

# Challenges To Big Pharma Are Helping Drive The Bio-Pharmaceutical Logistics Market

LONDON , GREATER LONDON, UNITED KINGDOM, June 20, 2018 /EINPresswire.com/ -- Pharmaceutical companies are trying to reduce their distribution costs to help compensate for pressures resulting from the increase of low-cost generics, the fall of the blockbuster drug model, and a sharp increase in R&D costs. One result is the growth of the bio-pharmaceutical logistics market, [a report from The Business Research Company shows](#), as the pharma companies outsource their warehousing and transport functions. From a global value of \$79.9 billion in 2017 the market is predicted to grow to \$96 billion by 2020, at an annual growth rate of 4.7%. Some logistics providers,

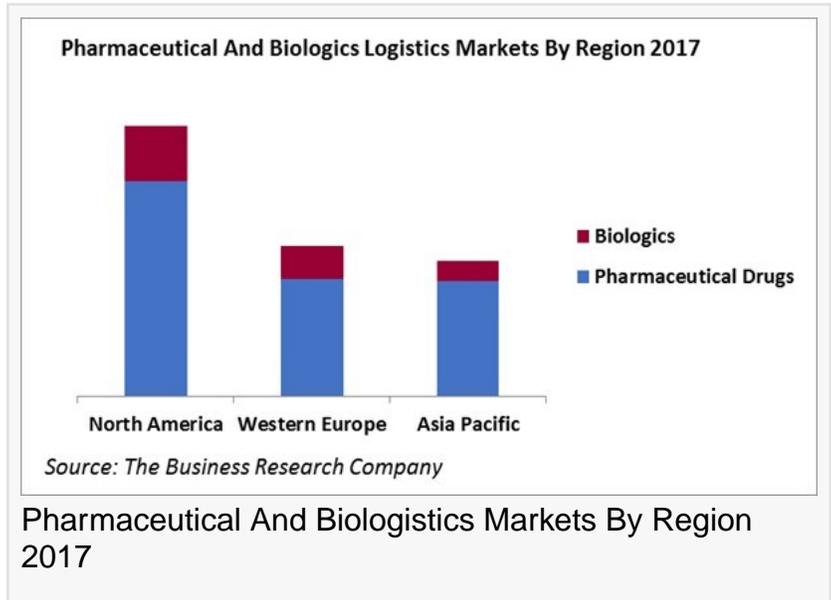
such as DHL, FedEx Corporation, Panalpina World Transport, and DB Schenker, have developed a special capability for the physical distribution of drugs. These businesses can cut costs by combining loads from a range of manufacturers, and by deploying technological solutions that also increase the visibility of the movement of the goods along their distribution path. Outsourcing to a logistics specialist that offers capability in logistics procedures can provide pharmaceutical manufacturers with sustainable lower cost levels and faster deliveries into the market.

Two factors in particular are supporting the growth of the pharmaceutical and biologics logistics market. One is increased sales of pharmaceutical drugs in general. Pharmaceutical products require an efficient logistics network for timely delivery of medicines to end users. The second factor is the rising production and sale of biologics. Vaccines, blood plasma products and drugs using genomic data have very particular requirements for their environment during transportation and warehousing. For example, the vaccine to protect against the Ebola virus requires storage at -80oc at all times until use. In the case of these biologics the logistics system must be a 'cold-chain' (refrigerated) system that can ensure a supply of drugs to their point of use in a timely and cost-effective fashion, and also ensure that the key criteria of temperature control, regulatory compliance, security, safety and chain of custody are satisfied.

"The major challenge for any company is to maintain the integrity of the product throughout the cold chain. You should have the right partnerships in order to move the freight flawlessly. The company must fulfil the logistics need of every customer in the market on every shipment."

Global Account Director, DB Schenker, [The Business Research Company](#) primary research Biologic products are higher-priced than small-molecule drugs and so allow a high-cost system for their delivery to patients. Higher value-per-unit biologics logistics services as well as growing volumes are supporting the rise of the overall market.

North America is the largest regional market for bio-pharmaceutical logistics, followed by Western



Pharmaceutical And Biologics Markets By Region 2017

Europe and Asia Pacific. The difference by region is most marked in the non cold-chain part of the market, where in 2017 the North American market exceeded the second largest region, Western Europe, by 84 percentage points. This segment, however, is growing more slowly than the cold-chain segment.

#### Where To Learn More

Read the [Global Pharmaceutical Drugs And Biologics Logistics Market Report 2018](#) from The Business Research Company for information on the following:

Markets Covered: Pharmaceutical Drugs Logistics Market, Biologics Logistics Market, Pharmaceutical Drugs And Biologics Logistics Air, Sea and Land Transport Markets, Pharmaceutical Drugs And Biologics Cold-Chain and Non-Cold-Chain Logistics Markets

Pharmaceutical Drugs And Biologics Logistics Companies Covered: Deutsche Post DHL, FedEx Corporation, Panalpina World Transport, UPS, Kuehne + Nagel and DB Schenker

Regions: North America, Asia Pacific, Western Europe, South America, Eastern Europe, Middle East, Africa.

Countries: USA, China, Japan, Germany, Brazil, France, Italy, UK, Australia, India, Spain, Russia.

Time Series: Five years historic (2013-17) and forecast (2017-21).

Data: Pharmaceutical drugs logistics market, biologics logistics market and pharmaceutical drugs and biologics logistics market size and growth for 7 regions and 12 countries; global, regional and country pharmaceutical drugs and biologics logistics market size and growth segmented by type of service; global, regional and country pharmaceutical drugs and biologics logistics market size and growth segmented by mode of transport; global, regional and country pharmaceutical drugs and biologics logistics market per capita consumption and market size as a percentage of GDP 2013-21; Deutsche Post DHL, FedEx Corporation, Panalpina World Transport, UPS, Kuehne + Nagel and DB Schenker financial performance 2013-21.

Other Information: Porter's Five Forces Analysis of the Pharmaceutical Drugs And Biologics Logistics Market, PESTEL analysis of the Pharmaceutical Drugs And Biologics Logistics Market, drivers and restraints, customer and operational insights, pharmaceutical drugs and biologics logistics market by country covering opportunities, pharmaceutical drugs and biologics logistics associations, investment and expansion plans, corporate tax structure and competitive landscape; pharmaceutical drugs and biologics logistics market trends and strategies.

Sourcing and Referencing: Data and analysis throughout the report are sourced using end notes.

Sources include primary as well as extensive secondary research.

Related Reports: Biologics Global Market Report 2018

Pharmaceutical Drugs Global Market Report 2018

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