unified drug product codes, promoting the dissemination of distribution codes, and promoting the adoption of IT.

8 Public Relations and Education Committee

This committee edits "The monthly journal of JPWA" and "JPWA Guidebook," conducts public relations activities through the website to society, as well as training activities, including holding seminars taking up subjects surrounding today's pharmaceutical distribution.

9 International Affairs Committee

This committee investigates and analyzes European and American distribution circumstances from a wholesale operational perspective to ensure appropriate proposals with broader perspectives are available when discussing the reform of the NHI Price Scheme. In addition, this committee also manages the globalization of pharmaceutical distribution, including sending information to the International Federation of Pharmaceutical Wholesalers (IFPW).

10 Operation Committee of OTC Wholesaler Meeting

This committee examines various issues related to the wholesaling of OTC drugs (promotion of self-medication, integration of IT into the industry, or improvement of commercial practices) that should be discussed at the OTC Wholesaler Meeting.

JPWA take various approaches to improve compliance, including:

- recording the proceedings of all committee meetings and storing them for 3 years, and
- having lawyers who are familiar with the Antimonopoly Act present at meetings to discuss the ideal way of pharmaceutical distribution.

Ethical drugs

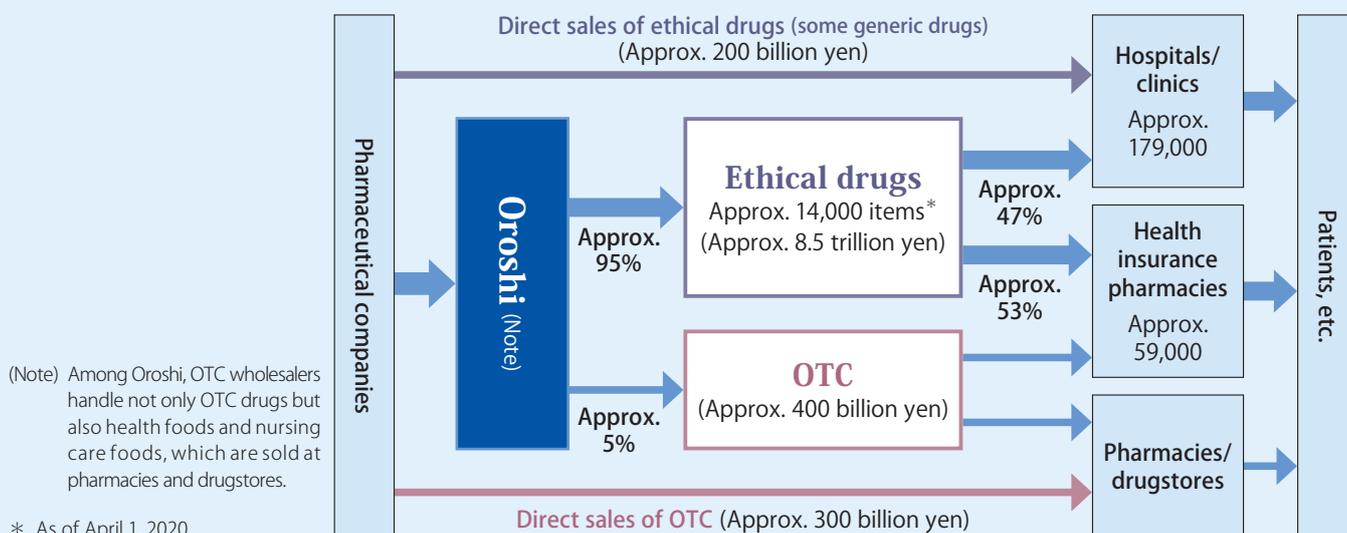
- An ethical drug is a drug that is dispensed by a pharmacist according to a prescription issued upon diagnosis by a physician or dentist.
- Ethical drugs are commercialized after their safety and efficacy have been confirmed by clinical trials in humans, with approval from relevant authorities.
- Ethical drugs are expected to be highly effective, since they are prescribed according to a physician’s diagnosis based on patient symptoms, while considering safety such as adverse drug reactions.
- Drug reimbursement price (Yakka/NHI price) and the range of drugs that a physician can prescribe in insurance-covered healthcare are specified by the NHI Price Scheme.
- The size of the ethical drug market is approximately 8.7 trillion yen, and most drugs are delivered to facilities such as medical institutions (roughly 238,000 facilities) through JPWA member companies. There are also cases in which drugs are directly delivered by pharmaceutical companies (FY2018 results).

OTC (Over-the-counter drugs)

- The official name “nonprescription/nonproprietary drugs” may also be referred to as OTC drugs.
- OTC drugs are available for purchase without a prescription from a physician at a pharmacy or a drugstore. However, some drugs that require special attention with regard to their use must be provided by a pharmacist along with an explanation of the necessary instructions for proper use.
- OTC are classified into first-, second-, and third-class OTC and those requiring patient education according to the degree of risk of adverse drug reactions or interactions.
- More effective “switch OTC” are sold, which contain active ingredients of ethical drugs that have been made available for use in OTC.
- The size of the OTC market is approximately 700 billion yen. There are two routes for distribution: distribution via Oroshi, from pharmaceutical companies to pharmacies and drugstores; and direct sales, where drugs are directly distributed by pharmaceutical companies (FY2018 results).

Structure of pharmaceutical distribution

Proportions of Oroshi sales are shifting, with ethical drugs accounting for roughly 95%, and OTC roughly 5%.



(Note) Among Oroshi, OTC wholesalers handle not only OTC drugs but also health foods and nursing care foods, which are sold at pharmacies and drugstores.

* As of April 1, 2020

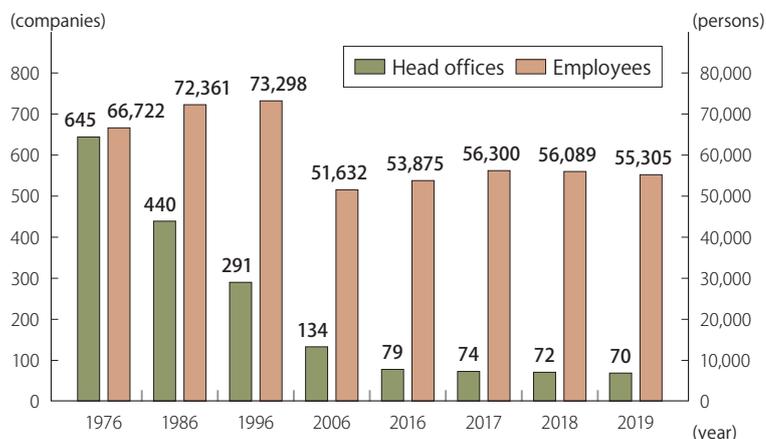
Significant Changes of the Environment for Oroshi

Number of head offices and employees

As a result of reorganization of pharmaceutical wholesale companies in an effort to promote streamlining and efficiency of operations, the number of head offices of member companies, which exceeded 1,300 in 1960, declined to 70 in 2019. With this decline, the number of employees also decreased significantly to 55,305 in 2019.

Source: CRECON RESEARCH & CONSULTING INC. and JPWA Survey

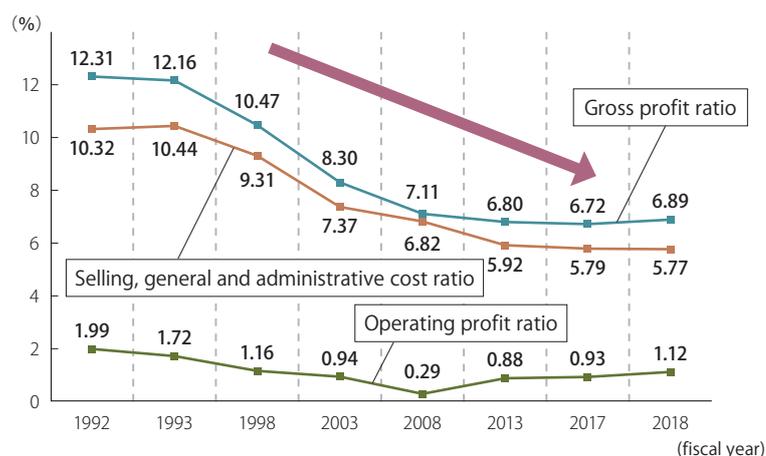
- * The number of head offices corresponds to the number of companies at the end of March in each year
- * Number of employees as of June 1 in each year



Management status of Oroshi business

The management status of the pharmaceutical wholesale industry has been extremely severe. Compared to the levels in FY1992, gross profit ratio as well as selling, general, and administrative cost ratio has decreased to approximately half, and operating profit ratio has remained at approximately 1%.

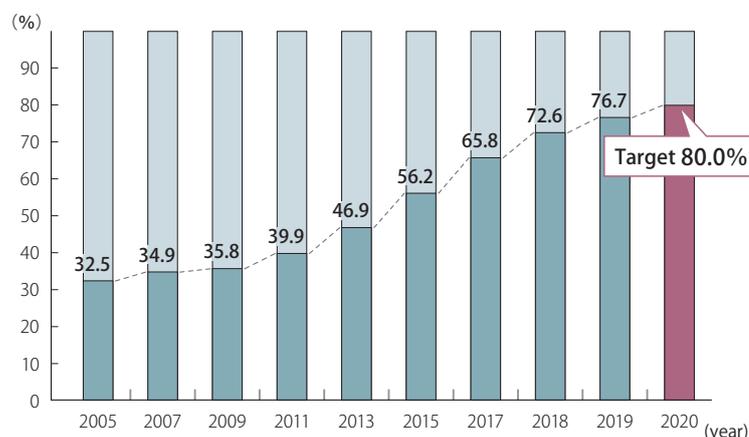
Source: JPWA Survey



Generic market share in volume and target value

The government had set a new goal of achieving at least 80% market share in volume of generic drugs by the end of September 2020. Meanwhile, a number of issues remain such as ensuring a stable supply of generic drugs, as errors in securing active ingredients and predicting demand have resulted in stock shortage. As Oroshi, we are tasked with examining and developing strategies to enhance stable distribution for further promotion of generic drug use.

Source: Ministry of Health, Labour and Welfare Survey (NHI Price Survey (September) preliminary figures)



Oroshi also play various roles alongside the prompt and responsible supply of ethical drugs

Our basic role is the safe and stable supply of ethical drugs

Oroshi, except for a small portion of companies, are all affiliated with JPWA as members. These companies seek to improve their own capabilities with the aim of achieving an economical and effective pharmaceutical supply to support social and medical advancements. In particular, it is a basic role for Oroshi to facilitate the safe and stable supply of ethical drugs. Oroshi strive to supply ethical drugs needed by medical institutions and health insurance pharmacies with precision and promptness, whenever and wherever, and as much as necessary.

In the event of a major earthquake, wind and flood damage caused by typhoons, or a new infectious disease outbreak (such as SARS or a new influenza strain), we will work to facilitate the prompt and stable supply of pharmaceutical drugs and related products by building a cooperative structure with the national government and local municipalities. Most recently, in the face of the further spread of COVID-19 infection, we are striving to promptly deal with the situation without causing any disruption to the distribution of pharmaceutical drugs and related products, while taking preventive measures against infection transmission.

Pharmaceutical products require strict quality control under rigorous legal regulations

Ethical drugs include the following characteristics:

- (1) High sociality/publicness
- (2) Efficacy/safety and quality assurance are required
- (3) Appearance alone cannot indicate the drug characteristics
- (4) Wide-ranging drugs in small quantities to meet diversified disease/treatment needs
- (5) Difficult to predict demand, but urgently required when used in many cases.

Based on the above, ethical drugs are subject to various strict legal restrictions, including the Pharmaceutical and Medical Device Act (PMD Act), from manufacturing to purchase, storage, delivery, sale, and use.

In addition, in recent years, the number of specialty medicines (e.g., regenerative medicine) that use cells as raw materials has increased, and in order to supply these medicines safely and stably, implementing strict quality control at the time of storage and delivery has become essential.



Ultralow-temperature storage and transport cart



Ultralow-temperature storage and transport container

Oroshi accumulate advanced drug knowledge and distribution know-how

Subject to the limitations of pharmaceutical jurisprudence and the health insurance system, ethical drugs have unique distribution characteristics not observed in other drugs.

Therefore, Oroshi—which play an important role in pharmaceutical distribution—carry out businesses to respond to the various medical needs while paying attention to the following points.

- (1) Ensure quality and efficacy/safety
- (2) Safe and stable supply
- (3) Supply promptly and reliably
- (4) Supply economically and effectively
- (5) Respond to more diverse demand
- (6) Have technical knowledge/ability
- (7) Collect/Provide drug information

In addition to physical distribution, Oroshi play a wide range of roles

The improvement and steady implementation of wholesale functions under the current medical circumstances is our mission as a wholesalers association. Oroshi have practiced the following functions with high ethical sense:

(1) Physical distribution function

Purchase function, storage function, assortment function, delivery function, quality control function, and crisis management and distribution function

(2) Marketing function

Marketing promotion function, marketing management function, promotion of appropriate use function, consulting function

(3) Information function

Function to collect/provide information on ethical drugs, function to provide Information corresponding to customer category, and function to adjust supply and demand

(4) Financial function

Credit/debt management function

Initiatives in accordance with JGSP

The JGSP (Japanese Good Supplying Practice = industry norms and standards concerning quality control and safety management of pharmaceutical supply) has been established in the pharmaceutical wholesale industry.

"The Guidelines on Good Distribution Practice (GDP)", which are aimed at promoting proper distribution management of pharmaceutical products, were put together on the basis of PIC/S GDP, and accordingly, JPWA reviewed the current JGSP to create a new version in conformity with international rules, "JGSP GDP global harmonization edition," in February 2019.

We, Oroshi, shall comply with "JGSP GDP global harmonization edition" and strive to manage good distribution practice for safe and secure pharmaceutical products by thoroughly engaging in quality management, employee education and training, supply environment and facility development, supply operations of pharmaceutical products and self-inspection, etc.

Toward the development of an integrated community care system

In the face of declining birthrate and an aging society, we, Oroshi, are required to take action to support the creation of an integrated community care system. Given our close association with regional medical care, we are working toward the realization of an integrated community care system.

Approaches to sales information provision

For the proper provision of information on ethical drugs, in addition to taking measures from the perspective of safety planning, we are also implementing measures to address advertisement and public relations activities in order to ensure the proper use of ethical drugs. However, in sales information provision activities, there are acts for which it is difficult to obtain evidence, acts that are considered to promote improper use even though they do not necessarily fall into the category of clearly false or exaggerated advertisements, and acts that provide materials for which it is difficult to determine the veracity of the advertisement, and thus, there are concerns that such acts may affect the proper use of ethical drugs. Under these circumstances, "Guidelines for sales information provision activities of ethical drugs" were formulated with the aim of improving health and hygiene by optimizing advertising or similar activities conducted as part of sales information provision activities for all employees (including company officers) of Oroshi as well as pharmaceutical manufacturers and distributors.

In response to "Guidelines for sales information provision activities of ethical drugs", which went into full effect in October 2019, Oroshi are working to ensure the proper use of ethical drugs by consolidating company structure, educating employees, ensuring the appropriateness of materials used for sales information provision activities, implementing monitoring and guidance by the supervisory division, developing standard operating procedures and business records, etc.

We are working to improve distribution to realize ideal pharmaceutical distribution

History of the improvement of pharmaceutical distribution

In 1980, JPWA announced the “Code of ethical practice for pharmaceutical wholesale industry” and expanded nationwide the promotion of improved adequacy for pharmaceutical distribution. The government launched a “Study group on pharmaceutical distribution measures,” and discussed the ideal form of pharmaceutical distribution. In 1983, the “Conference for the Modernization of Commercial Transaction Practices of Ethical Drugs” (RYUKINKYO) was organized, and in 1987, the “Report on the Modernization of Commercial Transaction Practices of Ethical Drugs” was published. In 2004, the “Council for the Improvement of Commercial Transaction Practices of Ethical Drugs” (RYUKAIKON) was replaced by RYUKINKYO, and in 2007, urgent proposals focusing on the improvement of negative margin between customer purchase price (CPP) and wholesaler purchase price (WPP), etc., the resolution of continual delivery without price agreements, and the resolution of bundled transactions were submitted. Furthermore, in 2015, the “Proposal for the Promotion of the Improvement of the Commercial Transaction Practices of Ethical Drugs” was announced.

In 2017, following the approval of the fundamental changes in the NHI Price Scheme by the Central Social Insurance Medical Council (Chuikyo), the government has led efforts to improve distribution, thereby facilitating the development of an environment necessary for the proper implementation of drug price surveys. In response to this, the “Guidelines for distributors and related parties to improve ethical drug distribution” (Guidelines for the Improvement of Commercial Transaction Practices of Ethical Drugs) were developed.

In response to the issuance of the Guidelines, we, JPWA, held explanatory meetings for member companies in seven districts nationwide, with the attendance of a lawyer familiar with the Antimonopoly Act.

While the issuance of the Guidelines led to certain improvements in distribution, such as an increase in the unit price contract rate, there remain many aspects that warrant improvement, including increased semi-annual contracts with a view to the Scheme of Medical Reimbursement Fee Cuts for Low Rates on Price Agreement, and negotiations that do not take into consideration the value of pharmaceutical products.

Ensuring compliance with the Guidelines

The Guidelines lay out main points to be noted in the transactions of ethical drugs, with which all parties involved in distribution are required to comply. In addition, to ensure the effectiveness of the Guidelines, a consultation desk has been set up in the Ministry of Health, Labour and Welfare.

○ Points to keep in mind about the relationship between manufacturers and wholesalers of ethical drugs

1. The way WPP should be negotiated
 - To resolve a negative margin between CPP and WPP, an appropriate final cost should be set
2. Promotion of a new barcode display on pharmaceutical products containing information on changes
 - Implemented ahead of schedule for goods with a large distribution volume, aiming for mandatory display of new barcodes

○ Points to keep in mind about the relationship between wholesalers and medical and other institutions

1. Promotion of early conclusion and unit price-based contracts
 - Considering the purpose of the Scheme of Medical Reimbursement Fee Cuts for Low Rates on Price Agreement, it is desirable to conclude a unit price-based contract on all items, in principle
 - The proportion of unit price-based contracts should be increased from the previous fiscal year
 - The value of individual drugs should be considered from the price negotiation stage
2. Improvement of frequent price negotiations
 - Considering the purpose of the Scheme of Medical Reimbursement Fee Cuts for Low Rates on Price Agreement, it is desirable to conclude long-term contracts, such as annual contracts, except in cases in which variations in drug values occur during the period
3. Promotion of price negotiation based on drug values and distribution costs
 - Negotiation for discounts that ignore the value of individual drugs and negotiations for discounts that do not consider distribution costs at all should be avoided

○ Points to keep in mind in common among the parties involved in distribution

1. Handling of returned items
 - From the viewpoint of maintaining a steady supply of drugs and the prevention of the distribution of counterfeit items / falsified medicines, it is desirable to conclude the return policy agreement and contract
2. Compliance with the fair competition code and related laws and regulations
 - Fair and proper transactions should be conducted in compliance with the fair competition code

Oroshi support the promotion of self-medication through distribution of OTC

The safety level for consumers has been extremely high

OTC (nonprescription/nonproprietary drugs) are classified by risk into first class, second class (designated class 2 OTC), third class, and those requiring provision of patient education, as indicated by the label on the outer box of drugs. Depending on the degree of risk, a pharmacist or registered seller is to provide information and dosing directions. When consulted by a purchaser, the pharmacist or registered seller has a responsibility and obligation to provide information and dosing directions. In principle, an appropriate consultation response is expected, that is, the pharmacist or registered seller provides a “face-to-face” consultation. “Safety”—the most important issue for citizens—is ensured by the Pharmaceuticals and Medical Devices Act (PMD Act). Ethical drugs have both benefits (expected effects) and risks (unwanted adverse events). Risks categorized under PMD Act correspond to “degrees” to which attention should be given when drugs are taken, including concomitant drug use and adverse drug reactions, rather than “danger.” Appropriate consultation responses guarantee “safety” and “security” to purchasers.

Oroshi are “information coordinators”

Oroshi collect a lot of information from multiple pharmaceutical companies, coordinate such information clearly, and send it actively as support information for retail marketing. In addition, we collect customers' voices through retail experts (pharmacists and registered sellers) and share them with pharmaceutical companies.

Oroshi support the promotion of self-medication

According to the World Health Organization (WHO) definition, self-medication is “to treat minor physical discomfort on their own responsibility for maintaining their health.” It means that, in order to prevent or alleviate a minor ailment, individuals are to manage their own health and treat themselves using medicines such as OTC drugs at their own risk with advice from pharmacists and registered sellers. In anticipation of measures to promote self-medication, the “self-medication tax deduction system,” we, Oroshi, will further promote OTC drugs in compliance with the PMD Act through appropriate information provision to promote the proper use of OTC drugs, thereby actively supporting self-medication.

We are working toward realization of “future vision of self-care Oroshi”

Looking ahead to 2025, the year when the baby boomer generation becomes the late elderly, JPWA and the OTC Wholesaler Meeting formulated, as the direction for its activities, the “future vision of self-care Oroshi” in 2017, which summarizes issues that need to be addressed from three perspectives: “guidelines for self-care Oroshi,” “improvement of Oroshi function,” and “optimization of distribution.” As Oroshi that play a role in the industry to increase healthy life expectancy, we are committed to working toward the realization of our vision in order to further promote self-medication.



We are making various efforts to optimize pharmaceutical distribution

Information technology is promoted for pharmaceutical distribution efficiency

In case any serious adverse drug reaction emerges from the use of ethical drugs, or if any defective drug is found in distribution, swift action is required to minimize any harm to health. The pharmaceutical wholesale industry thus promotes information technology to ensure the swift and appropriate collection and/or smooth transmission of risk information and adequate pharmaceutical distribution in emergencies. In September 2006, the Ministry of Health, Labour and Welfare specified distribution codes for ethical drugs (drug code, expiration date, lot number) in conformity with global standards, mandating by-package barcode display of distribution codes (new barcode display) by 2021. In addition, the amendments to the PMD Act, which came into effect in November 2019, include a clear statement that mandates the use of the new barcode display. These have dramatically advanced the efficient tracking (traceability) of pharmaceutical distribution channels.

Moreover, to establish more efficient and streamlined systems for data exchange between pharmaceutical companies and Oroshi, introduction of a new format has been under consideration. With respect to data exchanges among medical institutions, health insurance pharmacies and related institutions as well, the introduction of a new pharmaceutical electronic data exchange system is in preparation to further improve operational efficiency, while maintaining the electronic data exchange system currently in use.

Barcode inspection



Barcode printed on the ethical drug package



GS1 DataBar Limited Composite Component
Symbol CC-A

A day of an MS

The person in charge of marketing at Oroshi is called an MS (Marketing Specialist). The daily activities of MSs are based on the basic roles of Oroshi to supply ethical drugs safely and stably. In the morning, an MS checks his/her schedule to visit hospitals/clinics/pharmacies, attends meeting or exchanges information with medical representatives (MRs) from pharmaceutical companies, and leaves the office to visit clients. At clients' offices, MSs' main activities include introducing ethical drugs, discussing business, and providing and collecting information. Once back in the office, he/she manages requests from clients, exchanges information with those in charge of delivery, manages in-house business, and prepares for the following day to finish his/her tasks. Furthermore, amid the current drastic changes in the client's management environment, another important role for MSs includes providing business solutions for clients, including consultations on medical management.



We are striving to disseminate information on comparisons of pharmaceutical distribution with other countries

JPWA conducts comparisons of systems and functions related to Japanese pharmaceutical distribution and ethical drugs mainly with Europe and the United States, and publishes “international comparison reports.”

In the first step, JPWA carried out a pharmaceutical distribution survey in Europe and the United States in 2007 to clarify the functions that pharmaceutical wholesalers play and to compare the various functions of pharmaceutical wholesalers and required costs in each country. The results were published in a form of a report entitled, “International Comparison of Pharmaceutical Wholesalers’ Function-Specific Costs.” Subsequently, to obtain a proper evaluation of the functions of Japanese pharmaceutical wholesalers, a survey in Europe and the United States was conducted in 2012, leading to the publication of the second international comparison report, “International Comparison of Pharmaceutical Business Practices and Functions of Pharmaceutical Wholesalers.” Furthermore, in 2015, a survey in the United States, where national disasters occur at a high rate similarly to Japan, was conducted, and the third report, “International Comparison of Challenges in and Solutions for Supplying Pharmaceuticals after Natural Disasters,” with crisis management distribution of ethical drugs as the theme. Then, in the face of an “era of generic drugs accounting for 80% of pharmaceutical drugs,” a survey on the current situation and issues of generic drugs in Europe and the United States was conducted in 2017, and the fourth report, “International Comparison of Drug Pricing Systems and Distribution of Generic Pharmaceuticals,” was published. Following this, another survey in Europe and the United States was conducted in 2019, given that pharmaceutical distribution beyond national boundaries has become common practice, and the fifth report, “International Comparison regarding Security and Quality Assurance for Pharmaceutical Distribution,” was published.

These reports were published as booklets both in Japanese and English. We will continue to make efforts to disseminate the latest information based on research studies in other countries.



A day of a **wholesale pharmacist**

The wholesale pharmacist's day begins with communication with his / her colleagues. A wholesale pharmacist conveys the necessary information to an MS and/or the person in charge of delivery hurrying to leave the office, to ensure the appropriate marketing of ethical drugs. In addition, the pharmacist confirms temperature management at the warehouse or the quality management system such as the expiry date of drugs. In addition, he/she also manages regular tasks such as arranging drug information and revised package inserts from pharmaceutical companies, handles inquiries from medical institutions and pharmacies, and checks the business category and qualification of new clients. Furthermore, checking the content of information on adverse drug reactions reported from MSs is another important task. In the early evening, after checking the final stock of the day, he/she prepares educational training documentation for MSs, and completes all the daily tasks. To ensure the appropriate use of ethical drugs, far more approaches to provide the necessary information and manage quality control are currently required; hence ever-wider knowledge and dexterity are demanded of wholesale pharmacists.



JPWA host seminars to discuss various issues related to the pharmaceutical distribution industry

Hilltop seminar



An annual "Hilltop seminar" is held in an overnight retreat setting, targeting executives of JPWA member companies. The 2019 Hilltop seminar was held with seven invited lecturers from various fields, under the theme "innovation in pharmaceutical distribution and medical information technology."

JPWA seminar



An annual "JPWA seminar" is held around November each year, participated by not only JPWA member companies but also supporting members and academicians. The 2019 JPWA seminar was held with four invited lecturers from various fields, under the theme "changes in the environment surrounding pharmaceutical products and problems in their distribution."

Self-care Oroshi seminar



A "Wholesale Healthcare seminar" had been held every other year targeting JPWA members as well as supporting members, with JPWA and the OTC Wholesaler Meeting playing a central role. The name of the seminar was changed to the "Self-care Oroshi seminar" in 2016 in response to the changing market environment, and thereafter, it has been convened every year with self-care related companies as additional participants.

Antimonopoly Act workshop



This workshop, which is held every year for JPWA member companies, has been cosponsored by JPWA and the Fair Trade Council on Ethical Drug Wholesaling. In 2019, we invited two lecturers, a lawyer who is well-versed in anti-trust violation cases and the vice president of the fair trade council for clinical laboratories, and conducted training sessions on the Antimonopoly Act and compliance in companies based on case examples.

We are actively working on communication with overseas pharmaceutical wholesalers

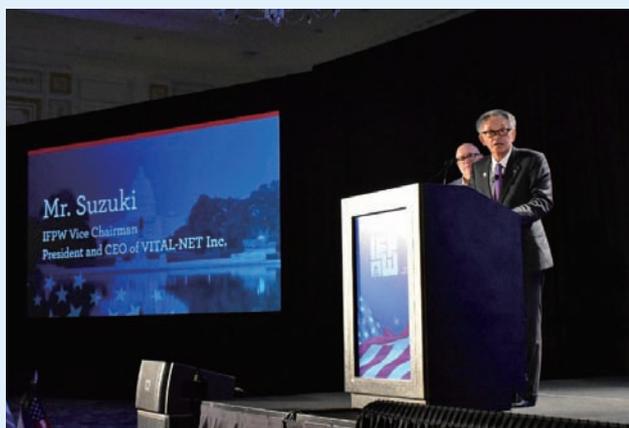
We contribute to medical activities worldwide through the International Federation of Pharmaceutical Wholesalers (IFPW)

IFPW, established in 1976 to “support the global promotion of safe and efficient access to pharmaceuticals through swift and reliable distribution activities,” is a global organization of pharmaceutical wholesalers comprising organizations and companies from approximately 20 countries in four regions across the world (Asia/Australia, South America, Europe/the Middle East/Africa, and North America). JPWA has been a member of the IFPW since its establishment in 1976.

At the IFPW Board of Directors meeting prior to the 2018 IFPW General Membership Meeting in Washington D.C., USA, Ken Suzuki, chairman of JPWA was appointed chairman of the IFPW. At the IFPW General Membership Meeting held the following day, it was decided that the next meeting would be held in Tokyo, Japan. Twenty-eight years have passed since the last General Membership Meeting held in Nagoya in 1992.

The following topics had been scheduled for the 2020 IFPW General Membership Meeting in Tokyo: the pharmaceutical market and efforts of pharmaceutical wholesalers in each country, based on a keynote speech on healthcare and pharmaceutical industries that are undergoing transformation, under the main theme “Partners in the Evolution of Healthcare Delivery,” with focus on Japan’s healthcare system and other issues that need to be addressed as it adapts to an aging society. These topics have been attracting much interest from many countries around the world.

However, the IFPW headquarters decided to postpone the 2020 IFPW General Membership Meeting in Tokyo to 2021, due to the COVID-19 pandemic and in view of the current situation in which there is still no prospect that the pandemic would end.



The 22nd meeting, Washington, D.C.



● Host city

1977	The 1 st meeting	Berlin
1979	The 2 nd meeting	Kauai, Hawaii
1981	The 3 rd meeting	Mexico City
1983	The 4 th meeting	Kyoto 
1985	The 5 th meeting	Bournemouth
1987	The 6 th meeting	Sydney
1988	The 7 th meeting	Stockholm
1990	The 8 th meeting	Washington D.C.
1992	The 9 th meeting	Nagoya 
1994	The 10 th meeting	Buenos Aires
1996	The 11 th meeting	Sydney
1998	The 12 th meeting	Roma
2000	The 13 th meeting	New York
2002	The 14 th meeting	Monaco
2004	The 15 th meeting	Shanghai
2006	The 16 th meeting	San Francisco
2008	The 17 th meeting	Dublin
2010	The 18 th meeting	Seoul
2012	The 19 th meeting	Cancun
2014	The 20 th meeting	Beijing
2016	The 21 st meeting	London
2018	The 22 nd meeting	Washington D.C.
2020*	The 23 rd meeting	Tokyo 

* Postponed to 2021 (as of August 2020)



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