REMEDIUM GROUP OF COMPANIES

AIPM Association of International Pharmaceutical Manufacturers
Ассоциация международных фармацевтических производителей

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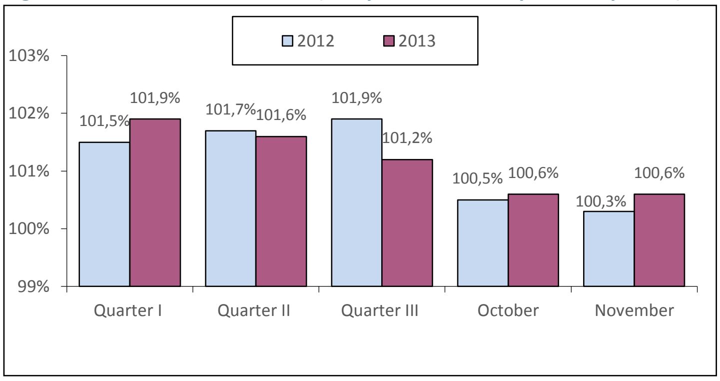
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in November 2013 Consumer Price Index was estimated as 100.6% compared to the previous month, and 105.9% for the year to date (in January-November 2012 – 106%).

In November this year, Industrial Producer Price Index was 98.5%, whereas in the month-earlier period it had amounted to 98.8%.

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



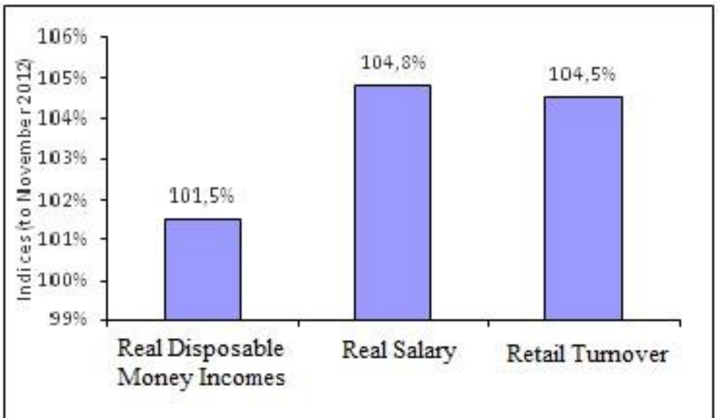
Living standard

According to preliminary Federal State Statistics Service's data, in November 2013 a gross monthly average salary per worker reached RUB 30,670 (USD 924.07) which accounted for 102% compared to the previous month and 111.6% compared to November 2012. In November 2013, the real salary accounted for 104.8% as compared with the same period in 2012. In November 2013, the real value of cash incomes accounted for 101.5% compared to the same period of 2012 (Fig. 2).

Retail turnover

In November 2013, the retail turnover was equal to RUB 2,102.6 bln, which in comparable prices accounted for 104.5% compared to the same period a year ago, in January-November 2013 - RUB 21,149.2 bln and 103.9% (Fig. 2).

Figure 2. Real values of cash incomes, salary and retail turnover in November 2013



Source: Rosstat

Manufacture of Industrial Products

According to Federal State Statistics Service's data, in November 2013 Industrial Production Index accounted for 99.0% compared to the same period a year ago, 99.6% to the previous period of 2013, in January - November 2013 - 99,9%.

Domestic production

The Top-10 domestic manufacturers by production volume at November-end 2013 are shown in Table 1. The total production volume of top ten manufacturers was estimated at USD 500.6 mln.

Table 1. Top ten chemical and pharmaceutical manufacturers by production volume in November 2013.

Rank	Manufacturer	Production volume, $mln
1	Pharmstandart	292.8
2	Valenta	59.6
3	Stada	35.3
4	F-Sintez	23.3
5	Sotex	22.1
6	NEARMEDIC Plus	16.1
7	Pharm-Center	14.0
8	Microgen	13.4
9	KRKA-RUS	12.5
10	Akrihin	11.5

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In October 2013 compared to September, growth in pharmacy sales (in terms of roubles) was observed in most analysed regions. The most pronounced growth in sales was observed in Rostovskaya Oblast (+11%), the least one – in Novosibirskaya Oblast (+1%). Pharmacy sales reduced in Krasnodarsky Krai (-4%) and Perm (-9%).

Table 2. Pharmacy sales in the regions, 2013

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	August 2013	September 2013	October 2013	August/ July 2013	September/ August 2013	October/ September 2013
Moscow	143.8	191.1	200.2	0.3%	29%	4%
St Petersburg	39.7	53.6	58.3	2%	32%	8%
Krasnodarsky Krai	38.2	40.0	38.8	-5%	2%	-4%
Novosibirskaya Oblast	19.7	25.2	25.6	3%	25%	1%
Tatarstan	22.1	28.7	30.3	-5%	26%	4%
Krasnoyarsky Krai	16.2	19.5	21.0	9%	17%	6%
Rostovskaya Oblast	21.5	28.2	31.6	4%	28%	11%
Voronezhskaya Oblast	14.5	18.0	19.4	-3%	21%	7%
Perm	6.3	7.3	6.8	16%	14%	-9%
Tyumen	6.5	7.7	8.1	8%	15%	4%

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 2013

Rank	Company*	Quantity of broadcasts
1	Novartis	11,593
2	Pharmstandart	11,318
3	Berlin-Chemie Menarini Group	6,741
4	Bayer AG	5,959
5	Sanofi Aventis	5,622

Source - Remedium according to TNS Russia's data

Table 4. Top five trade names in mass media in November, 2013

Rank	Brand name*	Quantity of broadcasts
1	Evalar	4,576
2	Supradin	2,318
3	Complivit	2,047
4	TheraFlu	1,925
5	Grippferon	1,672

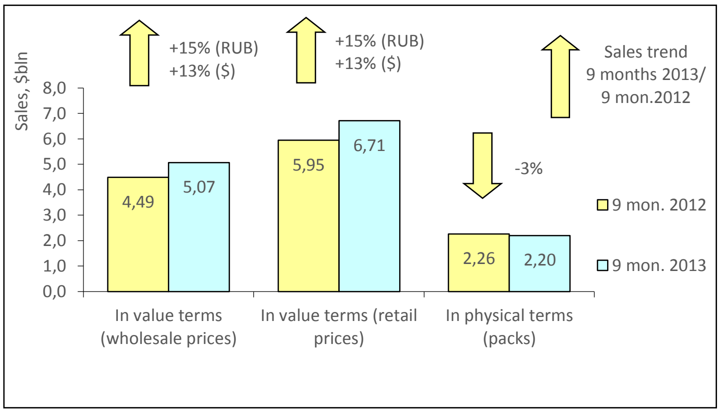
Source - Remedium according to TNS Russia's data

* Only products registered with State Register of Medicines were considered

PHARMACY OTC MARKET IN RUSSIA: 2013 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 the first nine months of 2013 the sales of OTC drugs in physical terms in Russia saw a 3% decrease to 2.203 bln packs. In value terms, the OTC drugs market increased by 15% in rouble terms and by 13% in dollar terms and reached 159.931 billion roubles (USD 5.073 billion) in wholesale prices (Fig. 1). The average cost of an OTC pack grew as compared to the previous year (USD 2.63) and reached USD 3.05 in retail prices. For 9 months of 2013, the average amount spent by residents of Russia for OTC drugs in pharmacies amounted to USD 46.83. A share of OTC-segment in the total pharmacy sales in Russia accounted to 71% in pack terms and 52% in value terms.

Figure 1. Russian pharmacy OTC market for 9 months of 2012 – 9 months of 2013



At the end of the first nine months of 2013, the top ten OTC drug manufacturers showed high stability (Table 1). Almost all drug manufacturers of the top ten held their own in the ranking. The only shift took place in the middle of the ranking: STADA (+21%[1]) moved up one rank, coming in at number 6, forcing MENARINI (-2%) down to number 7. PHARMSTANDART (+21%) maintained and reinforced its leading position in the segment. Despite lagging behind the sales rates and reduction in the market share, SANOFI-AVENTIS (+11%) held its rank. SANDOZ (+19%), BAYER (+16%) and NOVARTIS (+23%) placed at ranks 3 through 5, as well as JOHNSON & JOHNSON, TEVA (+20% each) and NYCOMED/TAKEDA (+23%) placed at three bottom ranks increased their sales more than the whole OTC-market which resulted in the expansion of their market share. The total share of the top ten drug manufacturers also increased and amounted to 43%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	PHARMSTANDART	7.4	7.0
2	2	**SANOFI-AVENTIS**	5.6	5.9
3	3	**SANDOZ GROUP**	5.1	4.9
4	4	**BAYER HEALTHCARE**	4.7	4.6
5	5	**NOVARTIS**	4.5	4.2
6	7	**STADA**	3.7	3.5
7	6	**MENARINI**	3.6	4.2
8	8	**JOHNSON & JOHNSON**	3.0	2.9
9	9	**TEVA**	2.9	2.8
10	10	**NYCOMED/TAKEDA**	2.5	2.3
Total			43.0	42.3

*AIPM members are in bold

Only two brand names in the top ten brand names ranking - ESSENTIALE N (+25%) and ARBIDOL (+9%) - held their own in the ranking, as before they kept ranks one and two (Table 2). Due to 89% growth in sales, antiviral agent KAGOCEL moved up to rank three, displacing LINEX (+6%) down one rank. The other brand names of the top ten ranking, except for ANAFERON (+15%) and LASOLVAN (+8%), also showed high sales rates, expanded their market shares and rose in the ranks. Among them were the newcomers CARDIOMAGNIL (+57%), PENTALGIN (+28%) and ACC (+31%) which moved up to ranks 6, 8 and 9, respectively. At the same time, EXODERIL (+48%) moved up from rank nine to five. The total share of the top ten brand names increased by almost 1.3 p.p. and accounted for 12.7%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	ESSENTIALE N	2.2	2.0
2	2	ARBIDOL	1.7	1.8
3	10	KAGOCEL	1.5	0.9
4	3	LINEX	1.4	1.5
5	9	EXODERIL	1.1	0.9
6	13	CARDIOMAGNIL	1.1	0.8
7	4	ANAFERON	1.0	1.0
8	11	PENTALGIN	1.0	0.9
9	12	ACC	0.9	0.8
10	5	LASOLVAN	0.9	1.0
Total			12.7	11.4

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

Three newcomers broke into the ranks of the top ten INN and generic names ranking (table 3). INN KAGOCEL (+89%) moved up from rank 19 to seven, the composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+29%) moved up from rank 13 to nine, and NAFTIFINE (+48%) - from rank 18 to the last one. At the same time, the former displaced the composition BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+16%) down one rank to number 8. Some moves took place in the top part of the top-10 ranking as well. The more dynamic PHOSPHOLIPIDS (+24%) and IBUPROFEN (+17%) moved up one rank, coming in at numbers two and four, displacing PANCREATIN (-0.4%) and UMIFENOVIR (+10%) down one rank. INN XYLOMETAZOLINE (+20%) remained the leader of the top ten. INN AMBROXOL (+16%) also held its own in the ranking. The cumulative share of the top 10 under review increased to 17.4%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	XYLOMETAZOLINE	2.9	2.8
2	3	PHOSPHOLIPIDS	2.4	2.2
3	2	PANCREATIN	1.9	2.3
4	5	IBUPROFEN	1.8	1.7
5	4	UMIFENOVIR	1.7	1.8
6	6	AMBROXOL	1.6	1.5
7	19	KAGOCEL	1.5	0.9
8	7	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.4	1.5
9	13	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	1.1	1.0
10	18	NAFTIFINE	1.1	0.9
Total			17.4	16.6

In contrast to the previous top 10s, the top ten ATC groups ranking changed its leader (table 4). ATC group R05 Cough and cold preparations (+27%) moved up to rank one from two, displacing the less dynamic ATC group N02 Analgesics (+20%) to number two. The same shift took place just below. A11 Vitamins (+13%) which showed higher growth rates than A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+11%) placed at that rank earlier moved up to rank 4. A07 moved down one rank, to number 5. On top of that, one newcomer - ATC group M01 Anti-inflammatory and antirheumatic products (+24%) broke into the ranks of the top ten, coming in at number 9. The other INNs held their own in the ranking. They were ATC groups R01 Nasal preparations (+13%), J05 Antivirals for systemic use (+55%), A05 Bile and liver therapy (+18%), R02 Throat preparations (+14%) and C05 Vasoprotectives (+10%). The total share of the top ten under review increased by almost 2.1 p.p. and achieved 50.0%.

Table 4. The top ten ATC Groups by pharmacy sales

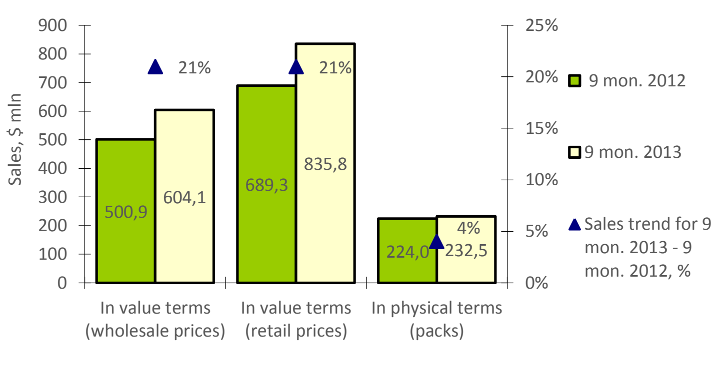
Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	2	R05	COUGH AND COLD PREPARATIONS	7.5	6.8
2	1	N02	ANALGESICS	7.1	6.8
3	3	R01	NASAL PREPARATIONS	5.9	5.9
4	5	A11	VITAMINS	5.5	5.7
5	4	A07	INTESTINAL ANTIINFECTIVES	5.5	5.7
6	6	J05	ANTIVIRALS FOR SYSTEMIC USE	5.2	3.9
7	7	A05	BILE AND LIVER THERAPY	3.6	3.5
8	8	R02	THROAT PREPARATIONS	3.5	3.5
9	12	M01	ANTIINFLAM & ANTIRHEUM PROD	3.2	3.0
10	10	C05	VASOPROTECTIVES	3.1	3.2
Total				50.0	47.9

Conclusion. On the basis of the results for the first nine months of 2013, the retail pharmacy market of Russia brought in RUB 211.624 bln (USD 6.714 bln). The market saw a 15% increase in terms of roubles and 13% in terms of dollars compared to the previous year. In pack terms, the market showed reduction in sales rates (-3%) and achieved 2.203 bln packs. The average cost of OTC pack in January-September 2013 increased as compared to the same period a year ago (USD 3.05 vs. USD 2.63). The average expenses of Russia residents for purchase of OTC drugs in pharmacies also increased significantly (USD 46.83 vs. USD 41.59).

RUSSIAN BIOLIGICALLY ACTIVE ADDITIVE (BAA) MARKET: 2013 FIRST 9 MONTHS RESULTS

According to the results of the Retail Audit of BAA in Russian Federation™, at the end of three quarters of 2013, the BAA pharmacy sales in Russia brought in 19.052 billion roubles (USD 604.127 million) in wholesale prices and 26.357 bln roubles (USD 835.839 mln) - at retail prices (Fig. 1). The market performance was positive both in rouble terms (+23%) and in dollar terms (+21%) at wholesale prices. In physical terms, the BAA sales increased by 4% and amounted to 232.543 mln packs. In the analyzed period, the average cost of a BAA pack was USD 3.59, whereas in the year-earlier period its cost was USD 3.08. It should be noted that the average cost of an OTC pack (USD 4.19) was higher than that of a BAA pack. The average sum spent by residents of Russia for purchase of BAA s in 2013 amounted to USD 5.83 (for 9 months 2012 - USD 4.82).

Figure 1. Russian BAA pharmacy market for 9 months of 2012 – 9 months of 2013



At the end of three quarters of 2013, the BAA manufacturers EVALAR (+7%) and VIS (+24%) held their leading positions in the market of biologically active additives (Table 1). However, it should be noted that due to lagging behind sales rates, the former reduced its market share by 3 p.p. GNC PM FARMA (+43%) moved up to rank three from six, whereas PFIZER, which was placed at that rank earlier, reduced its sales by 4% and moved down to rank 5. Italy-based manufacturer RECORDATI (+10%) maintained its rank four. Most manufacturers showing high sales rates were placed at the bottom part of the top ten. e.g. BAA manufacturer PHARMAMED CANADA increased its sales by 48% and moved up one rank, to number six. The more dynamic newcomers POLENS (+74%) and POLYARIS (+56%) broke into the top 10 ranking, coming in at numbers seven and eight. The market of QUEISSER (+38%), which held its previous rank ten, also developed at a fast pace. Only DIOD reduced its sales by 11% and moved down to rank ten. The total share of the top ten manufacturers in the BAA market increased by over 2 p.p. and accounted for 47.1%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	EVALAR	19.3	22.3
2	2	VIS	6.4	6.4
3	6	GNC PM FARMA	3.3	2.8
4	4	RECORDATI	3.0	3.3
5	3	**PFIZER**	2.9	3.7
6	7	PHARMAMED CANADA	2.8	2.3
7	14	POLENS	2.5	1.7
8	12	POLYARIS	2.5	1.9
9	9	QUEISSER	2.3	2.0
10	5	DIOD	2.2	3.0
Total			47.1	49.5

*AIPM members are in bold

The BAA to treat erectile dysfunction SEALEX FORTE (+10%) remained the best selling BAA in the Russia market, though its market share reduced due to lagging behind the growth rates (Table 2). A BAA of similar effect ALI CAPS (+42%) moved up to rank two, displacing laxative agent PHITOLAX (+8%) down one rank. Another one brand name of the top ten rose in the ranks. It was the newcomer of the top ten, the multivitamin SUPRADIN KIDS, which due to four-fold growth in rates moved up from rank 55 to six. The other BAA of the top ten retained their ranks unchanged. They were REDUKSIN-LIGHT (+53%), TONGKAT ALI PLATINUM (+59%), HEMATOGEN RUSKY (-5%), OVESOL (-8%), TURBOSLIM OCHISCHAYUSCHI and INDINOL (+2% each), placed at numbers four and five, as well as three bottom ranks of the top ten. Note that the total share of the top-10 brand names increased by 0.5 p.p. as compared to the previous rankings and accounted for 19.8%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	SEALEX FORTE	4.4	4.6
2	3	ALI CAPS	3.2	2.7
3	2	PHITOLAX	2.5	2.9
4	4	REDUKSIN-LIGHT	2.4	1.9
5	5	TONGKAT ALI PLATINUM	2.2	1.7
6	55	SUPRADIN KIDS	1.1	0.4
7	7	HEMATOGEN RUSSKIY	1.1	1.4
8	8	OVESOL	1.0	1.4
9	9	TURBOSLIM OCHISCHAYUSCHIY	1.0	1.2
10	10	INDINOL	1.0	1.2
Total			19.8	19.3

Three names of the top-ten INN and Generic Names Ranking managed to keep their previous ranks in the BAA market (table 3): They were the leader of the top ten GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS (+16%) and EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA (+42%), as well as INDOLE-3-CARBINOL (+8%) at rank 9. The compositions LINOLEIC ACID + VITAMIN E (+53%) and EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY (+59%) moved up to ranks three and four, displacing the less dynamic INN ASCORBIC ACID (+12%) to rank 5. The newcomers of the top ten also showed high growth rates. There were two of them: the compositions ANETHUM GRAVEOLENS + ARMENIACA VULGARIS + PLANTAGO OVATA + SENNA (+57%) and ASCORBIC ACID + CHOLINE + CYANOCOBALAMIN + FISH + NICOTINAMIDE + PYRIDOXINE (3.7-fold growth in sales), which moved up to ranks 6 and 8, respectively. Three INNs of the ranking reduced their sales. They were FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR + SENNA + LINUM USITATISSIMUM (-15%) and AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA + HELICHRYSUM ARENARIUM + MENTHA PIPERITA (-8%) which moved down to ranks seven and ten. The total share of the top-10 INN and generic names increased by 1 p.p. and reached 19.7%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS	4.4	4.6
2	2	EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA	3.2	2.7
3	4	LINOLEIC ACID + VITAMIN E	2.4	1.9
4	6	EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY	2.2	1.7
5	3	ASCORBIC ACID	1.9	2.1
6	12	ANETHUM GRAVEOLENS + ARMENIACA VULGARIS + PLANTAGO OVATA + SENNA	1.3	1.1
7	5	FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR + SENNA + LINUM USITATISSIMUM	1.2	1.7
8	59	ASCORBIC ACID + CHOLINE + CYANOCOBALAMIN + FISH + NICOTINAMIDE + PYRIDOXINE	1.1	0.4
9	9	INDOLE-3-CARBINOL	1.1	1.2
10	8	AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA + HELICHRYSUM ARENARIUM + MENTHA PIPERITA	1.0	1.4
Total			19.7	18.7

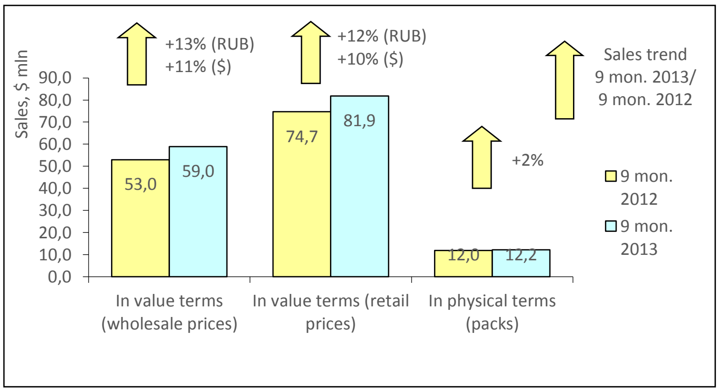
Conclusion. At the end of the first nine months of 2013, BAA sales in pharmacies of the country increased 23% in terms of roubles and 21% in terms of dollars and brought in 26.357 bln roubles (USD 835.839 million) in final consumer prices. In pack terms, the BAA market grew by 4% and achieved 232.543 mln packs. The average cost of an OTC pack increased as compared to the previous year (USD 3.59 vs. USD 3.08). Expenses of residents for purchase of BAA in pharmacies proved to be much higher as well (USD 5.83 vs. USD 4.82).

IRKUTSK PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013 the population of Irkutsk was estimated at 606.1 thd, which accounted for 0.4% of the total Russian Federation population and 3.1% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2013 the average salary was RUB 28,093 (USD 884.82), which is 3% lower than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, in the first nine months of 2013 the sales of OTC drugs in physical terms in the pharmacies of Irkutsk saw a 2% drop to 12.241 mln packs. In value terms, the city pharmacy market (exclusive of DLO Programme) saw a +13% increase in terms of roubles and +11% increase in terms of dollars compared to the same period a year ago and reached RUB 1.859 bln (USD 58.977 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 in Irkutsk pharmacies was USD 6.69 (in a year-earlier period – USD 6.22). For 9 months of 2013, the average amount spent by residents of Irkutsk for drugs in the pharmacies amounted to USD 135.07.

Figure 1. Irkutsk pharmacy market for 9 months of 2012 – 9 months of 2013



At the end of nine months of 2013, SANOFI-AVENTIS (+13%) and BAYER (+15%) held their own leading positions in the top ten drug manufacturers in the Irkutsk market (Table 1). The drug makers NOVARTIS (+17%) and PFIZER (+35%) moved up to ranks three and four, displacing the less dynamic SANDOZ (+11%) and SERVIER (+3%) to ranks five and six. GEDEON RICHTER (+3%) also showed low growth rates and moved down to the bottom rank of the top ten. In contrast, the drug makers ABBOTT (+8%) and NYCOMED/TAKEDA (+13%) moved up two ranks, to numbers eight and nine. The latter became the only newcomer of top 10. STADA (+16%) reserved its seven rank. The cumulative share of the top 10 didn't change and accounted for 38.1%.

Table 1. The top ten manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	**SANOFI-AVENTIS**	5.9	5.9
2	2	**BAYER HEALTHCARE**	4.9	4.8
3	4	**NOVARTIS**	4.1	3.9
4	6	**PFIZER**	4.0	3.3
5	3	**SANDOZ GROUP**	4.0	4.0
6	5	**SERVIER**	3.5	3.8
7	7	**STADA**	3.3	3.2
8	10	**ABBOTT**	2.9	3.0
9	11	**NYCOMED/TAKEDA**	2.9	2.9
10	8	GEDEON RICHTER	2.8	3.0
Total			38.1	38.0

*AIPM members are in bold

Two newcomers broke into the ranks of the top ten brand names ranking (table 2). They were vaccine PENTAXIM (+25%) and macrolide SUMAMED (+6%) which moved up to ranks six and ten, respectively. The brand names LAVOMAX (+19%), VIAGRA (+57%) and LINEX (+7%) also improved their positions, moving to ranks four, five and seven, respectively. At the same time, OSCILLOCOCCINUM VIII (+0.1%) and CIALIS (+5%) that showed low growth rates moved down to ranks 8 and 9. ESSENTIALE N (+15%) and CYCLOFERON (+10%) held their leading positions and LASOLVAN (+11%) maintained its rank five in the top ten. The cumulative share of the top ten, as well as one of the previous rankings, remained virtually at the level of the previous year and accounted for 8.1%.

Table 2. The top ten brand names by pharmacy sales

Rank in the top ten		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	ESSENTIALE N	1.2	1.2
2	2	CYCLOFERON	1.1	1.1
3	4	LAVOMAX	0.9	0.9
4	9	VIAGRA	0.9	0.7
5	5	LASOLVAN	0.7	0.8
6	12	PENTAXIM	0.7	0.6
7	10	LINEX	0.6	0.7
8	6	OSCILLOCOCCINUM	0.6	0.7
9	8	CIALIS	0.6	0.7
10	11	SUMAMED	0.6	0.6
Total			8.1	8.0

The top four INN and generic names held their own in the ranking (table 3). They were INNs XYLOMETAZOLINE (+22%), PHOSPHOLIPIDS (+15%), ACRIDOACETIC ACID (+10%) and TILORONE (+22%). The other INNs changed their positions. On top of that, three of them rose in the ranks and another three moved down to the lower ranks. SILDENAFIL (+64%), IBUPROFEN and AMOXICILLIN + CLAVULANIC ACID (+23% each) showing higher growth rates moved up to ranks 5, 7 and 8, respectively. In contrast, AMBROXOL (+17%), KETOPROFEN (+13%) and AZITHROMYCIN (+5%) showing lower growth rates moved down to ranks 6, 9 and 10, respectively. The total share of the top ten INN and generic names ranking increased by 0.6 p.p. and achieved 10.6%.

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

Rank in the top ten		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	XYLOMETAZOLINE	1.7	1.6
2	2	PHOSPHOLIPIDS	1.3	1.3
3	3	ACRIDOACETIC ACID	1.1	1.1
4	4	TILORONE	1.1	1.0
5	17	SILDENAFIL	1.0	0.7
6	5	AMBROXOL	1.0	0.9
7	10	IBUPROFEN	0.9	0.8
8	13	AMOXICILLIN + CLAVULANIC ACID	0.9	0.8
9	8	KETOPROFEN	0.9	0.9
10	7	AZITHROMYCIN	0.9	0.9
Total			10.6	10.0

The top 10 ATC groups ranking didn't change in composition (table 4). Apart from that, half of ATC groups of the top 10 ranking held their own in the ranking. They were the leaders of the top 10 G03 Sex hormones (+2%) and J01 Antibacterials for systemic use (+13%), as well as M01 Anti-inflammatory and antirheumatic products (+13%) (+20%), R05 Cough and cold preparations (+21%) and N02 Analgesics (+16%) placed at ranks 4, 7 and 10. The most dynamic among top ten ATC groups J05 Antivirals for systemic use (+31%) moved up from rank six to three. L03 Immunostimulants (+11%), which used to be placed at that rank earlier, moved down to rank 5, displacing R01 Nasal preparations (+19%) down one rank. Another shift took place in the bottom part of the Top-10 ranking. The more dynamic ATC groups C09 Agents acting on the rennin-angiotensin system (+13%) moved up one rank, to number 8, displacing A11 Vitamins (+7%) to rank 9. The total share of the top 10 brand names increased from 38.4% to 38.8%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	1	G03	SEX HORM&MODULAT GENITAL SYS	5.2	5.9
2	2	J01	ANTIBACTERIALS FOR SYST USE	4.5	4.5
3	6	J05	ANTIVIRALS FOR SYSTEMIC USE	4.2	3.6
4	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.1	3.8
5	3	L03	IMMUNOSTIMULANTS	3.8	3.9
6	5	R01	NASAL PREPARATIONS	3.8	3.6
7	7	R05	COUGH AND COLD PREPARATIONS	3.7	3.4
8	9	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.2
9	8	A11	VITAMINS	3.2	3.4
10	10	N02	ANALGESICS	3.2	3.1
Total				38.8	38.4

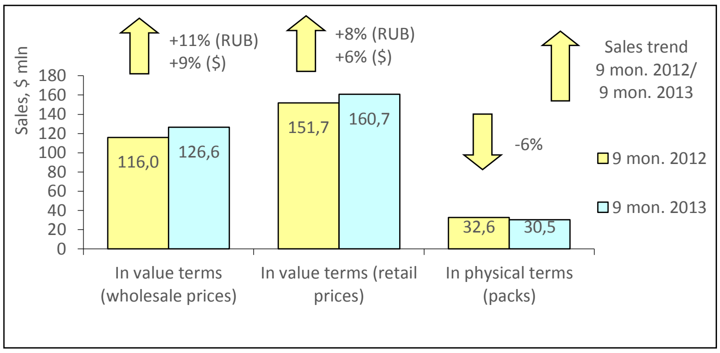
Conclusion. On the basis of the results for three quarters of 2013, the retail pharmacy market of Irkutsks brought in RUB 2.581 bln (USD 81.868 mln). On top of that, the market performance was positive both in rouble terms (+12%) and in dollar terms (+10%). In physical terms, the sales reduced by 2% to 12.241 mln packs. The average cost of an OTC pack in Irkutsk pharmacies increased as compared to the previous year (USD 6.69 vs. USD 6.22), however it was notably higher than the national average (USD 4.19). Per capita expenses of Irkuts residents for the purchase of medicines in pharmacies amounted to USD 135.07 which is much higher than the national average (USD 90.88).

NOVOSIBIRSK PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013, the population of Novosibirsk was estimated as 1.524 mln, which accounted for 1.1% of the total Russian Federation population and 7.9% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2013 the average salary in the region was RUB 24,554.2 (USD 773.36), which is 15% lower than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of the first nine months of 2013 the sales of OTC drugs in physical terms in pharmacies of Novosibirsk saw a 6% decrease to 30.539 mln packs. In value terms, the OTC drugs market increased by 11% in rouble terms and by 9% in dollar terms and reached RUB 3.994 billion (USD 126.630 million) in wholesale prices (Fig. 1). The regional market share in value terms accounted for 1.2% of the Russian pharmacy market. The average cost of an OTC pack grew as compared to the same period of previous year (USD 4.66) and reached USD 5.26 in retail prices. For 9 months of 2013, the average amount spent by residents of Ulyanovsk for OTC drugs in the pharmacies amounted to USD 105.49.

Figure 1. Novosibirsk pharmacy market for 9 months of 2012 – 9 months 2013



Based on the results for three quarters of 2013, the top ten drug manufacturers in the Novosibirsk market didn't change in composition. On top of that, half of its drug makers held their own in the ranking (Table 1). Among them were the top-three manufacturers SANOFI-AVENTIS (+12%), BAYER (+13%) and PHARMSTANDART (-4%) as well as NYCOMED/TAKEDA (+13%) and TEVA (+17%), holding ranks 7 and 10. Due to outstripping growth rates, another three drug makers moved up to the higher ranks. They were SANDOZ (+13%), NOVARTIS (+22%) and MERCK SHARP DOHME (+12%), which moved down to ranks four, five and eight respectively. At the same time, ABBOTT (+5%) moved down two ranks to number six, and SERVIER (+4%) moved down from rank six to nine. The total share of the top ten INN and generic names ranking reduced by 0.3 p.p. and achieved 37.2%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	**SANOFI-AVENTIS**	5.7	5.6
2	2	**BAYER HEALTHCARE**	4.9	4.8
3	3	PHARMSTANDART	3.7	4.3
4	5	**SANDOZ GROUP**	3.6	3.6
5	8	**NOVARTIS**	3.5	3.2
6	4	**ABBOTT**	3.4	3.6
7	7	**NYCOMED/TAKEDA**	3.3	3.2
8	9	**MERCK SHARP DOHME**	3.1	3.1
9	6	**SERVIER**	3.1	3.3
10	10	**TEVA**	3.0	2.9
Total			37.2	37.5

*AIPM members are in bold

Most of the top 10 brand names held their own in the ranking (table 2). As before, KAGOCEL (+34%), ESSENTIALE N (+36%), ARBIDOL (-6%) and VIAGRA (-9%) are placed at their previous top four ranks. HEPTRAL and LINEX (+3% each) held their ranks six and eight. Three trade names showed signs of growth. ANAFERON (+10%) moved up to rank five from ten, whereas the newcomers of the top ten NICE (+16%) and CARDIOMAGNIL (+34%) moved up to numbers seven and nine. DUPHASTON showing zero growth rates moved down to rank ten. The cumulative share of the top 10 didn't change and accounted for 7.3%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	KAGOCEL	1.3	1.1
2	2	ESSENTIALE N	1.1	0.9
3	3	ARBIDOL	0.7	0.9
4	4	VIAGRA	0.7	0.8
5	10	ANAFERON	0.6	0.6
6	6	HEPTRAL	0.6	0.6
7	11	NICE	0.6	0.6
8	8	LINEX	0.6	0.6
9	17	CARDIOMAGNIL	0.6	0.5
10	7	DUPHASTON	0.6	0.6
Total			7.3	7.2

Two newcomers broke into the ranks of the top ten INN and generic names ranking. The composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+25%) and INN NIMESULIDE (+15%) moved up to ranks five and ten (table 3). Another two names improved their positions. IBUPROFEN (+9%) moved up two ranks to number 4, and the composition AMOXICILLIN + CLAVULANIC ACID (+13%) moved up down from rank ten to seven. In contrast, the brand names PANCREATIN (-5%) and SILDENAFIL (-1%) moved down to ranks 6 and 8. Four brand names of the top 10 managed to hold their own in the ranking. They were the top ten leaders XYLOMETAZOLINE (+13%), KAGOCEL (+34%) and PHOSPHOLIPIDS (+33%) as well as BISOPROLOL (+6%) placed at number 9.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	XYLOMETAZOLINE	1.5	1.5
2	2	KAGOCEL	1.3	1.1
3	3	PHOSPHOLIPIDS	1.2	1.0
4	6	IBUPROFEN	0.9	0.9
5	14	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	0.8	0.7
6	4	PANCREATIN	0.8	1.0
7	10	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
8	5	SILDENAFIL	0.8	0.9
9	9	BISOPROLOL	0.8	0.8
10	13	NIMESULIDE	0.8	0.7
Total			9.7	9.4

G03 Sex hormones (+9%) remained the leader of the regional top 10 ATC Groups ranking (table 4). M01 Anti-inflammatory and antirheumatic products (+15%) moved up to rank two from four, whereas N02 Analgesics (-5%) which used to take it earlier moved down to rank four. J01 Antibacterials for systemic use (+12%) held their previous rank three. As before, R01 Nasal preparations (+14%) and R05 Cough and cold preparations (+13%) retained their ranks five and six. J05 Antivirals for systemic use (+32%) moved up to rank seven from ten, displacing A11 Vitamins and C09 Agents acting on the rennin-angiotensin system (10% each) down one rank. Its only newcomer A05 Bile and liver therapy (+22%) broke into the top ten ranking, coming in at number 10. The total share of the top ten under review, as well as one of the previous top ten ranking, increased by almost 0.3 p.p. 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. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	1	G03	SEX HORM&MODULAT GENITAL SYS	4.9	5.0
2	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.1	3.9
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.0	4.0
4	2	N02	ANALGESICS	3.9	4.6
5	5	R01	NASAL PREPARATIONS	3.8	3.7
6	6	R05	COUGH AND COLD PREPARATIONS	3.6	3.6
7	10	J05	ANTIVIRALS FOR SYSTEMIC USE	3.6	3.0
8	7	A11	VITAMINS	3.4	3.4
9	8	C09	AG ACT RENIN-ANGIOTENS SYST	3.3	3.4
10	11	A05	BILE AND LIVER THERAPY	3.2	2.9
Total				37.8	37.5

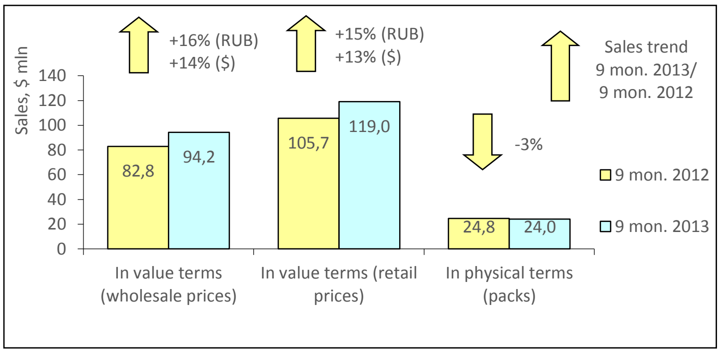
Conclusion. On the basis of the results for nine months of 2013, the retail pharmacy market of Novosibirsk brought in RUB 5.069 bln (USD 160.746 mln). The market saw a 8% increase in terms of roubles and 6% increase in terms of dollars compared to the last year results. In pack terms, the market showed negative growth rates (-6%) and achieved 30.539 mln packs. In the first three quarters of 2013, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 5.26 vs. USD 4.66) and exceeded the Russia average figures (USD 4.19). The average expenses of the region residents for purchase of OTC drugs in pharmacies also proved to be higher (USD 105.49 vs. USD 90.88).

KRASNOYARSK PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013, the population of Krasnoyarsk was estimated as 1.016 mln, which accounted for 0.7% of the total Russian Federation population and 5.3% of Siberian FO (SFO). According to Federal State Statistics Service's data, in the first nine months of 2013 the average salary in the region was RUB 30,515 (USD 961.1), which is 5% higher than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in the first nine months of 2013 the Krasnoyarsk pharmacy market volume reduced by 3% in physical terms and amounted to 24.033 million packs (Fig. 1) In wholesale prices, the market also showed the positive performance both in terms of roubles (+16%) and in terms of dollars (+14%) and reached 2.973 million roubles (USD 94.23 mln). The region's share accounted for 0.9% of the total volume of all-Russia pharmacy market. The average cost of OTC pack in the city pharmacies according to the results for 9 months of 2013 was USD 4.95 (during the same period in 2012 - USD 4.27). In the analysed period, per capita expenses for purchase of medicines in pharmacies amounted to USD 117.09.

Figure 1. Krasnoyarsk pharmacy market for 9 months of 2012 – 9 months of 2013



Based on the results for 9 months of 2013, the top ten drug manufacturers in the Krasnoyarsk market didn't change in composition (Table 1). The top four drug manufacturers held their own in the ranking: SANOFI-AVENTIS (+16%), BAYER (+12%), SANDOZ (+19%) and SERVIER (+21%), as well as ABBOTT (+14%) placed at rank ten. However, two shifts took place in the top ten ranking. The drug manufacturers TEVA (+42%) and NYCOMED/TAKEDA (+22%) showed higher growth rates and rose in the ranks, coming in at numbers five and eight respectively. At the same time, they displaced manufacturers PHARMSTANDART (+3%), MERCK SHARP DOHME (+8%) and NOVARTIS (+15%) down one rank. The total share of the top 10 drug manufacturers increased from 38.5% to 38.8%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	**SANOFI-AVENTIS**	5.7	5.7
2	2	**BAYER HEALTHCARE**	4.8	5.0
3	3	**SANDOZ GROUP**	4.3	4.2
4	4	**SERVIER**	4.3	4.2
5	7	**TEVA**	3.8	3.1
6	5	PHARMSTANDART	3.4	3.9
7	6	**MERCK SHARP DOHME**	3.3	3.5
8	9	**NYCOMED/TAKEDA**	3.2	3.0
9	8	**NOVARTIS**	3.0	3.0
10	10	**ABBOTT**	3.0	3.0
Total			38.8	38.5

*AIPM members are in bold

Hepatoprotector ESSENTIALE N (+23%) kept and reinforced its leading position in the top ten brand names ranking (Table 2). On top of that, KETONAL (+12%) and PEGINTRON (+5%) held their previous ranks seven and eight respectively. Most of the brand names of the top 10 rose in the ranks. KAGOCEL (+67%) moved up to rank two from nine, and ARBIDOL (+14%) moved up to rank three from four. ACTOVEGIN (+8%) and CONCOR (+20%) moved up one rank, coming in at numbers 5 and 9, respectively. At the same time, VIAGRA (-3%) and ALFLUTOP (+1%) moved down one rank, to numbers 4 and 6, respectively. The only newcomer CARDIOMAGNIL (+57%) broke into the ranks of the top ten, coming in at number ten. In total, the top ten brand names accumulated 7.4% of sales, which is slightly more than in the year-earlier period (7.2%).

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	ESSENTIALE N	1.3	1.2
2	9	KAGOCEL	0.9	0.6
3	4	ARBIDOL	0.8	0.8
4	3	VIAGRA	0.7	0.9
5	6	ACTOVEGIN	0.7	0.7
6	5	ALFLUTOP	0.6	0.7
7	7	KETONAL	0.6	0.6
8	8	PEGINTRON	0.6	0.6
9	10	CONCOR	0.6	0.6
10	27	CARDIOMAGNIL	0.6	0.4
Total			7.4	7.2

A total of three newcomers broke into the ranks of the top ten INN and generic names ranking (table 3). They were KAGOCEL (+29%), AMBROXOL (+29%) and AZITHROMYCIN (+31%) which moved up to ranks 5, 8 and 10. The markets of the other three INNs also developed at a fast pace. They were INNs PHOSPHOLIPIDS (+21%) and BISOPROLOL (+22%) which held their previous ranks one and seven, as well as XYLOMETAZOLINE (+24%) which moved up from rank 4 to two. The growth rates of the other top 10 INNs lagged behind the regional market average. In two cases, KETOPROFEN (+10%) and UMIFENOVIR (+13%), it resulted in the loss of one rank . At the same time, INN SILDENAFIL (+7%) held its previous rank 6, and INN PANCREATIN (+3%) moved up one rank, to number 4, despite the lowest among the top ten INNs growth rates. The cumulative share of the top ten INNs escalated 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. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	PHOSPHOLIPIDS	1.4	1.3
2	4	XYLOMETAZOLINE	1.3	1.2
3	2	KETOPROFEN	1.2	1.2
4	5	PANCREATIN	1.0	1.1
5	18	KAGOCEL	0.9	0.6
6	6	SILDENAFIL	0.9	1.0
7	7	BISOPROLOL	0.8	0.8
8	12	AMBROXOL	0.8	0.7
9	8	UMIFENOVIR	0.8	0.8
10	14	AZITHROMYCIN	0.8	0.7
Total			9.8	9.5

In contrast to the previous ones, the top ten ATC groups ranking changed its leader (table 4). ATC group M01 Anti-inflammatory and antirheumatic products (+19%) moved up one rank and topped the ranking. In addition, J01 Antibacterials for systemic use (+21%) moved up from rank three to two, and R05 Cough and cold preparations (+24%) - from rank five to three. N02 Analgesics, that had been placed at rank one, reduced their sales by 10% and moved down to rank five. Note that ATC groups G03 Sex hormones (+12%), C09 Agents acting on the rennin-angiotenzin system (+22%), R01 Nasal preparations (+23%), A11 Vitamins (+20%) and L02 Immunostimulants (+25%) held their previous ranks four and six, as well as three bottom ranks of the top ten ATC groups. The only newcomer broke into the top-10 ranking – J05 Antivirals for systemic use (+51%) - coming in at number seven. The total share of the top ten increased by 1 p.p. and accounted for 39.3%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	2	M01	ANTIINFLAM & ANTIRHEUM PROD	4.9	4.8
2	3	J01	ANTIBACTERIALS FOR SYST USE	4.5	4.3
3	5	R05	COUGH AND COLD PREPARATIONS	4.1	3.8
4	4	G03	SEX HORM&MODULAT GENITAL SYS	4.1	4.2
5	1	N02	ANALGESICS	3.9	5.1
6	6	C09	AG ACT RENIN-ANGIOTENS SYST	3.8	3.6
7	12	J05	ANTIVIRALS FOR SYSTEMIC USE	3.7	2.8
8	8	R01	NASAL PREPARATIONS	3.7	3.4
9	9	A11	VITAMINS	3.5	3.4
10	10	L03	IMMUNOSTIMULANTS	3.1	2.9
Total				39.3	38.3

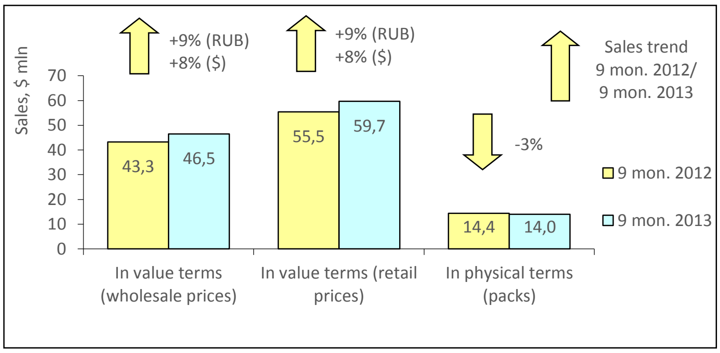
Conclusion. In 9 months of 2013, the pharmacy market in Krasnoyarsk was estimated at RUB 3.754 bln (USD 119.016 mln.) in final consumer prices. Note that the market performance was positive both in rouble terms and in dollar terms (+15% and +13%, respectively). In pack terms, the market reduced by 3% and amounted to 24.033 mln packs. The average cost of an OTC pack (USD 4.95) in the pharmacies increased as compared to a year earlier (USD 4.27) and was higher than the average value in Russia (USD 4.19). Per capita expenses of Moscow region residents for purchase of medicines in the pharmacies were also higher than the national average figures (USD 117.09 vs. USD 90.88).

BARNAUL PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013 the population of Barnaul was estimated as 629.7 ths, which accounted for 0.4% of the total Russian Federation population and 3.3% of Siberian FO (SFO). According to Federal State Statistics Service's data, based on the results for 9 months of 2013 the average salary in the Altaisky Krai was RUB 17,374.9 (USD 547.24), which is 40% lower than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, based on the results for three quarters of 2013 the sales of OTC drugs in physical terms in the pharmacies of Barnaul saw a 3% decrease to 14.024 mln packs. In value terms, the OTC drugs market increased by 9% in rouble terms and by 8% in dollar terms and reached 1.469 billion roubles (USD 46.545 million) in wholesale prices (Fig. 1). The city share in the total volume of all-Russia pharmacy market accounted for 0.5%. The average cost of OTC pack in the city pharmacies was USD 4.25, whereas in the year-earlier period its cost was USD 3.85 at retail prices. For 9 months of 2013, the average amount spent by residents of the region for drugs in the pharmacies amounted to USD 94.92.

Figure 1. Barnaul pharmacy market for 9 months of 2012 – 9 months of 2013



Most drug manufacturers of the top ten ranking in the regional market lagged behind the national average based on the results for three quarters of 2013 (Table 1). As a result, the market shares of such companies reduced except for one. However, two of them, the ton ten leader SANOFI-AVENTIS (+5%) and ABBOTT (+1%) placed at rank 5 held their own in the ranking, and the drug manufacturers BAYER (+7%) and PHARMSTANDART (+8%) even rose in the ranks, coming in at numbers two and four. And only NYCOMED/TAKEDA (+2%) and MENARINI (-4%), which reduced its sales, moved down to the lower ranks three and eight respectively. Note than the markets of the other four drug manufacturers developed at a fast pace. On top of that, two of them: As before, NOVARTIS (+17%) and GEDEON RICHTER (+11%) maintained their two bottom ranks in the top ten. The drug makers SANDOZ (+25%) and TEVA (+16%) rose in the ranks, coming in at numbers 6 and 7. On top of that, the former became the only newcomer of the top ten ranking. The cumulative share of the top 10 drug manufacturers reduced to 37.7%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	**SANOFI-AVENTIS**	5.0	5.2
2	3	**BAYER HEALTHCARE**	4.5	4.6
3	2	**NYCOMED/TAKEDA**	4.5	4.8
4	6	PHARMSTANDART	3.7	3.7
5	5	**ABBOTT**	3.4	3.7
6	11	**SANDOZ GROUP**	3.4	3.0
7	8	**TEVA**	3.4	3.2
8	4	**MENARINI**	3.4	3.9
9	9	**NOVARTIS**	3.3	3.1
10	10	GEDEON RICHTER	3.1	3.0
Total			37.7	38.3

*AIPM members are in bold

Despite the lagging behind the growth rates, antiviral drug ARBIDOL (+3%) and appetite regulator REDUKSIN (+2%) maintained their ranks and remained the best selling drugs in the regional market (Table 2). Due to 23% growth in sales, NISE moved up to rank three from five. Apart from it, the other four brand names of the top 10 showed high growth rates. They were ESSENTIALE N (+30%) and NIMESIL (+19%) which moved up one rank, to numbers 6 and 8, as well as the newcomers of the top ten THERAFLU (+55%) and CARDIOMAGNIL (+36%), coming in at numbers seven and ten. The remaining three brand names In contrast, CONCOR (-2%), ACTOVEGIN (-11%) and DUPHASTON (-3%) reduced their sales. At the same time, the former held its previous rank 4, and ACTOVEGIN and DUPHASTON moved down to ranks 5 and 9. The total share of the analysed top 10 brand names didn't virtually change and accounted for 7.3%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	ARBIDOL	0.9	0.9
2	2	REDUKSIN	0.9	0.9
3	5	NISE	0.8	0.7
4	4	CONCOR	0.8	0.8
5	3	ACTOVEGIN	0.7	0.9
6	7	ESSENTIALE N	0.7	0.6
7	12	THERAFLU	0.7	0.5
8	9	NIMESIL	0.6	0.6
9	6	DUPHASTON	0.6	0.7
10	22	CARDIOMAGNIL	0.6	0.4
Total			7.3	7.2

Three newcomers broke into the ranks of the top ten INN and generic names ranking (table 3). They were the composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+58%), as well as INN PHOSPHOLIPIDS (+21%) and IBUPROFEN (+17%) which moved up to ranks 4, 8 and 10, respectively. Apart from them, another three names of the top ten showed growth in sales. They were the leaders for the top ten NIMESULIDE (+20%) and XYLOMETAZOLINE (+25%), as well as UMIFENOVIR (+4%) which moved up to number 6. The last year leader BISOPROLOL (+3%) moved down to rank three. AZITHROMYCIN which showed zero growth rates and BLOOD (-4%) which reduced its sales also moved down to the lower ranks seven and nine, respectively. INN SIBUTRAMINE (+11%) held its previous rank five. The cumulative share of the top10 increased from 10.0% 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. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	2	NIMESULIDE	1.5	1.3
2	3	XYLOMETAZOLINE	1.5	1.3
3	1	BISOPROLOL	1.3	1.3
4	14	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	1.0	0.7
5	5	SIBUTRAMINE	1.0	1.0
6	7	UMIFENOVIR	0.9	0.9
7	6	AZITHROMYCIN	0.9	0.9
8	11	PHOSPHOLIPIDS	0.8	0.8
9	4	BLOOD	0.8	1.0
10	12	IBUPROFEN	0.8	0.7
Total			10.4	10.0

Six groups of the top 10 ATC groups ranking retained their previous positions (table 4). They were the top 10 leaders M01 Anti-inflammatory and antirheumatic products (+12%) and G03 Sex hormones (+7%), as well as L03 immunostimulants (+10%), R01 Nasal preparations (+17%), J05 Antivirals for systemic use (+24%) and A11 Vitamins (+12%) placed at ranks 5, 6, 8 and 10. The other two ATC groups of the top 10 succeeded in rising in the ranks. They were the ATC groups N02 Analgesics (+14%) and R05 Cough and Cold Preparations (+29%) that moved up to rank seven. At the same time, ATC groups J01 Antibacterials for systemic use and C09 Agents acting on the renin-angiotensin system (+5% each) moved up one rank to numbers 4 and 9, respectively. The total share of the top ten ATc groups increased by over 1 p.p. and achieved 38.5%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	1	M01	ANTIINFLAM & ANTIRHEUM PROD	5.1	5.0
2	2	G03	SEX HORM&MODULAT GENITAL SYS	4.5	4.6
3	4	N02	ANALGESICS	4.4	4.2
4	3	J01	ANTIBACTERIALS FOR SYST USE	4.1	4.2
5	5	L03	IMMUNOSTIMULANTS	3.7	3.6
6	6	R01	NASAL PREPARATIONS	3.6	3.4
7	9	R05	COUGH AND COLD PREPARATIONS	3.6	3.0
8	8	J05	ANTIVIRALS FOR SYSTEMIC USE	3.5	3.1
9	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.1	3.2
10	10	A11	VITAMINS	2.9	2.8
Total				38.5	37.3

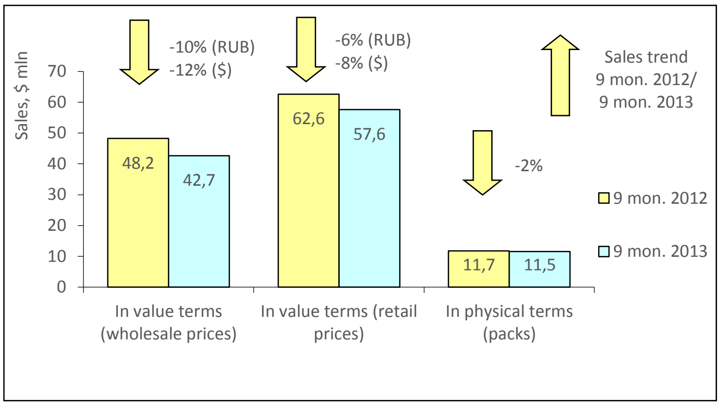
Conclusion. On the basis of the results for three quarters of 2013, the retail pharmacy market of Barnaul brought in RUB 1.882 bln (USD 59.655 mln). At the same time, the market increased 9% in terms of roubles and 8% in terms of dollars. In pack terms, the market showed negative growth rates (-3%) and achieved 14.024 mln packs. In 2012, the average cost of an OTC pack in the city pharmacies was much higher than in the year-earlier period (USD 4.25 vs. USD 3.85) and inconsiderably exceeded the Russia average figures (USD 4.19). Per capita expenditures spent by the city residents for the purchase of medicines in the region amounted to USD 94.92 which is also higher than the national average (USD 90.88).

VLADIVOSTOK PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013 Vladivostok's estimated population was 600.4 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, based on the results for 9 months of 2013 the average salary in the Primorski Krai was RUB 28,479.3 (USD 896.99), which is 2% lower than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of nine months of 2013 the sales of OTC drugs in physical terms in the pharmacies of Vladivostok saw a 2% decrease to 11.501 mln packs. In value terms, the OTC drugs market reduced by 10% in rouble terms and by 12% in dollar terms and reached 1.348 billion roubles (USD 42.662 million) in wholesale prices (Fig. 1). The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.34) and reached USD 5.01 at retail prices. For 9 months of 2013, the average amount spent by residents of Vladivostok for drugs amounted to USD 95.92.

Figure 1. Vladivostok pharmacy market for 9 months of 2012 – 9 months of 2013



Based on the results for the first nine months of 2013, most of the drug manufacturers of the top ten in the market of Vladivostok held their own in the ranking despite their negative growth rates (Table 1). Among them were the top four manufacturers SANOFI-AVENTIS (-14%), SERVIER (-12%), SANDOZ (-17%) and BAYER (-7%), as well as NYCOMED/TAKEDA (-6%) and TEVA (-15%) placed at numbers 7 and 8. The drug manufacturers NOVARTIS (-6%) and ABBOTT (-9%) rose in the ranks, coming in at numbers five and nine, respectively. On top of that, the latter became the only newcomer of the top 10 ranking. In contrast, two drug makers PHARMSTANDART (-13%) and GEDEON RICHTER (-20%) moved down one rank to numbers 6 and 9. The cumulative share of the top 10 drug manufacturers reduced from 37.6% to 36.7%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	**SANOFI-AVENTIS**	5.0	5.3
2	2	**SERVIER**	4.4	4.5
3	3	**SANDOZ GROUP**	4.1	4.5
4	4	**BAYER HEALTHCARE**	4.0	3.8
5	6	**NOVARTIS**	3.6	3.4
6	5	PHARMSTANDART	3.5	3.7
7	7	**NYCOMED/TAKEDA**	3.4	3.3
8	8	**TEVA**	3.1	3.2
9	13	**ABBOTT**	2.8	2.7
10	9	GEDEON RICHTER	2.8	3.1
Total			36.7	37.6

*AIPM members are in bold

Two newcomers broke into the ranks of the top ten brand names ranking (table 2). They were ophthalmological drug MYDRIACYL which sales increased 17 times, as well as antibiotic drug AMOKSIKLAV (-5%) which moved up to ranks 5 and 10, respectively. In this connection, the former forced SUMAMED (-26%) and ALFLUTOP (-12%) down one rank. On top of that, due to one-third reduction in sales ARBIDOL moved down from rank four to eight. The drugs ESSENTIALE N (+4%), LINEX (-16%) and ACTOVEGIN (-19%) held their leading positions in the top ten. The total share of the top ten trade names increased by almost 0.3 p.p. and accounted for 7.3%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	ESSENTIALE N	1.5	1.3
2	2	LINEX	0.8	0.9
3	3	ACTOVEGIN	0.8	0.9
4	7	EXODERIL	0.6	0.6
5	86	MYDRIACYL	0.6	0.0
6	5	SUMAMED	0.6	0.8
7	6	ALFLUTOP	0.6	0.6
8	4	ARBIDOL	0.6	0.8
9	10	VIAGRA	0.6	0.6
10	13	AMOKSIKLAV	0.6	0.5
Total			7.3	7.0

INN and generic names ranking also retained their leaders - XYLOMETAZOLINE (+6%) and PHOSPHOLIPIDS (+1%) maintained and reinforced their ranks one and two (Table 3). Due to 8.5-fold growth in sales, the newcomer of the top ten TROPICAMIDE moved up to rank three. The composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+30%) became the second newcomer of the top ten, coming in at number ten. IBUPROFEN (+3%) also showed positive growth rates, moving up from rank ten to six. The other five brand names of the top ten reduced their sales. At the same time, four of them also fell in the ranks. They were PANCREATIN (-17%) and AZITHROMYCIN (-23%) which moved down one rank, as well as BLOOD (-18%) and BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (-16%) which moved down to ranks seven and nine. The composition AMOXICILLIN + CLAVULANIC ACID (-9%) held its previous rank eight.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	XYLOMETAZOLINE	1.7	1.5
2	2	PHOSPHOLIPIDS	1.6	1.4
3	86	TROPICAMIDE	1.2	0.1
4	3	PANCREATIN	1.1	1.2
5	4	AZITHROMYCIN	0.9	1.1
6	10	IBUPROFEN	0.9	0.7
7	5	BLOOD	0.8	0.9
8	8	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
9	6	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	0.8	0.9
10	26	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	0.8	0.5
Total			10.6	9.2

The top three ATC groups, J01 Antibacterials for systemic use (-19%), M01 Antiinflammatory and Antirheumatic Products (-2%) and R01 Nasal preparations (-4%), didn't change either and held their own in the ranking (Table 4). A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (-15%) and L03 Immunostimulants (-16%) placed at ranks 4 and 5 earlier showed negative growth rates and as a result moved down to ranks 8 and 10. In contrast, the other ATC groups of the top 10 rose in the ranks. ATC groups N02 Analgesics and J05 Antivirals for systemic use (-4% each), as well as G03 Sex hormones (+0.4%) moved up two ranks, coming in at numbers 4, 5 and 7, respectively. The newcomers S01Ophthalmologicals (+40%) and C09 Agents acting on the rennin-angiotensin system (-3%) broke into the ranks of the top 10, coming in at numbers six and nine. The total share of the top ten under review increased by almost 2 p.p. and achieved 35.4%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	1	J01	ANTIBACTERIALS FOR SYST USE	4.6	5.1
2	2	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	3.7
3	3	R01	NASAL PREPARATIONS	3.8	3.6
4	6	N02	ANALGESICS	3.4	3.3
5	7	J05	ANTIVIRALS FOR SYSTEMIC USE	3.4	3.2
6	17	S01	OPHTHALMOLOGICALS	3.4	2.2
7	9	G03	SEX HORM&MODULAT GENITAL SYS	3.3	3.0
8	4	A07	INTESTINAL ANTIINFECTIVES	3.3	3.4
9	11	C09	AG ACT RENIN-ANGIOTENS SYST	3.1	2.9
10	5	L03	IMMUNOSTIMULANTS	3.1	3.3
Total				35.4	33.7

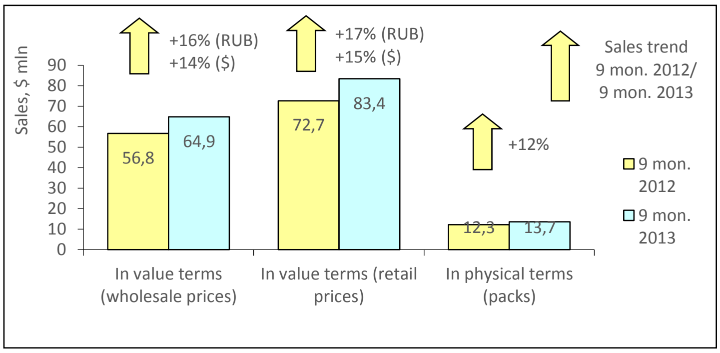
Conclusion. On the basis of the results for nine months of 2013, the retail pharmacy market of Vladivostok brought in RUB 1.820 bln (USD 57.585 mln). The market reduced 6% in terms of roubles and 8% in terms of dollars. In pack terms, the market also showed negative growth rates (-2%) and achieved 11.501 mln packs. In the nine months of 2013, the average cost of an OTC pack in the pharmacies was lower than in the same period a year ago (USD 5.01 vs. USD 5.34), but exceeded the national average figures (USD 4.19). The average expenses of city residents for medicines in the pharmacies considerably exceeded the national average (USD 95.92 vs. USD 90.88).

KHABAROVSK PHARMACY MARKET: 2013 FIRST 9 MONTHS RESULTS

According to Federal State Statistics Service, as of January 1, 2013 Khabarovsk's estimated population was 593.6 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 December- September 2013 the average salary in the Khabarovski Krai was RUB 32,393.2 (USD 1020.26), which is 12% higher than the average salary in Russia (RUB 29,043.6).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, based on the results for three quarters of 2013 the sales of OTC drugs in physical terms in the regional pharmacies saw a 12% increase to 13.726 mln packs. In value terms, the OTC drugs market increased by 16% in rouble terms and by 14% in dollar terms and reached RUB 2.046 billion (USD 64.870 million) in wholesale prices (Fig. 1). The average cost of an OTC pack grew as compared to the same period of previous year (USD 5.92) and reached USD 6.08 in retail prices. For 9 months of 2013, the average amount spent by residents of Khabarovsk for drugs amounted to USD 140.56.

Figure 1. Khabarovsk pharmacy market for 9 months of 2012 – 9 months of 2013



According to the results for 9 months of 2013, SANDOZ (+23%) showed the highest sales in the Khabarovsk retail market (Table 1). As a result, it moved up to rank one from three, displacing the last year leader BAYER (+12%) down to rank two. Another four drug manufacturers of the top ten rose in the ranks. PHARMSTANDART (+29%) moved up to rank three from five and NOVARTIS (+47%) from rank nine to five. TEVA (+43%) and ABBOTT (+23%) moved up to ranks eight and nine from 11 and 10. At the same time, SANOFI-AVENTIS (-2%) which sales reduced, as well as SERVIER (+2%), NYCOMED/TAKEDA (+9%) and GEDEON RICHTER (+3%) with low growth rates moved down to the lower ranks four, six, seven and eight. The cumulative share of the top 10 drug manufacturers didn't virtually change and accounted for 38.8%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	3	**SANDOZ GROUP**	5.2	5.0
2	1	**BAYER HEALTHCARE**	5.0	5.1
3	5	PHARMSTANDART	4.4	4.0
4	2	**SANOFI-AVENTIS**	4.1	5.0
5	9	**NOVARTIS**	4.1	3.2
6	4	**SERVIER**	3.7	4.2
7	6	**NYCOMED/TAKEDA**	3.3	3.5
8	11	**TEVA**	3.2	2.6
9	10	**ABBOTT**	2.9	2.8
10	8	GEDEON RICHTER	2.9	3.2
Total			38.8	38.7

*AIPM members are in bold

The ranking of the top 10 brand names was half updated (table 2). It included antiviral drug KAGOCEL, which sales increased 2.9 times, mucolytic LASOLVAN (+84%), homoeopathic OSCILLOCOCCINUM (+75%), one more mucolytic ACC (2.2-fold growth in sales) and immunomodulator ANAFERON (+69%) which moved up to ranks three through five, as well as 7 and 9. Due to 58% growth in sales, ARBIDOL moved up to rank one. Brand names LINEX (+14%), CYTOVIR-3 (+47%) and AMOKSIKLAV (+41%) maintained their previous ranks two, six and eight, respectively. VIAGRA (-8%) with negative growth rates moved down to the bottom position in the top ten ranking. The total share of the top ten brand names increased by over 2 p.p. and accounted for 8.8%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	3	ARBIDOL	1.5	1.1
2	2	LINEX	1.1	1.1
3	44	KAGOCEL	0.9	0.3
4	13	LASOLVAN	0.9	0.5
5	11	OSCILLOCOCCINUM	0.9	0.6
6	6	CYTOVIR-3	0.8	0.6
7	33	ACC	0.8	0.4
8	8	AMOKSIKLAV	0.7	0.6
9	21	ANAFERON	0.7	0.5
10	4	VIAGRA	0.6	0.8
Total			8.8	6.6

Only the leader of the top ten INN and generic names ranking XYLOMETAZOLINE (+49%) didn't change its position (Table 3). Seven drug manufacturers of the top 10 rose in the ranks. Brand names UMIFENOVIR (+58%) and the composition AMOXICILLIN + CLAVULANIC ACID (+39%) moved up two ranks to numbers two and six. AMBROXOL (+94%) moved up from rank ten to three. The newcomers PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (2.2-fold in growth rates), AZITHROMYCIN (+41%), KAGOCEL, with sales increased 2.2 times, and ANAS BARBARIAE (+75%) broke into the ranks of the top ten, coming in at number four and three bottom positions. At the same time, two INNs with low sales rates BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+14%) and IBUPROFEN (+9%) moved down to ranks five and seven, respectively. The total share of top ten under review increased by over 3 p.p. and accounted for 12.4%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012		9 mon. 2013	9 mon. 2012
1	1	XYLOMETAZOLINE	2.5	1.9
2	4	UMIFENOVIR	1.5	1.1
3	10	AMBROXOL	1.4	0.8
4	19	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	1.3	0.7
5	3	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.1	1.1
6	8	AMOXICILLIN + CLAVULANIC ACID	1.1	0.9
7	5	IBUPROFEN	0.9	1.0
8	14	AZITHROMYCIN	0.9	0.7
9	64	KAGOCEL	0.9	0.3
10	23	ANAS BARBARIAE	0.9	0.6
Total			12.4	9.3

As compared to the previous rankings, the composition of the top 10 ATC-groups didn't change in composition (table 4). The leader of the top ten didn't change either - due to high growth rates, ATC group R01 Nasal preparations (+48%) maintained and reiforced its leading position in the region. The markets of ATC groups R05 Cough and cold preparations (+71%), J05 Antivirals for systemic use (+61%), N02 Analgesics (+26%) and L03 Immunostimulants (+43%) also developed at a fast pace, moving up to the higher ranks 2, 4 and 6, respectively. In contrast, two more ATC groups with high sales rates J01 Antibacterials for systemic use (+28%) and A11 Vitamins (+21%) moved down one rank to numbers three and nine. M01 Anti-inflammatory and antirheumatic products (+9%), G03 Sex hormones (+7%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (+3%) also moved to the lower ranks, coming in at the bottom numbers of the top ten. The total share of the top 10 increased from 40.6% to 46%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
9 mon. 2013	9 mon. 2012			9 mon. 2013	9 mon. 2012
1	1	R01	NASAL PREPARATIONS	6.5	5.1
2	4	R05	COUGH AND COLD PREPARATIONS	6.2	4.3
3	2	J01	ANTIBACTERIALS FOR SYST USE	4.9	4.4
4	10	J05	ANTIVIRALS FOR SYSTEMIC USE	4.7	3.4
5	6	N02	ANALGESICS	4.4	4.1
6	9	L03	IMMUNOSTIMULANTS	4.3	3.5
7	5	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	4.2
8	3	G03	SEX HORM&MODULAT GENITAL SYS	3.9	4.3
9	8	A11	VITAMINS	3.6	3.5
10	7	A07	INTESTINAL ANTIINFECTIVES	3.4	3.9
Total				46.0	40.6

Conclusion. On the basis of the results for 2013, the retail pharmacy market of Khabarovsk brought in RUB 2.632 bln (USD 83.440 mln). At the same time, the market increased 17% in terms of roubles and 15% in terms of dollars. In pack terms, the market also showed positive growth rates (+12%) and achieved 13.726 mln packs. Based on the results for 9 months of 2013, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 6.08 vs. USD 5.92) and considerably exceeded the Russia average figures (USD 4.19). Per capita expenses amounted to USD 140.56 which is notably higher than on the average in Russia (USD 90.88).

REGIONAL DIGEST

Additional Pharmacological Support (DLO)/ONLS, Government Control

December 3, 2013, The Izvestia

Roszdravnadzor needs to broaden its powers

Yesterday, the First Deputy Chairman of the State Duma Committee for Health Protection Nikolay Gerasimenko proposed to entrust the Federal Service for the Supervision of Public Health and Social Development (Roszdravnadzor) with the additional powers to conduct proceedings in administrative offence matters detected in the drug commerce area. According to him, the Federal Service needs new legal powers in respect of a wide range of control functions to inspect pharmaceutical manufacturers and issue reports on the conformity of such manufacturers with current good manufacturing practice.

December 4. 2013, The Vedomosti

Ministry of Public Health intends to change the method used to calculate prices for VED

According to the Ministry of Health, the methods for registering drugs made in Russia and abroad, as well as original and generic drugs from the Vital and Essential Drugs (VED) List should be different. The Ministry submitted its proposals to improve methods for calculating prices for VED to the Ministry of Economic Development which shall transfer it further to the interagency working group which includes the Ministry of Industry and Trade, Federal Anti-monopoly Service and Federal Tariffs Service. Both domestic and foreign pharmaceutical manufacturers believe that such changes will make things difficult for them.

December 6, 2013, Remedium

Government to increase per-capita spending on prescription drugs for persons eligible for benefits

Government submitted to the State Duma a draft law to establish per-capita spending on prescription drugs for persons eligible for benefits in the amount of RUB 671 in 2013. Today, per-capita spending on this social service amounts to RUB 638. The persons eligible for benefits are thought of as receiving social aid in the form of prescription drugs and medical products, as well as specialized dietary products for disabled children.

December 12, 2013, Nezavisimaya Gazeta

Most of Russian pharmaceutical manufacturers are not ready to adopt GMP compliance

According to the Federal Law On Circulation of Medicines, all Russian pharmaceutical manufacturers should adopt the principles and guidelines of GMP for not only the final products, but also for the entire manufacturing process, premises, personnel, documentation, etc. by 2014. As of three weeks prior to the specified deadline, only 50 of 350 domestic manufacturers engaged in the production of drugs and medical products operate according to the principles close to GMP. According to the letter of the law, the rest should be closed.

December 10, 2013, The Vedomosti

Experts worry that the registration of import drugs will be suspended

From January 1, 2014, the foreign companies have to submit a document originally drawn up in or translated into the Russian language that has been issued by the competent body of the country and certifies the manufacturer's compliance with the principles and guidelines of GMP for the purposes of registration of drugs and substances in the Russian Federation. Such proposals are included in the amendments to the Law On Circulation of Medicines. But there has never been a case when regulating bodies would issue a document to certify compliance with the principles and guidelines of GMP in another country. Deputy Director General of Stada CIS Ivan Glushko said that only national authorized body can certify the compliance of the manufacturing site with the Russian GMP. He believes that adoption of such amendments may result in the suspension of import drugs registration in the Russian Federation.

December 10, 2013, Vademic.ru

Roszdravnadzor notified medical and pharmaceutical entities of the possibility to apply online for licensing services

The Federal Service for the Supervision of Public Health and Social Development (Roszdravnadzor) filed an information letter concerning provision of licensing services in electronic form to the heads of its territorial subdivisions, licensing bodies of the subjects of the Russian Federation, as well as medical and pharmaceutical entities. According to the press-service of FAS, in such a way Roszdravnadzor informed the medical and pharmaceutical entities that according to the FZ-210 On the Organization of the Provision of State and Municipal Services they may receive licensing services in the electronic form, including usage of Single Portal for Central and Local Government Services and/or Regional Portals for Central and Local Government Services.

December 13, 2013, The Komsomolskaya Pravda

Drugs for persons eligible for benefits under 7 Nosologies Programme will be supplied to the regions by the end of 2013

In 2013, government spending on prescription drugs for persons eligible for benefits will total to over 100 bln roubles, of which 85 bln will be paid out of the federal budget. According to the data as of the beginning of 2013, in Russia over 19 mln people are eligible for free prescription medicines. Of which 3.8 mln receive social aid using budget funds. The government spending on prescription drugs for such categories of citizens amounted to over 30 bln roubles in 2013. Most of these federal funds is allocated for 7 Nosologies Programme. The Health Ministry of Russia has already taken all necessary actions to meet annual and even semi-annual requirements of the regions for prescription drugs in 2014 to treat these diseases. Such drugs will be delivered to the regions by the end of this year.

December 13, 2013, RIA News

Ministry of Public Health prepared a draft decree on approval of the procedure for drawing up a VED List

On December 13, 2013, the press-service of the Health Ministry of Russia reported that amendments to the Vital and Essential Drug (VED) list which will come in force in 2014 may only be made after approval of the procedure for drawing up such list. The Ministry prepared a draft decree on approval of the procedure for drawing up different lists of medications including VED List which has been published on the internet portal www.regulation.gov.ru for public debate. Commission of the Health Ministry of Russia will be in charge for coordination of works on drawing up lists of medications.

December 18, 2013, The Kommersant

Pharmaceutical manufacturers will be able to obtain GMP-certificates until 2016

The published draft decreed states that pharmaceutical manufacturers will be able to obtain GMP-certificates till 2016. Earlier on, the government planned to complete this process by the beginning of 2014. It is expected that the Ministry of Public Health and the Ministry of Industry and Trade will have enough time to develop documents required for qualification of pharmaceutical manufacturers. Lack of such documents was used as a formal reason for postponing such qualification. However, this decree doesn't cancel the Law of 2010 which established the deadline for adoption of GMP standards, which may bring conflicts e.g. when entering into contracts awarded by the government.

December 20, 2013, ITAR-TASS

Ministry of Public Health has postponed drawing up a new VED List

On December 20, 2013, the Minister of Public Health of Russia Veronika Skvortsova said that the Ministry of Public Health had postponed the drawing up of a new vital and essential drug list until the development of modern criteria to the drawing up of such lists. After the criteria are adopted, a new VED List will be drawn up.

NEWS FROM COMPANIES

December 6, 2013, The Vedomosti

Actavis Group sold 51% of the Russia-based manufacturer ZiO-zdorovie to distributor Irvin-2

According to PharmEco's spokesman, Irvin-2 within PhamEco Group has acquired 51% stock of ZIO-Zdorovie manufacturer. In 2006, Switzerland-based Actavis purchased 51% of ZiO-Zdorovie for USD 60 mln. Actavis used this manufacturing site to pack some of its medications for the Russian market. Actavis didn't have any more manufacturing sites in Russia. Now Actavis has exited the Russia-based company.

December 13, 2013, RIA-AMI

Association of International Pharmaceutical Manufacturers increased its membership

Association of International Pharmaceutical Manufacturers (AIPM) reported that it has increased its membership. On December 4, 2013, the general meeting of the members of the Association granted membership of AIPM to international pharmaceutical companies Alexion, Ferring Pharmaceuticals and Gilead Sciences.

December 19, 2013, Vademic.ru

Akrikhin to start production of Japan and Korean medications included in the VED List

Russian drug producer Akrikhin has announced the beginning of cooperation with Japan and Korean pharmaceutical manufacturers. It is expected that Russian manufacturers will begin to produce foreign drugs that are included in the VED List. According to the company's spokesman, these projects on localization of Japan and Korean drugs in Russia approved by the Ministry of Economic Development in Russia serve as an example of the private-public partnership. These medications will be launched in the Russian market in 2016.

Source of information – IMS Health
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