

Market Overview: Pharmaceutical Labels



For today's pharmaceutical manufacturers, choosing label materials is hardly a simple challenge. Rather, it requires a perpetual balancing act to create brand recognition, meet a growing demand for products, and maintain financial health and compliance in a highly regulated, highly competitive sector. As the pharmaceutical packaging industry continues to be revolutionized by technology, patient care standards and a changing global healthcare system, labels are playing a much bigger role in operational efficiency, security and compliance.

Going global, staying secure

As with many industries, pharmaceutical has felt the effects of globalization. Sales of pharmaceutical products in countries such as India, China, Indonesia, Malaysia, Brazil, Thailand and South Korea are growing rapidly. The Asia-Pacific region is now the fastest-growing pharmaceutical market in the world, making a presence in this region of strategic importance for all pharmaceutical stakeholders.

From a labeling standpoint, globalization brings up several issues for pharmaceutical companies. For one, more pharmaceutical companies are buying active ingredients in one region, then producing and packaging their products elsewhere. In addition, it's increasingly common for pharmaceutical manufacturers to install production lines in just a few countries, while selling products globally. As a result, labels for pharmaceutical applications must now work across many types of:

- Pharmaceutical manufacturing processes
- Substrates (plastics, glass, varnishes)
- International regulations and specifications
- Environmental factors and temperatures
- Transportation methods

Worldwide regulatory authorities have also become more concerned about label adhesive migration into medication and about counterfeiting, as a result of the use of new materials and processes and a longer supply chain — making labels easier targets for drug counterfeiting and fraud. Many regulatory groups are demanding additional testing, approvals and certifications to ensure pharmaceutical companies use labels that are safe and secure for end users.

More generic, OTC products

Operating in a competitive industry, pharmaceutical companies gravitate toward diversification opportunities that allow them to launch new products, gain market share quickly and mitigate risk.

Many companies found this opportunity in generics and over-the-counter (OTC) drugs. As a result of a high number of expiring patents and growing demand for lower-cost drugs, more generics are coming into the pharmaceutical market every day. OTC products — a more-accessible option for self-medicating patients — are also increasingly popular with patients and doctors. This has had multiple effects on product labeling.

Manufacturing generic and OTC products demands a higher level of production efficiency. With the uptick in generic drug sales, getting products to market as fast as possible is a top priority for pharmaceutical manufacturers. But new, more efficient production and finishing lines are needed in order to meet large orders and high consumer demand. As a result, companies also need pressure-sensitive labels that can be applied to containers at high speeds, quickly and without a long period of sustained pressure.

The industry shift toward faster production speeds is also tied to the increased use of film liner, which provides a higher initial tack and good mandrel performance and enables increased labeling speed on dispensing machines. These and other characteristics help pharmaceutical companies reduce the number of stops in production lines and improve up-time. To enhance shelf appeal, many pharmaceutical companies are also switching to film facestocks for their products. Film facestocks can improve product visibility due to their superior printing quality and readability.

Chronic diseases and vaccines

Two of the fastest-growing sub-segments in the pharmaceutical industry are vaccines and treatments for diabetes, and growth in these areas is expected to continue into the next decade.

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Pharmaceutical companies producing products for vaccines and diabetes applications — packaged in syringes, vials and ampoules — must adapt to meet growing demand by end users. One trend is a push toward more convenience packaging. Using plastic packaging and prefilled syringe products, for example, allows pharmaceutical manufacturers to improve cost efficiency. Each prefilled syringe delivers a precisely measured dosage, eliminating overflow or wasted product associated with multi-dose vials — a significant cost savings for pharmaceutical manufacturers and a critical factor for biologics. Patients are also able to safely self-administer medicines such as insulin with injector pens.

Adapting packaging for vaccines and diabetes products has also forced pharmaceutical companies to find more flexible label options to meet a wider range of cost, performance and regulatory requirements. Many of these products are used for specialized, high-value applications, but they must also be efficiently produced and distributed to meet high demand.

The future of pharmaceutical labels

Pharmaceutical manufacturers must differentiate their products and elevate their brands in an ever-evolving industry. The challenge for today's pharmaceutical label developers is creating products that meet the technical requirements of pharmaceutical companies, as well as their operational, marketing and cost-reduction needs.

New label solutions are helping companies solve these challenges. From low migration adhesives to temperature indicator products to security products with incorporated functionality, anti-tamper and brand protection features, today's innovative labeling options are helping companies deliver consumer packaging that is attractive and effective, but also more safe, secure and compliant for end users and brands. >

