REMEDIUM GROUP OF COMPANIES

AIPM Association of International Pharmaceutical Manufacturers
Ассоциация международных фармацевтических производителей

A Joint Publication of the Association of International Pharmaceutical Manufacturers in Russia and Group of Companies Remedium

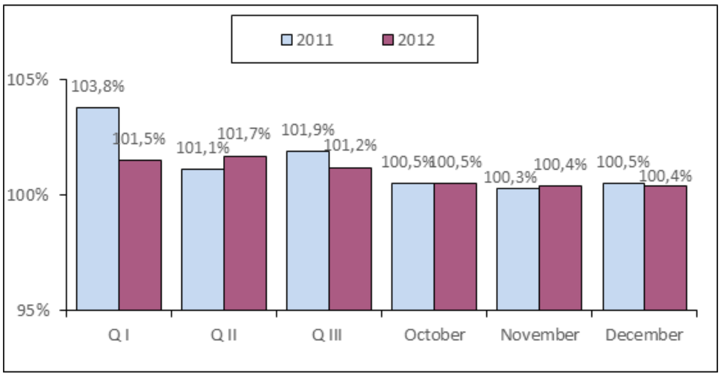
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in December 2012, the Consumer Price Index was estimated as 100.5%, compared to the previous month. For the period from start of the year, it escalated to 106.6% (in January-December 2011 – by 106.1%).

In December, Industrial Producer Price Index was 98.9%, whereas a month ago it had amounted to 98.8%. In January-December, it accounted for 105.1% (in 2011 – 112.0%).

Figure 1. Consumer Price Index (compared with the previous period)



Living standard

According to preliminary Federal State Statistics Service's data, in December 2012 a gross monthly average salary per worker reached RUB 34,860 (USD 1147) which accounted for 106.9% compared to December 2011 and 127.0% compared to November 2012. The real salary in December 2012 accounted for 100.3% as compared with the same period in 2011. In December 2012, the real value of cash incomes accounted for 104.9% compared to the same period of 2011 (Fig. 2).

Retail turnover

In December 2012 the retail turnover was equal to RUB 2299.5 bln, which in stock accounts for 105.0% as compared to the same period a year ago (Fig. 2) In 2012, the retail turnover accounted for RUB 21319.9 bln or 105.9% as compared to 2011.

Figure 2. Real values of cash incomes, salary and retail turnover in December 2012

Manufacture of industrial products

According to Federal State Statistics Service's data, in December 2012 the Industrial Production Index accounted for 101.4% compared to the same period a year ago, 102.6% to 2011.

Domestic production

The top 10 domestic manufacturers by production volume at December-end 2012 are shown in Table 1. The total production volume by top ten manufacturers was estimated at USD 276.3 mln.

Table 1. Top ten chemical and pharmaceutical manufacturers by production volume in December 2012

Rank	Manufacturer	Production volume, $mln
1	Pharmstandart	105.1
2	Stada	31.1
3	KRKA-RUS	29.9
4	Valenta	26.2
5	Sotex	17.3
6	Pharm-Center	16.9
7	Materia Medica	15.0
8	Akrihin	12.1
9	Vertex	11.8
10	Excom	10.7

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In November 2012 compared to October, growth in pharmacy sales (in terms of roubles) was observed in all analysed regions. The highest performance was observed in Perm (+66%), the least one in Tatarstan (+1%).

Table 2. Pharmacy sales in the regions, 2012

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	September 2012	October 2012	November 2012	September/ August 2012	October/ September 2012	November/ October 2012
Moscow	177.1	182.0	228.2	16%	5%	24%
St Petersburg	45.2	50.2	56.6	20%	13%	11%
Krasnodarsky Krai	35.8	37.1	38.8	-10%	6%	3%
Novosibirskaya Oblast	22.7	22.0	26.3	13%	-1%	18%
Tatarstan	27.3	31.5	32.4	14%	18%	1%
Krasnoyarsky Krai	18.2	19.4	21.7	7%	9%	10%
Rostovskaya Oblast	22.9	25.1	26.8	4%	12%	5%
Voronezhskaya Oblast	16.8	19.1	19.8	12%	16%	2%
Perm	6.8	4.5	7.6	19%	-32%	66%
Tyumen	7.4	7.3	8.0	8%	0.1%	8%

Advertising

The largest advertisers and pharmaceutical trade names highly publicized in mass media (TV, radio, press, outdoor advertising) are shown in Tables 3 & 4.

Table 3. Top five advertisers in mass media in December 2012

Rank	Company*	Quantity of broadcasts
1	Novartis	10,518
2	Evalar	5,882
3	Berlin-Chemie Menarini Group	4,581
4	Reckitt Benckiser	4,043
5	Pharmstandart	3,505

Source – TNS Gallup AdFact

Table 4. Top five trade names in mass media in December, 2012

Rank	Trade name*	Quantity of broadcasts
1	Evalar	5,882
2	TheraFlu	2,275
3	Vibrocil	1,748
4	Grippferon	1,620
5	Nurofen	1,390

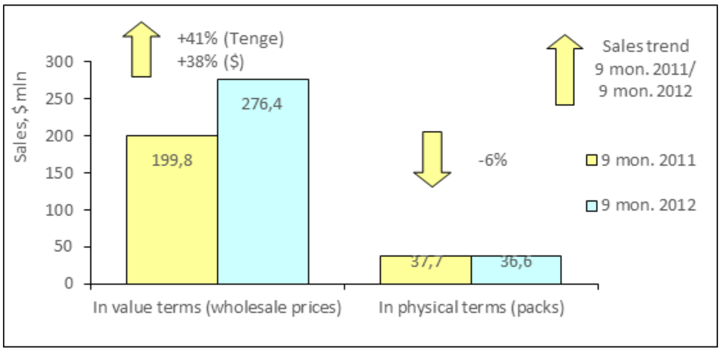
Source – TNS Gallup AdFact

* Only products registered with State Register of Medicines were considered

KAZAKHSTAN HOSPITAL MARKET: 2012 FIRST 9 MONTHS RESULTS

According to the results of the Retail Audit of Hospital Purchases in Kazakhstan™, in the first nine months of 2012 the Kazakhstan hospital market in physical terms reduced by 6% to 59.141 million packs. In value terms, the market also showed positive growth rates (41% in terms of tenges and 38% in terms of dollars) and reached TENGE 41.099 bln (USD 276.405 mln) in wholesale prices. In the analysed period, the average cost of OTC pack in the hospital sector was USD 4.67, whereas in the year-earlier period its cost was USD 3.19.

Figure 1. Kazakhstan hospital market for 9 months of 2011 – 9 months of 2012



Based on the results for the first nine months of 2012, drugs made in Switzerland (15%) accounted for the largest share in purchases in the hospital market of the country. Supplies of domestic drugs to hospitals reduced from 18% in the last year to 14% in the current year. Drugs made in Germany and Belgium accounted for eleven per cent of the market each. Market shares of OTC drugs made in Great Britain (7%), Denmark (5%) and India (4%). OTC drugs from Russia accumulated 2.2% of Kazakhstan hospital market, which is more than in the year-earlier period (1.6%). Based on the results for three quarters of 2012, in the top ten manufacturers ranking in the Kazakhstan market F. HOFFMANN-LA ROCHE (2.8-fold increase in purchases) and JOHNSON & JOHNSON (+80%[1]) moved up to the first ranks (Table 1). Due to lagging behind growth, the last year leader AKRIKHIN-PHARMA (+4%) moved down to rank three, and TAKEDA (-23%) which had been placed at rank two, moved down to rank 5. SANOFI-AVENTIS (+55%), BAYER (+47%) and TEVA (+54%) held their ranks four, seven and nine. The other three drug manufacturers showed positive growth rates, at the same time two of them joined the top ten ranking for the first time. They were MERCK SHARP & DOHME which purchases increased 2 times, and ABBOT (1.7 times) which moved to ranks 8 and 10. GLAXOSMITHKLINE (+69%) moved up from rank 8 to 6. The total share accumulated by the top ten drug manufacturers increased nearly 4 p.p. and escalated to 63.5%.

Table 1. The top 10 drug manufacturers by hospital purchases

Rank in the top ten		Manufacturer*	Share in total hospital purchases, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	5	**F. HOFFMANN LA ROCHE LTD**	12.3	6.3
2	3	**JOHNSON & JOHNSON**	11.0	8.6
3	1	AKRIKHIN-PHARMA	10.3	13.9
4	4	**SANOFI-AVENTIS**	9.5	8.6
5	2	**TAKEDA**	4.8	8.8
6	8	**GLAXOSMITHKLINE**	4.1	3.5
7	7	**BAYER HEALTHCARE**	3.7	3.5
8	12	**MERCK SHARP & DOHME B.V.**	3.0	2.1
9	9	**TEVA**	2.7	2.4
10	14	**ABBOT LABORATORIES LTD**	2.2	1.8
Total			63.5	59.5

*AIPM members are in bold

The ranking of the top ten trade names was half updated – it acquired five newcomers (table 2). They were antineoplastic drugs Velcade and Avastin, which due to growth in purchases 6.5 and 3 times respectively moved up to ranks 3 and 4, as well as fibrinolytic Actilyse (7-fold growth in purchases), immunosuppressant Mabthera (6.8 times) and antineoplastic drug Yondelis(2.1 times) placed at ranks six through eight. Herceptin (2.3-fold growth in purchases) also showed high growth rates and moved up from rank three to two. Three trade names, which purchase rates lagged behind the market average, lowered their ranks: Eprex (+13%), Clexane (+20%) and Cef IV (+7%) moved down to ranks 5, 9 and 10, respectively. Due to high growth rates, antineoplastic drug Taxotere (+78%) held and strengthened its top rank in the national market.

Table 2. The top 10 trade names by hospital purchases

Rank in the top ten		Trade name	Share in total hospital purchases, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	Taxotere	6.0	4.7
2	3	Herceptin	5.0	3.1
3	33	Velcade	3.3	0.7
4	12	Avastin	3.3	1.5
5	2	Eprex	2.5	3.2
6	55	Actilyse	1.9	0.4
7	67	Mabtere	1.7	0.3
8	20	Yondelis	1.6	1.1
9	6	Clexane	1.6	1.8
10	7	Cef IV	1.3	1.7
Total			28.1	18.5

[1] Hereinafter, unless otherwise stated, growth gains are stated in the rouble equivalent or national currency.

The top ten INN and Generic Names ranking didn't change its leader either, as before INN Docetaxel (+78%) held the lead (table 3). Six INNs of the top ten that showed a pronounced growth of rates rose in the ranks. Among them there were five newcomers that broke into the ranks of the top 10: Bortezomib (6.5-fold growth in purchases), Bevacizumab (3.1-fold growth), Alteplase (7-fold growth), Rituximab (6.8-fold growth) and Trabectedin (2.1-fold growth) moved up to ranks 3 and 4, as well as ranks 6 through 8. In addition, Trastuzumab which purchases increased 2.3 times, moved up to rank two. Due to lagging behind growth rates, INNs Epoetin Alfa (+13%), Enoxaparin Sodium (+20%) and Aprotinin (+0.1%) moved down to the lower ranks. The total share of the top ten under review increased by almost 10 p.p. and achieved 28.3%.

Table 3. The top 10 INN and Generic Names by hospital purchases

Rank		INN/Generic Names	Share in total hospital purchases, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	Docetaxel	6.0	4.7
2	3	Trastuzumab	5.0	3.1
3	33	Bortesomib	3.3	0.7
4	14	Bevacizumab	3.3	1.5
5	2	Epoetin alfa	2.5	3.2
6	61	Alteplase	1.9	0.4
7	71	Rituximab	1.7	0.3
8	22	Trabectedin	1.6	1.1
9	8	Enoxaparin Sodium	1.6	1.8
10	5	Aprotinin	1.5	2.1
Total			28.3	18.8

One newcomer broke into the ranks of the top ten ATC groups - due to 1.5-fold growth in purchases, L03 Immunostimulants moved up from rank 13 to 8 (Table 4). On top of that, B01 Antithrombotic Agents which purchases increased 1.9 times, moved up from rank six to four. At the same time, B02 Antihemorrhagics (+30%), B03 Antianemic preparations (+17%) and N06 Psycholeptics (-2%) moved down one rank, coming in at numbers 5,6 and 9. The other ATC groups of the top 10 held their own in the ranking. Three leaders were listed among them: L01 Antineoplastic agents (2.3-fold growth in purchases), J01 Antibacterials for systemic use (+13%) and B05 Blood substitutes and perfusion solutions (+27%). N05 Psycholeptics (+15%) and V08 Contrast Media (+4%) held their ranks 7 and 10. The total share of the top ten increased by 5.6 p.p. and accounted for 73.5%.

Table 4. The top ten ATC groups by hospital purchases

Rank		ATC code	ATC group	Share in total hospital purchases, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	L01	Antineoplastic agents	29.4	18.0
2	2	J01	Antibacterials for systemic use	13.2	16.5
3	3	B05	Blood substitutes and perfusion solutions	6.3	7.0
4	6	B01	Antithrombotic Agents	6.2	4.7
5	4	B02	Antihemorrhagics	4.6	5.0
6	5	B03	Antianemic preparations	4.1	5.0
7	7	N05	Psycholeptics	3.0	3.7
8	13	L03	Immunostimulants	2.3	2.0
9	8	N06	Psycholeptics	2.2	3.2
10	10	V08	Contrast media	2.0	2.8
Total				73.5	67.9

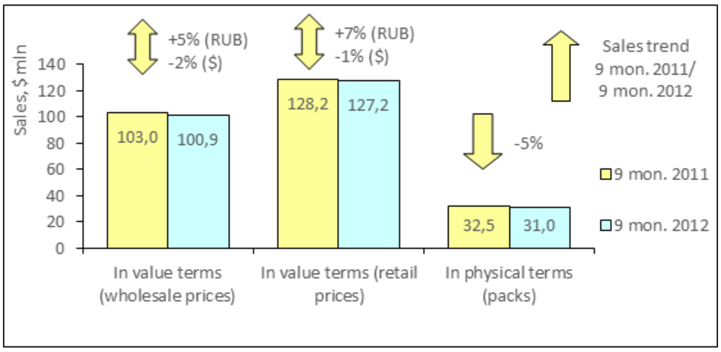
Conclusion. At the end of the first nine months in 2012, Kazakhstan hospital market grew by 41% in tenge terms and by 38% in dollar terms and brought in Tenge 41.099 bln (USD 276.405 mln). In pack terms the market showed negative growth rates (-6%) and achieved 59.141 mln packs. In the first nine month of 2012, the average cost of OTC pack in the regional hospital sector was much higher than in the year-earlier period (USD 4.67 vs. USD 3.19). As the analysed rankings show, the hospital market of Kazakhstan as before experienced considerable structural changes.

NIZHNY NOVGOROD PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Nizhny Novgorod was estimated as 1.255 mln, which accounted for 0.9% of the total Russian Federation population and 4.2% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2012 the average salary in the Nizhegorodskaya Oblast was RUB 20,105.8 (USD 649.41), which is 22% lower than the average salary in Russia (RUB 25686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Nizhny Novgorod saw a 5% decrease to 30.979 mln packs. In value terms, the OTC drugs market increased by 5% in rouble terms, but decreased by 2% in dollar terms and reached RUB 3.124 bln (USD 100.916 mln) in wholesale prices (Fig. 1). The city's share accounted for 1.1% of the Russian pharmacy market. The average cost of an OTC pack grew as compared to the same period of previous year (USD 3.95) and reached USD 4.11 in retail prices. For 9 months of 2012, the average amount spent by residents of Nizhny Novgorod for drugs in the pharmacies amounted to USD 101.41.

Figure 1. Nizhny Novgorod pharmacy market for 9 months of 2011 – 9 months of 2012



Based on the results for 9 months of 2012, SANOFI-AVENTIS (-0.4%) and SERVIER (+5%) held the lead in the regional top ten manufacturers ranking (Table 1). Another two drug manufacturers of the top ten - SANDOZ (+12%) and BAYER (+17%) held their own in the ranking, as before they kept ranks 5 and 6. The Russian drug manufacturer PHARMSTANDART (+10%) moved up to rank 3 from 4, displacing NYCOMED/TAKEDA (+0.3%) down one rank. The other two drug manufacturers rose in the ranks: due to high growth rates, ABBOTT (+19%) and NOVARTIS (+23%) moved up to ranks seven and nine. At the same time, TEVA (+6%) and MENARINI (-2%) moved down one rank to numbers 8 and 10. The cumulative share of the top ten drug manufacturers increased from 38.2% to 39.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	SANOFI-AVENTIS	6.5	6.8
2	2	SERVIER	4.2	4.3
3	4	PHARMSTANDART	4.0	3.8
4	3	NYCOMED/TAKEDA	3.9	4.1
5	5	SANDOZ GROUP	3.9	3.7
6	6	BAYER HEALTHCARE	3.6	3.3
7	8	ABBOTT	3.6	3.2
8	7	TEVA	3.2	3.2
9	11	NOVARTIS	3.1	2.7
10	9	MENARINI	2.9	3.2
Total			39.0	38.2

*AIPM members are in bold

Based on the results for 9 months of 2012, hepatoprotector ESSENTIALE N (+12%) became a best-selling trade name in the city pharmacies (Table 2). ARBIDOL, which used to be a leader of the top ten, reduced its sales by one third, lost three ranks and moved down to number four. In addition, another two trade names showed negative growth rates. They were CONCOR (-4%) and VIAGRA (-7%), holding numbers 2 and 5. DETRALEX (+9%) also held its own in the ranking. The other drug manufacturers of the top ten rose in the ranks. ACTOVEGIN (+2%) and KETONAL (+14%) moved up one rank to numbers 3 and 6. LINEX (+27%) moved up to rank ten to seven, whereas the newcomers of the top ten CIALIS (+33%) and HEPTRAL (+34%) moved up to numbers 9 and 10.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	3	ESSENTIALE N	1.0	1.0
2	2	CONCOR	1.0	1.0
3	4	ACTOVEGIN	0.9	0.9
4	1	ARBIDOL	0.8	1.2
5	5	VIAGRA	0.7	0.8
6	7	KETONAL	0.6	0.6
7	10	LINEX	0.6	0.5
8	8	DETRALEX	0.6	0.6
9	20	CIALIS	0.6	0.4
10	22	HEPTRAL	0.5	0.4
Total			7.3	7.5

Two newcomers broke into the ranks of the top ten INN and generic names ranking as well (table 3). They were the compositions AMOXICILLIN + CLAVULANIC ACID (+2%) and INN ENALAPRIL (+1%), which moved up to ranks nine and ten. Apart from the newcomers, another three INNs managed to rise in the ranks. The most dynamic among leaders INN XYLOMETAZOLINE (+37%) moved up from rank seven to two. INNs KETOPROFEN (+13%) and SILDENAFIL (+2%) moved up one rank, to numbers 5 and 7. At the same time, INN BLOOD (+3%) moved down one rank and UMIFENOVIR (-33%) reduced its sales considerably and moved down from rank 2 to 8. The other three trade names of the top 10 held their own in the ranking. They were the leader of top ten BISOPROLOL (+0.4%), as well as PANCREATIN (+7%) and PHOSPHOLIPIDS (+11%) placed at ranks 3 and 4. The total share of the top ten under review, as well as one of the previous top ten, reduced by almost 0.2 p.p. and accounted for 9.8%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	BISOPROLOL	1.4	1.5
2	7	XYLOMETAZOLINE	1.2	0.9
3	3	PANCREATIN	1.2	1.1
4	4	PHOSPHOLIPIDS	1.1	1.0
5	6	KETOPROFEN	1.0	1.0
6	5	BLOOD	1.0	1.0
7	8	SILDENAFIL	0.8	0.8
8	2	UMIFENOVIR	0.8	1.2
9	11	AMOXICILLIN + CLAVULANIC ACID	0.7	0.7
10	12	ENALAPRIL	0.7	0.7
Total			9.8	10.0

Based on the results for nine months of 2012, Group C09 Agents acting on the rennin-angiotensin system (+8%) remained the leader of the top ten ATC groups (Table 4). As before, N06 Psychoanaleptics (+7%) held its rank ten. The remaining top 10 ATC groups changed their ranks; moreover, five of them improved them. M01 Anti-inflammatory and antirheumatic products (+17%) and N02 Analgesics (+15%) moved up to ranks two and three respectively, displacing J01 Antibacterials for systemic use (+2%) down to rank 4. Group R01 Nasal Preparations (+20%) moved up from rank 9 to 5, and G03 Sex hormons (+13%) moved up from rank 8 to 6. The less dynamic A11 Vitamins (+3%) and R05 Cough and cold preparations (+2%) moved down to ranks 7 and 8. The newcomer A07 Antidiarrheals, intestinal anti-inflammatory/antiinfective agents (+16%) broke into the ranks of the top ten, coming in at number nine. The total share of the analysed ranking, in contrast to two above rankings, increased from 34.2% to 35.7%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	C09	AG ACT RENIN-ANGIOTENS SYST	4.7	4.6
2	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.2	3.8
3	5	N02	ANALGESICS	4.2	3.8
4	2	J01	ANTIBACTERIALS FOR SYST USE	3.9	4.0
5	9	R01	NASAL PREPARATIONS	3.3	2.9
6	8	G03	SEX HORM&MODULAT GENITAL SYS	3.2	3.0
7	6	A11	VITAMINS	3.1	3.2
8	7	R05	COUGH AND COLD PREPARATIONS	3.1	3.2
9	11	A07	INTESTINAL ANTIINFECTIVES	3.1	2.8
10	10	N06	PSYCHOANALEPTICS	2.9	2.8
Total				35.7	34.2

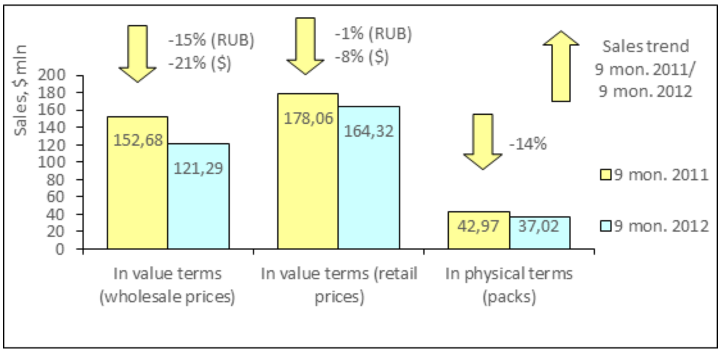
Conclusion. At the end of the first nine months of 2012, the retail OTC drugs market of Nizhny Novgorod brought in RUB 3.939 bln (USD 127.231 mln). The market saw a 7% increase in terms of roubles, whereas the growth rates (-1%) in terms of dollars was negative. In pack terms the market reduced by 5% and amounted to 30.979 mln packs. The average cost of OTC pack in the city pharmacies for 9 months of 2012 was higher than during the same period a year ago (USD 4.11 vs. USD 3.95) and exceeded the national average (USD 3.74). The average expenses of Nizhny Novgorod residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 101.41 vs. USD 83.41).

SAMARA PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Samara was estimated as 1.169 mln, which accounted for 0.8% of the total Russian Federation population and 3.9% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2012 the average salary in the Samarskaya Oblast was RUB 20,179.9 (USD 651.81), which is 21% lower than the average salary in Russia (RUB 25686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Samara saw a 14% decrease to 37.024 mln packs. In value terms, the OTC drugs market reduced by 15% in rouble terms and by 21% in dollar terms and reached 3.752 billion roubles (USD 121. 286 million) in wholesale prices (Fig. 1). The city share in the total volume of all-Russia pharmacy market accounted for 1.4%. The average cost of an OTC pack grew as compared to the same period of previous year (USD 4.14) and reached USD 4.44 in retail prices. For nine months of 2012, the average amount spent by residents of Samara for drugs amounted to USD 140.55.

Figure 1. Samara pharmacy market for 9 months of 2011 – 9 months of 2012



The top ten drug manufacturers in the market of Samara didn't change in composition and showed high stability - six of the manufacturers held their own in the ranking (Table 1). On top of that, all manufacturers of the top ten showed negative growth rates. Sales of the top ten leader SANOFI-AVENTIS reduced by 18%. SERVIER (-11%), ABBOTT (-16%), TEVA (-15%), NYCOMED/TAKEDA (-21%) and PFIZER (-20%) also reduced their sales, but as before kept their ranks from 4 through 6 and two bottom ranks. However, two shifts took place in the top ten. At the same time, the drug manufacturers with pronounced negative growth rates PHARMSTANDART (-14%) and SANDOZ (-12%) moved down one rank to numbers 3 and 8. At the same time, BAYER (-5%) and NOVARTIS (-11%) moved up to ranks 2 and 7. The cumulative share of the top 10 drug manufacturers didn't change and accounted for 39.7%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	**SANOFI-AVENTIS**	5.8	6.1
2	3	**BAYER HEALTHCARE**	4.8	4.3
3	2	PHARMSTANDART	4.6	4.5
4	4	**SERVIER**	4.4	4.3
5	5	**ABBOTT**	3.7	3.7
6	6	**TEVA**	3.7	3.7
7	8	**NOVARTIS**	3.6	3.4
8	7	**SANDOZ GROUP**	3.3	3.5
9	9	**NYCOMED/TAKEDA**	3.0	3.2
10	10	**PFIZER**	2.9	3.0
Total			39.7	39.7

*AIPM members are in bold

Four trade names of the top10 ranking managed to keep their earlier ranks (table 2). As before, VIAGRA (-21%) and OSCILLOCOCCINUM (-28%) held their ranks three and four, and LINEX (-25%) and ACTOVEGIN (-14%) held their ranks 6 and 8, respectively. ESSENTIALE N (-10%) moved up to rank one from two, and the last year leader ARBIDOL (-33%) moved down to rank 2. The other four trade names also rose in the ranks. LASOLVAN (-20%) and HEPTRAL (-11%) moved up two ranks, to numbers 5 and 7, respectively. In addition, the newcomers DETRALEX (+7%) and PENTALGIN, which sales grew 16 times, broke into the ranks of the top ten, coming in at numbers nine and ten. The total share of the Top 10 has increased from 8.7% to 8.8%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	2	ESSENTIALE N	1.4	1.3
2	1	ARBIDOL	1.1	1.5
3	3	VIAGRA	1.1	1.2
4	4	OSCILLOCOCCINUM	0.9	1.1
5	7	LASOLVAN	0.7	0.8
6	6	LINEX	0.7	0.8
7	9	HEPTRAL	0.7	0.7
8	8	ACTOVEGIN	0.7	0.7
9	14	DETRALEX	0.7	0.6
10	197	PENTALGIN	0.6	0.0
Total			8.8	8.7

Two newcomers broke into the ranks of the top ten INN and Generic Names ranking: the composition PARACETAMOL + NAPROXEN + CAFFEINE showed a 22-fold increase in sales and moved up from rank 198 to 8, and INN IBUPROFEN (-1%) - from rank 14 to 10 (Table 3). INN XYLOMETAZOLINE (+9%) also showed positive growth rates by moving from rank three to one. The other trade names of the top 10 reduced their sales in varying degrees. However, for all that three of them rose in the ranks. They were PANCREATIN (-15%), AMBROXOL (-23%) and ANAS BARBARIAE (-28%) which occupied ranks 3, 6 and 7, respectively. At the same time, INNs with more pronounced negative growth rates UMIFENOVIR (-38%) and PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (-36%) moved down to ranks 5 and 9, respectively. PHOSPHOLIPIDS (-10%) and SILDENAFIL (-17%) hold their ranks two and four taken earlier. The total share of the analysed ranking as well as one of the above ranking increased by 0.5 to 11%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	3	XYLOMETAZOLINE	1.6	1.2
2	2	PHOSPHOLIPIDS	1.5	1.4
3	5	PANCREATIN	1.2	1.2
4	4	SILDENAFIL	1.2	1.2
5	1	UMIFENOVIR	1.1	1.5
6	7	AMBROXOL	1.0	1.1
7	8	ANAS BARBARIAE	0.9	1.1
8	198	PARACETAMOL + NAPROXEN + CAFFEINE	0.9	0.0
9	6	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	0.9	1.1
10	14	IBUPROFEN	0.8	0.7
Total			11.0	10.5

Only the leader, group N02 Analgesics (-19%), held their own in the top ten ATC groups (Table 4). Most ATC groups of the top ten rose in the ranks. M01 Anti-inflammatory and antirheumatic products (-9%), R01 Nasal preparations (-13%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (-11%) moved up to ranks 2 through 4, respectively. A11 Vitamins (-4%) moved up from rank 8 to 6, and G04 Urologicals (-14%) moved up from rank 10 to 9, respectively. The only newcomer of the top ten C09 Agents acting on the rennin-angiotensin system (-7%) moved up to rank ten of the ranking. At the same time, three ATC groups with more pronounced negative growth rates moved down to the lower ranks. J01 Antibacterials for systemic use (-23%) moved down from rank 3 to 5, R05 Cough and cold preparations (-33%) moved down from rank 2 to 7 and G03 Sex hormones (-20%) moved down from rank 7 to 8. The total share of the analysed ranking, in contrast with the above rankings, reduced and accounted for 37.4%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	N02	ANALGESICS	4.8	5.1
2	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.2	3.9
3	5	R01	NASAL PREPARATIONS	3.9	3.8
4	6	A07	INTESTINAL ANTIINFECTIVES	3.8	3.6
5	3	J01	ANTIBACTERIALS FOR SYST USE	3.7	4.1
6	8	A11	VITAMINS	3.7	3.3
7	2	R05	COUGH AND COLD PREPARATIONS	3.7	4.6
8	7	G03	SEX HORM&MODULAT GENITAL SYS	3.2	3.4
9	10	G04	UROLOGICALS	3.1	3.1
10	11	C09	AG ACT RENIN-ANGIOTENS SYST	3.1	2.9
Total				37.4	37.9

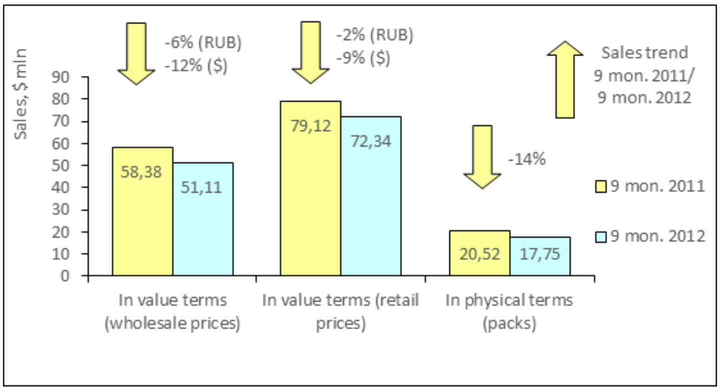
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Samara brought in RUB 5.083 bln (USD 164.323 mln). The growth rates were negative both in rouble terms (-1%) and in dollar terms (-8%). In pack terms the market also reduced by -14% and amounted to 37.024 mln packs. The average cost of OTC pack was higher than during the same period a year ago (USD 4.44 vs. USD 4.14) and exceeded the national average (USD 3.74). Per capita expenses of Samara residents for purchase of medicines in pharmacies also exceeded the national average (USD 140.50 vs. USD 83.41).

TOLYATTI PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Tolyatti estimated population was 719.596 thousand, which accounted for 0.5% of the total Russian Federation population and 2.4% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2012 the average salary in the Samarskaya Oblast was RUB 20,179.9 (USD 651.81), which is 21% lower than the average salary in Russia (RUB 25,686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Tolyatti saw a 14% decrease to 17.745 mln packs. In value terms, the city pharmacy market (exclusive of State Reimbursement Program) saw a -6% decrease in terms of roubles and -12% decrease in terms of dollars compared to the same period a year ago and reached RUB 1.582 bln (USD 51.111 mln) in wholesale prices (Fig.1). The city share in the total volume of all-Russia pharmacy market accounted for 0.6%. The average cost of a pack in the pharmacies was USD 4.08 (in a year-earlier period – USD 3.86). For nine months of 2012, the average amount spent by residents of Tolyatti for OTC drugs amounted to USD 100.52.

Figure 1. Tolyatti pharmacy market for 9 months of 2011 – 9 months of 2012



SANOFI-AVENTIS (-7%) remained a leader of the regional top ten ranking based on the results for the first 9 months of 2012 (Table 1). Another three manufacturers, NYCOMED/TAKEDA and PFIZER (-8% each), as well as ABBOTT (-4%) held their own ranks 3, 6 and 7, respectively. Two manufacturers with pronounced negative growth rates, PHARMSTANDART (-18%) and MENARINI (-11%), moved down to the lower ranks five and nine, respectively. In contrast, the other four manufacturers showed signs of growth. BAYER (+2%) moved up from rank 4 to 2, SERVIER (-2%) moved up from rank 5 to 4 and TEVA (+2%) moved up from rank 10 to 8. Its only newcomer NOVARTIS (-3%) moved up the bottom rank in the top 10 ranking. The total share accumulated by the top 10 manufacturers didn't virtually change and accounted for 39.2%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	**SANOFI-AVENTIS**	6.6	6.6
2	4	**BAYER HEALTHCARE**	4.5	4.1
3	3	**NYCOMED/TAKEDA**	4.4	4.6
4	5	**SERVIER**	4.2	4.0
5	2	PHARMSTANDART	4.1	4.7
6	6	**PFIZER**	3.4	3.5
7	7	**ABBOTT**	3.3	3.3
8	10	**TEVA**	3.0	2.8
9	8	**MENARINI**	3.0	3.1
10	11	**NOVARTIS**	2.8	2.8
Total			39.2	39.3

*AIPM members are in bold

The leader of the top-10 trade names ranking changed (table 2). ESSENTIALE N moved up to rank one from three, whereas ARBIDOL (-37%) which used to be at that rank, reduced its sales considerably and moved down to rank 5. As a restult, the trade names CONCOR (-12%) and ACTOVEGIN (-7%) moved up one rank, to numbers 3 and 4. VIAGRA (-15%) kept rank two. Another two drug manufacturers of the top ten - LASOLVAN (-26%) and OSCILLOCOCCINUM (-16%) held their own in the ranking, as before they kept ranks 7 and 8. The other three trade names of the top ten showed positive growth rates and rose in the ranks. DETRALEX (+1%) moved up from rank 10 to 6 and the newcomers which broke into the ranks of the top ten, REDUKSIN (3.6-fold growth in sales) and HEPTRAL (+11%) moved up to ranks nine and ten.

Table 2. The top ten trade names by pharmacy sales

Rank in the top ten		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	3	ESSENTIALE N	1.3	1.2
2	2	VIAGRA	1.1	1.2
3	4	CONCOR	1.1	1.1
4	5	ACTOVEGIN	1.0	1.0
5	1	ARBIDOL	1.0	1.5
6	10	DETRALEX	0.7	0.6
7	7	LASOLVAN	0.7	0.8
8	8	OSCILLOCOCCINUM	0.6	0.7
9	127	REDUKSIN	0.6	0.2
10	18	HEPTRAL	0.6	0.5
Total			8.7	8.9

Two newcomers broke into the ranks of the top ten - INN ATORVASTATIN (+15%) and IBUPROFEN (+5%) moved up to ranks 9 and 10 from 11 and 12, respectively (Table 3). The other two INNs also showed positive sales rates - PHOSPHOLIPIDS (+2%) and XYLOMETAZOLINE (+11%) moved up to ranks 2 and 3, respectively. Note that despite the reduction in sales, INN BLOOD (-5%) and PANCREATIN (-6%) also moved up to the higher ranks 5 and 6, respectively. At the same time, INNs with more pronounced negative growth rates UMIFENOVIR (-37%) and AMBROXOL (-26%), in contrast, moved down to ranks 7 and 8, respectively. BISOPROLOL (-6%) and SILDENAFIL (-9%) retained their ranks 1 and 4 respectively. The total share of the top ten under review reduced by almost 0.2 p.p. and achieved 11.3%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank in the top ten		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	BISOPROLOL	1.5	1.5
2	3	PHOSPHOLIPIDS	1.4	1.3
3	6	XYLOMETAZOLINE	1.4	1.2
4	4	SILDENAFIL	1.2	1.2
5	7	BLOOD	1.1	1.1
6	8	PANCREATIN	1.0	1.0
7	2	UMIFENOVIR	1.0	1.5
8	5	AMBROXOL	0.9	1.2
9	11	ATORVASTATIN	0.9	0.7
10	12	IBUPROFEN	0.8	0.7
Total			11.3	11.5

The top 10 ATC groups ranking didn't change in composition; however numerous shifts took place in it (table 4). M01 Anti-inflammatory and antirheumatic products (+4%) and J01 Antibacterials for systemic use (-15%) moved up to ranks one and two, and N02 Analgesics (-37%) and R05 Cough and cold preparations (-28%) which used to be at those ranks earlier, showed the negative growth rates and moved down to ranks 3 and 8. G03 Sex hormons (-9%) also lowered their position, by moving down one rank, to number 6. In contrast, C09 Agents acting on the rennin-angiotensin system (+3%) , R01 Nasal preparations (-3%) and A11 Vitamins (+1%) moved up to ranks 4, 5 and 7. However, two ATC groups of the top 10 held their own in the ranking. They were A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (-2%) and G04 Urologicals (-6%) placed at numbers nine and ten. The total share of the top 10 decreased by almost 2.5 p.p. and accounted for 36.7%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.3	3.9
2	3	J01	ANTIBACTERIALS FOR SYST USE	4.0	4.4
3	1	N02	ANALGESICS	3.9	5.8
4	6	C09	AG ACT RENIN-ANGIOTENS SYST	3.9	3.5
5	7	R01	NASAL PREPARATIONS	3.6	3.5
6	5	G03	SEX HORM&MODULAT GENITAL SYS	3.6	3.8
7	8	A11	VITAMINS	3.6	3.3
8	2	R05	COUGH AND COLD PREPARATIONS	3.5	4.6
9	9	A07	INTESTINAL ANTIINFECTIVES	3.3	3.1
10	10	G04	UROLOGICALS	3.0	3.0
Total				36.7	39.0

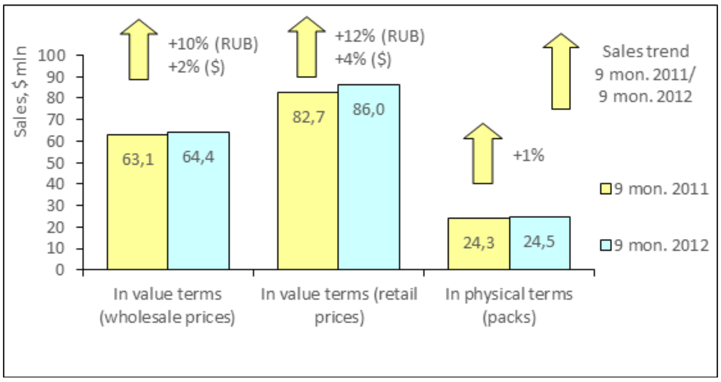
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Tolyatti brought in RUB 2.240 bln (USD 72.335 mln). The market performance was negative both in rouble terms (-2%) and in dollar terms (-9%). In physical terms the sales decreased by 14% and amounted to 17.745 mln packs. The average cost of an OTC pack in the city pharmacies increased as compared to the previous year (USD 4.08 vs. USD 3.86), however it was higher than the average indicator in Russia (USD 3.74). Per capita expenses for purchase of medicines in pharmacies amounted to USD 100.52 which is higher than on the average in the country (USD 83.41).

SARATOV PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Saratov's estimated population was 836.892 thousand, which accounted for 0.6% of the total Russian Federation population and 2.8% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 18104.8 (USD 584.78), which is 30% lower than the average salary in Russia (RUB 25686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Saratov saw a 1% increase to 24.482 mln packs. In value terms, the OTC drugs market increased by 10% in rouble terms and by 2% in dollar terms and reached 1.995 billion roubles (USD 64.351 million) in wholesale prices (Fig. 1). The city market share accounted for 0.7% of the Russian pharmacy market. The average cost of an OTC pack increased as compared to a year earlier (USD 3.40) and reached USD 3.51 in retail prices. For 9 months of 2012, the average amount spent by residents of Samara for drugs amounted to USD 102.73.

Figure 1. Saratov pharmacy market for 9 months of 2011 – 9 months of 2012



Based on the results for the first nine months of 2012, most of the drug manufacturers of the top ten in the market of Saratov held their own in the ranking (Table 1). Among them were the top-four manufacturers SANOFI-AVENTIS (+4%), PHARMSTANDART (-6%), SERVIER (+10%) and BAYER (+17%), as well as SANDOZ (+13%), NYCOMED/TAKEDA (+5%) and STADA (+8%) placed at numbers 6, 8 and 9. The only shift took place in the top ten - the drug manufacturer (+15%) moved up from rank seven to five, and MENARINI (+0.4%) that used to be at that rank, in contrast, moved down to rank 7. In addition, one newcomer broke into the ranks of the top ten - TEVA (+23%), coming in at number ten. The cumulative share of the top 10 drug manufacturers reduced from 38.4% to 37.7%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	**SANOFI-AVENTIS**	5.6	5.9
2	2	PHARMSTANDART	4.6	5.4
3	3	**SERVIER**	4.1	4.1
4	4	**BAYER HEALTHCARE**	3.9	3.7
5	7	**ABBOTT**	3.5	3.4
6	6	**SANDOZ GROUP**	3.5	3.4
7	5	**MENARINI**	3.3	3.6
8	8	**NYCOMED/TAKEDA**	3.1	3.3
9	9	**STADA**	3.0	3.1
10	11	**TEVA**	2.9	2.6
Total			37.7	38.4

*AIPM members are in bold

Two newcomers broke into the ranks of the top-10 trade names ranking (table 2). They were DETRALEX (+21%) and LINEX (+18%) which moved up to ranks eight and ten. ESSENTIALE N (+1%), ACTOVEGIN (-0.2%), MEXIDOLUM (+19%) and CONCOR (+7%) also moved up to the higher ranks, coming in at numbers one, two, three and eight. HEPTRAL (+2%) also managed to hold its own rank 7. The other three trade names: VIAGRA (-9%), ARBIDOL (-33%) and OSCILLOCOCCINUM (-18%) reduced their sales considerably and lost their ranks by moving down to numbers 4, 5 and 9, respectively. The total share of the top trade names reduced by almost 1 p.p. and accounted for 7.3%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	2	ESSENTIALE N	1.1	1.2
2	4	ACTOVEGIN	0.8	0.9
3	6	MEXIDOLUM	0.8	0.8
4	3	VIAGRA	0.8	0.9
5	1	ARBIDOL	0.7	1.2
6	11	DETRALEX	0.7	0.6
7	7	HEPTRAL	0.6	0.7
8	9	CONCOR	0.6	0.6
9	5	OSCILLOCOCCINUM	0.6	0.8
10	14	LINEX	0.6	0.5
Total			7.3	8.2

The leaders of the top ten INNs and generic names ranking didn't change - as before, INNs PANCREATIN (+11%) and PHOSPHOLIPIDS (+1%) held their upper ranks (table 3). BISOPROLOL (+17%), NIMESULIDE (+16%) and XYLOMETAZOLINE (+37%) move up to ranks 3 through 5 from the lower ranks. On top of that, the latter broke into the ranks of the top 10 ranking for the first time. The composition CHONDROITINSULFURIC ACID + GLUCOSAMINE (+24%) became the second newcomer of the top ten, moving up from rank 17 to 10. Apart from that, ETHYLMETHYLHYDROXYPYRIDINE (+19%) moved up three ranks to number 7 At the same time, three trade names with low and negative sales rates: BLOOD (+1%), SILDENAFIL (-2%) and AZITHROMYCIN (+3%) moved down to the lower ranks six, eight and nine, respectively. In contrast to the previous ranking, the cumulative share of the top ten increased from 9.7% to 9.8%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	PANCREATIN	1.4	1.4
2	2	PHOSPHOLIPIDS	1.2	1.3
3	4	BISOPROLOL	1.1	1.0
4	7	NIMESULIDE	1.0	0.9
5	11	XYLOMETAZOLINE	1.0	0.8
6	5	BLOOD	0.9	1.0
7	10	ETHYLMETHYLHYDROXYPYRIDINE	0.9	0.8
8	6	SILDENAFIL	0.8	0.9
9	8	AZITHROMYCIN	0.8	0.9
10	17	CHONDROITINSULFURIC ACID + GLUCOSAMINE	0.8	0.7
Total			9.8	9.7

N02 Analgesics (-3%) remained the bestselling ATC group in the city OTC drugs market, though its sales and market share reduced in the analysed period (table 4). The group M01 Anti-inflammatory and antirheumatic products (+17%) showing outperformance moved up to rank two. The markets of the other three ATC groups also developed at a fast pace: C09 Agents acting on the rennin-angiotensin system (+19%), A11 Vitamins (+15%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+18%). This allowed them to move up to ranks 5, 6 and 8, respectively, and the latter also to become the only newcomer of the top ten. In contrast, the other trade names from the top 10 moved down to much lower ranks. J01 Antibacterials for systemic use (-2%), R05 Cough and cold preparations (-14%), G03 Sex hormones (+10%) and N06 Psychoanaleptics (+5%) moved down one rank. Group L03 Immunostimulants (+3%) moved down from rank 7 to 9. The total share of the top ten reduced by 1.4 p.p. and accounted for 36.3%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	N02	ANALGESICS	4.9	5.5
2	3	M01	ANTIINFLAM & ANTIRHEUM PROD	4.6	4.3
3	2	J01	ANTIBACTERIALS FOR SYST USE	4.3	4.8
4	5	C09	AG ACT RENIN-ANGIOTENS SYST	3.8	3.5
5	4	R05	COUGH AND COLD PREPARATIONS	3.4	4.3
6	8	A11	VITAMINS	3.3	3.1
7	6	G03	SEX HORM&MODULAT GENITAL SYS	3.2	3.2
8	12	A07	INTESTINAL ANTIINFECTIVES	3.0	2.8
9	7	L03	IMMUNOSTIMULANTS	3.0	3.1
10	9	N06	PSYCHOANALEPTICS	2.9	3.1
Total				36.3	37.7

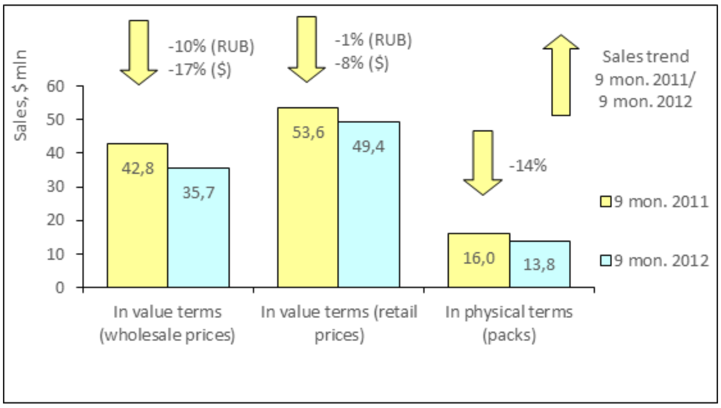
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Samara brought in RUB 2.665 bln (USD 85.975 mln). The market increased 12% in terms of roubles and 4% in terms of dollars. In pack terms the market also showed positive growth rates though not high (+1%) and achieved 24.482 mln packs. The average cost of OTC pack in the city pharmacies for 9 months of 2012 was higher than during the same period a year ago (USD 3.51 vs. USD 3.40), but lower than on the average in the country (USD 3.74). At the same time, the average expenses of city residents for medicines in the pharmacies considerably exceeded the national average (USD 102.73 vs. USD 83.41).

ULYANOVSK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Ulyanovsk's estimated population was 614.444 thousand, which accounted for 0.4% of the total Russian Federation population and 2.1% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 16,507.3 (USD 533.18), which is 36% lower than the average salary in Russia (RUB 25,686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of the region saw a 14% decrease to 13.840 mln packs. In value terms, the OTC drugs market reduced by 10% in rouble terms and by 17% in dollar terms and reached 1.106 billion roubles (USD 35.676 million) in wholesale prices (Fig. 1). The city share in the total volume of all-Russia pharmacy market accounted for 0.4%. The average cost of OTC pack in the city pharmacies was USD 3.57, whereas in the year-earlier period its cost was USD 3.35 in retail prices. For 9 months of 2012, the average amount spent by residents of Vladivostok for drugs amounted to USD 80.38.

Figure 1. Ulyanovsk pharmacy market for 9 months of 2011 – 9 months of 2012



Based on the results for nine months of 2012, the top ten drug manufacturers of the Ulyanovsk market didn't change in composition (Table 1). In addition, another four drug manufacturers held their own in the ranking. They were the top ten leaders SANOFI-AVENTIS (-11%), PHARMSTANDART and NYCOMED/TAKEDA (-13% each) and SANDOZ (-7%) placed at the bottom rank. BAYER (+10%) was the only drug manufacturer in the top ten which showed positive growth rates, which allowed it to move up from rank 8 to 4. In addition, despite the reduction in sales, ABBOTT (-8%) and TEVA (-3%) moved up one rank to numbers 6 and 8. GEDEON RICHTER (-15%) and MENARINI (-14%), which used to be placed at those ranks earlier, showed more pronounced negative sales rates and moved down one rank. The drug manufacturer SERVIER (-13%) moved down from rank 4 to 5. The cumulative share of the top ten drug manufacturers increased from 39.6% to 40.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	**SANOFI-AVENTIS**	5.8	5.8
2	2	PHARMSTANDART	5.4	5.5
3	3	**NYCOMED/TAKEDA**	4.2	4.3
4	8	**BAYER HEALTHCARE**	4.0	3.3
5	4	**SERVIER**	3.7	3.8
6	7	**ABBOTT**	3.6	3.5
7	5	GEDEON RICHTER	3.4	3.6
8	9	**TEVA**	3.4	3.2
9	6	**MENARINI**	3.3	3.5
10	10	**SANDOZ GROUP**	3.2	3.1
Total			40.0	39.6

*AIPM members are in bold

Based on the results for 9 months of 2012, a drug to treat erectile dysfunction VIAGRA (-9%) became a bestselling trade name in the region (Table 2). Due to reduction in sales by more than one third, ARBIDOL (-37%), which used to be a leader of the top ten, lost one rank and moved down to number two. ESSENTIALE N (-17%) and ACTOVEGIN (-11%) retained their ranks three and four. The trade names LOSOLVAN (-10%), LINEX (-4%) and NICE (-9%) moved up one rank, to numbers 5 through 7. The newcomers broke into the ranks of the top ten ranking, coming at numbers eight, nine and ten: PENTALGIN, which sales grew 13 times, as well as DUPHASTON (-3%) and HEPTRAL (-11%) showing negative sales rates. The total share of the top 10 trade names increased from 8.4% to 8.6%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	2	VIAGRA	1.2	1.2
2	1	ARBIDOL	1.2	1.6
3	3	ESSENTIALE N	1.1	1.1
4	4	ACTOVEGIN	1.0	1.0
5	6	LASOLVAN	0.8	0.8
6	7	LINEX	0.8	0.7
7	8	NICE	0.7	0.7
8	197	PENTALGIN	0.7	0.0
9	13	DUPHASTON	0.6	0.6
10	12	HEPTRAL	0.6	0.6
Total			8.6	8.4

Only one newcomer, the composition PARACETAMOL + NAPROXEN + CAFFEINE (17-fold growth in sales), broke into the ranks of the top ten INN and generic names ranking, coming in at number 10 from 199 (Table 3). In addition, three more INNs of the top ten rose in the ranks - XYLOMETAZOLINE (+19%), SILDENAFIL (-5%) and AMBROXOL (-11%) moved up to ranks one, two and three. At the same time, the last year leaders PHOSPHOLIPIDS (-13%) and UMIFENOVIR (-37%) moved down to ranks four and five, respectively. As before, INNs BISOPROLOL (-9%), PANCREATIN (-13%), BLOOD (-11%) and NIMESULIDE (-10%) held their own ranks 6 through 9, respectively. The cumulative share of the top 10 under review increased from 10.8% to 11.6%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	5	XYLOMETAZOLINE	1.6	1.2
2	3	SILDENAFIL	1.3	1.2
3	4	AMBROXOL	1.2	1.2
4	2	PHOSPHOLIPIDS	1.2	1.2
5	1	UMIFENOVIR	1.2	1.6
6	6	BISOPROLOL	1.2	1.1
7	7	PANCREATIN	1.1	1.1
8	8	BLOOD	1.0	1.0
9	9	NIMESULIDE	1.0	1.0
10	199	PARACETAMOL + NAPROXEN + CAFFEINE	1.0	0.1
Total			11.6	10.8

Half of ATC groups of the top ten managed to hold their own in the ranking (table 4). They were J01 Antibacterials for systemic use (-11%) at number 4, as well as the groups A11 Vitamins (-1%), A07 Antidiarrheals, intestinal antiinflammatory/ antiinfective agents (-3%), G04 Urologicals (-8%) and G03 Sex hormons (-6%) placed at the lower part of the top ten. The leader of top 10 ATC groups ranking changed, as well as in the previous rankings - M01 Antiinflammatory and antirheumatic products (-4%) moved up to rank one from three. The groups N02 Analgesics (-31%) and R05 Cough and cold preparations (-25%), which had been placed at the first two ranks of the top ten, showed the pronounced negative sales rates and moved down to ranks two and three. Another shift took place in the central part of the top 10 ranking: due to 1% growth in sales, group R01 Nasal preparations moved up one rank, to number 5, displacing C09 Agents acting on the rennin-angiotensin system (-5%). The total share of the analysed ranking, in contrast to the above rankings, increased from 39.9% to 39.4%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	3	M01	ANTIINFLAM & ANTIRHEUM PROD	5.1	4.8
2	1	N02	ANALGESICS	5.0	6.4
3	2	R05	COUGH AND COLD PREPARATIONS	4.5	5.2
4	4	J01	ANTIBACTERIALS FOR SYST USE	4.1	4.1
5	6	R01	NASAL PREPARATIONS	3.8	3.4
6	5	C09	AG ACT RENIN-ANGIOTENS SYST	3.7	3.5
7	7	A11	VITAMINS	3.6	3.2
8	8	A07	INTESTINAL ANTIINFECTIVES	3.4	3.2
9	9	G04	UROLOGICALS	3.2	3.1
10	10	G03	SEX HORM&MODULAT GENITAL SYS	3.1	2.9
Total				39.4	39.9

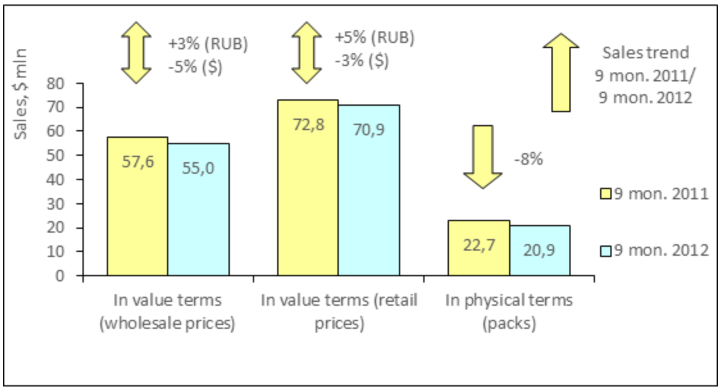
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Ulyanovsk brought in RUB 1.531 bln (USD 49.390 mln). At the same time, the market reduced 1% in terms of roubles and 8% in terms of dollars. In pack terms the market also showed negative growth rates (-14%) and achieved 13.840 mln packs. The average cost of OTC pack in the city pharmacies for 9 months of 2012 was higher than during the same period a year ago (USD 3.57 vs. USD 3.35), but lower than the national average (USD 3.74). Per capita expenses amounted to USD 80.38 which is slightly lower than on the average in Russia (USD 83.41).

VOLGOGRAD PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Volgograd was estimated as 1.119 mln, which accounted for 0.9% of the total Russian Federation population and 7.3% of Southern FO (SFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 18,516.3 (USD 598.07), which is 28% lower than the average salary in Russia (RUB 25,686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Russia saw a 8% decrease to 20.851 mln packs. In value terms, the OTC drugs market increased by 3% in rouble terms and by 5% in dollar terms and reached 1.704 billion roubles (USD 54.9830 million) in wholesale prices (Fig. 1). The average cost of an OTC pack grew as compared to the same period of previous year (USD 3.20) and reached USD 3.40 in retail prices. For 9 months of 2012, the average amount spent by residents of Volgograd for drugs amounted to USD 69.6.

Figure 1. Volgograd pharmacy market for 9 months of 2011 – 9 months of 2012



Based on the results for nine months of 2012, the top ten drug manufacturers of the Volgograd market didn't change in composition (Table 1). In addition, half of drug manufacturers from the top ten held their own in the ranking. They were the top ten leader PHARMSTANDART (-4%), as well as SERVIER (+9%), GEDEON RICHTER (-5%) and SANDOZ (+0.5%), placed at numbers 4 through 6 and STADA (-6%) rounding out the top ten. Three drug manufacturers with positive growth rates - BAYER (+24%), NYCOMED/TAKEDA (+2%) and TEVA (+3%) - moved up to the higher ranks two, seven and eight, respectively. At the same time, the drug manufacturers SANOFI-AVENTIS (-5%) and MENARINI (-10%) reduced their sales moved down to ranks three and nine. The cumulative share of the top 10 manufacturers reduced from 39.0% to 38.2%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	PHARMSTANDART	5.5	5.8
2	3	**BAYER HEALTHCARE**	4.8	4.0
3	2	**SANOFI-AVENTIS**	4.2	4.6
4	4	**SERVIER**	4.2	4.0
5	5	GEDEON RICHTER	3.6	3.9
6	6	**SANDOZ GROUP**	3.5	3.6
7	8	**NYCOMED/TAKEDA**	3.3	3.4
8	9	**TEVA**	3.1	3.2
9	7	**MENARINI**	3.0	3.4
10	10	**STADA**	2.8	3.1
Total			38.2	39.0

*AIPM members are in bold

Despite the reduction in sales and decrease in the share market, as before ARBIDOL (-42%) and VIAGRA (-14%) took the lead of the top ten trade names in the regional market (Table 2). The other two INNs of the top ten also showed the negative growth rates: ACTOVEGIN (-5%) and CONCOR (-0.2%). That resulted in the loss of their ranks – the trade marks moved down one rank, to numbers 4 and 8, respectively. At the same time, YARINA (+13%) and NICE (+3%) moved down one rank. They were displaced by the dynamic newcomer of the top ten REDUKSIN, which due to three-fold growth in sales moved up from number 67 to 5. Another two newcomers, LINEX (+19%) and KAGOCEL (3.2-fold growth in sales) moved up to ranks nine and ten. The total share of the analysed top 10 trade names virtually remained unchanged and accounted for 7.5%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	1	ARBIDOL	1.0	1.7
2	2	VIAGRA	0.9	1.1
3	4	ESSENTIALE N	0.9	0.8
4	3	ACTOVEGIN	0.9	0.9
5	67	REDUKSIN	0.8	0.3
6	5	YARINA	0.7	0.7
7	6	NICE	0.6	0.6
8	7	CONCOR	0.6	0.6
9	13	LINEX	0.6	0.5
10	136	KAGOCEL	0.5	0.2
Total			7.5	7.4

Three newcomers SIBUTRAMINE (+30%), IBUPROFEN (+5%) and NIMESULIDE (-0.1%) broke into the ranks of the top ten INN and generic names ranking, coming in at numbers 8 through 10 (Table 3). Apart from them, another three names of the top ten showed growth in sales. XYLOMETAZOLINE (+17%) moved up to rank one from three, BISOPROLOL (+5%) moved up to rank three from four and PHOSPHOLIPIDS (+15%) moved up to rank five from ten. NNs UMIFENOVIR (-42%) and SILDENAFIL (-10%) showed negative growth rates and moved down to ranks 4 and 7. At the same time, the names PANCREATIN (-2%) and BLOOD (-3%) held their own in the ranking. The cumulative share of the top 10 under review decreased from 10.9% to 10.4%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	3	XYLOMETAZOLINE	1.5	1.3
2	2	PANCREATIN	1.3	1.4
3	4	BISOPROLOL	1.1	1.1
4	1	UMIFENOVIR	1.0	1.7
5	10	PHOSPHOLIPIDS	1.0	0.9
6	6	BLOOD	1.0	1.0
7	5	SILDENAFIL	0.9	1.1
8	15	SIBUTRAMINE	0.9	0.7
9	12	IBUPROFEN	0.9	0.8
10	11	NIMESULIDE	0.8	0.9
Total			10.4	10.9

Despite the negative growth rates, the leader of the top ten ATC groups the group N02 Analgesics (-6%), as well as G04 Urologicals (-2%) rounding out the top ten, held their own in the ranking (table 4). Note that another three ATC groups showed reduction in sales. They were J01 Antibacterials for systemic use (-11%), R05 Cough and cold preparations (-18%) and L03 Immunostimulants (-6%) moved down to ranks 5, 7 and 9, respectively. In contrast, the other ATC groups from the top 10 rose in the ranks. R01 Nasal preparations and C09 Agents acting on the rennin-angiotensin system (+3% each), as well as A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+11%) moved up one rank. G03 Sex hormones (+15%) moved up from rank five to two, and M01 Anti-inflammatory and antirheumatic products (+5%) moved up from rank six to four, respectively. The consolidated share of the top 10 reduced from 39.5% to 38.1%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	N02	ANALGESICS	4.8	5.2
2	5	G03	SEX HORM&MODULAT GENITAL SYS	4.5	4.0
3	4	R01	NASAL PREPARATIONS	4.1	4.1
4	6	M01	ANTIINFLAM & ANTIRHEUM PROD	4.1	4.0
5	2	J01	ANTIBACTERIALS FOR SYST USE	4.1	4.7
6	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.6	3.6
7	3	R05	COUGH AND COLD PREPARATIONS	3.5	4.3
8	9	A07	INTESTINAL ANTIINFECTIVES	3.4	3.2
9	8	L03	IMMUNOSTIMULANTS	3.0	3.3
10	10	G04	UROLOGICALS	2.9	3.1
Total				38.1	39.5

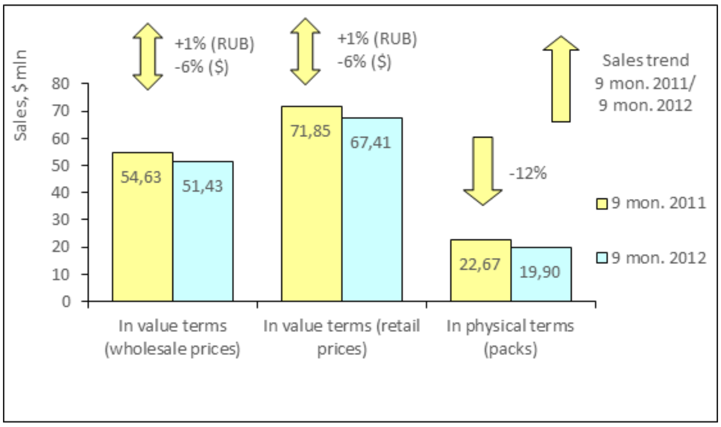
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Volgograd brought in RUB 2.198 bln (USD 70.907 mln). At the same time, the market increased 5% in terms of roubles, but reduced by 5% in terms of dollars. In pack terms the market showed negative growth rates (-8%) and achieved 20.851 mln packs. The average cost of OTC pack in the city pharmacies for 9 months of 2012 was higher than during the same period a year ago (USD 3.40 vs. USD 3.20), but lower than the national average (USD 3.74). Per capita expenses spent by city residents for the purchase of medicines in the city amounted to USD 69.60 which is notably lower than the national average (USD 83.41).

LIPETSK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Lipetsk's estimated population was 508.066 thd, which accounted for 0.4% of the total Russian Federation population and 1.3% of Central FO (CFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 18,620.9 (USD 601.45), which is 28% lower than the average salary in Russia (RUB 25,686.0).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Lipetsk saw a 12% decrease to 19.897 mln packs. In value terms, the region pharmacy market (exclusive of State Reimbursement Program) saw a 1% increase in terms of roubles, but reduced by 6% in terms of dollars compared to the same period a year ago and reached RUB 1.591 bln (USD 51.432 mln) in wholesale prices (Fig.1). The region's share accounted for 0.6% of the total volume of all-Russia pharmacy market. The average cost of an OTC pack increased as compared to a year earlier and reached USD 3.39 (vs. USD 3.17 a year earlier) in retail prices. In the first nine months of 2012, the region residents spent USD 132.68 on drugs on the average.

Figure 1. Lipetsk pharmacy market for 9 months of 2011 – 9 months of 2012



Based on the results for 9 months of 2012, SANOFI-AVENTIS (+3%) and SERVIER (+5%) held the lead in the regional top ten drug manufacturers ranking (Table 1). PHARMSTANDART (-12%) and MENARINI (-5%), which had been placed at ranks one and three, reduced their sales and moved down to ranks 3 and 4. GEDEON RICHTER (-10%) also showed the negative sales rates and fell in the ranks. NOVARTIS (+8%) also moved down one rank, to number 9. Three drug manufacturers of top 10 rose in the ranks: NYCOMED/TAKEDA (+7%), ABBOTT (+18%) and TEVA (+8%) moved up one rank, coming in at numbers 6, 8 and 10, respectively. As before, BAYER (+4%) held its rank 5. The total share of the top ten in the regional market remained flat and accounted for 37.9%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	2	**SANOFI-AVENTIS**	5.2	5.2
2	4	**SERVIER**	4.8	4.6
3	1	PHARMSTANDART	4.7	5.3
4	3	**MENARINI**	4.4	4.7
5	5	**BAYER HEALTHCARE**	4.0	3.9
6	7	**NYCOMED/TAKEDA**	3.4	3.2
7	6	GEDEON RICHTER	3.2	3.7
8	9	**ABBOTT**	3.0	2.6
9	8	**NOVARTIS**	2.8	2.6
10	11	**TEVA**	2.4	2.2
Total			37.9	37.9

*AIPM members are in bold

Neither of the trade names from the top ten held their own in the ranking (table 2). At the same time, virtually all trade names from the top ten rose in the ranks. ACTOVEGIN (+4%), ESSENTIALE N (+1%), MEXIDOLUM (-1%) and ALFLUTOP (-7%) moved up to ranks 1 through 4, respectively. DETRALEX (+3%) and MEZYM FORTE (-11%) moved up two ranks, coming in at numbers 6 and 8. Three newcomers of the top ten, VIAGRA (+3%), REDUKSIN (2.3-fold growth in sales) and DUPHASTON (+28%) moved up to the bottom part of the ranking, to numbers 7, 9 and 10. The sole exception was ARBIDOL (-43%) which moved down from rank two to five. The cumulative share of the top 10 under review decreased from 8.5% to 8.2%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	4	ACTOVEGIN	1.3	1.3
2	5	ESSENTIALE N	1.1	1.1
3	7	MEXIDOLUM	1.0	1.0
4	6	ALFLUTOP	0.9	1.0
5	2	ARBIDOL	0.8	1.4
6	8	DETRALEX	0.7	0.7
7	13	VIAGRA	0.6	0.6
8	10	MEZYM FORTE	0.6	0.7
9	66	REDUKSIN	0.6	0.3
10	25	DUPHASTON	0.6	0.4
Total			8.2	8.5

The top ten INN and generic names ranking was characterized by the fact that all its names rose in the ranks (Table 3). The most dynamic INN of the top 10 ranking XYLOMETAZOLINE (+30%) moved up to rank one from 8. BLOOD (+4%), PANCREATIN and NIMESULIDE (-1% each), PHOSPHOLIPIDS (+0.5%), ETHYLMETHYLHYDROXYPYRIDINE (-3%) and FISH (-7%) also improved their ranks, though not so considerably, and moved up to ranks two through seven, respectively. In addition, three newcomers BISOPROLOL (+3%), CHONDROITINSULFURIC ACID (-10%) and the composition DIOSMIN + HESPERIDIN (+10%) broke into the ranks of the top ten, coming in at numbers eight, nine and ten. However, the total share of the top 10 increased moderately from 10.9% to 11.1%.

Table 3. The top 10 INN and Generic Names by pharmacy sales

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9 mon. 2012	9 mon. 2011
1	8	XYLOMETAZOLINE	1.4	1.1
2	3	BLOOD	1.4	1.4
3	5	PANCREATIN	1.3	1.3
4	6	NIMESULIDE	1.2	1.2
5	7	PHOSPHOLIPIDS	1.1	1.1
6	9	ETHYLMETHYLHYDROXYPYRIDINE	1.0	1.1
7	10	FISH	0.9	1.0
8	12	BISOPROLOL	0.9	0.9
9	11	CHONDROITINSULFURIC ACID	0.9	1.0
10	14	DIOSMIN + HESPERIDIN	0.8	0.8
Total			11.1	10.9

The top ten ATC groups, as well as in the above rankings, changed its leader: the last year leader N02 Analgesics reduced their sales by 21% and moved down one rank, giving the way to the group with zero growth rates M01 Antiinflammatory and antirheumatic products (table 4). G03 Sex hormones (+6%), J01 Antibacterials for systemic use (-7%), C09 Agents acting on the rennin-angiotensin system (+5%) and N06 Psychoanaleptics (+1%) also improved their ranks by one point, coming in at numbers 3, 4, 6 and 10, respectively. R01 Nasal Preparations (+14%) moved up from rank 9 to 5, and A11 Vitamins (+2%) moved up to rank 8 from 10. The other two ATC groups had negative growth rates, as a result of which they reduced their market shares and fell in the ranks. They were R05 Cough and cold preparations (-10%) and L03 Immunostimulants (-7%), which moved down to ranks 7 and 9, respectively. The total share of the top 10 ATC groups reduced by more than 1 p.p. and accounted for 36.3%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	2	M01	ANTIINFLAM & ANTIRHEUM PROD	5.2	5.3
2	1	N02	ANALGESICS	4.3	5.4
3	4	G03	SEX HORM&MODULAT GENITAL SYS	4.1	3.9
4	5	J01	ANTIBACTERIALS FOR SYST USE	3.6	3.9
5	9	R01	NASAL PREPARATIONS	3.5	3.0
6	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.4	3.3
7	6	R05	COUGH AND COLD PREPARATIONS	3.2	3.5
8	10	A11	VITAMINS	3.1	3.0
9	8	L03	IMMUNOSTIMULANTS	3.1	3.3
10	11	N06	PSYCHOANALEPTICS	2.9	2.9
Total				36.3	37.5

Conclusion. At the end of the first nine months of 2012, the retail OTC drugs market of Lipetsk brought in RUB 2.084 bln (USD 67.409 mln). At the same time, the market increased 1% in terms of roubles and 6% in terms of dollars. In pack terms the market showed negative growth rates (-12%) and achieved 19.897 mln packs. The average cost of OTC pack was higher than that during the same period a year ago (USD 3.39 vs. USD 3.17) and lower than the national average (USD 3.74). At the end of nine months of 2012, per capita expenses for purchase of medicines in pharmacies of the region amounted to USD 132.68 and were higher than the average indicators throughout Russia (USD 83.41).

REGIONAL DIGEST

State Reimbursement Program//Procurement of Necessary Drugs, Government Control

January 6, 2013, The Komsomolskaya Pravda

Strategy of drug supply and its implementation plan in the Russian Federation until 2025 has determined major steps towards rational use of medicines

At the end of 2012 the Government approved the Strategy of drug supply and its implementation plan in the Russian Federation until 2025. The document made the point that the objective of the Strategy is "to improve availability of high-quality, efficient and safe medicines for satisfying the needs of human life". In order to ensure rational use of medicines, the following methods shall be used: introduction of electronic prescribing system which can automatically check a dose schedule administered, predict pharmacokinetic interactions between the drugs, automatically check indications and contraindications; improvement of the procedure for delivery of medicines; development of "patients' school"; expansion of outreach activities in the field of drug supply for the purpose of forming a responsible attitude of people towards their health.

January 10, 2013, The Novye Izvestia

Ministry of Public Health intends tto withdraw ineffective medicines from the market in 2013

Russian Minister of Health Veronika Skvortsova announced that the Ministry of Public Health of the Russian Federation will launch a campaign to withdraw inactive medicines from the pharmaceutical market this year. According to her, the Ministry has already prepared the amendments to the Law On Circulation of Medicines concerning the market authorization of drugs. These amendments take aim at the attraction of only evidence-based effective and high-quality medicines to the market. Also, this year the Ministry intends to revise all range of medicines circulating on the Russian market and withdraw from it gradually all medicines which has been supplied to the pharmacies without serious evidence-based data of their efficiency based on the limited clinical trials.

January 9, 2013, The RIA Novosti

Over RUB 14 bln has been directed to the regions for treatment of HIV and hepatitis

The Government of Russia allocated to the regions in 2013 over RUB 14 bln from the federal budget to purchase of drugs for prevention and treatment of HIV, hepatitis B and C. On Wednesday the respective decree has been placed in the bank of federal administrative and regulatory documents. The largest amounts for these purposes are expected to be allocated to the Sverdlovskaya Oblast - RUB 1.364 bln, Saint-Petersburg - RUB 1.011 bln and Moscow - RUB 984.154 mln.

January 15, 2012, The RIA-AMI

Ministry of Public Health showed low transparency in procurement in 2012

The independent non-government research centre of the National Association of E-Trade Participants published the annual ranking of transparency in procurement process. Among the entities which received the highest score of the ranking "Guaranteed Transparency" is the Federal Supervision Agency for Customer Protection and Human Welfare. The Federal Service for Supervision in the Sphere of Health Care and Federal Bio-Medical Agency showed high transparency, whereas the Ministry of Public Health of Russia showed low transparency in procurement process in 2012 and found itself in the negative range. Among customers under 223-FZ is one of five "guaranteed transparent" purchasers Federal State Unitary Enterprises "Microgen Scientific Industrial Company for Immunobiological Medicines" of the Ministry of Health and Social Department of the Russian Federation (FSUC "SIC "Microgen", MOHSD RF)

January 15, 2013, GMPnews

About one thousand medicines circulating in Russia have no INN

Practitioners shall not be allowed to use the trade names of drugs on prescriptions. The respective order is intended to be issued by the Ministry of Public Health in the coming months, according to the newspaper Izvestia. The Ministry is willing to codify a rule to use international nonproprietary names of medicines on prescriptions, i.e. active ingredient in a tablet or capsule. Only 10% of Russian drug manufacturers comply with the international standards of GMP. In addition, a large variety of inefficient medicines will be withdrawn from the circulation in the short run, Vladimir Schipkov, Executive Director of AIPM, announced. According to the expert, as the result the prohibition to use trade names of medicines on prescriptions will affect patients.

January 25, 2013, RIA-AMI

Ministry of Public Health prepared amendments to FL On Circulation of Medicines

Ministry of Public Health has placed on its website a draft law On Introduction of Amendments to the Federal Law On Circulation of Medicines and to the Article 333.32.1, Part II of the Tax Code of the Russian Federation". In particular, the draft law provides definitions for the following terms: pharmaceutical substance, orphan drugs, biological medicinal product, generic drug, comparator drug, biosimilar medicinal product (biosimilar), replaceable medicinal product, etc. The draft law also amends Article 333.32.1 of Part II of the Tax Code of the Russian Federation, which determines the sizes of the state duty for performance of actions by the authorized federal executive body during market authorization of medicines.

January 28, 2013, RIA-AMI

Ministry of Industry and Trade of Russia to be authorized to exercise control over quality of drugs

The Government of the Russian Federation has taken a decision to invest the Ministry of Industry and Trade with authority to adopt the current good manufacturing practices and to issue certificates of compliance of medicinal products manufacturers with the requirements of the current good manufacturing practices. The respective changes will be made to the Regulations on the Ministry of Industry and Trade of the Russian Federation.

January 29, 2013, The Pharmatsevticheski Vestnik

Government determined the threshold of the initial price of contract for supply of medicines

The Ministry of Public Health has placed on its website a draft decree of the Government of the Russian Federation dd. January 23, 2013, which determines the threshold value of the initial (maximal) price of a contract for supply of medicines. According to the draft decree, the different medicines with INN or, in the absence of such names, with chemical, generic names cannot be the subject of one contract (one lot) which threshold value of the initial (maximal) price exceeds RUB 1 mln. At the stage of placing orders for supply of medicines for governmental and municipal customers of Moscow and St. Petersburg, the threshold value of the initial (maximal) price will be RUB 5 mln.

NEWS FROM COMPANIES

January 15, Chemrar.ru

Stada would give a good look to a tender offer

The German generic-drug maker Stada Arzneimittel AG announced that it would consider any attractive takeover offers from its competitors seeking to expand its business in Europe. "In Europe, we have a sweet spot in Russia, and we are doing a very good job in businesses including consumer health care", Stada's Markus Metzger Stada's Director of Investor Relations said. Stada may be a target of Sun Pharmaceutical Industries Ltd, India's largest drug-maker by market value, which was considering acquisitions in Europe, people familiar with the matter said in August last year. Apart from it, Israel-based Teva and USA-based Pfizer и Watson showed interest in acquiring Stada.

January 18, 2013, RIA-AMI

NewVac and Pharmstandart signs agreement with Janssen for development of drugs to treat cancer and tuberculosis

Janssen Pharmaceutica, NV (Janssen) announced at the annual Gaidar Forum that it had entered into two license agreements with NewVac LLC (a subsidiary of ChemRar High Tech Center) and Pharmstandart OJSC. Under the terms of the agreement Janssen grants NewVac the exclusive rights for the development and commercialization of drugs to treat oncologic diseases and tuberculosis. Janssen implements joint projects within the framework of strategic partnership in the field of research and developments in Russia.

January 29, 2013, The Kommersant

Pharmacy chains 36.6 is considering a merger with drugstore chain A5

The largest deal is being prepared in the Russian pharmacy market. Russian drugstore chains A5 and 36.6 are holding early stage discussions over the possibility of combining their operations. Pharmacy Chain 36.6 may issue new shares up to USD 300 mln to pay acquisition of pharmacy group A5. A share of Moscow market to be controlled by the new company will account for 25%.

January 18, 2013, The Kommersant

FAS fined RIA Panda for violating advertising laws

The Federal Anti-monopoly Service of Russia has fined one of the largest manufacturer of biologically active additives (BAA) and cosmetic products RIA Panda LLC to the amount of around RUB 1 mln for violation of advertising law. This refers to the advertising of BAAs produced by RIA Panda: Diclozan Forte, Bonisan, Erectogenon, Artrocin, Prostatinol, Omeganol Junior, AD Norma, Kholesenol Artishok, Cealex Forte. According to the experts, these penalties won't have a significant impact on the business of the holding and on the whole, violations of advertising laws with regard to BAA are detected much oftener than with regard to medicines.

Source of information – IMS Health

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