

# Challenging times



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All around the world businesses are introducing measures to ward off the potentially devastating impact of the current financial crisis. Thankfully, the pharmaceutical industry is generally less at risk than many other areas of manufacture and retail. People still get ill and need drugs and medical equipment regardless of whether or not there's a recession on the horizon. But what company isn't looking for ways to make their money go further?

Indeed, there are several ways for a financially-savvy business to ensure that the credit crunch doesn't eat into profits (and beyond) too much. First, it's wise to avoid exchange rate fluctuations by buying and selling in the same currency. It's also worth getting quotes in the currency you prefer to buy in. For example, here at Durbin we routinely quote in Pounds Sterling, US Dollars and Euros.

Another money-saving idea is to switch from branded to

generic products which have the same standard of quality at a lower price (when comparing products from the same source market). It also makes good business sense to think about better buying. It's a basic law of economics that buying in bulk saves cash. Thus for high-demand medicines, assuming that you've checked with your supplier that the product has a long shelf-life, why not order several months' worth of stock rather than a smaller amount that might only last for a week? This also reduces freight and admin costs and, of course, saves lots of time. Speaking of freight, comparing the alternatives for non-urgent orders can make significant savings. Sea freight, for instance, takes longer than air freight, but can cost around 50% less.

If you don't have a credit history with a company, prepayment or 'Cash Against Documents' are options. If cash flow is an issue, a further option is what's called a Letter of Credit (LC). For a fee, your

bank will guarantee payment to the supplier's bank once the terms of the LC are met and the goods delivered. In short, it gives the supplier confidence that, regardless of the global financial situation, payment will be made.

Despite the recent economic downturn, Durbin is committed to growing its business in the Middle East. That's why you will find us at the Arab Health exhibition again this year. I've mentioned many times before how proud I am of our one-stop-shop service that aims to provide excellent quality and value for money every time. We look forward to finding out how we can tailor our services to meet your needs and to help make your budget go as far as possible. See you at the exhibition. **MEH**

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**Durbin PLC** is a British company based in South Harrow, London. Established in 1963, the company specialises in supplying quality assured pharmaceuticals, medical equipment and consumable supplies to healthcare professionals and aid agencies in over 180 countries. As well as reacting rapidly to emergency situations, Durbin PLC responds to healthcare supply needs from local project level to national scale programmes. Web address: [www.durbin.co.uk](http://www.durbin.co.uk) Email: [L.morgan@durbin.co.uk](mailto:L.morgan@durbin.co.uk)