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

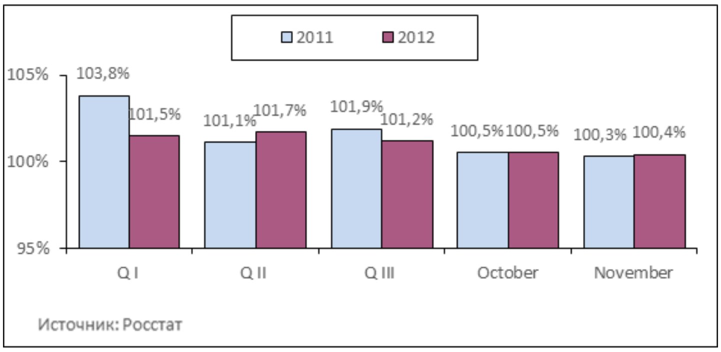
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in November 2012, the Consumer Price Index was estimated as 100.3%, compared to the previous month. For the period from start of the year, it escalated to 106.0% (in January-November 2011 – by 105.6%).

In November, Industrial Producer Price Index was 98.8%, whereas a month ago it had amounted to 98.4%. In January-November, it accounted for 106.3% (during the same period a year ago – 111.8%).

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



Living standard

According to preliminary Federal State Statistics Service's data, in November 2012 a gross monthly average salary per worker reached RUB 27,607 (USD 888.83) which accounted for 114.2% compared to November 2011 and 103.0% compared to October 2012. The real salary in November 2012 accounted for 107.3% as compared with the same period in 2011. In November 2012, the real value of cash incomes accounted for 106.7% compared to the same period of 2011 (Fig. 2).

Retail turnover

In November 2012 the retail turnover was equal to RUB 1892.7 bln, which in stock accounts for 104.4% as compared to the same period a year ago (Fig. 2)

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

Manufacture of industrial products

According to Federal State Statistics Service's data, in November 2012 Industrial Production Index accounted for 101.9% compared to the same period a year ago, 100.5% to the previous period of 2012, and 102.7% in January -November 2012.

Domestic production

The Top-10 domestic manufacturers by production volume at November-end 2012 are shown in Table 1. The total production volume by top ten manufacturers was estimated at USD 355.0 mln.

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

Rank	Manufacturer	Production volume, $mln
1	Pharmstandart	151.8
2	KRKA-RUS	34.0
3	Valenta	33.3
4	Stada	33.1
5	F-Sintez	32.1
6	Sotex	21.6
7	Pharm-Center	15.7
8	Microgen	13.1
9	Akrihin	11.1
10	Materia Medica	9.2

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In October 2012 compared to September, growth in pharmacy sales (in terms of roubles) was observed in most analysed regions. The highest performance was observed in Perm (+32%), the least one in Tyumen (+0.1%). Exception to this rule applies Novosibirskaya Oblast (-1%) and Perm (-32%) where sales reduced.

Table 2. Pharmacy sales in the regions, 2012

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	August 2012	September 2012	October 2012	August/ July 2012	September/ August 2012	October/ September 2012
Moscow	146.4	177.1	182.0	1%	16%	5%
St Petersburg	35.9	45.2	50.2	7%	20%	13%
Krasnodarsky Krai	38.1	35.8	37.1	9%	-10%	6%
Novosibirsk aya Oblast	19.3	22.7	22.0	14%	13%	-1%
Tatarstan	22.9	27.3	31.5	8%	14%	18%
Krasnoyarsky Krai	16.4	18.2	19.4	14%	7%	9%
Rostov skaya Oblast	21.0	22.9	25.1	14%	4%	12%
Voronezhskaya Oblast	14.4	16.8	19.1	11%	12%	16%
Perm	5.5	6.8	4.5	12%	19%	-32%
Tyumen	6.6	7.4	7.3	7%	8%	0.1%

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 November 2012

Rank	Company*	Quantity of broadcasts
1	Novartis	9,698
2	Pharmstandart	8,364
3	Berlin-Chemie/Menarini Group	5,294
4	Bayer AG	4,669
5	Sanofi Aventis	3,956

Source – TNS Gallup AdFact

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

Rank	Trade name*	Quantity of broadcasts
1	Evalar	3,436
2	Supradin	2,725
3	Nurofen	1,829
4	Grippferon	1,615
5	Arbidol	1,578

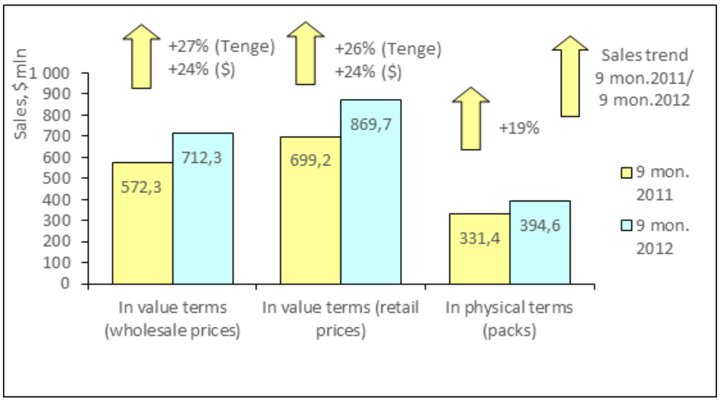
Source – TNS Gallup AdFact

* Only products registered with State Register of Medicines were considered

KAZAKHSTAN PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of first nine months of 2012 the sales of OTC drugs in physical terms in pharmacies of Russia saw a 19% increase to 394.625 mln packs. In value terms (exclusive of reimbursement drug list) the regional market also showed the positive growth: 27% in terms of Kazakhstan Tenges and 24% in terms of Dollars. At the same time, the market in wholesale prices reached USD 712.311 mln (Tenge 105.878 bln) and USD 869.694 mln in retail prices (Tenge 102.238 bln) (Fig.1). The average retail cost of a pack was USD 2.20, whereas in the year earlier period its cost was USD 2.11. Following the results of nine months of 2012, the level of OTC drugs consumption per capita was USD 52.15 (during the same period in 2011 - USD 42.53).

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



On the basis of the results for nine months of 2012, the highest share of pharmacy sales in Kazakhstan accrued to the drugs made in Germany (19%). The Russian pharmaceutical products' share in the region accounted for 7.3% and ranked 2nd. OTC products made in India and France accounted for six per cent of the market each. Drugs made in Kazakhstan accumulated 5% of the market, as well as OTC drugs from USA, Denmark and Slovenia.

NOVARTIS (+15%[1]) and SANOFI-AVENTIS (+19%) held their leading ranks among manufacturers in the pharmacy market of Kazakhstan in the analysed period (table 1). TEVA (+22%) and BERLIN-CHEMIE AG (+29%) held their previous ranks 5 and 6. BAYER (+27%) moved up from rank four to three, displacing TAKEDA (+17%) down one rank. The other four drug manufacturers also rose in the ranks. SOLVAY (+42%) moved up one rank to number 7. The Russian drug manufacturer AKRIKHIN-PHARMA (+42%) moved up to rank eight from ten. The newcomers SERVIER/EGIS (+38%) and WORLD MEDICINE (+44%) broke into the ranks of the top ten, coming in at numbers nine and ten. The total share accumulated by the top ten drug manufacturers reduced from 39.8% to 39.5%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011		9mon. 2012	9 mon. 2011
1	1	**NOVARTIS (INC. SANDOZ-LEK)**	5.7	6.3
2	2	**SANOFI-AVENTIS**	5.3	5.6
3	4	**BAYER HEALTHCARE**	4.9	4.9
4	3	**TAKEDA**	4.7	5.2
5	5	**TEVA**	4.7	4.8
6	6	**BERLIN-CHEMIE AG/MENARINI GROUP**	3.2	3.1
7	8	SOLVAY PHARMA	3.0	2.7
8	10	AKRIKHIN-PHARMA	2.9	2.6
9	11	**SERVIER/EGIS**	2.8	2.5
10	12	WORLD MEDICINE	2.5	2.2
Total			39.5	39.8

*AIPM members are in bold

Three newcomers Kanefron N (+48%), Ursosan (+45%) and Ceraxon (+43%) broke into the ranks of the ten top trade names, coming in at numbers five through seven (table 2). Hepatoprotector Essentiale N (+21%) also rose in the ranks, moving from rank three to two. At the same time, the trade names Linex (+10%), Viferon (+31%), Sumamed (+23%) and Mezym Forte (+29%) moved down to the lower rank three, eight, nine and ten, respectively. Actovegin (-0.5%) remained the leader of the ranking. As before, TheraFlu against cold and flu (+38%) held its previous rank four of the top ten.

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	Actovegin	1.4	1.7
2	3	Essentiale N	0.8	0.9
3	2	Linex	0.8	1.0
4	4	TheraFlu Cold and Flu	0.8	0.7
5	11	Kanefron N	0.7	0.6
6	14	Ursosan	0.7	0.6
7	12	Ceraxon	0.7	0.6
8	7	Viferon	0.7	0.6
9	6	Sumamed	0.7	0.7
10	8	Mezym Forte	0.6	0.6
Total			7.8	8.0

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

Five INNs of the top ten INN and Generic Names held their own in the ranking (table 3). They were the leaders of the top ten Pancreatin (+45%) and Ambroxol (+25%), as well as Azithromycin (+26%), Soybeans phospholipids (+32%) and Xylometazoline (+27%) at numbers 6, 8 and 9. The markets of INNs Ceftriaxone (+57%) and ursodeoxycholic acid (+37%) developed at a fast pace which allowed them to move up to higher ranks 3 and 10. On top of that, INN ursodeoxycholic acid became the only newcomer of the top ten. In contrast, the other three INNs of the top ten fell in the ranks. They were the composition Multivitamin +Multimineral (+17%), as well as INN Diclofenac (+13%) and Fluconazole (+24%) which moved to ranks 4, 5 and 7, respectively. The total share of the top ten INNs, in contrast to the above top tens, increased from 11.0% to 11.4%.

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	1	Panreatin	1.7	1.5
2	2	Ambroxol	1.3	1.3
3	7	Ceftriaxone	1.3	1.0
4	3	Multivitamin + Multimineral	1.2	1.3
5	4	Diclofenac	1.1	1.2
6	6	Azithromycin	1.0	1.0
7	5	Fluconazole	1.0	1.1
8	8	Soybeans phospholipids	1.0	0.9
9	9	Xylometazoline	0.9	0.9
10	12	Ursodeoxycholic acid	0.9	0.8
Total			11.4	11.0

The top ten ATC group ranking showed high stability: only one shift occurred whereas the other ATC groups held their own in the ranking (table 4). Due to 26% growth of sales, Group R05 Cough and cold preparations moved up one rank, coming in at number 2 and displacing the less dynamic N02 Analgesics (+11%) down one rank. Another four ATC groups developed their markets by outstripping rates: Group M01 Anti-inflammatory and antirheumatic products (+29%), G04 Urologicals (+32%), G03 Sex hormones and R01 Nasal preparations (+29% each), moving up to ranks four, as well as ranks 6 through 8. Due to considerable lag of growth rates, ATC group A11 Vitamins (+19%) reduced its market share and held its previous rank 5. The other ATC groups J01 Antibacterials of systemic use (+27%), A07 Antidiarrheals and A05 Bile and liver therapy (26% each) didn't change their shares or ranks. On top of that, the former remained the leader of the top ten. However, the total share of the top ten reduced 0.5 p.p. and accounted for 44.3%.

Table 4. The top ten ATC Groups by pharmacy sales

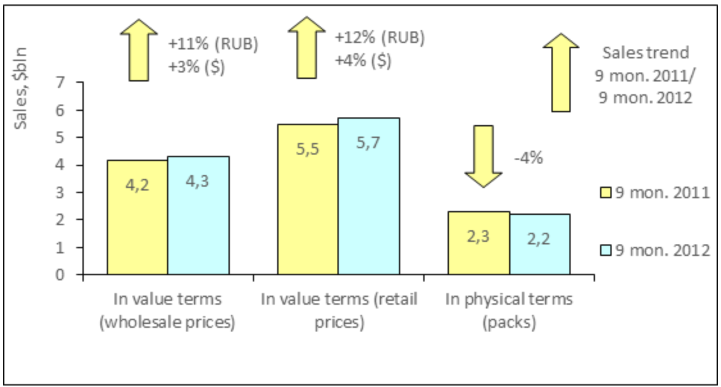
Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	1	J01	Antibacterials for systemic use	9.8	9.8
2	3	R05	Cough and Cold Preparations	5.0	5.0
3	2	N02	Analgesics	4.6	5.3
4	4	M01	Anti-inflammatory and antirheumatic products	4.2	4.1
5	5	A11	Vitamins	3.8	4.0
6	6	G04	Urologicals	3.6	3.5
7	7	G03	Sex hormones	3.4	3.4
8	8	R01	Nasal preparations	3.4	3.4
9	9	A07	Antidiarrheals	3.2	3.2
10	10	A05	Bile and liver therapy	3.1	3.1
Total				44.3	44.8

Conclusion. At the end of nine months of 2012, Kazakhstan retail market grew by 26% in national currency terms and by 24% in dollar terms and brought in USD 869.694 mln (Tenge 129.271 bln). In pack terms the market also showed positive growth rates (+19%) and achieved 394.625 mln packs. Compared to the indicators of the same period in last year, both the average cost of a pack and the level of OTC drugs consumption by residents of the country increased (USD 2.20 vs. USD 2.11 and USD 52.15 vs. USD 42.53).

PHARMACY OTC MARKET IN RUSSIA: 2012 FIRST 9 MONTHS RESULTS

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 4% decrease to 2.213 bln packs. In value terms, the OTC drugs market increased by 11% in rouble terms and by 3% in dollar terms and reached 133.632 billion roubles (USD 4.317 billion) in wholesale prices (Fig. 1). The average cost of an OTC pack grew as compared to the same period of previous year (USD 2.38) and reached USD 2.59 in retail prices. For 9 months of 2012, the average amount spent by residents of Russia for OTC drugs amounted to USD 40 on average.

Figure 1. Russian OTC market for 9 months of 2011 – 9 months of 2012



The top 10 drug manufacturers ranking demonstrated high stability in the Russian pharmacy market: only one shift occurred whereas the other ATC groups held their own in the ranking (Table 1). Due to low growth in sales, MENARINI (+4%) moved down from rank four to six. At the same time, the dynamic manufacturers BAYER (+18%) and NOVARTIS (+16%) moved up one rank, to numbers 4 and 5. PHARMSTANDART (+11%), SANOFI-AVENTIS (+12%) and SANDOZ (+7%) remained the top ten leaders. Drug manufacturers STADA (+8%), JOHNSON & JOHNSON (+15%), TEVA (+13%) and NYCOMED/TAKEDA (+2%) held their previous four bottom ranks. The cumulative share of the top 10 drug manufacturers accounted for 43.2%.

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	7.0	6.9
2	2	**SANOFI-AVENTIS**	6.1	6.0
3	3	**SANDOZ GROUP**	5.0	5.2
4	5	**BAYER HEALTHCARE**	4.8	4.5
5	6	**NOVARTIS**	4.5	4.3
6	4	**MENARINI**	4.4	4.7
7	7	**STADA**	3.2	3.4
8	8	**JOHNSON & JOHNSON**	3.0	2.9
9	9	**TEVA**	2.9	2.8
10	10	**NYCOMED/TAKEDA**	2.4	2.6
Total			43.2	43.3

*AIPM members are in bold

Based on the results for 9 months of 2012, hepatoprotector ESSENTIALE N (+18%) became a bestselling trade name (Table 2). ARBIDOL (-30%) which used to be a leader of the top ten reduced its sales by 30%, lost one rank and moved down to number two. The other five trade names showed the negative growth rates: ANAFERON (-1%), LAZOLVAN (-4%), MEZYM FORTE (-2%), OSCILLOCOCCINUM (-5%) and EXODERIL (-1%). At the same time, the former improved its rank by two points, moving up to number 4 of the top ten, whereas the other trade names moved down to the lower ranks, five, seven, eight and ten, respectively. NO-SPA (+19%) moved up from rank six to ten. A newcomer KAGOCEL which sales increased 2.4 times broke into the ranks of the top ten, coming in at number nine. The only trade name from the top-10 LINEX (+18%), held its own in the ranking.

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	2.1	2.0
2	1	ARBIDOL	1.9	2.9
3	3	LINEX	1.5	1.4
4	6	ANAFERON	1.0	1.1
5	4	LASOLVAN	1.0	1.1
6	10	NO-SPA	1.0	0.9
7	5	MEZYM FORTE	1.0	1.1
8	7	OSCILLOCOCCINUM	1.0	1.1
9	42	KAGOCEL	0.9	0.4
10	8	EXODERIL	0.9	1.0
Total			12.2	13.1

Only two INNs of the top-ten INN and Generic Names held its own in the ranking (table 3). They were KETOPROFEN (+3%) and FLUCONAZOLE (+6%) at numbers nine and ten. Most INNs of the top ten showed the outperformed retail sales growth which led to the raise in ranks. XYLOMETAZOLINE (+28%) moved up to rank one from two. Due to 18% growth in sales, PHOSPHOLIPIDS and IBUPROFEN and the composition BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS moved up one rank. INN PANCREATIN (+7%) also rose in the ranks by one point. At the same time, three INNs with negative growth rates: UMIFENOVIR (-30%), AMBROXOL (-5%) and PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (-1%) moved down to ranks four, six and nine, respectively. The total share of the top ten under review, as well as one of the previous top ten, reduced by almost 1 p.p. from 19.1% to 18.2%.

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	2	XYLOMETAZOLINE	2.8	2.4
2	3	PANCREATIN	2.3	2.4
3	4	PHOSPHOLIPIDS	2.3	2.2
4	1	UMIFENOVIR	1.9	2.9
5	6	IBUPROFEN	1.8	1.7
6	5	AMBROXOL	1.6	1.8
7	8	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.5	1.4
8	7	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	1.5	1.7
9	9	KETOPROFEN	1.2	1.3
10	10	FLUCONAZOLE	1.2	1.2
Total			18.2	19.1

Based on the results for nine months, ATC group N02 Analgesics (+28%) became the leader of the top ten ATC groups, displacing R05 Cough and cold preparations (+1%) to rank 2 (Table 4). ATC groups R01 Nasal preparations (+12%), A11 Vitamins (+10%) and A07 Antidiarrheals, intestinal antiinflammatory / antiinfective agents (+17%) as before held their previous ranks from three through five.

Some moves took place in the bottom part of Top-10 rating as well. Due to reduction in sales, Group J05 Antivirals for systemic use (-7%) moved down from rank six to ten. At the same time, the other four ATC groups of the top ten moved up one rank. They were A05 Bile and liver therapy (+13%), R06 Antihistamines for systemic use (+10%), R02 Throat preparations (+11%) and C05 Vasoprotectives (+14%). The total share of the analysed ranking, in contrast to the above rankings, increased from 47.9% to 48.2%.

Table 4. The top ten ATC Groups by pharmacy sales

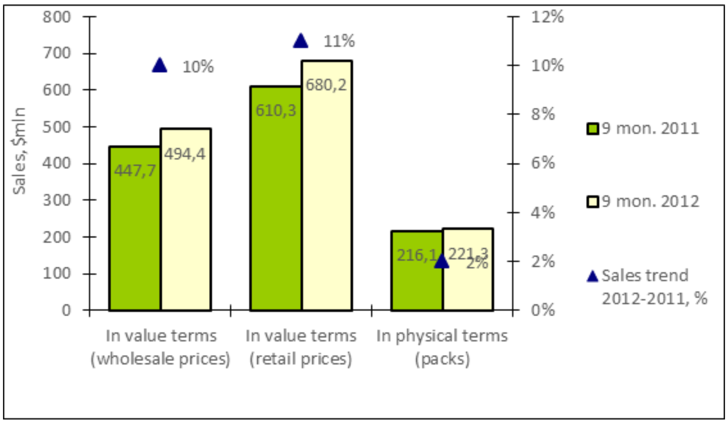
Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2012	9 mon. 2011			9 mon. 2012	9 mon. 2011
1	2	N02	ANALGESICS	7.1	6.2
2	1	R05	COUGH AND COLD PREPARATIONS	6.7	7.3
3	3	R01	NASAL PREPARATIONS	6.1	6.0
4	4	A11	VITAMINS	5.9	5.9
5	5	A07	INTESTINAL ANTIINFECTIVES	5.9	5.6
6	7	A05	BILE AND LIVER THERAPY	3.6	3.5
7	8	R06	ANTIHISTAMINES FOR SYST USE	3.4	3.4
8	9	R02	THROAT PREPARATIONS	3.3	3.3
9	10	C05	VASOPROTECTIVES	3.2	3.1
10	6	J05	ANTIVIRALS FOR SYSTEMIC USE	3.0	3.5
Total				48.2	47.9

Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Russia brought in RUB 177.199 bln (USD 5.725 bln). The market saw a 12% increase in terms of roubles and 4% in terms of dollars. In pack terms the market showed negative growth rates (-4%) and achieved 2.213 bln packs. The average cost of OTC pack for 9 months of 2012 increased as compared to the same period a year ago (USD 2.59 vs. USD 2.38). The average expenses of Russia residents for purchase of OTC drugs in pharmacies also increased (USD 40.02 vs. USD 38.44).

RUSSIAN BIOLIGICALLY ACTIVE ADDITIVE (BAA) MARKET: 2012 FIRST 9 MONTHS RESULTS

According to the results of the Retail Audit of BAA in Russian Federation™, for three quarters of 2012 the volume of pharmacy sales in Russia amounted to RUB 15.288 billion (USD 494.412 mln) in wholesale prices and RUB 21.030 bln (USD 680.168 mln) - in wholesale prices (Fig. 1). The market performance was positive both in rouble terms (+19%) and in dollar terms (+10%) in wholesale prices. In physical terms the BAA sales slightly increased (by 2%) and amounted to 221.290 mln packs. The average cost of a BAA pack was USD 3.07, whereas in the year-earlier period its cost was USD 2.82. It should be noted that the average cost of an OTC pack (USD 3.74) was higher than that of a BAA pack. The average sum spent by residents of Russia for purchase of BAAs in the analysed period amounted to USD 4.75 (in 2011 - USD 4.27).

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



Based on the results for the first nine months of 2012, the top five BAA manufacturers held its own in the ranking in the BAA market (Table 1). As before, EVALAR (+13%) continued to hold a wide lead. Despite the delay in growth rates and reduction of company's share in the market by more than 1 p.p., its share in the BAA market remained very high 22.6%. VIS (+35%), AKVION (-1%), PFIZER (-5%) and DIOD (-13%) held their previous ranks from two through five. At the same time, PHARMAMED CANADA (+30%) and FARM-PRO RF (+39%) at numbers seven and ten held and strengthened their previous ranks. The newcomers GNC PM FARMA, which sales grew 2.1 times and QUEISSER (+57%) broke into the ranks of the top ten, coming in at numbers six and nine. Only one BAA manufacturer, NATUR PRODUCT (+15%), moved down two ranks to number 8. The total share of top ten manufacturers in the BAA market reduced by almost 1 p.p. and accounted for 51.2%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
6 mon. 2012	6 mon. 2011		6 mon. 2012	6 mon. 2011
1	1	EVALAR	22.6	23.8
2	2	VIS	6.4	5.7
3	3	AKVION RF	4.0	4.7
4	4	**PFIZER**	3.7	4.6
5	5	DIOD	3.1	4.2
6	12	GNC PM FARMA	2.8	1.6
7	7	PHARMAMED CANADA	2.3	2.1
8	6	NATUR PRODUCT	2.1	2.2
9	13	QUEISSER	2.1	1.6
10	10	FARM-PRO RF	2.1	1.8
Total			51.2	52.3

*AIPM members are in bold

A BAA to treat erectile dysfunction SEALEX FORTE, which sales increased 35% in the analysed period, remained the bestselling BAA in the Russia market (Table 2). PHITOLAX (+14%) held its rank two, and due to two-fold growth in sales, ALI CAPS moved up to rank three from four. The newcomers REDUKSIN-LIGHT which sales increased 2627 times and TONGKAT ALI PLATINUM which showed five-fold growth in sales broke into the rank of the top ten, coming in at numbers four and five. At the same time, BAAs which had relatively low growth rates reduced their market shares and moved down to the lower ranks, found themselves in the bottom half of the ranking. They were CI-KLIM (+1%), HEMATOGEN RUSSKIY (+10%), OVESOL and TURBOSLIM OCHISCHAYUSCHIY (+7% each) and INDINOL (+6%). For all that, the total share of the top ten increased by 4 p.p. and achieved 20.6%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
6 mon. 2012	6 mon. 2011		6 mon. 2012	6 mon. 2011
1	1	SEALEX FORTE	4.7	4.1
2	2	PHITOLAX	2.9	3.0
3	4	ALI CAPS	2.8	1.5
4	191	REDUKSIN-LIGHT	1.9	0.0
5	55	TONGKAT ALI PLATINUM	1.7	0.4
6	3	CI-KLIM	1.4	1.7
7	6	HEMATOGEN RUSSKIY	1.4	1.5
8	5	OVESOL	1.4	1.5
9	8	TURBOSLIM OCHIS-CHAYUSCHIY	1.2	1.3
10	9	INDINOL	1.2	1.3
Total			20.6	16.5

The leader in the top ten INN/Generic names in the BAA market didn't change, the composition GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS (+35%) held and strengthened its first rank (table 3). Due to 2.2-fold growth in sales, the composition EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA moved up from rank six to two. ASCORBIC ACID (+9%) maintained its third rank. The newcomers of the top ten moved up to ranks four and six: the compositions LINOLEIC ACID + VITAMIN E and EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY increased their sales 2627 times and 5 times, respectively. In contrast, the other names from the top 10 moved down to much lower ranks. Two of them, FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR (-13%) and COLECALCIFEROL + RETINOL + CALCIUM (-14%) showed negative growth rates and moved down to ranks 5 and 7. BAAs with low sales rates moved down to ranks eight, nine and ten of the top ten: DEXPANTHENOL + DIOSCOREA VILLOSA + HYALURONIC ACID (+1%), AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA (+7%) and INDOLE-3-CARBINOL (+8%). The total share of the top ten increased by 3 p.p. and achieved 20.4%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
6 mon. 2012	6 mon. 2011		6 mon. 2012	6 mon. 2011
1	1	GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS	4.7	4.1
2	6	EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA	2.8	1.5
3	3	ASCORBIC ACID	2.1	2.3
4	193	LINOLEIC ACID + VITAMIN E	1.9	0.0
5	2	FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR	1.7	2.4
6	59	EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY	1.7	0.4
7	4	COLECALCIFEROL + RETINOL + CALCIUM	1.6	2.2
8	5	DEXPANTHENOL + DIOSCOREA VILLOSA + HYALURONIC ACID	1.4	1.7
9	7	AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA	1.4	1.5
10	9	INDOLE-3-CARBINOL	1.2	1.4
Total			20.6	17.6

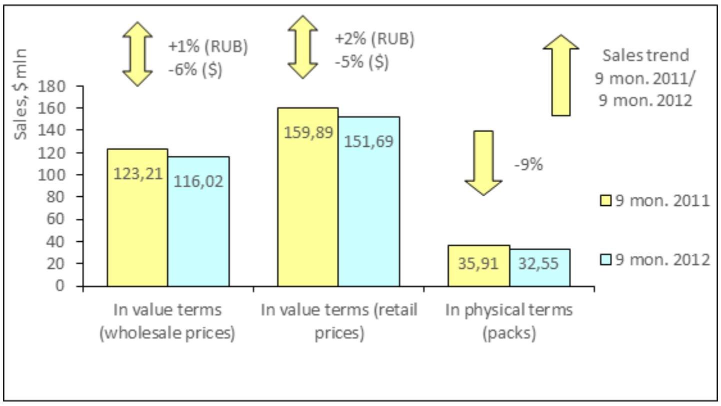
Conclusion. At the end of the first nine months of 2012, BAA sales in pharmacies of the country increased 20% in terms of roubles and 11% in terms of dollars and brought in 21.030 bln roubles (USD 680.168 million) in final consumer prices. In pack terms the BAA market grew by 2% and achieved 221.290 mln packs. The average cost of an OTC pack increased as compared to the previous year (USD 3.07 vs. USD 2.82). Expenses of residents for purchase of BAA in pharmacies proved to be much higher as well (USD 4.75 vs. USD 4.27).

NOVOSIBIRSK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Novosibirsk was estimated as 1.499 mln, which accounted for 1.0% of the total Russian Federation population and 7.8% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2012 the average salary in the Novosibirsk Oblast was RUB 22,486.2 (USD 726.30), which is 12% 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 Novosibirsk saw a 9% decrease to 32.549 mln packs. In value terms, the OTC drugs market increased by 1% in rouble terms and by 6% in dollar terms and reached RUB 3.590 bln (USD 116.020 mln) in wholesale prices (Fig. 1). The city share in the total volume of all-Russia pharmacy market accounted for 1.3%. The average cost of an OTC pack grew as compared to a year earlier (USD 4.45) and reached USD 4.66 in retail prices. For nine months of 2012, the average amount spent by residents of Novosibirsk for drugs amounted to USD 101.2.

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



SANOFI-AVENTIS (+1%), BAYER (+2%) and PHARMSTANDART (-9%) remained the leaders of the regional top ten drug manufacturers ranking based on the results for the first 9 months of 2012 (Table 1). Two drug manufacturers with negative growth rates: SANDOZ (-1%) and MERCK SHARP DOHME (-7%) moved down to the lower five and nine ranks. At the same time, ABBOTT (+10%), NOVARTIS (+0.4%), SERVIER (+1%) and NYCOMED/TAKEDA (+0,1%) moved up one rank, coming in at numbers four and 6 through 8. The only newcomer of the top ten TEVA (+12%) broke into the ranks, coming in at number ten. The cumulative share of the top 10 manufacturers reduced from 37.8% to 37.5%.

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	5.7
2	2	**BAYER HEALTHCARE**	4.8	4.8
3	3	PHARMSTANDART	4.2	4.6
4	5	**ABBOTT**	3.7	3.4
5	4	**SANDOZ GROUP**	3.5	3.6
6	7	**NOVARTIS**	3.3	3.3
7	8	**SERVIER**	3.3	3.3
8	9	**NYCOMED/TAKEDA**	3.2	3.3
9	6	**MERCK SHARP DOHME**	3.1	3.4
10	11	**TEVA**	2.9	2.6
Total			37.5	37.8

*AIPM members are in bold

Neither of the trade names of the top10 trade names ranking managed to keep their earlier ranks (table 2). KAGOCEL (+9%) and ESSENTIALE N (+12%) moved up to ranks one and two from 2 and 6, respectively. The last year leader ARBIDOL (-38%) considerably reduced its sales and moved down to rank 3, displacing VIAGRA (-9%) down one rank. The other three trade names of the top ten also showed the negative growth rates: They were PLAVIX (-10%) which for all that moved up from rank seven to five, as well as ANAFERON (-16%) and YARINA (-23%) which moved down to the bottom part of the ranking. Drugs with positive growth rates moved to ranks six through eight: HEPTRAL (+13%), DUPHASTON (+6%) and LINEX (+7%). On top of that, the former and the latter names broke into the ranks of the top -10 ranking for the first time.

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	KAGOCEL	1.1	1.0
2	6	ESSENTIALE N	0.9	0.8
3	1	ARBIDOL	0.9	1.4
4	3	VIAGRA	0.8	0.9
5	7	PLAVIX	0.7	0.8
6	12	HEPTRAL	0.6	0.6
7	10	DUPHASTON	0.6	0.6
8	11	LINEX	0.6	0.6
9	8	ANAFERON	0.6	0.7
10	5	YARINA	0.6	0.8
Total			7.5	8.2

Only one newcomer broke into the ranks of the top ten INN and Generic Names ranking, INN BISOPROLOL (+3%), moving up from rank 12 to 10 (Table 3). The other five INNs of the top ten rose in the ranks: On top of that, four of them took the lead in the top ten - XYLOMETAZOLINE (+18%), KAGOCEL (+9%), PHOSPHOLIPIDS (+13%) and PANCREATIN (+7%) moved up to the top four ranks from the lower ones. At the same time, IBUPROFEN (+8%) moved up from rank ten to seven. In contrast, the other four INNs of the top ten reduced their sales and fell in the ranks. SILDENAFIL (+1%) and CLOPIDOGREL (-4%) moved down one rank, coming at numbers 6 and 9, repsectively. The composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (-20%) moved down from rank three to five. The last year leader UMIFENOVIR (-38%) moved down to rank 8. The total share of the analysed ranking, as well as that of the above ranking decreased, in this case from 10.1% 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	2	XYLOMETAZOLINE	1.5	1.3
2	4	KAGOCEL	1.1	1.0
3	7	PHOSPHOLIPIDS	1.0	0.9
4	6	PANCREATIN	1.0	0.9
5	3	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	1.0	1.2
6	5	SILDENAFIL	0.9	0.9
7	10	IBUPROFEN	0.9	0.8
8	1	UMIFENOVIR	0.9	1.4
9	8	CLOPIDOGREL	0.8	0.9
10	12	BISOPROLOL	0.8	0.8
Total			9.8	10.1

Half of the top-10 ATC groups showed the negative growth rates (table 4). Among them were both the leaders of the top ten G03 Sex hormones (-2%), N02 Analgesics (-9%) and J01 Antibacterials for systemic use (-3%). At the same time, the sales of R05 Cough and cold preparations reduced their sales by 16% and L03 Immunostimulants - by 13%, as a result they moved down to the lower ranks seven and nine. The other ATC Groups of the top 10 increased their sales and moved up to the higher ranks. M01 Anti-inflammatory and antirheumatic products (+7%) and C09 Agents acting on the rennin-angiotensin system (+6%) moved up one rank, to numbers 4 and 8. R01 Nasal preparations (+3%) and A11 Vitamins (+4%) moved to ranks five and six, and the only newcomer of the top ten ranking A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+12%) moved up to rank ten. The total share of the analysed ranking, as well as that of the above rankings reduced and accounted for 37.8%.

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	G03	SEX HORM&MODULAT GENITAL SYS	5.0	5.2
2	2	N02	ANALGESICS	4.6	5.0
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.0	4.1
4	5	M01	ANTIINFLAM & ANTIRHEUM PROD	3.9	3.7
5	7	R01	NASAL PREPARATIONS	3.7	3.6
6	8	A11	VITAMINS	3.5	3.3
7	4	R05	COUGH AND COLD PREPARATIONS	3.5	4.1
8	9	C09	AG ACT RENIN-ANGIOTENS SYST	3.4	3.3
9	6	L03	IMMUNOSTIMULANTS	3.2	3.6
10	12	A07	INTESTINAL ANTIINFECTIVES	3.2	2.9
Total				37.8	38.9

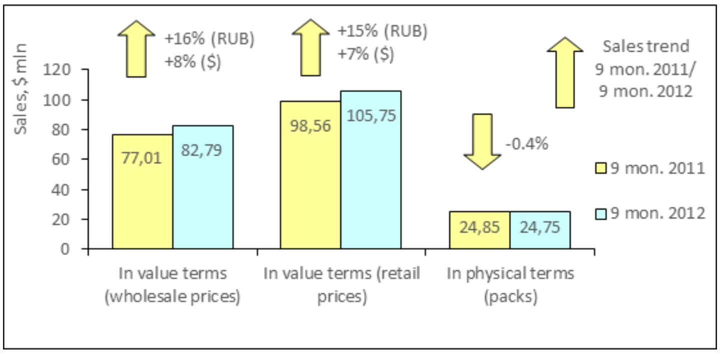
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Novosibirsk brought in RUB 4.693 bln (USD 151.687 mln). The regional market performance was positive in rouble terms (+2%), whereas in dollar terms it was negative (-5%). In pack terms the market showed negative growth rates (-9%) and achieved 32.549 mln packs. The average cost of OTC pack was higher than during the same period a year ago (USD 4.66 vs. USD 4.45) and exceeded the national average (USD 3.74). Per capita expenses of Novosibirsk residents for purchase of medicines in pharmacies also exceeded the national average (USD 101.20 vs. USD 83.41).

KRASNOYARSK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Krasnoyarsk was estimated as 997.316 ths, which accounted for 0.7% of the total Russian Federation population and 5.2% of Siberian 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 27583.1 (USD 890.93), which is 7% higher 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 Krasnoyarsk saw a 0.4% decrease to 24.753 mln packs. In value terms, the city pharmacy market (exclusive of State Reimbursement Program) saw a +16% increase in terms of roubles and +8% increase in terms of dollars compared to the same period a year ago and reached RUB 2.564 bln (USD 82.789 mln) in wholesale prices (Fig.1). The city share in the total volume of all-Russia pharmacy market accounted for 0.9%. The average cost of OTC pack in the city pharmacies was USD 4.27, whereas in the year-earlier period its cost was USD 3.97. For nine months of 2012, the average amount spent by residents of Krasnoyarsk for OTC drugs amounted to USD 106.03.

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



Based on the results of first nine months of 2012, despite lagging behind growth and reduction in its share of market, SANOFI-AVENTIS (+14%) and BAYER (+11%) maintained their leading ranks in the regional market (table 1). The more dynamic SANDOZ (+16%) and SERVIER (+22%) moved up to ranks three and four, whereas the Russian drug manufacturer PHARMSTANDART (-8%) reduced its sales and moved down to rank five. As before, MERCK SHARP DOHME (+20%) held its rank six. NOVARTIS (+20%) moved up to rank seven from nine and the newcomers of the top ten TEVA (+ 36%) and ABBOTT (+27%) moved up to ranks eight and ten. At the same time, NYCOMED/TAKEDA (+17%) moved down one rank, to number 9. The total share accumulated by the top-10 manufacturers didn't virtually change and accounted for 38.5%.

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**	5.7	5.8
2	2	**BAYER HEALTHCARE**	5.0	5.2
3	4	**SANDOZ GROUP**	4.2	4.2
4	5	**SERVIER**	4.2	3.9
5	3	PHARMSTANDART	3.8	4.7
6	6	**MERCK SHARP DOHME**	3.5	3.4
7	9	**NOVARTIS**	3.1	3.0
8	13	**TEVA**	3.1	2.6
9	8	**NYCOMED/TAKEDA**	3.0	3.0
10	12	**ABBOTT**	3.0	2.7
Total			38.5	38.5

*AIPM members are in bold

The leader of the top-10 trade names ranking changed (table 2). Due to one third growth in sales, ESSENTIALE N moved up to rank one from four, whereas ARBIDOL (-39%) which used to be at that rank, considerably reduced its sales and moved down to rank 4. TROPICAMIDE (+3%) and VIAGRA (-4%) retained their ranks two and three. At the same time, the other two names KETONAL (+8%) and PEGINTRON (+11%) also held their own in the ranking. The other names of the top ten rose in the ranks. ACTOVEGIN (+29%) moved up from rank 9 to 6. The newcomers ALFLUTOP (+52%), KAGOCEL (4.5-fold growth in sales) and CONCOR (+21%) broke into the ranks of the top ten, coming in at numbers five, nine and ten. The total share of the top ten also decreased from 8.2% to 8.0%.

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	4	ESSENTIALE N	1.2	1.0
2	2	TROPICAMIDE	1.2	1.3
3	3	VIAGRA	0.9	1.1
4	1	ARBIDOL	0.8	1.5
5	13	ALFLUTOP	0.7	0.6
6	9	ACTOVEGIN	0.7	0.7
7	7	KETONAL	0.6	0.7
8	8	PEGINTRON	0.6	0.7
9	137	KAGOCEL	0.6	0.2
10	19	CONCOR	0.6	0.5
Total			8.0	8.2

One newcomer INN BLOOD (+30%) broke into the ranks of the top ten INN and generic names ranking, moving up to number ten from thirteen (table 3). The markets of the other five INNs developed at a fast pace, whereas four of them rose in the ranks. They were the leaders of the top ten XYLOMETAZOLINE (+33%) and KETOPROFEN (+18%), and INNs XYLOMETAZOLINE (+40%) and BISOPROLOL (+24%) that moved up to ranks four and seven. PANCREATIN (+19%) and SILDENAFIL (+5%) held their previous ranks five and six. The other three trade names from the top 10 moved down to the lower ranks. They were the trade names TROPICAMIDE (+4%) and UMIFENOVIR (-39) as well as the composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (+2%).

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	4	PHOSPHOLIPIDS	1.3	1.1
2	3	KETOPROFEN	1.2	1.2
3	2	TROPICAMIDE	1.2	1.3
4	7	XYLOMETAZOLINE	1.2	1.0
5	5	PANCREATIN	1.1	1.1
6	6	SILDENAFIL	1.0	1.1
7	10	BISOPROLOL	0.8	0.8
8	1	UMIFENOVIR	0.8	1.5
9	8	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	0.8	0.9
10	13	BLOOD	0.8	0.7
Total			10.3	10.7

The Top-10 ATC groups ranking didn't change in composition; however numerous shifts took place in it (table 4). However, three INNs of the top 10 held their own in the ranking. They were the leader of the top ten Group N02 Analgesics (-1%), R05 Cough and Cold Preparations (-5%) and L03 Immunostimulants (+15%) at numbers 5 and 10. G03 Sex hormones (+7%) which showed low growth rates moved down from rank two to four. At the same time, the more dynamic M01 Anti-inflammatory and antirheumatic products (+21%) and J01 Antibacterials for systemic use (+11%) moved up one rank to numbers 2 and 3, respectively. Two more shifts took place in the top ten ranking. C09 Agents acting on the rennin-angiotensin system (+22%) and R01 Nasal preparations (+20%) which had higher growth rates moved up one rank, to numbers 6 and 8. At the same time, S01 Ophthalmologicals (+10%) and A11 Vitamins (+15%) moved down one rank. The total share of the top 10 decreased by more than 1.5 p.p. and accounted for 39.1%.

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	5.1	5.9
2	3	M01	ANTIINFLAM & ANTIRHEUM PROD	4.8	4.5
3	4	J01	ANTIBACTERIALS FOR SYST USE	4.3	4.4
4	2	G03	SEX HORM&MODULAT GENITAL SYS	4.2	4.6
5	5	R05	COUGH AND COLD PREPARATIONS	3.7	4.3
6	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.6	3.4
7	6	S01	OPHTHALMOLOGICALS	3.5	3.7
8	9	R01	NASAL PREPARATIONS	3.5	3.3
9	8	A11	VITAMINS	3.4	3.4
10	10	L03	IMMUNOSTIMULANTS	3.1	3.1
Total				39.1	40.7

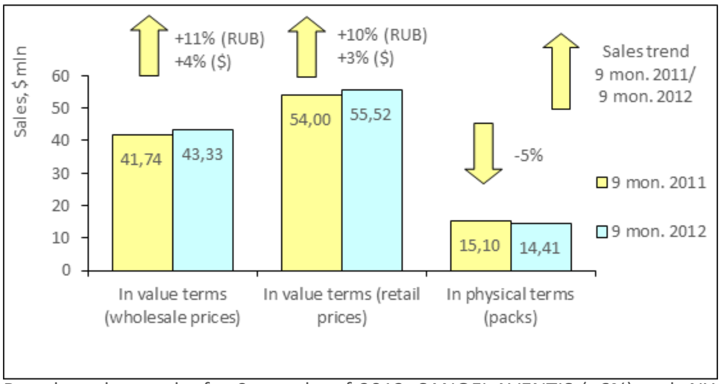
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Krasnoyarsk brought in RUB 3.275 bln (USD 105.745 mln). The market performance was positive both in rouble terms (+15%) and in dollar terms (+7%). In physical terms the sales decreased by 0.4% and amounted to 24,753 mln packs. The average cost of an OTC pack in the city pharmacies increased as compared to the previous year (USD 4.27 vs. USD 3.97), 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 106.03 which is higher than on the average in the country (USD 83.41).

BARNAUL PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Barnaul was estimated as 621.669 ths, which accounted for 0.4% of the total Russian Federation population and 3.2% of Siberian FO (SFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the Altaisky Kray was RUB 15,278.0 (USD 493.48), which is 41% 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 Barnaul saw a 5% decrease to 14.409 mln packs. In value terms, the region pharmacy market (exclusive of State Reimbursement Program) saw a 11% increase in terms of roubles and 4% in terms of dollars compared to the same period a year ago and reached RUB 1.340 bln (USD 43.329 mln) in wholesale prices (Fig.1). The region's share accounted for 0.5% 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 3.85 (vs. USD 3.58 a year earlier) in retail prices. In the first nine months of 2012, the region residents spent USD 89.3 on drugs on the average.

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



Based on the results for 9 months of 2012, SANOFI-AVENTIS (+6%) and NYCOMED/TAKEDA (+13%) remained the leaders of the top ten in the regional market, though due to lag in growth rates the market share of the former reduced (Table 1). A market share of the Russian manufacturer PHARMSTANDART reduced more considerably by 1 p.p. - its sales dropped by 13% and the rank moved down from number three to six. At the same time, BAYER (+13%), MENARINI (+3%) and ABBOTT (+18%) moved up one rank, coming in at numbers three through five. The drug manufacturers placed at the three bottom ranks of the top ten also moved up to higher ranks. NOVARTIS (+21%) moved up from rank 10 to 9, and the drug manufacturers TEVA (+28%) and SANDOZ (+15%) moved to ranks eight and ten, becoming the newcomers of the top ten. As before, SERVIER (+21%) held its rank 7. The total share accumulated by the top ten drug manufacturers in the regional market reduced from 38.9% to 38.6%.

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**	5.2	5.5
2	2	**NYCOMED/TAKEDA**	4.8	4.8
3	4	**BAYER HEALTHCARE**	4.6	4.6
4	5	**MENARINI**	3.9	4.2
5	6	**ABBOTT**	3.8	3.5
6	3	PHARMSTANDART	3.6	4.6
7	7	**SERVIER**	3.5	3.2
8	12	**TEVA**	3.2	2.8
9	10	**NOVARTIS**	3.2	2.9
10	11	**SANDOZ GROUP**	3.0	2.9
Total			38.6	38.9

*AIPM members are in bold

Only two trade names - ARBIDOL (-22%) and ACTOVEGIN (+10%) - held their previous ranks 1 and 3 in the top ten trade names ranking (Table 2). Five trade names of the top 10 rose in the ranks. The newcomers broke into the ranks of the top ten trade names, coming in at numbers two and from eight through ten. Among them were REDUKSIN (2.1-fold growth in sales), SODIUM CHLORIDE (3.5 fold), ALFLUTOP (+41%) and NIMESIL (+16%). At the same time, OTC NICE (+21%) moved up from rank eight to five, displacing the less dynamic DUPHASTON (+3%) and ESSENTIALE N (+6%) down one rank. CONCOR (-3%) which reduced its sales also moved down to the lower rank four. In contrast to the above rankings, the total share of the analysed ranking increased and reached 7.4%.

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	1.3
2	14	REDUKSIN	0.9	0.5
3	3	ACTOVEGIN	0.9	0.9
4	2	CONCOR	0.8	1.0
5	8	NICE	0.7	0.6
6	5	DUPHASTON	0.7	0.7
7	6	ESSENTIALE N	0.6	0.7
8	111	SODIUM CHLORIDE	0.6	0.2
9	19	ALFLUTOP	0.6	0.5
10	12	NIMESIL	0.6	0.5
Total			7.4	6.9

Only one newcomer broke into the ranks of the top ten INN and Generic Names ranking, INN MELOXICAM (+16%), moving up from rank 13 to 10 (Table 3). Apart from it, the other five INNs moved up to yet higher ranks. NIMESULIDE (+20%), XYLOMETAZOLINE (+15%) and PANCREATIN (+14%) moved up one rank, to numbers 2, 3 and 9. INN BLOOD (+13%) and SIBUTRAMINE (+28%) moved up to ranks four and five from six and eight, respectively. Two INNs with negative growth rates: UMIFENOVIR (-28%) and PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (-8%), moved down to ranks 6 and 8. BISOPROLOL (+2%) remained the leader of the ranking, and AZITHROMYCIN (+12%) as before held its rank seven.

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	1.3	1.5
2	3	NIMESULIDE	1.3	1.2
3	4	XYLOMETAZOLINE	1.3	1.2
4	6	BLOOD	1.0	1.0
5	8	SIBUTRAMINE	1.0	0.8
6	2	UMIFENOVIR	1.0	1.3
7	7	AZITHROMYCIN	0.9	0.9
8	5	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	0.9	1.1
9	10	PANCREATIN	0.8	0.8
10	13	MELOXICAM	0.8	0.8
Total			10.3	10.7

In contrast to the above rankings, the leader of the top ten ATC groups changed. The most dynamic Group M01 Anti-inflammatory and antirheumatic products (+19%) moved up from rank three to one (Table 4). G03 Sex hormones (+4%) held its previous rank two, and A11 Vitamins (+4%) - its previous rank nine. J01 Antibacterials for systemic use (+12%) moved up from rank three to 5. At the same time, R01 Nasal preparations, C09 Agents acting on the rennin-angiotensin system and N06 Psychoanaleptics (+13% each) moved up one rank. Note that the latter broke in the top -10 ranking for the first time. The other three INNs had low or negative growth rates, as a result of which they reduced their shares and fell in the ranks. Among them were N02 Analgesics (-18%), L03 Immunostimulants (+1%) and R05 Cough and cold preparations (-11%) which moved down to ranks 4, 5 and 8, respectively. The total share of the top 10 ATC groups reduced by almost 3 p.p. and accounted for 37.2%.

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	5.0	4.7
2	2	G03	SEX HORM&MODULAT GENITAL SYS	4.6	5.0
3	5	J01	ANTIBACTERIALS FOR SYST USE	4.3	4.2
4	1	N02	ANALGESICS	4.2	5.7
5	4	L03	IMMUNOSTIMULANTS	4.0	4.4
6	7	R01	NASAL PREPARATIONS	3.4	3.3
7	8	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.2
8	6	R05	COUGH AND COLD PREPARATIONS	2.9	3.5
9	9	A11	VITAMINS	2.8	3.0
10	11	N06	PSYCHOANALEPTICS	2.8	2.8
Total				37.2	39.8

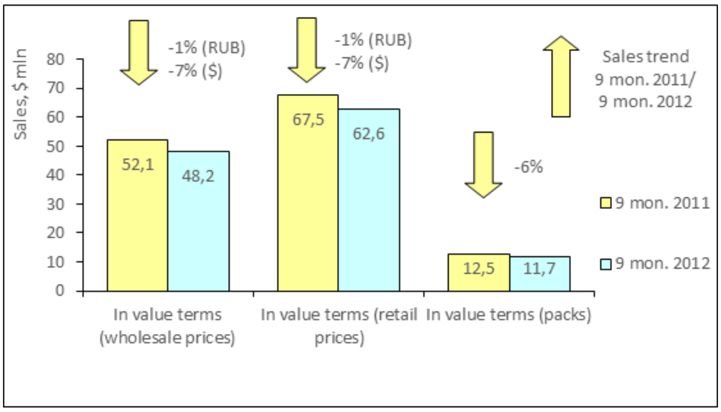
Conclusion. At the end of the first nine months of 2012, the retail OTC drugs market of Barnaul brought in RUB 1.717 bln (USD 55.515 mln). At the same time, the market increased 10% in terms of roubles and 3% in terms of dollars. In pack terms the market showed negative growth rates (-5%) and achieved 14.409 mln packs. The average cost of OTC pack was higher than during the same period a year ago (USD 3.85 vs. USD 3.58) and higher than the national average (USD 3.77). At the end of nine months of 2012, per capita expenses for purchase of medicines in pharmacies of the region amounted to USD 89.3 and were higher than the average indicators throughout Russia (USD 83.41).

VLADIVOSTOK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Vladivostok's estimated population was 597.476 thd, which accounted for 0.4% of the total Russian Federation population and 9.5% of Far Eastern FO (FFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 26154.5 (USD 844.78), which is 2% higher 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 Vladivostok saw a 6% decrease to 11.730 mln packs. In value terms, the OTC drugs market reduced by 1% in rouble terms and by 7% in dollar terms and reached 1.489 billion roubles (USD 48.249 million) in wholesale prices (Fig. 1). The average cost of an OTC pack reduced as compared to a year earlier (USD 5.41) and reached USD 5.34 in retail prices. For 9 months of 2012, the average amount spent by residents of Vladivostok for drugs amounted to USD 104.79.

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



Based on the results of the first nine months of 2012, half of the drug manufacturers of the top ten in the market of Vladivostok held their own in the ranking (Table 1). Among them were the top-three manufacturers SANOFI-AVENTIS (-3%), SERVIER (-6%) and SANDOZ (-1%), as well as NYCOMED/TAKEDA (+0.1%) and MENARINI (-7%) placed at numbers 7 and 10. Despite the negative growth rates, BAYER (-2%) moved up to rank four from five, whereas PHARMSTANDART (-12%) which used to be at that number earlier, showed more pronounced reduction in sales and moved down to rank 5. The reduction in sales was also shown by GEDEON RICHTER (-7%) which moved down from rank 6 to 9. The only newcomer of the top ten TEVA (+12%) moved up from rank 11 to 8. The cumulative share of the top 10 manufacturers reduced from 38.3% 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**	5.3	5.4
2	2	**SERVIER**	4.6	4.8
3	3	**SANDOZ GROUP**	4.5	4.5
4	5	**BAYER HEALTHCARE**	3.8	3.9
5	4	PHARMSTANDART	3.5	3.9
6	8	**NOVARTIS**	3.5	3.2
7	7	**NYCOMED/TAKEDA**	3.3	3.2
8	11	**TEVA**	3.3	2.9
9	6	GEDEON RICHTER	3.0	3.3
10	10	**MENARINI**	2.9	3.1
Total			37.7	38.3

*AIPM members are in bold

Two newcomers broke into the ranking of the top-10 trade names (table 2). They were OSCILLOCOCCINUM (+2%) and HEPTRAL (+7%) which moved up to ranks eight and ten. LINEX (+9%) and ALFLUTOP (-6%) moved up to higher ranks, coming in at numbers two and six, respectively. ESSENTIALE N (-3%) remained the leader of the regional market. The other four trade names ACTOVEGIN (+2%), SUMAMED (+7%), EXODERIL (-10%) and CIALIS (-12%) managed to keep the previous ranks, as before they held ranks 3, 5, 7 and 9, respectively. Antiviral ARBIDOL reduced its sales by 38%, considerably decreased its market share and moved down from rank four to four. The total share of the top 10 trade names reduced from 8% to 7.6%.

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	1	ESSENTIALE N	1.3	1.3
2	4	LINEX	0.9	0.8
3	3	ACTOVEGIN	0.9	0.9
4	2	ARBIDOL	0.8	1.3
5	5	SUMAMED	0.8	0.7
6	8	ALFLUTOP	0.6	0.7
7	7	EXODERIL	0.6	0.7
8	15	OSCILLOCOCCINUM	0.6	0.5
9	9	CIALIS	0.6	0.6
10	17	HEPTRAL	0.6	0.5
Total			7.6	8.0

More significant changes took place in the top-10 INN and generic names ranking (table 3). Only one INN of the top ten, the composition AMOXICILLIN + CLAVULANIC ACID (-2%), held its previous rank 8. Based on the results for 9 months of 2012, the leader of the top ten changed. XYLOMETAZOLINE (+14%) moved up to rank one, and PHOSPHOLIPIDS (-4%) which had been placed at this number earlier, moved down one rank. FLUCONAZOLE (-11) and UMIFENOVIR (-38%) showed the pronounced growth rates and moved down to the lower ranks seven and nine. At the same time, INN PANCREATIN (-1%), AZITHROMYCIN (+6%), BLOOD (+2) and the composition BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+9%) rose in the ranks and moved up to ranks 3 through 6, respectively. IBUPROFEN (+10%) moved up to rank ten from 15. The total share of the analysed top ten ranking, as well as of the above ranking reduced in this case from 10.4% to 10.2%.

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	1.4	1.2
2	1	PHOSPHOLIPIDS	1.4	1.5
3	4	PANCREATIN	1.2	1.2
4	5	AZITHROMYCIN	1.1	1.0
5	7	BLOOD	0.9	0.9
6	9	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	0.9	0.8
7	6	FLUCONAZOLE	0.8	0.9
8	8	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
9	2	UMIFENOVIR	0.8	1.3
10	15	IBUPROFEN	0.8	0.7
Total			10.2	10.4

J01 Antibacterials for systemic use (0%) remained the bestselling group in the pharmacies of the city (table 4). Despite the low growth rates, M01 Antiinflammatory and antirheumatic products (+0.4%) move up to rank two. L03 Immunostimulants which used to be at that rank earlier reduced its sales by 12% and moved down to rank three. The other three ATC groups showed negative growth rates. Among them were Groups G03 Sex hormones (-10%) and A11 Vitamins (-2%) which moved down to ranks 7 and 8, respectively, as well as R05 Cough and cold preparations (-4%) which held its previous rank ten. R01 Nasal preparations (+2%) also managed to hold its previous rank 4. At the same time, A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+7%), N02 Analgesics (+8%) and C09 Agents acting on the rennin-angiotension system (+16%) rose in the ranks, moving up to numbers 5, 6 and 9, respectively. On top of that, the latter became the only newcomer of the top 10 ranking. The total share of the analysed top 10 remained unchanged and amounted to 34.7%.

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	J01	ANTIBACTERIALS FOR SYST USE	5.1	5.1
2	3	M01	ANTIINFLAM & ANTIRHEUM PROD	3.7	3.7
3	2	L03	IMMUNOSTIMULANTS	3.7	4.1
4	4	R01	NASAL PREPARATIONS	3.6	3.5
5	6	A07	INTESTINAL ANTIINFECTIVES	3.5	3.2
6	8	N02	ANALGESICS	3.3	3.0
7	5	G03	SEX HORM&MODULAT GENITAL SYS	3.0	3.3
8	7	A11	VITAMINS	3.0	3.0
9	12	C09	AG ACT RENIN-ANGIOTENS SYST	2.9	2.9
10	10	R05	COUGH AND COLD PREPARATIONS	2.9	2.9
Total				34.7	34.7

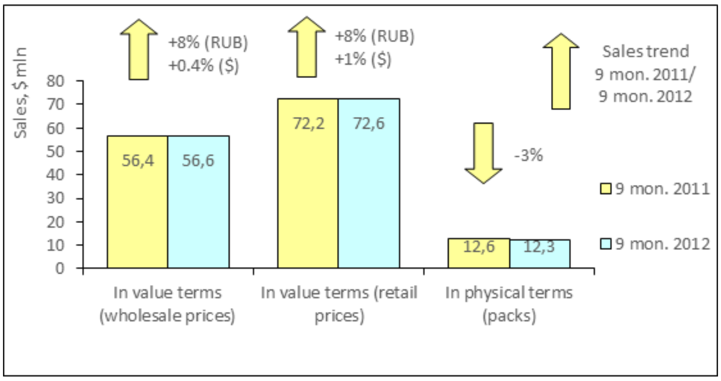
Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Russia brought in RUB 1.932 bln (USD 62.608 mln). The market reduced 1% in terms of roubles and 7% in terms of dollars. In pack terms the market showed negative growth rates (-6%) and achieved 11.730 mln packs. The average cost of OTC pack for 9 months of 2012 was lower as compared to the same period a year ago (USD 5.34 vs. USD 5.41). However, the average expenses of city residents for medicines in the pharmacies considerably exceeded the national average (USD 104.79 vs. USD 81.37).

KHABAROVSK PHARMACY MARKET: 2012 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2012 Khabarovsk's estimated population was 585.556 thd, which accounted for 0.4% of the total Russian Federation population and 9.3% of Far Eastern FO (FFO). According to Federal State Statistics Service's data, in the first nine months of 2012 the average salary in the region was RUB 29,078.1 (USD 939.22), which is 13% higher 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 3% decrease to 12.280 mln packs. In value terms, the OTC drugs market increased by 8% in rouble terms and by 0.4% in dollar terms and reached 1.752 billion roubles (USD 56.650 million) in wholesale prices (Fig. 1). The average cost of an OTC pack grew as compared to a year earlier (USD 5.72) and reached USD 5.91 in retail prices. For 9 months of 2012, the average amount spent by residents of Khabarovsk for drugs amounted to USD 124.

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



Based on the results of nine months of 2012, the top ten drug manufacturers of the Khabarovsk market didn't change in composition (Table 1). In addition, another three drug manufacturers held their own in the ranking. Among them were the leader of the top ten ranking BAYER (+11%), as well as NYCOMED/TAKEDA (-1%) and ABBOTT (+6%) at numbers 6 and 10. SANOFI-AVENTIS (+16%), SERVIER (+1%), MENARINI (+0.1%) and NOVARTIS (+19%) moved up to the higher ranks two, four, seven and eight, respectively. At the same time, the drug manufacturers SANDOZ (+10%), PHARMSTANDART (-11%) and GEDEON RICHTER (-7%) moved down to ranks three, five and nine. The cumulative share of the top 10 manufacturers reduced from 40.7% to 39.4%.

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	**BAYER HEALTHCARE**	5.2	5.0
2	4	**SANOFI-AVENTIS**	5.0	4.7
3	2	**SANDOZ GROUP**	5.0	4.9
4	5	**SERVIER**	4.2	4.5
5	3	PHARMSTANDART	3.9	4.7
6	6	**NYCOMED/TAKEDA**	3.5	3.9
7	8	**MENARINI**	3.3	3.6
8	9	**NOVARTIS**	3.3	3.0
9	7	GEDEON RICHTER	3.1	3.7
10	10	**ABBOTT**	2.8	2.8
Total			39.4	40.7

*AIPM members are in bold

Based on the results for 9 months of 2012, hepatoprotector ESSENTIALE N (+26%) became a bestselling trade name (Table 2). Due to pronounced negative growth rates, ARBIDOL (-29%) which used to be a leader of the top ten lost one rank and moved down to number two. OTC drugs LINEX (+28%), VIAGRA (+11%) and YARINA (-3%) held their previous ranks three through five, respectively. As before, KETONAL (+0.4%) held its previous rank nine. The other four trade names of the top 10 rose in the ranks. Among them there were three newcomers that broke into the ranks of the top-10 for the first time. They were CYTOVIR-3 (+56%), ACTOVEGIN (+11%) and OSCILLOCOCCINUM (+29%) that moved up to ranks 6, 7 and 10, respectively. On top of that, AMOKSIKLAV (+3%) moved up from rank 10 to 8. The total share of the analysed top 10 trade names virtually remained unchanged and accounted for 8.3%.

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	1.5	1.3
2	1	ARBIDOL	1.1	1.7
3	3	LINEX	1.1	1.0
4	4	VIAGRA	0.8	0.8
5	5	YARINA	0.7	0.7
6	26	CYTOVIR-3	0.7	0.4
7	11	ACTOVEGIN	0.6	0.6
8	10	AMOKSIKLAV	0.6	0.6
9	9	KETONAL	0.6	0.6
10	19	OSCILLOCOCCINUM	0.6	0.5
Total			8.3	8.3

One newcomer SILDENAFIL (+16%) broke into the ranks of the top ten INN and generic names ranking, moving up to number 10 from 13 (table 3). Apart from the above mentioned, another five INNs from the top-10 rose in the ranks. INN XYLOMETAZOLINE (+31%) and PHOSPHOLIPIDS (+26%) moved up to two top ranks, whereas the last year leader UMIFENOVIR (-29%) moved down to rank 3. The compositions BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+28%) and PARACETAMOL + ASCORBIC ACID + PHENIRAMINE (+11%) as well as IBUPROFEN (+22%) moved up to ranks 4 through 6. At the same time, they forced down the less dynamic names PANCREATIN (-2%) and KETOPROFEN (+1%). The composition AMOXICILLIN + CLAVULANIC ACID (+10%) held its previous rank nine. The cumulative share of the top 10 under review increased from 11.3% 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	2	XYLOMETAZOLINE	1.9	1.6
2	3	PHOSPHOLIPIDS	1.6	1.4
3	1	UMIFENOVIR	1.1	1.7
4	8	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.1	1.0
5	6	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE	1.0	1.0
6	10	IBUPROFEN	1.0	0.9
7	4	PANCREATIN	1.0	1.1
8	5	KETOPROFEN	1.0	1.0
9	9	AMOXICILLIN + CLAVULANIC ACID	0.9	0.9
10	13	SILDENAFIL	0.8	0.8
Total			11.6	11.3

Only the leader of the top ten ATC groups R01 Nasal preparations (+14%) held its own in the ranking (table 4). Some shifts took place in the top ten ranking. On top of that, in four cases the respective ATC groups swapped ranks. The more dynamic groups J01 Antibacterials for systemic use (+5%), M01 Anti-inflammatory and antirheumatic products (+11%), L03 Immunostimulants (+13%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+26%) moved up one rank, to numbers 2, 4, 6 and 8, respectively. On top of that, they displaced ATC groups with less pronounced growth rates down one rank: G03 Sex hormones (+2%), R05 Cough and cold preparations (+4%), N02 Analgesics (+9%) and A11 Vitamins (+7%). Its only newcomer A05 Bile and liver therapy (+9%) broke into the top ten ranking, coming in at number 10. The total share of the analysed ranking, as well as one of the above ranking, increased in this case from 39.8% to 40.6%.

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	R01	NASAL PREPARATIONS	5.1	4.7
2	3	J01	ANTIBACTERIALS FOR SYST USE	4.5	4.6
3	2	G03	SEX HORM&MODULAT GENITAL SYS	4.3	4.6
4	5	M01	ANTIINFLAM & ANTIRHEUM PROD	4.2	4.1
5	4	R05	COUGH AND COLD PREPARATIONS	4.1	4.2
6	7	L03	IMMUNOSTIMULANTS	4.1	3.9
7	6	N02	ANALGESICS	4.1	4.0
8	9	A07	INTESTINAL ANTIINFECTIVES	3.9	3.3
9	8	A11	VITAMINS	3.5	3.5
10	11	A05	BILE AND LIVER THERAPY	2.9	2.9
Total				40.6	39.8

Conclusion. On the basis of the results for 9 months of 2012, the retail pharmacy market of Khabarovsk brought in RUB 2.246 bln (USD 72.611 mln). At the same time, the market increased 8% in terms of roubles and 1% in terms of dollars. In pack terms the market showed negative growth rates (-3%) and achieved 12.280 mln packs. The average cost of OTC pack for 9 months of 2012 increased as compared to the same period a year ago (USD 5.91 vs. USD 5.72). Per capita expenses amounted to USD 124 which is notably higher than on the average in Russia (USD 83.41).

REGIONAL DIGEST

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

December 1, 2012, Argumenti Nedeli

The Russian Ministry of Public Health approved the strategy for drug provision until 2025

The strategy for drug provision implementation until 2025 was approved the day before at the meeting of the Russian Ministry of Public Health chaired by the Head of Ministry Veronika Skvortsova. According to estimates of the Ministry of Health, about 17% of population in our country receive medicines funded through the budget at the various levels on an outpatient basis. The strategy provides for the improvement of state regulation of pricing for medicines from the List of Vital and Essential drugs (ZHNVLP), withdrawal from the market of non-effective or inefficient drugs, as well as creation of effective system for rational utilization of medicines.

December 3, 2012, RIA Novosti

Ministry of Public Health promises uninterrupted supply of vital and essential drugs in 2013

In 2013 the Russian Ministry of Public Health promises uninterrupted supply of vital and essential drugs which prices are regulated by the government. According to the Press Service of the Ministry, for the purpose of control over the situation connected with uninterrupted supply of population with medicines from the List of Vital and Essential drugs (ZHNVLP) the Ministry directed relative inquiries to the heads of associations of Russian pharmaceutical manufacturers. According to the data from the Ministry, in the follow-up letter of Association of manufacturers of pharmaceutical and health care products it was stressed that the members of Association "do not intend to cut assortment list of products and production volumes of vital and essential drugs and in 2013 they will apply best efforts to keep production volumes provided that the prices quoted are adjusted in accordance with inflation.

December 5, 2012, Meditsinski Vestnik

The draft law to increase basic standard expenditures on medicines for people eligible for benefits

On 30 November the Russian Federation Government submitted to the State Duma a draft federal law On Basic Standard Expenditures per Month for a Person who Receives Welfare Benefits in Terms of Social Service of Providing Drugs, Medical Products and Specialized Dietary Products for Disabled Children for 2013. According to the documents, in 2013 the standard expenditure amounts to 638 roubles, which is 34 roubles more than in 2012.

December 7. 2012, Vedomosti

Ministry of Industry and Trade prepared a list of medicines which would be available in stores

Ministry of Industry and Trade prepared and submitted for consideration to the Ministry of Public Health the list of over-the-counter drugs, which would be available not in the pharmacies, but in the conventional stores. The list comprises 34 groups of over-the-counter drugs, including remedies for alcoholism and smoking, haemorrhoid, running nose, cough, headache, antifever agents, antiseptic preparations, cathartic and hormonal agents, weight loss preparations and hematogens. The list doesn't contain any specific trade names of drugs.

December 7, 2012, Kommersant

Experts consider the public health system to be not sufficiently financed

Our government expenditure on public health accounts for 3.7% of GDP, whereas in Europe such expenditure accounts for 8-10% and in USA - 17%. At the recent government session when considering a draft program for development of public health system until 2020 a dialogue that is decent in form, but hard in content arose between the Public Health Minister Veronika Skvortsova and Minister of Finance Anton Siluanov. Ms. Skvortsova demanded to increase financing by 2020 up to 4.7% of GDP, otherwise the number of unwanted early deaths may amount to 1 mln. Mr. Siluanov insisted on a reduction of public health share to 2.5% of GDP, though in absolute figures the volume of financing is kind of growing. But drugs and technologies rise in price and the number of patients reduces slowly, and it turns out that the public health system is kept on short rations of nineties.

December 9, 2012, RIA Novosti

Population screening will cost the government RUB 85 bln in 2013

The Ministry of Public Health of Russia intends to start mass screening in 2013. Medical examinations within the framework of adult population screening will take place once every 3 years. In 2013 the screening of adults and children will cost the government around 85 bln roubles in total, the Public Health Minister Veronika Skvortsova said.

December 13, 2012, RBC daily

FAS clears AFK Sistema OAO's bid to buy stake in Veropharm OAO

Russia's anti-monopoly regulator FAS cleared AFK Sistema OAO's (Sistema) plan to buy a stake in Veropharm OAO from drug store group Aptechnaya set' 36,6 OAO (Pharmacy Chain 36.6). Due to this news, yesterday the shares of Veropharm and 36.6 grew 8.7 and 3.4%, respectively. Capitalization of Veropharm accounted for 8.5 bln roubles. Analysts believe that the bargain will allow 36.6 to pay off more than a half of its debt.

December 14, 2012, PRIME

State Duma passed in a third reading the rules for selling and accounting drugs that are not classified as narcotics

On Friday the State Duma passed in a third reading amendments to the Law On Circulation of Medicines concerning the control over drugs. The law was prepared for the purposes of implementing the strategy of governmental anti-narcotics policy of the Russian Federation until 2020. The documents establishes the necessity of item and quantitative accounting of drugs for medical use by recording transactions connected with circulation of medicines during which their quantity and state changes (credit and debit transactions, transactions related to packing of drugs, production of medications).

December 27. 2012, Vedomosti

Government intends to limit public purchases of imported drugs

As it has been known to Vedomosti, the Government is willing to limit public purchases of imported drugs in order to encourage domestic production. The same mechanism may be applied to all sectors which are hard hit by the accession to the WTO. Suppliers of foreign drugs shall not be eligible for participation in tenders for public purchases if the Russian State Register of Medicinal Remedies contains two and more of such drugs; exception - drugs from Belarus. This requirement is included into two documents (a draft order of Ministry of Economic Development On Conditions of Merchandise Admissibility which Originate from Foreign States for Purposes of Placement of Orders for Goods for Customers' Needs and a draft order of the Government On Determination of Additional Requirements for Offering Participants upon Placement of Orders for Supplies of Drugs prepared by the Ministry of Industry and Trade).

NEWS FROM COMPANIES

December 13, 2012, NanoNewsNet.ru

Geropharm became a resident of Severny Biopharmcluster

The Russian pharmaceutical company Geropharm has become a part of Severny Biopharmcluster. In the territory of the Moscow Region the company is constructing a high-tech manufacturing complex according to GMP standards, which will be opened in spring of 2012. Geropharm-Bio (earlier Nationalnye Biotekhnologii) is the first Russian industrial manufacturer of human full cycle insulin. The new plant will make it possible to expand and modernise the existing production facilities of genetically engineered human insulin, to launch a commercial line to produce cartridge products and to set up a release of new modern preparations to treat diabetes and other socially significant diseases.

December 19, 2012, RIA Novosti

RosnanoMedInvest and Domain Associates to invest USD 93 mln into innovative medicines

RosnanoMedInvest and American venture capital fund Domain Associates will invest USD 93 mln into the development of three innovative medicines. The money will be invested in the ventures companies Marinus Pharmaceuticals, Inc., Lithera, Inc., and Regado Biosciences, Inc. which develop innovative medicines. As a result of such transactions, the intellectual property rights to all medicines in the territory of Russia and CIS will be transferred to the Russian pharmaceutical company NovaMedica set up within the framework of cooperation between Domain Associates and Rosnano OAO.

December 25, 2012, Vidal

BioMarin became a new member of AIPM

Association of International Pharmaceutical Manufacturers (AIPM) announced the expansion of Association members. The general meeting of AIPM members has made a decision to accept an American pharmaceutical company BioMartin as a member of AIPM which specializes in the development of innovative drugs to treat rare genetic diseases including mucopolysaccharidosis type VI and IVA, phenylketonuria, Duchene muscular dystrophy. On top of that, medications to treat Pompe disease, achondroplasia and some other genetically dependent types of cancer are in the developmental stage and clinical trials.

Source of information – IMS Health

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