

and shipment to pharmacy customers with a very high degree of accuracy. These devices can also update actual inventory information by SKU so that actual inventory matches the electronic inventory information. This feature enables pharmacy customers to go through online ordering systems, look up available inventory, and place orders with a high degree of confidence that their orders will be properly filled in a timely manner.<sup>24</sup> Regardless of how the Drug Supply Chain Security Act determines the big three as first, second, or third wholesale distributors, the use of wearable computer devices linked to an inventory-tracking network will enable the big three to comply with the new track and trace regulations.

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## **THE OTHER 15%**

According to Modern Distribution Management (MDM), the top pharmaceutical wholesale distributors after the big three are as follows<sup>25</sup>:

Morris & Dickson: \$3.6 billion

H.D. Smith: \$3.4 billion

Smith Drug: \$2.2 billion

Curascript Specialty Distribution: \$2.1 billion

NC Mutual Wholesale Drug: \$1.1 billion

Anda Distribution: \$1.0 billion

There is a significant drop-off in size from Cardinal Health to Morris & Dickson. However, I am still amazed as to the size of these wholesale distributors. In addition, some of these wholesale distributors have the same rich history in the pharmaceutical drug industry as their big three counterparts. For example, Morris & Dickson Co., LLC was founded in 1841 and today is owned and operated by the fifth generation of the Dickson family.<sup>26</sup>

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## **WHOLESALE DISTRIBUTORS, REPACKAGING, AND THE DRUG QUALITY AND SECURITY ACT**

Repackaging for wholesale distributors, especially the big three, is an integral part of their value-added services to retail pharmacies and hospitals.