

Act of 1988 was signed into law. Through acquisitions (notably the Waste Management Medical Waste business in 1996), Stericycle became a leader in the disposal of medical waste and other biohazards. Through the acquisition of DirectRETURN in 2003, Stericycle expanded into recalls and returns. Today Stericycle offers returns services for retail pharmacies, wholesale distributors, and manufacturers that include compliant destruction of all products, from OTC pharmaceutical drug products to controlled substances.¹⁰

THE PHYSICAL PROCESS OF RETURNS*

Pharmaceutical returns generally fall into one of three categories: saleable, unsaleable, and recalled. The descriptions are somewhat self-explanatory. Saleable returns are products that generally have shelf life remaining and the actual medicine has remained in its original packing. Pharmaceuticals are deemed unsaleable in a similar but opposite manner, including damaged in transit. Product in this condition does not have any shelf life remaining (or not enough to generate a sale), or the actual medicine or therapy has been opened. Recalled pharmaceuticals are products the manufacturer, packager, or FDA has decided should be withdrawn from the market. Technically speaking, recalled products are also unsaleable—which is a reason they are handled so well by the major reverse distributors.

While the three large distributors market themselves as handling all three types of returns, they are three distinct activities with different focuses. This alone creates some differentiation between the services that are provided between GENCO, Inmar, and Stericycle.

Saleable Returns

Saleable returns allow the pharmacy, retailer, or wholesale distributor the opportunity to either find another market in which to sell the product, or to receive full credit for the product because a new market cannot be found due to packaging, labeling, or other reasons. There is a security risk

* The following is a synopsis of the physical process of returns. It is a generic summary of our collective experiences of working for, working with, and visiting returns distributors across the country. It must be noted that every return may have its own unique nuance.