

## Distribution of Medicinal Products in Light of Non-legislative Regulations and Market Agreements on the Pharmaceutical Market

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### Abstract

Distribution of medicines in Poland is strictly regulated by legal provisions. Non-legislative regulations included in codes of ethical pharmaceutical marketing or market agreements between entities operating in the pharmaceutical sector also play an important role. The aim of this paper is to describe distribution agreements between entities operating in the pharmaceutical sector, voluntary associations of economic entities on this market, and regulations contained in codes of ethics shaping the distribution of medications in Poland. Non-legislative regulations do not create nor clarify the law, they exist to streamline the activities of pharmaceutical market entities and ensure their stronger protection. The fact that entrepreneurs join these initiatives voluntarily indicates an increase in their awareness and concern with the patients' interest.

**Keywords:** Distribution; Code of ethical pharmaceutical marketing; Medicinal product; Market agreement; Non-legislative regulations

### Introduction

The basic legislative act regulating pharmaceutical market activities is the Pharmaceutical Law act of 6 September 2001 (Journal of Laws 2001 No. 126 item 1381).

The distribution of medications is also regulated by Good Distribution Practice (GDP). Some of the regulations may be found in other documents, which do not constitute law. Those include the following: Code of Ethical Pharmaceutical Marketing, agreements concluded between entities of the pharmaceutical sector.

This article presents non-legislative regulations of medications distribution on the Polish market illustrated by examples. Non-legislative regulations are established thanks to the commitment of medical sector entities. The fact that entrepreneurs join these initiatives voluntarily indicates an increase in their awareness and concern with the patients' interest. This paper presents the definition of a medicinal product and its classification. It also describes distribution agreements between the entities operating in the pharmaceutical sector, voluntary associations of economic entities on the pharmaceutical market, and regulations contained in codes of ethics shaping the distribution of medications in Poland. Non-legislative regulations do not create nor clarify the law, they exist to streamline the activities of pharmaceutical market entities and ensure their stronger protection.

### Definition of a medicinal product and its description

A medicinal product is "any substance or combination of substances presented as able to prevent or treat disease in human beings or animals, or administered with a view to making a medical diagnosis or to restoring, correcting, or modifying physiological functions of an organism through pharmacological, immunological or metabolic action" [1].

Polish law distinguishes between medications dispensed without prescription (so-called OTC medications), prescription medications (so-called Rp medications), and medications available only for hospital use. Medicinal products are divided into twelve groups, i.e.: official formulas, proprietary medicinal products, magistral formulas, homeopathic medicinal products, immunological medicinal products, blood-derived products, herbal medicinal products, veterinary medicinal products, radiopharmaceutical products, basic medications, prescribed medications and supplementary medications. There is also

a distinction between original (innovative) and generic medications, which depends on the type of manufacturing license [1].

Another classification of medicinal products bases on their membership in a particular Anatomical Therapeutic Chemical group (ATC).

### Distribution of medicinal products as a part of the marketing-mix

Marketing developed in the beginning of the 20<sup>th</sup> century in the United States, where it arose as a new concept of management. It is a vivid and dynamic science influenced by changes on global markets caused by development and transitions of economy as well as wars and crises.

The simplest definition of marketing may be as follows: "the process of identifying, shaping, and meeting the customer's needs" [2].

Areas covered by marketing may be divided to two dimensions. The institutional dimension, i.e.: economic entities directly involved in the process of exchanging goods (e.g. manufacturers, intermediaries) and the functional dimension, i.e. specific functions/activities fulfilled by market participants, which can be divided into [3]:

- preparatory functions, e.g. market analysis,
- executive functions, e.g. running advertising campaigns, product delivery,
- supportive functions, e.g. crediting business partners, insuring goods in transit.

The marketing mix is: "a harmonious composition of several elements which is frequently described as 4P or 5P. The 4P concept distinguishes the following ingredients [...]: product, price, place,

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and promotion. As the service sector grew [...] the significance of employee qualifications started to be emphasised, and this factor (people) was included in the 5P concept” [4]. Distribution, product, price, and promotion form the tools of the marketing mix. This is why it is impossible to examine distribution individually. The specific and characteristic product features (weight, shape, shelf life) and its promotion affect the selection of the right distribution channel. Whereas the route the product needs to travel from the manufacturer to the end user affects its final price.

Ph. Kotler defines distribution as: “a set of activities oriented at attaining profit which encompass planning, organizing, an control of the manner finished products are moved from their places of manufacture to places of sale to end users” [5].

The subsequent part of this paper presents and analyses entities taking part in the distribution process on the pharmaceutical market. The following distribution chain links were analysed and characterised: producers of medicinal products, marketing authorisation holders, importers of medicinal products, pharmaceutical market intermediaries: wholesalers, pharmacies, physicians, non-pharmacy retail outlets.

**Manufacturers of medicinal products:** A manufacturer is an entrepreneur who was granted a manufacturing authorisation for medicinal products or active substances constituting ingredients for drug production. Authorisation is not required when the production consists in preparing a tested medicinal product before use, or changing the packaging, when this is performed in entities rendering health services [1].

The main task of medicines manufacturers is to assure the highest quality of manufactured products, i.e. observing the guidelines of Good Manufacturing Practice and, if they manufacture products from human blood, additionally the rules of pharmacopoeia.

Manufacturers of medicines take the most difficult decisions concerning distribution. Diversity of entities on the market causes the selection of intermediaries in distribution channels to be a complicated issue. The knowledge about changes in the behaviour of patients, which the manufacturing possesses, became a value offered to wholesalers and pharmacies. This considerably increases the scope of services offered by the manufacturers, but simultaneously forces them to expand beyond producing medications [6].

**Marketing authorisation holder:** Under the Pharmaceutical Law act, a marketing authorisation holder is “an entrepreneur as construed by the Act of 2 July 2004 on Freedom of Business Activity (Journal of Laws of 2007 No. 155 item 1095 and No. 180 item 1280), or an entity conducting business activity in a European Union Member State or a European Free Trade Association (EFTA) Member State” [1].

The marketing authorisation holder may address the product only to pharmaceutical wholesale stores, hospital pharmacies, research and development entities, scientific departments of the Polish Academy of Sciences, public universities for the purpose of scientific research, or export the medicines as well as commission their export.

**Importers of medicinal products:** Business activity in the area of importing medicinal products consists in bringing in finished products from outside the territory of the country and storing them, controlling the quality of released batches, and distributing them. Such trade in medicines also must be preceded by obtaining an authorisation. There are two types of import: import in exceptional circumstances, and parallel import.

Import in exceptional circumstances consists in bringing in medications from abroad which are not registered in Poland and have no local generic counterparts. It is only possible when they are indispensable for saving life or health of patients and they are authorized for marketing in the country they are imported from.

Parallel import consists in bringing in a medicinal product from the countries of the European Economic Area, which fulfils at least “the same indications up to the 3<sup>rd</sup> level of the ATC/ATCvet code (code of the Anatomical Therapeutic Chemical Classification), the same strength, the same route of administration and the same form as the medicinal product authorised for marketing in the territory of the Republic of Poland or has at least a similar form which does not result in any therapeutic differences as compared to the medicinal product authorised for marketing in the territory of the Republic of Poland” [1]. Companies engaging in parallel import buy cheaper medicines in certain countries and sell them in the countries where the price is higher.

Pharmaceutical market intermediaries in light of legislative regulations:

- **Pharmaceutical wholesale stores**

Wholesale trade is the activity consisting in acquiring, storing, exporting, importing medicinal products authorised for marketing concluded with pharmacies, importers, manufacturers or other wholesale stores, excluding direct sales of medicinal products to individuals. Pharmaceutical wholesale stores offering a wide range of products fulfil orders on just-in-time basis. They possess broad knowledge on the local market and its needs. Challenges connected with the area of wholesale stores activity include skilful inventory management leading to decreasing warehousing costs. Wholesale companies, in order to achieve success on the pharmaceutical market, must also promote their services and often ensure free transport of medicinal products to the recipients, which negatively influence the costs of such activity.

- **Pharmacies**

A pharmacy is a public health protection unit, which particularly provides pharmaceutical services. Pharmacies are classified as: generally accessible, hospital and onsite pharmacies. These types of pharmacies are differentiated by location and founding bodies, but also by the services they render. Generally accessible pharmacies are targets of large influencer marketing actions. The reason is close contact of such stores with the customer, who often knows the person dispensing the medications, trusts this person, and expects advice on treatment.

- **Physicians, dentists, and feldshers**

Physicians and dentists have a great influence on buying particular medications by the patients. That is why marketing authorisation holders and pharmaceutical wholesale stores emphasise promotion of medicinal products in the physicians’ community.

- **Non-pharmacy retail outlets**

The out-of-pharmacy distribution channel is used in intensive distribution strategy which consists in offering products in as many sales outlets as possible. A non-pharmacy retail outlet may offer over-the-counter medicines, vitamin and mineral supplements, as well as dietary supplements. The following stores are the main non-pharmacy retail outlets in Poland: booths, petrol stations, groceries, herbal medicine stores, special stores with medical supplies, as well as supermarkets and supermarkets.

## Market agreements - theoretical approach

The ability of entities to cooperate and their willingness to collaborate is very significant for building relations on the pharmaceutical market.

In the conditions of perfect competition or monopolistic competition, large number of entrepreneurs causes that no single one needs to take into account the influence of his actions on the competition. On a perfectly competitive market, the actions of sellers or buyers do not influence the market price level, and in a monopolistic competition there is only one seller on the market, or only one potential buyer of the product, who sets its price. The participants of an oligopolistic market need to have in mind that their actions affect the relatively few competitors. Decisions of companies regarding the quantity of manufactured products depend on the reaction of competitors [7]. Monopolists, having full liberty in decision making, organize the production in a way allowing them to maximize profits. That is why, if there are few specialised entrepreneurs in a given niche market, they agree to act as a single organization (monopolist). Oligopolists often need to choose between engaging in cooperation with competitors which gives more possibilities of market activity, and operating independently hoping for increasing income at the expense of the competitors [7].

## Market agreements on the pharmaceutical market

Organizations grouping voluntary entities operating on the pharmaceutical market are aiming to protect the rights and represent the interests of their members before central and local government authorities. They also participate in legislative projects concerning the pharmaceutical sector and collaborate with European organizations (e.g. Association of the European Self Medication Industry, European Generic Medicines Association). By doing this, they contribute to developing the health protection system in Poland. The following associations may be listed:

- Polish Association of Employers in the Pharmaceutical Industry – founded in 2002 as an organization representing the manufacturers of generic medications. It is a part of the Polish Confederation of Private Employers LEWIATAN and EGA – the European Generic medicines Association [8].
- Employer's Union of Innovative Pharmaceutical Companies INFARMA – established in 2006 by member companies of the Association of Innovative Pharmaceutical Companies Representatives. It represents 32 companies manufacturing innovative medications, including biotechnological medications. The members of INFARMA also engage in research and development ventures<sup>1</sup>. The Employer's Union of Innovative Pharmaceutical Companies is a part of the European Federation of the Pharmaceutical Industries and Associations (EFPIA) [9].
- "Farmacja Polska" Chamber of Commerce – existing since 1992. Currently it associates 110 economic entities engaged in manufacturing, trading and importing medications and medicinal products. Companies like wholesale stores, importers, as well as local and foreign manufacturers are among the members of the Chamber [10].
- Polish Association of the Self-Medication Industry – established in 2006. It associates 20 members, both large international

<sup>1</sup> Members of INFARMA are working on medicinal products in the fields of: inflammatory diseases, hypercholesterolemia, type II diabetes, asthma, skeletal system diseases, ulcerative colitis, different types of tumours, haematological tumours, systemic lupus erythematosus, muscular atrophy, and neurology.

companies and small local enterprises operating on the OTC medications market and the dietary supplements market. PASMI is a part of the Association of the European Self-Medication Industry (AESGP) [11].

- Association of Polish Pharmaceutical Wholesalers Employers – member companies of this association founded in 2005 represent over 75% of the distribution market in Poland. Its members include: ACP Pharma S.A., Hurtap S.A., Phoenix Pharma Polska Sp. z o.o., Polska Grupa Farmaceutyczna S.A., Prosper S.A., Torfarm S.A. [12].
- Polish Chamber of Pharmaceutical Industry and Medical Equipment "POLFARMED" – functioning since 1993. Among the members of the Chamber, there are local entrepreneurs manufacturing and selling medicinal products, medical equipment, dietary supplements, special purpose foodstuffs, raw materials, materials and equipment for manufacturing medicinal products and medical equipment. POLFARMED also associates enterprises rendering services connected with manufacturing and placing medicinal products and medical equipment on the market [13].

## Distribution agreements in the pharmaceutical sector

Reaching a consensus or concluding a contract is referred to as an agreement [14]. In the area of pharmaceutical market operations, an agreement may be concluded between two companies, as well as between a larger number of economic entities, e.g. distribution agreements.

In January 2011, the companies Boehringer Ingelheim and Eli Lilly informed about entering into a global agreement aiming to share new methods of treating diabetes. Boehringer Ingelheim is a global group of companies engaged in research and development works, manufacturing and selling innovative therapeutic products in the field of medicine and veterinary science. This organisation was founded in 1885. The group's vision statement is "value through innovation" [15].

Eli Lilly is an American pharmaceutical concern. It is an innovative company conducting numerous scientific studies which aim to seek new medicinal products to combat the problems of medicine which are yet unsolved. Eli Lilly develops medications used in treating diabetes, tumours, heart and circulatory system diseases, erection disorders, osteoporosis, ADHD, schizophrenia, and many other diseases. It has been operating since 1876, and it has been present in Poland for 34 years [16].

The agreement between the presented companies pertains two oral medications by Boehringer Ingelheim – linagliptin and BI10773 – and two basal insulin analogues by Lilly – LY2605541 and LY2963016. The agreement also includes the possibility of joint development and market placement of monoclonal antibodies binding to TGF-beta by Lilly. It was also agreed that Lilly was to pay Boehringer Ingelheim 300 million euro on a one-time basis [15]. Current medication packaging costs were to be borne by both companies in equal shares. After the registration of the product covered by the agreement takes place, the costs of its market placement and gross margin will be divided equally. Each company will obtain profits depending on the sales of medications, which are their contribution to the agreement. On the 25<sup>th</sup> of August 2011, Boehringer Ingelheim and Eli Lilly and Company obtained a marketing authorisation from the European Commission for the preparation named Trajenta (linagliptin) used in treatment of adults for type II diabetes [15].

In 2003, the Office for Competition and Consumer Protection instituted antimonopoly proceedings against Roche Polska and



Johnson & Johnson. According to the Office, both companies and the distributors they had signed agreements with, were illegally sharing the market and fixing prices of anaemia medications [17]. The Office for Competition and Consumer Protection controlled the offers placed in tenders organised by Sickness Funds, health care centres, and hospitals for the purchase of medications containing erythropoietin. It was proved, that medications containing erythropoietin were offered by only two companies Johnson & Johnson Poland (Eprex medication), Roche Polska (NeoRecormon medication) and their distributors, who won the tenders. The prices of these products were not covered by reimbursement and government-set price regulations, so they were basically market prices, fixed by both companies and their distributors. There was also a lack of visible customer soliciting [17]. Finally, on 14 June 2007, the President of the Office for Competition and Consumer Protection issued an opinion, which did not charge Roche Polska and Johnson & Johnson and their distributors with concluding an agreement aiming at limiting price competition and market sharing [18].

Those two agreements are only examples of numerous contracts concluded between pharmaceutical market entities, also in the sphere of distribution. They are not always created for the good of science and patients; there are proven cases of illegal practice<sup>2</sup>.

Integration of distribution channels is mostly the result of the will to cut costs. Pharmaceutical manufacturers merger to create large concerns or holdings acting and collaborating frequently on numerous continents. These actions profit from the economies of scale, which is a phenomenon manifesting in lowering of unit costs as the production scale increases. This happens thanks to spreading fixed costs, e.g. the cost of electricity, over a larger number of manufactured units [19]. Consolidation activities are also visible among pharmaceutical wholesale stores, which more and more frequently interact with retail sales companies creating chains of pharmacies. In turn, pharmacies establish their own wholesale entities [20].

### **Non-legislative regulations contained in codes of ethics and their influence on distribution of medicinal products**

Ethics is a philosophical science originated in ancient Greece (5<sup>th</sup>-4<sup>th</sup> century BC). It evolved from the contemplation of morality. The word ethics is derived from the greek *ethos* – custom, practice. Ethics is defined as a study of morality. Morality, in turn, is derived from the Latin word *mores* – custom, practice, similarly to the Greek *ethos*, and is defined as: “a social phenomenon; a system of socially accepted standards and values; views and doctrines functioning in the society; theories, beliefs, and behaviour of people; incentives and lifestyle. [...] it is also the basic foundation visible in behaviour towards other people, in interactions with others” [21].

Together with the development of economy, a concept of business and management ethics emerged. Apart from business and management ethics, there is also an idea called Corporate Social Responsibility (CSR). It is defined as: “voluntary, exceeding the minimum legal requirements, consideration of social and environmental issues by enterprises in their commercial activity and in interactions with stakeholders” [22].

Many organizational theorists have argued that traditional environmental approaches ignore not only the institutional influences on actors in an organizational system but also the manner in which institutional bases are imported into organizations as underlying

invisible assumptions [23]. But today more and more organizations obey to the corporate social responsibility. Corporate social responsibility encompasses internal and external business environment. Organisations, in order to meet the requirements of modern economy, create their own codes of ethics [24].

The International Federation of Pharmaceutical Manufacturers and Associations was the first to create a Code of Pharmaceutical Marketing Practices in 1981. It became a basis for creating the Polish Code of Ethical Pharmaceutical Marketing concerning prescription medications. The first version of the Code, in force from 1997, was signed by the Association of Pharmaceutical Companies' Representatives, “Farmacja Polska” Chamber of Commerce, and the Polish Chamber of Pharmaceutical Industry and Medical Equipment “POLFARMED”. It served as a basis for drawing up the Code of Ethical Pharmaceutical Marketing for medicinal products available without a physician's prescription in 2001. Five years later, in 2006, an amendment to the Code of Ethical Pharmaceutical Marketing for prescription medications was introduced.

Employer's Union of Innovative Pharmaceutical Companies INFARMA created its own Code of Ethical Pharmaceutical Marketing. Despite the same name, it was not identical to its predecessor. The basis for creating the code was the Pharmaceutical Law act, the Code of the European Federation of Pharmaceutical Industries and Associations, the earlier Polish code and the regulations of the Office for Competition and Consumer Protection. Naming both codes the same often caused confusion, and that is why, in 2008, INFARMA adopted a code with a new name - the Code of Good Practice in the Pharmaceutical Industry, Cooperation with the Representatives of Health Protection and Patient Associations [25].

The Code of Ethical Pharmaceutical Marketing for prescription medications consists of six parts, which regulate as follows: the general rules of marketing conduct; rights and duties of medical representatives; rules of organizing symposia, conferences, and promotional meetings; character of information contained in printed materials; responsibilities and duties of marketing authorisation holders; and the domain in which the Commission of Ethical Pharmaceutical Marketing conducts its activity. The code developed by INFARMA includes 9 chapters which are more detailed and complex. Nonetheless, the main difference lies in introducing regulations describing the rules of conduct in contacting representatives of medical professions and patient associations; the appearance and the data placed on the websites, which are a source of knowledge for the patients; and the proper coding of information on prescription medications.

The signatories of the Code are companies which signed it and agreed to observe its provisions. According to the regulations of the Code of Good Practice in the Pharmaceutical Industry, Cooperation with the Representatives of Health Protection and Patient Associations, the signatories are responsible for the actions performed and observance of the code by their employees, medical representatives, and persons performing works commissioned by them. It is also advised to employ or assign personnel responsible for information concerning medications and accepting promotional materials before their distribution, as well as indicating at least one person responsible for verifying whether the code is observed. The signatories should also remember about a ban on advertising a product before obtaining a marketing authorisation. The entities which accepted the code may conclude contracts for providing services for the signatories with associations or organisations of health care employees if they concern supporting health or scientific innovations and they do not form an incentive to prescribe, recommend, purchase or use medications [26].

<sup>2</sup>Among others, the Office for Competition and Customer Protection and the Main Pharmaceutical Inspectorate are collecting information on illicit practices on the pharmaceutical market.

The codes are particularly designed to regulate issues connected with advertising medicinal products, but nevertheless, a few indications referring directly or indirectly to distribution of medications may be found there. These regulations are presented further in this paper.

A medical representative is a person who, acting on behalf of a marketing authorisation holder, pays visits to the addressees of advertisements, i.e. persons authorised to issue prescriptions or conducting trade in medications. The form, time, and the frequency of visits in pharmacies, hospitals, and other health care institutions should take place in line with legal provisions and should not hinder the work of the solicited persons. No financial incentives may be offered during scheduling appointments and the addressees may not be misled as to the identity of the soliciting persons or the marketing authorisation holder. Training of medical representatives in line with the binding law and ethical principles is the duty of the signatories. Because of the functions fulfilled by medical representatives, they need to possess relevant medical knowledge, so the information on the medicinal product they convey was accurate and reliable. The visited person has the right to obtain a Summary of Product Characteristics of the advertised medicinal product. The role of the representatives also includes conveying to the marketing authorisation holder feedback on the usage of the medicinal product and related adverse reactions [26].

Samples of medicinal products may be provided only when it is a new product. A new product is a medication covered by the first marketing authorisation or a marketing authorisation after expanding the authorisation by a new application, But new packaging sizes or products of the same composition of active substances as the previously registered product, but with a different dosage or form, are not construed as new medicinal products. It is illicit to provide samples containing psychotropic or narcotic substances. One sample may not be larger than the smallest packaging of the product authorised for marketing in Poland. It must be clearly marked with the inscription "free sample - not for sale", have an attached Summary of Product Characteristics and a Patient Information Leaflet in Polish. The samples may only be offered to persons authorised to issue prescriptions after obtaining a written request by the medical or commercial representative. Offering samples is aimed at making it possible for the solicited persons to familiarize themselves with the product. The same person may not obtain more than four samples of the same product within 12 months, nor obtain them after two years from the first written request. The person providing the samples keeps their record. In turn, the signatory is responsible for implementing an inspection system and for conformity of the sample distribution activities with the provisions of the law and the Code.

The Code of Ethical Pharmaceutical Marketing, as it was said before, contains less detailed regulations than the Code of Good Practice in the Pharmaceutical Industry, Cooperation with the Representatives of Health Protection and Patient Associations. One issue was described in more detail than in the INFARMA Code. It concerns the right of the persons participating in a presentation of a medicinal product to provide the medical representative with feedback including their experience and views concerning the presented product, especially adverse reactions. This code also clearly states that it is inadmissible to reward physicians for issuing a prescription or make them contingent on the quantity of prescriptions issued for the advertised medicinal product [27].

The Code of Ethics of the Polish Association of the Self-Medication Industry has been in force since the beginning of 2011. It regulates the issues connected with advertising medications, sponsoring with the

use of medications, commercial promotion, medical representatives, communication with the representatives of public administration, cooperation with patient associations, and responsibility for infringements of the code and dispute settlement.

Commercial promotions of medications, according to the above mentioned code, are directed to entrepreneurs conducting wholesale or retail trade in medications. They may consist in: granting rebates, sales bonuses, package sales, pro-sales activities for employees not trading medications. Bonuses granted to entrepreneurs should be related to the spectrum of conducted activity.

According to the Code, medical representatives or sales representatives should be properly trained. Promotion of medications should not be connected with rewarding physicians or persons trading medications.

Donations of medications for institutions, organisations or associations are to be made for the purpose of supporting health protection or for scientific purposes. The fact that a donation took place must be documented, and this documentation must be stored by the donor [28].

All disputes arising from the implementation of the codes are settled by disciplinary courts, and in the case of the "Farmacja Polska" Chamber of Commerce, POLFARMED, and the Polish Association of Employers in the Pharmaceutical Industry by the Commission of Ethical Pharmaceutical Marketing.

Non-legislative regulations are established thanks to the commitment of medical sector entities. The fact that entrepreneurs join these initiatives voluntarily indicates an increase in their awareness and concern with the patients' interest. For example the Code of Good Practice in the Pharmaceutical Industry, Cooperation with the Representatives of Health Protection and Patient Associations more than Polish acts regulated issues of advertising Rp medications. It point out that advertising can be addressed to physicians, dentists and persons who were granted a distribute authorisation for medicinal products, only if they are interesting in advertising. It should also be noted that this Code, earlier than Polish acts, put in force reducing the cost of a gift only to 100 pln [25].

We should remember that on the end of distribution channel are patients and all marketing activities have influence on their health.

## Conclusion

Non-legislative regulations play an important role on the pharmaceutical market, also in the distribution of medicinal products. There is a strict connection between these regulations and market tendencies heading towards the consolidation of entities engaged in the distribution of pharmaceutical products. The market agreements, which are created, draw up codes of ethical conduct on the pharmaceutical market. They denote an increase in the awareness of entrepreneurs and the willingness to submit themselves to external control. This happens thanks to increasing competition, faster flow of information and greater awareness of patients, who become more and more demanding as customers. Contemporary management of medicinal products distribution requires observing law and basic moral principles, which leads to sustaining credibility and good image of the companies from the pharmaceutical sector.

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