

Purdue Pharma Tags OxyContin

To meet mandates and help thwart counterfeiting, Purdue will add RFID labels to bottles of its popular pain reliever shipped to Wal-Mart and drug wholesaler HD Smith.

By Jonathan Collins

Nov. 16, 2004—Starting this week, U.S. pharmaceutical company Purdue Pharma will begin adding an RFID label to every 100-tablet bottle of the company's popular OxyContin pain reliever tablets to be shipped to Wal-Mart and drug wholesaler HD Smith.

Purdue says it has been looking into the potential for deploying RFID for 18 months and that it has selected its hardware suppliers and has already integrated its automated RFID labeling capabilities into its manufacturing facilities.

"This isn't slap and ship. RFID data is now fully integrated into our manufacturing systems," says Chuck Nardi, executive director of corporate and supply chain systems at Purdue.

The company will use tags and readers from Symbol Technologies' RFID unit (formerly Matrics) with readers deployed at two of its manufacturing plants during the trial.

Purdue produces OxyContin in four different strengths, all of which will be tagged and tracked from its Wilson, N.C., manufacturing plant to its two pilot customers. In addition, the company will also tag bottles of its planned Palladome pain medicine product set to start shipping from its Totowa, N.J., plant in the first quarter of next year.

Purdue will use Symbol Technologies' 1-inch by 1-inch 915 MHz Class 0 tags, which will be placed behind its the drug bottles' existing labels. The tagged bottles will be shipped to pharmacies, where the contents will be divided into separate prescriptions. The smaller bottles of OxyContin that pharmacists will give to consumers will not have an RFID tag.

The company will tag the bottles with the read-only tags as part of the final manufacturing/packaging process. The bottles will then be shipped in cartons of 48 bottles each. At least initially, the company says, there will be no need to add tags to directly to each carton, because each bottle is tagged and RFID readers are able to read each bottle's tag within the carton with 100 percent accuracy as the cartons pass through the portals at the Purdue's own shipping docks.

Although the company can not say how many bottles are set to be tagged, it believes that the supply of available tags is a concern when it comes to tagging all its products. "The bottleneck is the RFID chips. There is a high demand and low supply, but we believe we have adequate supply to meet demands in 2005," says Aaron Graham, vice president and chief security officer for Purdue Pharma.

WMT and HD Smith will be able to track the drugs using the tags if they want, but it's not clear they will. Although Purdue has integrated the management of the unique EPC number on each RFID label into its SAP ERP system, it has says it has yet to determine how Wal-Mart and HD Smith will share their supply chain

data with Purdue.

The company's pilot RFID program is part of its efforts to meet mandates for tagging shipments to Wal-Mart, as well as to curb a growing market for counterfeit and stolen drugs in the U.S.

"While counterfeiting has not become a big problem associated with OxyContin, pharmacy robberies are growing and we know OxyContin has become a target," says Graham.

Purdue will also make 100 hand-held RFID scanners available to major law enforcement and cargo theft investigative groups throughout the country. "Adding RFID will help police officers to solve issues of theft, as each bottle will be able to be traced back through the supply chain," says Graham.

According to the company, it does not expect the addition of RFID tags to its products to increase consumer prices. "We are making a multimillion investment in the area of product safety and product integrity, but not one penny of the costs will be passed on to the consumer or the patient," says Graham.

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