

with saleable returns, but because they are still considered viable product. Once the pharmacy returns a saleable product back to its wholesale distributor, it is at risk of being stolen and reintroduced into the forward supply chain by someone with the reverse distributor, the courier, or the wholesale distributor. There is a significant financial interest by the owner of the product to protect its supply chain. The burden of saleable returns seems to rest with the wholesale distributor. More than likely, a saleable return will take up residence in a reverse distributor's warehouse, age past its expiration date, and become unsaleable.

Unsaleable Returns

The larger impact the DQSA will have on pharmaceutical returns is for those deemed unsaleable, either by policy or by recall. This is the bread and butter of the work done/performed by the reverse distributors. Let's review the returns process in depth.

The returns process starts when the pharmacist logs on to the web portal of his or her returns company. The pharmacist prints a label, places the product in a returns tote or box, seals the tote or box, and waits for it to be picked up by a wholesale distributor or courier. Some pharmacies still use the U.S. Postal Service (USPS) to ship the returned product because it is usually the lowest-cost alternative.

When the wholesale distributor or courier delivers the product return to the reverse distributor, the reverse distributor merely acknowledges receipt of the tote or box. For the most part, the contents of the tote or box are not reconciled with what the pharmacy believes it may have sent. This is one of the largest risk areas in the returns process. The reverse distributors do check the tote or box for visible damage or signs of tampering upon receipt of the shipment. Since there is a gap of time between receipt of the tote or box and the reconciliation process with the contents, there exists limited visibility to what is happening to the product being returned. This gap of time can be minutes or hours. If we take into account the time from the pharmacist logging on to the web portal to then placing the returned product in the tote or box, the gap may be as long as a day or two.

Upon processing, the contents of the tote or box are reconciled with the pharmacy's shipping information. When processed, the product is identified, quantified, and its condition verified according to the manufacturer's return policy. The reverse distributor at this point aggregates all the data