

# PHARMACY BUSINESS PLAN IN NIGERIA

**[TATA Pharmacy.]**

Contact: Uzor Onyes

Abuja,

FCT,

07033378184,

[hello@businessplan.com.ng](mailto:hello@businessplan.com.ng)

## CHAPTER 1 - EXECUTIVE SUMMARY

Any entrepreneur who has a plan of starting his or her own retail pharmacy business must comply with the Regulation of Retail Pharmacy Businesses that was passed into law in 2008. Anyone who wants to establish a retail pharmacy business must follow the regulations that guides the sourcing, storage, sale, supply and keeping of records, in respect of medicinal products. Other requirements that they are expected to comply with are requirements that relates to staff, premises, equipment and procedures are also stipulated.

No doubt retail pharmacy business is indeed a profitable industry. At the end of 2011, there were just over 23,100 independent retail pharmacies operating domestically. For instance in 2012 about 62,000 retail, mail and specialty pharmacies operating in Nigeria. Statistics has it that global spending on prescription drugs grew to a whopping sum of \$954 billion in 2011 and The United States accounts for more than a third of the global pharmaceutical market, with an estimate of \$340 billion in annual sales. It is on record that the retail pharmacy industry is growing at an annual rate of 1.6 percent. Retail pharmaceutical stores are amongst the top beneficiaries. They have experienced high sales growth in the first aid, eye care, sun care, smoking deterrent, foot care and home health care categories.

One of the major challenges experienced within the country today is the dispensing of fake drugs to the populace. Another major challenge is the

involvement of none qualified personnel in dispensing of drugs. One other challenge is the fact that most of these pharmacies do not have access to more than two-thirds of the drugs required for proper health care delivery. This means they are inadequate in their operations and can hardly handle the medical needs of people in their different locations. We offer to provide the best of professional pharmaceutical and medical laboratory services money can pay for in our locality and beyond.

Our mission is to establish a first class retail pharmacy store that will make available a wide range of generic and branded prescription drugs from top pharmaceutical manufacturing brands at affordable prices to the residents of Abuja.

Our vision will be achieved with an estimated initial capital outlay of **#5,505,000**. The business is expected to breakeven in the fifth year of operation.

## CHAPTER 2 - INTRODUCTION

### OVERVIEW OF THE HEALTH CARE INDUSTRY IN NIGERIA

Nigeria's dominant position in Africa as the most populous country possessing one of the largest and fastest growing economies in Africa, coupled with its high incidence of diseases makes the country a vibrant pharmaceutical market. The Federal Bureau of Statistics puts Nigeria's official population at 198 million with an average annual growth rate of 3% p.a. emphasizing the country's high demand for adequate and efficient health care at all levels.

Official statistics suggest that Nigeria has one of the highest incidents of Malaria, poliomyelitis, tuberculosis and other similar diseases especially among children between the 0 to 10 year old bracket. Voluntary organizations such as UNICEF and Rotary International have continuously set aside billions of dollars with an aim to help prevent the scourge of these diseases. With the spread of the HIV/AIDS epidemic having attained unprecedented levels, the demand for preventive and curative measures such as condoms and anti-retroviral drugs would be on the increase. Demand for anti-malaria drugs as well as preventive vaccines aimed at reducing the growth of widely spread diseases is also increasing.

Despite the country's position among world developing economies, and the Nigerian government's post military rule efforts at growing the economy both in real and monetary terms, the health care sector still remains largely untapped and continues to suffer neglect. Other sectors

such as education, agriculture, defense and security have received a much larger share of budgetary allocation than that of the health care.

However, with respect to the pharmaceutical industry in Nigeria, adequate health care delivery still remains a major challenge. For a population of over 198 million, drug consumption is still relatively low a factor that contributes to the pharmaceutical market being described as one of the smallest among the Middle and East African (MEA) region (13th out of 14 countries and ahead of only Zimbabwe). With the exception of a few globally recognized brands, many of the pharmaceutical companies and health care providers in Nigeria cannot adequately compete internationally.

Some of the major reasons for the current state of the health care sector include:

1. Lack of sufficient government funding and low drug expenditure.
2. Poor infrastructural development with insufficient facilities to meet the increasing demand for health care.
3. Absence of an adequate regulatory regime.
4. Insufficient foreign investment due to low confidence on growth prospects.
5. Lack of professional and technical ability to meet growing demand for complex drugs.
6. High inequality within the system with the low income earners being the highest users of medical and pharmaceutical care.

7. High level competition from low-cost generic drug producers in the emerging Asia markets.
8. The prevalence of fake and counterfeit drugs especially in the rural areas.

Some of the aforementioned problems date back many years and still remains a major challenge for successive governments.

## **DEFINING THE KEY TERMS**

**PHARMACY.** Pharmacy is the science and technique of preparing and dispensing drugs. It is a health profession that links health sciences with chemical sciences and aims to ensure the safe and effective use of pharmaceutical drugs. The scope of pharmacy practice includes more traditional roles such as compounding and dispensing medications, and it also includes more modern services related to health care, including clinical services, reviewing medications for safety and efficacy, and providing drug information. An establishment in which pharmacy (in the first sense) is practiced is called a pharmacy (this term is more common in the United States) or a chemist's (which is more common in Great Britain).

**RETAIL PHARMACY.** A retail pharmacy store is a place where you can buy genuine drugs and other health based products approved by NAFDAC as safe for public use and available for sale. Pharmacy sells drugs in retails basically. They are of two types of pharmacy: hospital Pharmacy and Community Pharmacy.

**THIS IS NOT THE COMPLETE BUSINESS PLAN FOR PHARMACY IN  
NIGERIA IN NIGERIA**

**TO GET THE COMPLETE BUSINESS PLAN, PAY N10, 000.00 TO:**

**BANK NAME: FIRST BANK PLC**

**ACCOUNT NAME: CHIBUZOR TOCHI ONYEMENAM**

**ACCOUNT NUMBER: 3066880122**

**After payment, Text your full name, email address and selected business plan (i.e. pharmacy business plan in Nigeria) to 07033378184.**

**The complete business plan/feasibility study will be sent to your email 15 minutes after payment.**

**For Inquiries call – 07033378184**