

Big Deals Still Hot in OTC Industry

Sales of non-prescription drugs in the U.S. grew by only a modest 3 percent in 2005, but this did little to slow the increasing dominance of some of the biggest players in the OTC market. According to the latest study by Kline & Co., the recent flurry of mergers and acquisitions has put more than half of the total sales volume into the hands of just 10 manufacturers. "Drug manufacturers are seeking big consolidation deals and seem to be following in the footsteps of the major drug retailers such as Rite Aid, which acquired Brooks and Eckerd," says Laura Mahecha, industry manager of the Healthcare practice for Kline's research division. "The drug companies are playing catch-up to the retailers by growing their portfolios in order to better serve the larger retailers." Kline's study, "Non-Prescription Drugs USA 2005," tracks industry trends and provides manufacturers' sales data, company and brand profiles and advertising spending information. It also provides forecasts for both market performance and expected Rx-to-OTC switches, another significant driver in the OTC market.

Source URL (retrieved on 01/24/2015 - 11:40pm):

http://www.chem.info/news/2006/10/big-deals-still-hot-otc-industry?qt-most_popular=1