

PAGB

Representing the
Consumer Healthcare
Industry since 1919



Annual Review 2015-16

Shaping consumer healthcare

PAGB is the UK trade association which represents manufacturers of branded over-the-counter medicines, self care medical devices and food supplements.

It is our ambition to shape the consumer healthcare market by promoting self care for self treatable conditions, acting as the voice of the industry and providing a world-class service to our members.



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Our 2015 manifesto asked 'can we afford not to self care?' and the question is as valid today as it was a year ago.

NHS finances are still stretched as the service struggles to find £22 billion in efficiency savings at the same time as managing increasing demand from a growing and ageing population.



This presents a significant challenge, but we know that by equipping more people with the information to take responsibility for their own health and wellbeing and to self care for their self treatable conditions, we can free NHS resources and capacity to support those people living with complex chronic conditions. The NHS acknowledges this, citing self care as part of the solution in numerous policy documents.

Over-the-counter medicines, self care medical devices and food supplements provide people with fast access to effective treatment and save time otherwise spent in unnecessary medical appointments and absence from work. These appointments can then be freed up for people who really need them and efficiencies can be reinvested elsewhere in the system.



It is clear that our industry has a large part to play in promoting self care and empowering people to self treat. I am confident that the new PAGB strategy, which the Board approved last September, will ensure we play that part effectively.

We continue to work towards developing a positive self care environment through our ongoing support of the Self Care Forum and by partnering with NHS England, Public Health England and the Department of Health on the national 'Stay Well This Winter' campaign.

By being a strong voice for the industry, we are challenging negative media coverage of our products, instead offering a balanced view of the benefits of self-medication and food supplements, and we have worked with policy makers and regulators at the national and EU level to reduce regulatory burdens and remove barriers to effective self care.

We remain committed to providing a world-class member service and I would like to thank PAGB colleagues for their work on copy clearance, the volume of which is up another 14% this year, and for their work on self care medical devices, both in positively influencing the European regulation and developing an appropriate system of self-regulation for these products in the UK.

I would also like to thank all our member companies for their continued support and engagement in PAGB's work programme. I look forward to working with you all in the coming year.

Carlton Lawson
PAGB President

Providing a world-class member service is a top priority for PAGB.

That means fast turnaround, expert advice and helping members develop internal expertise on regulatory issues.

7,877

advertising copy pieces reviewed for members. Up 14% on last year.

771

telephone enquiries and more than 500 email enquiries responded to.

5

complaints upheld (4 MHRA, 1 ASA).

The copy clearance team expanded by

25%

PAGB is committed to providing high quality training opportunities for members.



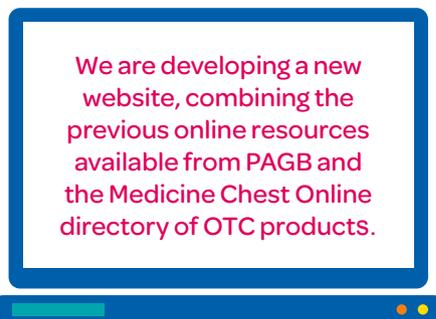
90 people attended the PAGB conference with presentations including: the role of pharmacy in self care, and MHRA's perspective on European regulatory priorities.



We delivered 17 advertising workshops for 164 people, including tailored onsite workshops to help members stay up to date.



In 2016 PAGB's first expert seminar on medical devices was attended by 90 people from 31 companies.



We are developing a new website, combining the previous online resources available from PAGB and the Medicine Chest Online directory of OTC products.

"It was a great way to train multiple functions within our business and talk about specific areas which were pertinent to our particular products and projects"

Pfizer



PAGB is proud to represent over

★ **2/3** ★

of the OTC market.

84

people registered for the PAGB professional development programme.

24

the number of times our meeting room facilities were used by members and associate members.

80

the number of times we met with member companies on separate occasions in 2015-16.

PAGB provides expert comment to the media and policy makers to promote self care, secure better regulation and shape the consumer healthcare market.

This year we've increased our communications capacity, engaging dedicated media and public affairs agencies to deliver our strategy.

40 media statements issued by PAGB. Achieving coverage in:



28
target journalists
identified and contacted.

3
face to face meetings secured
with target national print media.

HSIS (PAGB funded Health Supplements Information Service) recorded a print reach of 29,11,477 across national, consumer, pharmacy and health food press and a digital reach of 443,225,153.

Our online presence
is still growing.
20% increase –
28,403 unique visits
to pagb.co.uk
25% returning visitors.

We're proud of our success this year influencing the European medical devices regulations and food supplements policy.



PAGB works with
22
national associations
to influence policy
through AESGP
(Association of the
European Self
Medication Industry).

AESGP joins
23
associations in
WSMI (World Self
Medication Industry)
to promote self care
at a global level.



This year PAGB contributed evidence to 30 consultations and had over 220 meetings to inform and influence activity that supports self care, and improves the regulatory environment.

Promoting and increasing self care remains one of the core elements of PAGB's strategy.

PAGB research into people's understanding of common self treatable conditions showed:



79% of people think that a cold lasts less than a week, when symptoms typically last 7-10 days.



36% of people who visit a GP when they have a cold do so because they want or think they need antibiotics. Antibiotics are not effective for treating colds and flu.



Young people aged 18-24 are more than twice as likely to go to A&E for information about their health than those aged 55+.



Self Care Week, 16-22 November 2015 had the theme 'Self Care for Life', encompassing self care for self treatable conditions, antibiotic prescribing, self management of long term conditions and improving health literacy.

MPs, MSPs, doctors' groups and other influential people took to social media to promote self care.



Kevin Barron MP
@KevinBarronMP

Follow

Self Care Week is underway – do you know how to Self Care for Life? #SCW2015 @SelfCareForum bit.ly/1M0kkt

160

number of organisations that promoted self care week 2015. 60% increase on 2014.

5x

more twitter impressions than 2014 on the Self Care Forum twitter feed.

The Self Care Forum has taken an ambitious step towards becoming an independent charity.

Supported by PAGB, the Forum has provided online and offline resources to its

500+

subscribers to support self care and help share best practice.

+30%

spike in online visitors to Self Care Forum website (3,000 more than 2014).

+40%

downloads of self care factsheets (6,800).

120

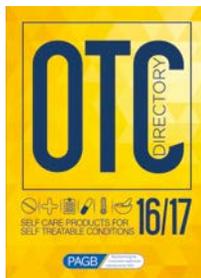
people attended
the 17th annual
Self Care Conference.

Delegates learned about self care in practice across England including a student health app, case studies of campaigns, and local pharmacy initiatives.

Discussions were focused on equipping health professionals, commissioners and providers with suggestions for implementing self care strategies in their local areas.



Our OTC Directory remains an important tool for over 53,000 health professionals and pharmacists.



36,000
General
Practitioners

5,500
Practice
Nurses

3,400
Independent
Pharmacies

5,100
Multiple
Pharmacies

2,340
Schools
of Pharmacy

900
Hospital
Pharmacies
& Information
& Poison units

Stay Well This Winter

49%

of pharmacists stated that people had been influenced 'a great deal' or 'a fair amount' by Stay Well This Winter.

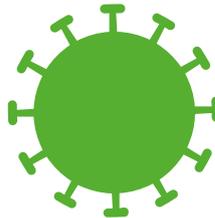
2/3

of pharmacists registered an effect on the number of people seeking advice on flu-like symptoms at their pharmacy.

1,136,000

estimated extra visits to pharmacy as a result of the campaign.

TNS, 2016



We were pleased to work with Public Health England, NHS England and the Department of Health on a national winter campaign, Stay Well This Winter, October 2015 – March 2016.

PAGB members used the campaign logo on advertising and marketing materials.

**STAYWELL
THISWINTER**



John Smith has already made a big impact on the direction of PAGB since joining as Chief Executive in July 2015.

In this interview he sets out his vision for PAGB and how his experiences in the consumer healthcare industry have shaped his approach to leading the association.

What skills and experience have you brought to the role of PAGB CEO?

I'm certainly no newcomer to the consumer healthcare industry. I spent 20 years, all in commercial, first in finance in the Pharma division and since 1999 in Consumer commercial leadership roles in numerous markets including South Africa, Portugal, Ireland, Netherlands and the UK. All of this time with Wyeth and then Pfizer.

Apart from my commercial experience, I've developed a strong sense of myself as a manager and how to get the best out of a team.

As a former President of PAGB I was aware of the challenges and opportunities facing the association. I also have personal experience of what members need and want from PAGB on a practical level. With this in mind, I felt that I could make a significant impact on the success of PAGB and really add value to the organisation.

What do you think are PAGB's greatest strengths and achievements?

First and foremost we now have a clear strategy, shared by member companies and PAGB staff. I want to see PAGB become famous for shaping the consumer healthcare market and I believe we've already made some great steps in that direction.

"By focusing our activity on achieving three bold strategic aims we're able to deliver on core issues that affect the consumer healthcare industry now and in the future."

The regulatory team's work on switch and naming are great examples of not accepting the status quo and driving for improvements. They should have a positive impact on the industry, while specific projects on medical devices and food supplements at the European level are reaping rewards for the future.

Our influence in the media has increased significantly and we're able to provide a more responsive industry-wide comment to support members' own responses to arising issues.

What should we expect to see in the coming year?

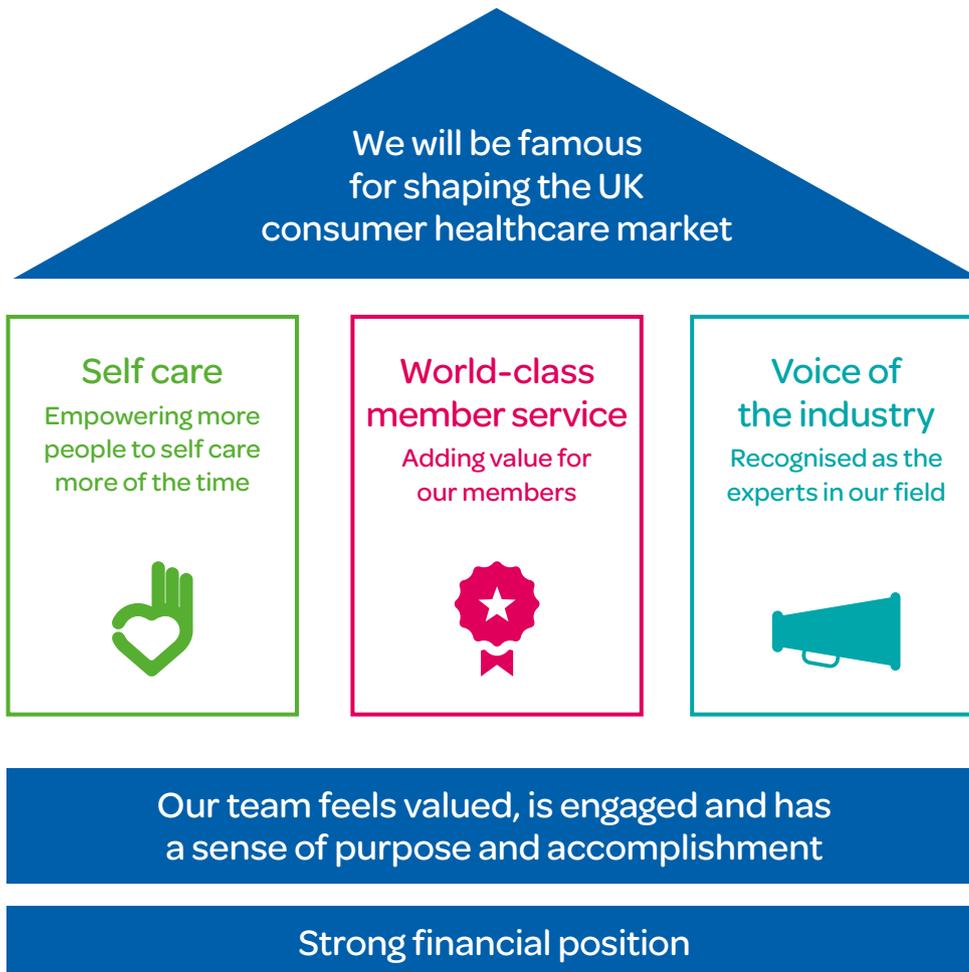
I'm firmly committed to the strategy we agreed in 2015 and the coming year will see us fine tuning our activity to ensure that everything we do is directly adding value to members while at the same time helping to put self care at the heart of the national policy agenda. For example, the packaging project we started last year, which is looking promising.

Our communications will be more proactive and PAGB will be increasingly regarded as the voice of the industry by policy makers and the media.

My team has a great reputation externally for expert scrutiny and knowledge of the regulatory system. We will ensure that we continue to be involved in all significant regulatory issues across OTC medicines, food supplements and medical devices. And as part of our commitment to provide a world-class service, we'll keep members fully informed of progress on key projects, share intelligence and seek input on issues.



The new PAGB strategy sets out our ambitions to 2018 and beyond.





Self care

Empowering more people to self care for their self treatable conditions is good for the individual, for society and for the NHS, as well as for the industry. We will continue to support the Self Care Forum to promote self care through the Self Care Conference and Self Care Week.

We will seek more opportunities to work with NHS England and Public Health England on national self care campaigns.

By 2018:

- 2 changes to the interpretation of regulations
- 2 national self care campaigns
- 2 significant market developments



World-class member service

Our core services of copy clearance and regulatory support are the reasons companies become PAGB members and these will remain our priority. We began a pilot programme of copy clearance for self care medical devices in May 2016 and will roll this out fully in 2017.

By 2018:

- 100% of members' eligible products represented
- 85% satisfaction rating (members)



Voice of the industry

PAGB will act as a strong voice of the industry, promoting the benefits of self care and engaging proactively with the media, regulators and other stakeholders to ensure there is a fair and balanced debate about relevant issues.

Our media relations programme seeks to increase positive coverage about OTC medicines, food supplements and self care. Through our public affairs programme, we aim to secure a National Strategy on self care for self treatable conditions.

By 2018:

- 6 proactive positive press articles per month
- No significant negative regulatory changes

PAGB Core Services

7,877

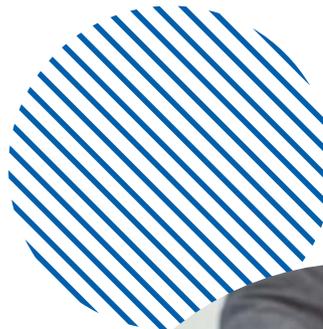
pieces of copy were reviewed between May 2015 and April 2016 – **an increase of 14% over the previous 12 months** – and we continued to work to a target turnaround time of 24 hours.

European Medical Devices Regulations

PAGB continued to play an active role in negotiations at UK and EU level on the new medical devices regulations. In September 2015 a meeting with the European Parliament rapporteur Glenis Willmott MEP secured her continued support for a risk-based proportionate approach. A final regulation is expected soon and PAGB's focus will shift to ensuring implementation is as smooth as possible for companies.

We have developed a new advertising guideline for self care medical devices, enabling us to begin a pilot programme of copy clearance in three categories: head lice, topical pain, dry skin and eczema from May 2016.

We aim to extend this service to all qualifying member products in 2017.





Better Regulation

In conjunction with the Better Regulation Delivery Office (now Regulatory Delivery), PAGB established a forum for all food industry trade associations and advertising bodies to work together to develop a common interpretation of the requirements of the Nutrition and Health Claims Regulation.

PAGB also worked with MHRA on two specific initiatives to simplify medicines regulatory processes; the Composite Co-ordinated Collections initiative and Batch Specific Variations:



- Composite Coordination Collection (CCC) coordinates and streamlines the process of changing a medicine's marketing authorisation or updating an SmPC (summary of product characteristics document).
- An expedited Batch Specific Variation process for use in exceptional circumstances to ensure stock remains on the market to meet essential public health objectives.



Action by PAGB at EU level created a shift in policy to allow the use of the word **"antioxidant"** in the advertising of foods. Working with regulators in the UK, PAGB has gained the use of the phrase **"Scientifically Proven"** in food advertising when used in conjunction with an authorised health claim.

Our work is driving the food supplements policy debate.

PAGB funded a systematic review of studies on nutrition, published in the Journal of Human Nutrition and Dietetics.

Media launch:

- 46 journalists attended
- 26 pieces of coverage
- 11 vlogs

Views shared at the event indicated a welcome shift in perception towards the positive value of food supplements.

We funded an independent academic report on the importance of nutrition as we age, The Hidden Health Challenges, to examine the use of food supplements to address nutritional gaps.

We hosted a round table event with 10 key opinion leaders, including state registered nutritionists, dieticians, GPs and academics.

We are using this evidence base to call for policy developments that recognise the role that food supplements can play in supporting people in maintaining good health into older age.

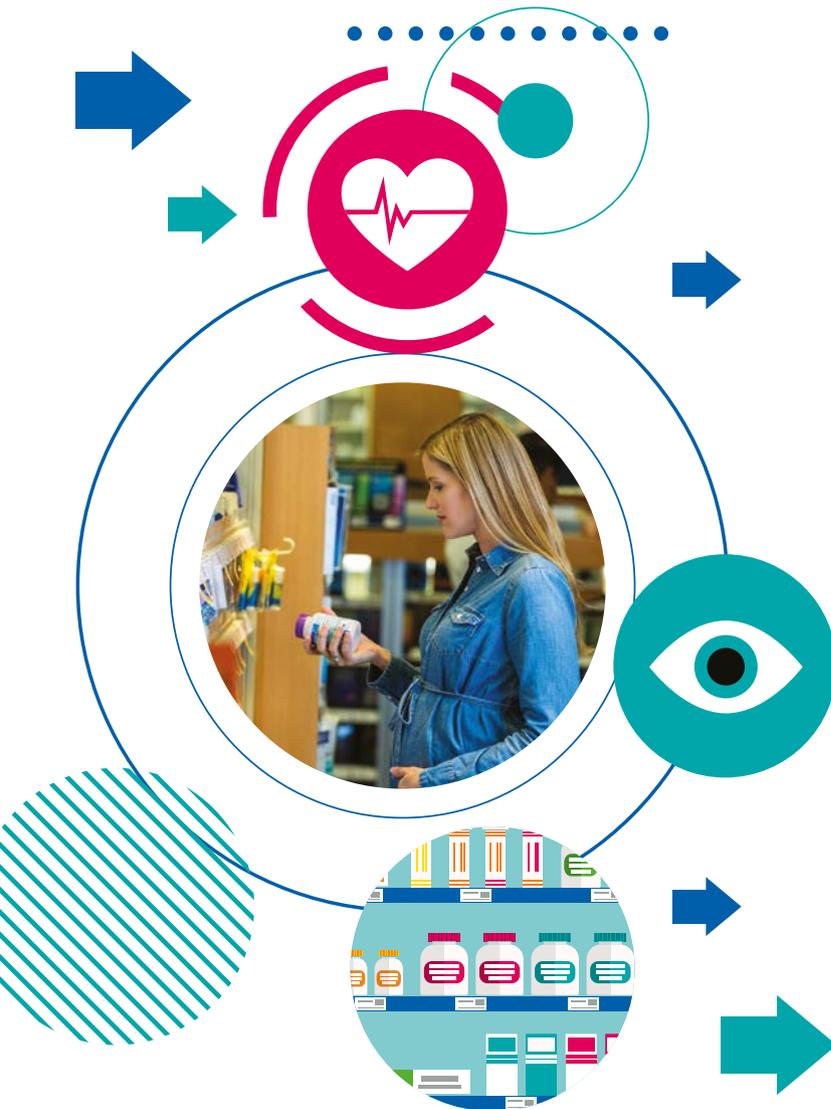
Malnutrition costs an estimated £5 billion a year in direct healthcare costs and a further £13 billion in associated health and social care expenditure.

The PAGB funded Health Supplements Information Service (HSIS), aims to provide the UK media with accurate and balanced information on vitamins, minerals and other food supplements. HSIS works with independent expert dietitians, nutritionists and GPs to provide evidence-based information and analysis to journalists.

- Achieved a print reach of **29,11,477** across nationals, consumer, pharmacy and health food trade press
- Recorded a digital reach of **443,225,153** unique users including the Daily Mail Online
- HSIS horizon scanning service analysed **25,458** journals, **40,611** news alerts and **2,703** conference calendars
- Reputational threats: **24** issues were noted and **75%** stopped

The HSIS horizon scanning and evidence-based approach has had a positive impact resulting in far fewer negative media stories being published now than in previous years.





Real people

Building on last year's qualitative behaviour research, we commissioned two quantitative real world behaviour studies in the GI and cold and flu categories (600 people), comparing current and simplified packs. We also conducted face to face interviews to gain further insights into the pack designs, and a quantitative behavioural study in two 'at risk' groups (pregnancy and cardio vascular disease).

Real data

The research confirmed that current information on OTC packaging is complex and confusing and can present a barrier to self treatment. People use brand, format and symptom relief messages to choose OTC medicines.

Real change

Using this real world data, we will now work to convince regulators and health professionals to recognise the validity of real world data and adopt a more people centric approach to regulatory decision making for OTC medicines.

MPs and Peers back calls for a National Strategy for self care.

The All-Party Parliamentary Group on Primary Care and Public Health published its report on behaviour change, information and signposting in March 2016. The report is the outcome of a ten month inquiry into progress on delivery of the goals set out in NHS England's Five Year Forward View report (2014).

As the secretariat to the group, PAGB contributed time and organisational skills to ensuring a clear and focused inquiry programme. The communications team at PAGB also helped draft the influential report, which has been quoted by MPs in Parliament, and received wide ranging media coverage in the general media as well as in health and pharmacy titles.

Top line recommendations

- ▶ National Strategy for self care to reduce pressures on the NHS.
- ▶ The provision of clear and consistent information and signposting to appropriate NHS services.
- ▶ An incentives-based funding system for public health focused on positive health outcomes and prevention.



10

months – length of the APPG inquiry into NHS England's Five Year Forward View (FYFV) report (2014)

36

written evidence submissions

10

witnesses gave oral evidence to the inquiry

102

guests attended the launch of the APPG report

5

trade media articles about the report

Category	Value Sales to 23 April 2015 (£M)	Value Sales to 23 April 2016 (£M)	% change
Pain relief	£566.4	£576.9	1.85
Cough, cold and sore throat	£408.7	£415.1	1.57
Vitamins and minerals	£364.0	£372.9	2.45
Gastrointestinal	£265.9	£273.7	2.93
Skin treatments	£204.9	£208.2	1.61
Smoking cessation	£106.2	£110.8	4.33
Hayfever	£107.2	£104.9	-2.15
Eye care	£68.8	£75.6	9.88
Sleeping aids	£44.2	£45.5	2.94
Other	£204.4	£211.2	3.33
Total market	£2,340.70	£2,394.80	2.31

Source of Information

Nielsen Scantrack service using data to WE 23.04.16

Overall OTC categories have grown in value by 2.3% but unit sales are almost flat at 0.2%. This is very encouraging particularly given the deflationary environment experienced in the UK.

Pain Relief is the biggest OTC category and showed modest value growth of 1.8%. All growth came from paediatric and topical analgesics while adult oral pain relief declined by -0.5%

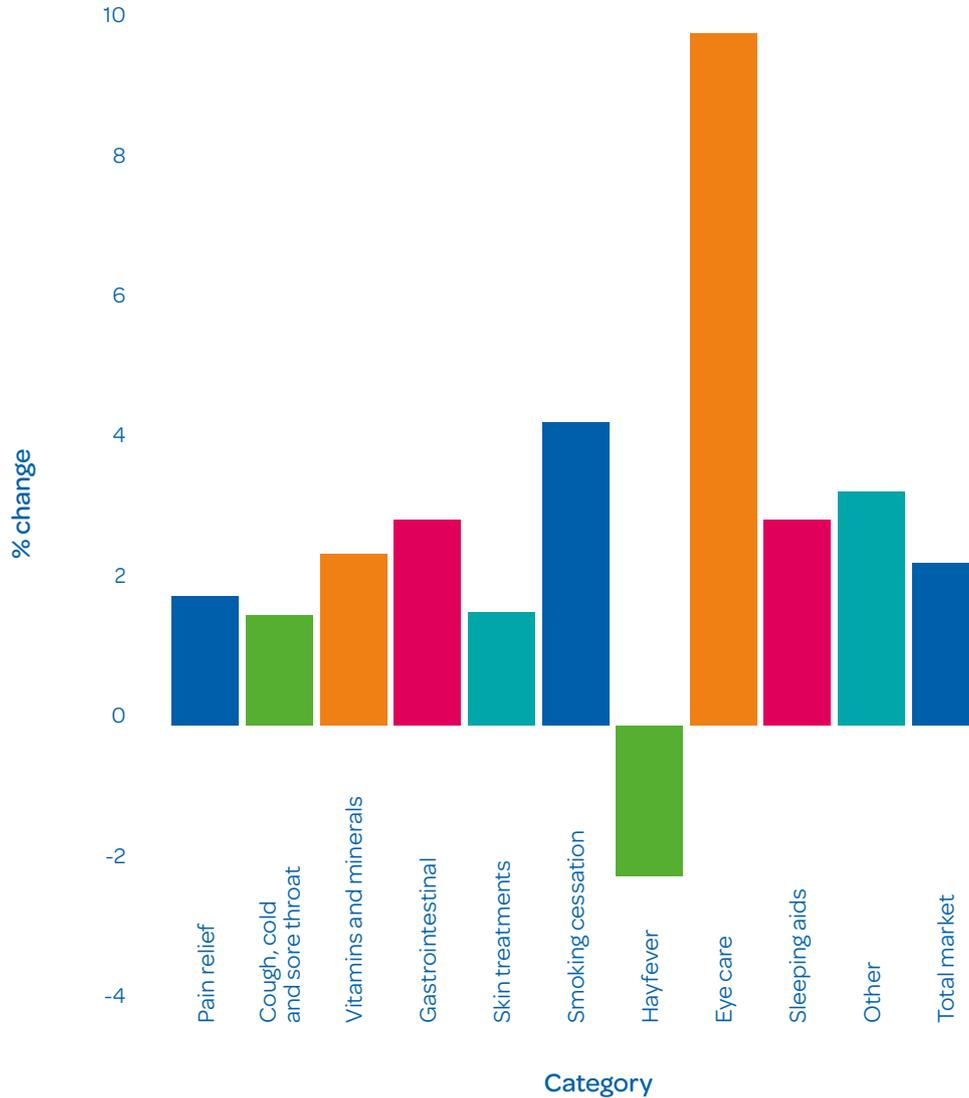
The **cough, cold and sore throat** category enjoyed 16% value growth in 2014/15 due to a strong winter cold and flu season. In the 52 weeks to 23.04.16 it remained almost flat in units (+0.2%) and all value growth came from slightly higher average prices.

The **gastrointestinal** category showed value growth of 3.0% while unit sales declined (-0.6%). Most of the value growth came from one newly switched product which contributed £8.5m.

The **smoking cessation** market is in long term decline, however it showed some recovery in value in 2015/16 – growing by 4.3% while unit sales remained in marginal growth (0.8%).

Vitamins and minerals showed a strong and stable performance, growing in value +2.5% and in units +2.2%. Children and Baby vitamins and minerals contributed the most towards this growth.

Percentage change in value sales from April 2015 to April 2016, by category



OTC read

OTC read was defined by Nielsen in agreement and collaboration with PAGB and its members. Read covers over the counter categories including P and GSL, Private Label and Branded Products. Private label sales excluded from Smoking Cessation.

Nielsen coverage

Nielsen Universe covers over 75 000 stores. Including independent and multiple chemist stores, grocery supermarkets (including in store pharmacies) and impulse stores.

About Nielsen

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers Watch and Buy. By integrating information from its Watch and Buy segments and other data sources, Nielsen provides its clients with both world-class measurement as well as analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries that cover more than 90 percent of the world's population.

For more information, visit www.nielsen.com



PAGB's team of experts is here to support you.

Take a look at some of the exclusive benefits available to members of PAGB.

Copy clearance

- Advice and pre-vetting of advertising and marketing/promotional materials.
- Pre-vetting of pack design with expedited approval from MHRA.
- Management of disagreements between companies.

Ask the experts

- Specialist legal and regulatory advice.
- Management of ingredient issues.
- Influence and engagement with the regulatory processes.

Professional development

- General and bespoke workshops on advertising codes, regulation and legislation for medicines, devices and food supplements.
- Online professional learning programme.
- In-depth seminars on industry issues.

News and information

- Reactive and proactive media relations to promote the self care industry and manage issues.
- Access to member-only content on PAGB website.
- Regular email newsletters and updates about changes to regulation, ingredient issues, policy and news.

Promoting self care

- Partner in national public awareness campaigns, such as 'Stay Well This Winter'.
- Your products included in the OTC Directory, sent to over 50,000 GPs and pharmacists.

Day to day benefits

- Use of PAGB's central London conference room.
- Invitations to PAGB events.

Our members



ASTRAZENECA • SOHO FLORDIS

Associate Members

BEATTIE COMMUNICATIONS • BGP PRODUCTS LTD • BRAY LEINO • FOX KALOMASKI CROSSING • FUEL PR LIMITED • HAMELL COMMUNICATIONS • HILL & KNOWLTON STRATEGIES • INCISIVE HEALTH LTD • IMS CONSUMER HEALTH • INFORMATION RESOURCES (UK) LTD (IRI) • INVENTIV HEALTHCARE COMMUNICATIONS • KAIZO LIMITED • LEO PHARMA • McCANN HEALTH • NEXUS HEALTHCARE COMMUNICATIONS • NIELSEN • PEGASUS PR • PRECISION MARKETING GROUP • RED DOOR UNLIMITED • SAATCHI & SAATCHI X • SPINK • VIRGO HEALTH • WEBER SHANDWICK • WORDBIRD



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PAGB

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Consumer Healthcare
Industry since 1919

