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

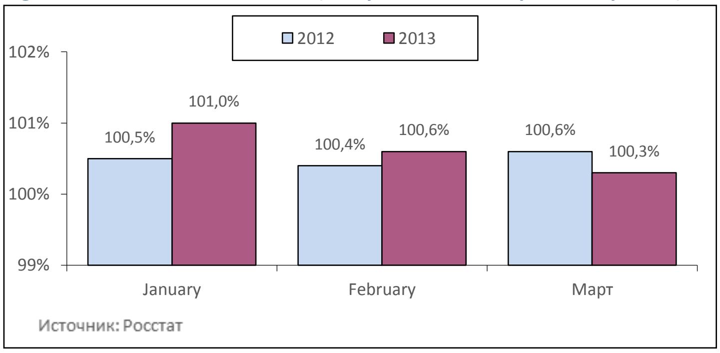
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in March 2013, 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 101.9% (in January-March 2012 – 101.5%).

In March, Industrial Producer Price Index was 100.5%, whereas in the month-earlier period it had amounted to 100.8%.

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



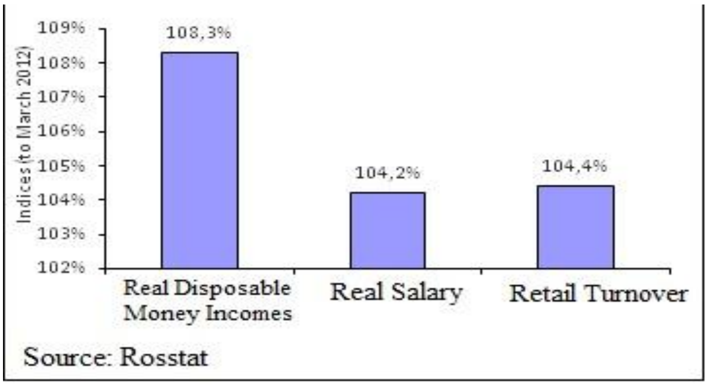
Living standard

According to preliminary Federal State Statistics Service's data, in March 2013 a gross monthly average salary per worker reached RUB 28,483 (USD 916.44) which accounted for 107.0% compared to the previous month and 111.5% compared to March 2012. The real salary in February 2013 accounted for 104.2% as compared with the same period in 2012. In March 2013, the real value of cash incomes accounted for 108.3% compared to the same period of 2012 (Fig. 2).

Retail turnover

In March 2012 the retail turnover was equal to RUB 1838.3 bln, which in comparable prices accounted for 104.4% compared to the same period a year ago, in Q 1, 2013 - RUB 5,232.9 bln and 103.9% (Fig. 2).

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



Manufacture of industrial products

According to Federal State Statistics Service's data, in March 2013 the Industrial Production Index accounted for 102.6% compared to the previous period of 2013 - 112.1% in January-March 2013 - 100.0%.

Domestic production

According to Ministry of Industry and Trade's data, in Q 1, 2013 Pharmaceutical Production Index was equal to 99.2% compared to QI, in 2012. In March 2013, it accounted for 105.2% compared to March 2012 and 119.8% compared to February 2013.

The output of pharmaceutical products in January - March 2013 amounted to RUB 37.5 bln, which is 12.8% more than in January-March 2012 (at respective year values).

The top-10 domestic manufacturers by production volume at March-end 2012 are shown in Table 1. The total production volume of top ten manufacturers was estimated at USD 290.7 mln.

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

Rank	Manufacturer	Production volume, $mln
1	Pharmstandart	79.1
2	Excom	47.9
3	KRKA-RUS	31.5
4	Stada	29.1
5	Valenta	26.6
6	Akrihin	17.4
7	Microgen	16.8
8	Pharm-Center	16.3
9	Sotex	15.3
10	NEARMEDIC Plus	10.8

Table 2 provides the pharmacy sales data from 10 regions of the Russian Federation. In February 2013 compared to January 2013, growth in pharmacy sales (in terms of roubles) was observed in almost all analysed regions. The highest performance was observed in St. Petersburg (+17%), and the least one - in Voronezhskaya Oblast (+7%). A reduction in pharmacy sales (-3%) was observed only in the Republic of Tatarstan.

Table 2. Pharmacy sales in the regions, 2012-2013

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	December 2012	January 2013	February 2013	December/ November 2012	January13/ December 2012	February/ January 2013
Moscow	228.2	181.0	193.8	20%	-22%	9%
St Petersburg	56.6	49.5	56.8	20%	-13%	17%
Krasnodarsky Krai	38.8	35.1	38.3	5%	-11%	11%
Novosibirskaya Oblast	26.3	24.9	27.2	16%	-7%	11%
Tatarstan	32.4	31.7	30.0	16%	-3%	-3%
Krasnoyarsky Krai	21.7	19.3	21.2	11%	-12%	12%
Rostovskaya Oblast	26.8	23.2	25.4	9%	-15%	12%
Voronezhskaya Oblast	19.8	18.0	19.0	9%	-10%	7%
Perm	7.6	7.3	7.9	9%	-6%	12%
Tyumen	8.0	7.6	8.3	18%	-5%	11%

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 March 2013

Rank	Company*	Quantity of broadcasts
1	Pharmstandart	10,642
2	Novartis	9,619
3	Evalar	7,694
4	Berlin-Chemie Menarini Group	5,679
5	Reckitt Benckiser	5,214

Source – TNS Gallup AdFact

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

Rank	Trade name*	Quantity of broadcasts
1	Evalar	7,694
2	Merz	2,775
3	Grippferon	2,464
4	Acipol	1,977
5	Complivit	1,906

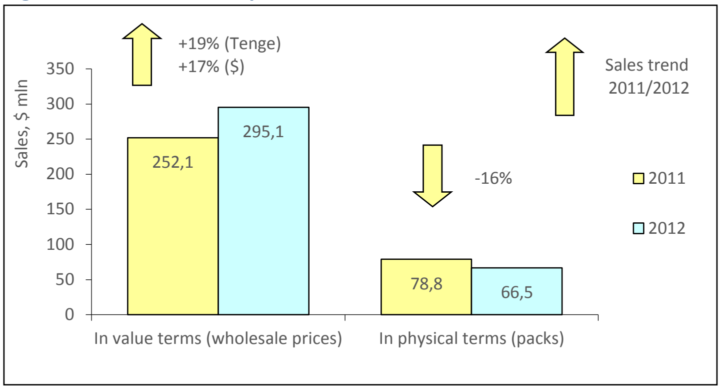
Source – TNS Gallup AdFact

* Only products registered with State Register of Medicines were considered

KAZAKHSTAN HOSPITAL MARKET: 2012 RESULTS

According to the results of the Retail Audit of Hospital Purchases in Kazakhstan™, at year-end 2012 the Kazakhstan hospital market in physical terms reduced by 16% to 66.483 million packs. In value terms, the market also showed positive growth rates (19% in terms of tenges and 17% in terms of dollars) and reached TENGE 43.969 bln (USD 295.148 mln) in wholesale prices. In the analysed period, the average cost of OTC pack in the hospital sector was USD 4.44, whereas in the year-earlier period its cost was USD 3.20.

Figure 1. Kazakhstan hospital market in 2011 – 2012



Based on the results for 2012, drugs made in Switzerland (16%) accounted for the largest share in purchases in the hospital market of the country. Supplies of domestic drugs to hospitals reduced from 18% in 2011 to 14% in 2012. Drugs made in Germany and Belgium accounted for eleven per cent of the market each. Shares of drugs made in Great Britain (7%), Denmark and India (5% each) were also high. OTC drugs from Russia accumulated 2.5% of Kazakhstan hospital market, which is more than in the year-earlier period (1.6%).

At year-end 2012, F. HOFFMANN-LA ROCHE took the lead in the top ten pharmaceutical manufacturers ranking in the Kazakhstan market and increased its sales 2.3[1] times (Table 1). The last year leader AKRIKHIN PHARMA (-7%) showed negative growth rates and significantly reduced its market share, moving down to rank two. TAKEDA (-27%) also showed considerable reduction in purchases, which resulted in the loss of three ranks, coming in at number 5. Despite the outperformance, another drug-maker of the top 10 SANOFI-AVENTIS (+32%) also moved down to the lower rank, to number 4. It was displaced by JOHNSON & JOHNSON, which saw a 50% growth in purchases at year-end. The markets of GLAXOSMITHKLINE (+47%), MERCK SHARP & DOHME (+58%) and ABBOTT (+68%) developed at a fast pace, which allowed them to rose in the ranks, moving up to number six, eight and ten. On top of that, the latter became the only newcomer of the top-10 ranking. As before, the drug-makes BAYER (+14%) and TEVA (+40%) were placed at ranks seven and nine. The total share accumulated by the top ten drug manufacturers increased nearly 5.5 p.p. and escalated to 64%.

Table 1. The top 10 drug manufacturers by hospital purchases

Rank in the top ten		Manufacturer*	Share in total hospital purchases, %	
2012	2011		2012	2011
1	5	**F. HOFFMANN LA ROCHE LTD**	13.0	6.6
2	1	AKRIKHIN-PHARMA	10.6	13.5
3	4	**JOHNSON & JOHNSON**	10.3	8.2
4	3	**SANOFI-AVENTIS**	9.4	8.5
5	2	**TAKEDA**	5.3	8.7
6	8	**GLAXOSMITHKLINE**	4.1	3.3
7	7	**BAYER HEALTHCARE**	3.3	3.5
8	10	**MERCK SHARP & DOHME B.V.**	2.8	2.1
9	9	**TEVA**	2.7	2.3
10	14	**ABBOT LABORATORIES LTD**	2.3	1.7
Total			64.0	58.5

*AIPM members are in bold

Three trade names managed to hold their own in the top ten trade names ranking (table 2). They were the leaders for the top-10 Taxotere (+55%) and Herceptine (2-fold growth in purchases), as well as Clexane (+4%) placed at rank 6. Due to high purchase rates, four trade names rose in the ranks. They were anti-neoplastic drug Avastin, which due to 2.6-fold in purchases moved up from rank 8 to 3, as well as the newcomers Velcade (5.6-fold growth in purchases), Yondelis (1.8-fold growth) and Mabthera (5.5-fold growth) which broke into the ranks of the top ten, coming in at numbers 4, 8 and 10, respectively. The other trade names of the ranking showed low (Sodium Chlorid) and negative (Eprex and Actovegin) growth rates, which led them to fall in the ranks. The cumulative share of the top-ten increased by almost 8 p.p. and achieved 28%.

Table 2. The top 10 trade names by hospital purchases

Rank in the top ten		Trade name	Share in total hospital purchases, %	
2012	2011		2012	2011
1	1	Taxotere	6.0	4.6
2	2	Herceptin	5.2	3.1
3	8	Avastin	3.8	1.7
4	37	Velcade	2.8	0.6
5	3	Eprex	2.4	3.1
6	6	Clexane	1.6	1.8
7	5	Actovegin	1.5	2.4
8	22	Yondelis	1.5	1.0
9	7	Sodium Chloride	1.5	1.8
10	69	Mabthera	1.5	0.3
Total			28.0	20.5

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

The top ten INN and Generic Names ranking didn't change its leader either, as before INN Docetaxel (+55%) and Trastuzumab (+97%) held their first two ranks (table 3). Five INNs from the top ten INNs ranking rose in the ranks, on top of that four of them showed high growth rates. They were Bevacizumab (2.6-fold growth in purchases) at number three, as well as the newcomers of the top ten ranking Bortezomib (5.6-fold growth), Trabectedin (1.8-fold growth) and Rituximab (5.5-fold in growth) which moved up to ranks 4, 8 and 10. Despite low growth rates, Enoxaparin sodium (+4%) also moved up one rank, to number 6. In contrast, INNs Epoetin alfa (-6%), Aprotinin (-12%) and Sodium Chloride (+3%) moved down to the lower ranks five, seven and nine respectively.

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

Rank		INN/Generic Names	Share in total hospital purchases, %	
2012	2011		2012	2011
1	1	Docetaxel	6.0	4.6
2	2	Trastuzumab	5.2	3.1
3	10	Bevacizumab	3.8	1.7
4	36	Bortesomib	2.8	0.6
5	3	Epoetin alfa	2.4	3.1
6	7	Enoxaparin Sodium	1.6	1.8
7	5	Aprotinin	1.6	2.1
8	23	Trabectedin	1.5	1.0
9	8	Sodium Chloride	1.5	1.8
10	75	Rituximab	1.5	0.3
Total			28.0	20.2

One newcomer broke into the ranks of the top ten ATC groups - Group L03 Immunostimulants (+17%) moved up one rank, coming in at number ten from twelve (table 4). In addition, B01Antithrombotic Agents which purchases increased 1.5 times moved up to number four from six, and V08 Contrast Media (-4%) moved up from rank ten to nine. In contrast, B02 Antihemorrhagics (-9%) moved down from rank four to 6. The other ATC groups of the top 10 held their own in the ranking. Three leaders were listed among them: L01 Antineoplastic agents (2-fold growth in purchases), J01 Antibacterials for systemic use (-0.4%) and B05 Blood substitutes and perfusion solutions (+18%). B03 Antianemic preparations (+3%), N05 Psycholeptics (+0.3%) and N06 Psychoanaleptics (-11%) held their own ranks five, seven and eight. The total share of the top ten ATC groups increased by over 6 p.p. and accounted for 73.2%.

Table 4. The top ten ATC groups by hospital purchases

Rank		ATC code	ATC group	Share in total hospital purchases, %	
2012	2011			2012	2011
1	1	L01	Antineoplastic agents	29.4	17.8
2	2	J01	Antibacterials for systemic use	13.4	16.0
3	3	B05	Blood substitutes and perfusion solutions	7.0	7.0
4	6	B01	Antithrombotic Agents	5.8	4.6
5	5	B03	Antianemic preparations	4.1	4.8
6	4	B02	Antihemorrhagics	3.9	5.1
7	7	N05	Psycholeptics	3.0	3.6
8	8	N06	Psycholeptics	2.4	3.2
9	10	V08	Contrast media	2.2	2.7
10	12	L03	Immunostimulants	2.0	2.1
Total				73.2	66.8

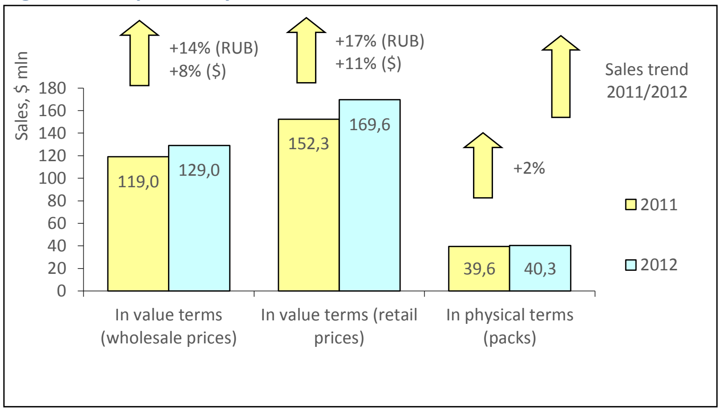
Conclusion. At year-end 2012, Kazakhstan hospital market grew by 19% in tenge terms and by 17% in dollar terms and brought in Tenge 43.969 bln (USD 295.148 mln). In pack terms the market showed negative growth rates (-16%) and achieved 66.483 mln packs. At year-end 2012, the average cost of OTC pack in the Kazakhstan hospital sector was much higher than in the year-earlier period (USD 4.44 vs. USD 3.20). As the analysed rankings show, the hospital market of Kazakhstan as before experienced considerable structural changes. In addition, the market concentration kept on growing: the total share of the top-ten accounted for 28% to 73%.

UFA PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Ufa was estimated as 1.082 mln, which accounts for 0.8% of the total Russian Federation population and 3.6% of Povolzhskiy FO (PFO). According to Federal State Statistics Service's data, in 2012 the average salary in the Republic of Bashkortostan was RUB 20,458.6 (USD 660.59), which is 24% lower than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in the pharmacies of the region saw a 2% increase to 40.262 mln packs. In value terms, the segment market increased by 14% in rouble terms and by 8% in dollar terms and reached 3.994 billion roubles (USD 128.968 million) in wholesale prices (Fig. 1). The city's share accounted for 1% of the Russian pharmacy market. The average cost of an OTC pack in Ufa pharmacies grew as compared to the previous year (USD 3.85) and reached USD 4.21 at retail prices. For 12 months of 2012, the average amount spent by residents of Ufa for drugs in the pharmacies amounted to USD 156.77.

Figure 1. Ufa pharmacy market for 2011 – 2012



At year-end 2012, the top ten drug makers in the regional market showed high stability - most of the drug-makers held their own in the ranking (Table 1). They were the drug- makers SANOFI-AVENTIS (+17%), PHARMSTANDART and ABBOTT (+14% each), as well as SANDOZ (+7%), BAYER (+17%) and SERVIER (+18%) at numbers from one through six. Some shifts took place in the bottom part of the top-10 ranking. Due to outperformance in sales, PFIZER (+13%) and TEVA (+23%) moved up one rank, coming in at numbers 7 and 9, respectively. As the same time, less dynamic GEDEON RICHTER (+6%) and MENARINI (+3%) moved down one rank. At the year-end, the cumulative share of the top 10 drug manufacturers accounted for 40.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	**SANOFI-AVENTIS**	5.9	5.7
2	2	PHARMSTANDART	5.3	5.3
3	3	**ABBOTT**	4.5	4.6
4	4	**SANDOZ GROUP**	4.1	4.3
5	5	**BAYER HEALTHCARE**	4.0	3.9
6	6	**SERVIER**	3.8	3.6
7	8	**NYCOMED/TAKEDA**	3.2	3.3
8	7	**GEDEON RICHTER**	3.1	3.4
9	10	**TEVA**	3.1	2.9
10	9	**MENARINI**	2.9	3.1
Total			40.0	40.1

*AIPM members are in bold

Only the top ten leader, hepatoprotector ESSENTIALE N (+32%), held its own in the top trade names ranking (Table 2). Five trade names of the top 10 rose in the ranks. HEPTRAL (+16%) and ACTOVEGIN (+13%) moved up one rank, to numbers two and three, and the more dynamic MEXIDOL (+19%) moved up from rank seven to five. The newcomers, cartilage protector ALFLUTOP (+52%) and antiviral agent KAGOCEL which sales grew 2.3 times, broke into the ranks of the top ten, coming in at numbers seven and nine. In contrast, three trade names reduced their sales and moved down to the lower ranks. They were ARBIDOL (-23%), VIAGRA (-3%) and KETONAL (-1%) placed at numbers four, six and eight respectively. CIALIS (+21%) displaced by the more dynamic newcomer of the top ten also moved down one rank. The total share of the top 10 increased from 9.5% to 9.8%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	ESSENTIALE N	1.9	1.6
2	3	HEPTRAL	1.3	1.2
3	4	ACTOVEGIN	1.0	1.0
4	2	ARBIDOL	1.0	1.4
5	7	MEXIDOL	0.9	0.8
6	5	VIAGRA	0.8	1.0
7	12	ALFLUTOP	0.8	0.6
8	6	KETONAL	0.8	0.9
9	39	KAGOCEL	0.7	0.4
10	9	CIALIS	0.7	0.7
Total			9.8	9.5

Two newcomers broke into the ranks of the top 10 INNs and generic names ranking - XYLOMETAZOLINE (+20%) and BISOPROLOL (+15%) moved up from ranks 11 and 12 to nine and ten respectively (table 3). On top of that, another four INNs of the top ten moved up to yet higher ranks. ADEMETIONINE (+17%), KETOPROFEN (+3%), BLOOD (+15%) and ETHYLMETHYLHYDROXYPYRIDINE (+22%) moved up to ranks 3 through 6, respectively. At the same time, NNs UMIFENOVIR (-23%) and SILDENAFIL (+6%) moved down to ranks seven and eight. As before, INNs PHOSPHOLIPIDS (+32%) and PANCREATIN (+9%) held their own ranks one and two. In contrast to the previous ranking, the cumulative share of the top ten reduced from 11.8% to 11.6%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	PHOSPHOLIPIDS	2.0	1.7
2	2	PANCREATIN	1.6	1.7
3	4	ADEMETIONINE	1.3	1.3
4	5	KETOPROFEN	1.1	1.2
5	6	BLOOD	1.1	1.1
6	9	ETHYLMETHYLHYDROXYPYRIDINE	1.0	0.9
7	3	UMIFENOVIR	1.0	1.4
8	7	SILDENAFIL	0.9	1.0
9	11	XYLOMETAZOLINE	0.9	0.8
10	12	BISOPROLOL	0.8	0.8
Total			11.6	11.8

The leaders of the top ten ATC groups, J01 Antibacterials for systemic use (+9%) and M01 Antiinflammatory and Antirheumatic Products (+14%), didn't change and held their two first ranks (Table 4). On top of that, as before the groups G03 Sex hormones (+10%), L03 Immunostimulants and G04 Urologicals (+11% each) held their previous ranks five, seven and ten. A11 Vitamins (+17%) moved up from rank six to three, and the most dynamic group A05 Bile and liver therapy (+31%) moved up from rank eight to four. N06 Psychoanaleptics (+17%) moved up one rank to number 8. Two ATC-groups with negative sales rates: In contrast, R05 Cough and cold preparations (-1%) and N02 Analgesics (-8%) moved down to ranks six and nine. The total share of the top 10 reduced by more than 1 p.p. and accounted for 37.7%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2012	2011			2012	2011
1	1	J01	ANTIBACTERIALS FOR SYST USE	4.9	5.2
2	2	M01	ANTIINFLAM & ANTIRHEUM PROD	4.4	4.4
3	6	A11	VITAMINS	3.9	3.7
4	8	A05	BILE AND LIVER THERAPY	3.8	3.4
5	5	G03	SEX HORM&MODULAT GENITAL SYS	3.8	3.9
6	4	R05	COUGH AND COLD PREPARATIONS	3.5	4.0
7	7	L03	IMMUNOSTIMULANTS	3.5	3.5
8	9	N06	PSYCHOANALEPTICS	3.4	3.3
9	3	N02	ANALGESICS	3.4	4.2
10	10	G04	UROLOGICALS	3.2	3.3
Total				37.7	38.9

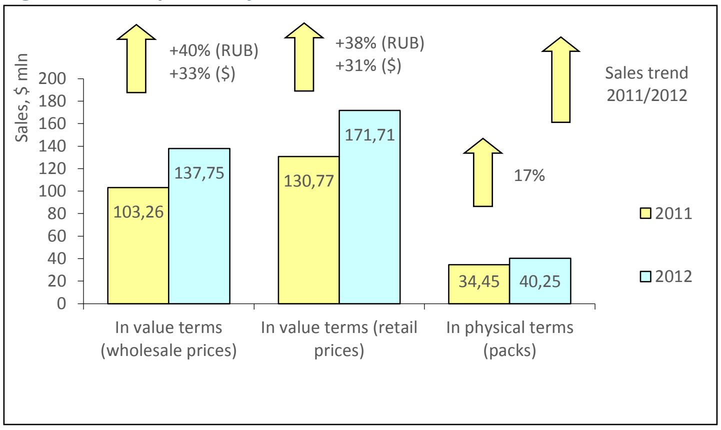
Conclusion. On the basis of the results for 2012, the retail pharmacy market of Ufa brought in RUB 5.252 bln (USD 169.570 mln). The market saw a 17% increase in terms of roubles and 11% increase in terms of dollars compared to the last year results. In pack terms, the market showed positive growth rates (+2%) and achieved 40.262 mln packs. In 2012, the average cost of an OTC pack in Ufa pharmacies was higher than in the year-earlier period (USD 4.21 vs. USD 3.85) and exceeded the Russia average figures (USD 3.82). The average expenses of Ufa residents for purchase of OTC drugs in pharmacies also considerably exceeded the Russia average figures (USD 156.77 vs. USD 117.58).

OMSK PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012, the population of Omsk was estimated at 1.157 mln, which accounted for 0.8% of the total Russian Federation population and 6.0% of Siberian FO (SFO). According to Federal State Statistics Service's data, at year-end 2012 the average salary in the Omsk Oblast was RUB 22,003.8 (USD 710.49), which is 18% lower than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in pharmacies of Omsk saw a 17% decrease to 40.251 mln packs. In value terms, the OTC drugs market increased by 40% in rouble terms and by 33% in dollar terms and reached 4.271 billion roubles (USD 137.752 million) in wholesale prices (Fig. 1). The city's share accounted for 1% of the Russian pharmacy market. The average cost of an OTC pack grew as compared to the same period of previous year (USD 3.80) and reached USD 4.27 at retail prices. For 12 months of 2012, the average amount spent by residents of Omsk for drugs in the pharmacies amounted to USD 148.46.

Figure 1. Omsk pharmacy market for 2011 – 2012



At year-end 2012, the top ten drug manufacturers dominating in the market of Omsk didn't change in composition (Table 1). Apart from that, four of its participants held their own in the ranking. Among them were the leading manufacturers SANOFI-AVENTIS (+0.2%) and SERVIER (+47% each) as well as NYCOMED/TAKEDA (+47%) and GEDEON RICHTER (+41%), coming in at ranks 5 and 6. The drug makers with higher growth rates BAYER (+56%), KRKA (+53%) and TEVA (+48%) rose in the ranks, coming in at numbers three, seven and ten, respectively. At the same time PHARMSTANDART (+29%), PFIZER (+34%) and MENARINI (+31%) moved down one rank. The total share of the top-ten manufacturers increased by almost 1 p.p. and accounted for 39.7%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	**SANOFI-AVENTIS**	6.3	6.0
2	2	**SERVIER**	5.7	5.5
3	4	**BAYER HEALTHCARE**	4.8	4.3
4	3	PHARMSTANDART	4.2	4.5
5	5	**NYCOMED/TAKEDA**	3.7	3.5
6	6	**GEDEON RICHTER**	3.4	3.4
7	9	**KRKA**	3.1	2.8
8	7	**PFIZER**	3.0	3.2
9	10	**TEVA**	2.8	2.7
10	8	**MENARINI**	2.8	3.0
Total			39.7	38.8

*AIPM members are in bold

The more significant changes took place in the top 10 trade names ranking (table 2). The top ten trade names changed its leader - ESSENTIALE N (+55%) and ACTOVEGIN (+42%) moved up one rank, coming in at the first two numbers, and the last year leader of the top ten ARBIDOL (+3%) moved down to rank 3 due to low sales rates. The other six names of the top ten showed growth in sales. DETRALEX (+46%) moved up from rank 6 to 4, and LOZAP PLUS (+59%) from rank 6 to 7. The newcomers, which broke into the ranks of the top ten, came in at numbers seven through ten. They were antiviral drug KAGOCEL and hepatoprotector URSOSAN, which sales grew almost 2 times, as well as antiaggregant CARDIOMAGNYL (+66%) and contraceptive YARINA (+48%). The cartilage protector ALFLUTOP (+41%) held its earlier rank five.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	2	ESSENTIALE N	1.0	0.9
2	3	ACTOVEGIN	1.0	0.9
3	1	ARBIDOL	0.9	1.2
4	6	DETRALEX	0.8	0.8
5	5	ALFLUTOP	0.8	0.8
6	7	LOZAP PLUS	0.8	0.7
7	20	KAGOCEL	0.7	0.5
8	23	URSOSAN	0.7	0.5
9	14	CARDIOMAGNYL	0.6	0.5
10	11	YARINA	0.6	0.6
Total			7.8	7.4

Only one INN succeeded in holding its own in the top ten INNs and generic names ranking - as before BLOOD (+42%) retained its rank five (table 3). The most of INNs rose in the ranks. PHOSPHOLIPIDS (+51%) and BISOPROLOL (+56%) moved up to the first two ranks, whereas the last year leaders UMIFENOVIR (+3%) and PANCREATIN (+41%) moved down to ranks 7 and 3, respectively. The composition LOSARTAN + HYDROCHLOROTHIAZIDE (+66%) and DIOSMIN + HESPERIDIN (+50%) moved up from rank six to four and from rank ten to nine. Apart from that, two newcomers entered the top-10 ranking: They were ATORVASTATIN, which due to growth in sales 1.9 times moved up to rank 6, and MELOXICAM (+46%), coming in at number ten. Despite the outperformance in sales, XYLOMETAZOLINE (+41%) moved down one rank, to number 8. The total share of the top ten under review, as well as one of the previous top ten ranking, increased by almost 0.4 p.p. and accounted for 9.8%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	3	PHOSPHOLIPIDS	1.1	1.1
2	4	BISOPROLOL	1.1	1.0
3	2	PANCREATIN	1.1	1.1
4	6	LOSARTAN + HYDROCHLOROTHIAZIDE	1.1	0.9
5	5	BLOOD	1.0	1.0
6	12	ATORVASTATIN	1.0	0.7
7	1	UMIFENOVIR	0.9	1.2
8	7	XYLOMETAZOLINE	0.8	0.8
9	10	DIOSMIN + HESPERIDIN	0.8	0.8
10	11	MELOXICAM	0.8	0.8
Total			9.8	9.4

The newcomer A05 Bile and liver therapy (+57%) broke into the ranks of the top ten ATC-groups, coming in at number nine from thirteen (table 4). The groups A11 Vitamins (+53%) and S01 Ophthalmologicals (+43%) also rose in the ranks, moving up to ranks 6 and 7, respectively. The less dynamic groups G04 Urologicals (+25%) and R05 Cough and cold preparations (+18%) moved down to the lower ranks eight and ten. The top 5 ATC-groups held their own in the ranking. As before, the groups C09 Agents Acting on the Renin-Angiotensin System and G03 Sex hormones (54% each), as well as M01 Anti-inflammatory and Antirheumatic Products (+51%), J01 Antibacterials for systemic use (+25%) and N02 Analgesics (+19%) held their previous ranks from 1 through 5. On top of that, due to outperformance in sales, the first three groups expanded their market shares and strengthened their positions. The total share of the top ten ATC-groups also slightly increased and amounted to 38.1%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2012	2011			2012	2011
1	1	C09	AG ACT RENIN-ANGIOTENS SYST	5.4	5.0
2	2	G03	SEX HORM&MODULAT GENITAL SYS	5.0	4.5
3	3	M01	ANTIINFLAM & ANTIRHEUM PROD	4.9	4.3
4	4	J01	ANTIBACTERIALS FOR SYST USE	3.6	4.1
5	5	N02	ANALGESICS	3.5	4.1
6	9	A11	VITAMINS	3.4	3.1
7	8	S01	OPHTHALMOLOGICALS	3.2	3.2
8	6	G04	UROLOGICALS	3.2	3.6
9	13	A05	BILE AND LIVER THERAPY	3.0	2.7
10	7	R05	COUGH AND COLD PREPARATIONS	2.9	3.4
Total				38.1	37.9

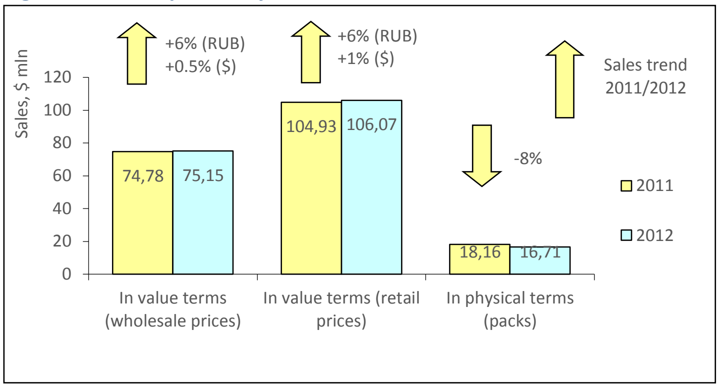
Conclusion. At year-end 2012, the OTC drugs market of Omsk brought in RUB 5.323 bln (USD 171.709 mln). The regional market performance was profoundly positive both in rouble terms (+38%) and in dollar terms (+31%). In pack terms the market also increased (17%) and amounted to 40.251 mln packs. At year-end 2012, the average cost of an OTC pack in the city pharmacies was higher than during the same period a year ago (USD 4.27 vs. USD 3.80) and exceeded the national average figures (USD 3.82). Per capita expenses of Omsk residents for purchase of medicines in the city pharmacies were also higher than the national average figures (USD 148.46 vs. USD 117.58).

IRKUTSK PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Omsk was estimated at 597.8 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, in twelve months of 2012 the average salary in the region was RUB 26,044.7 (USD 840.97), which was 3% lower than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in the pharmacies of Irkutsk saw a 8% decrease to 16.715 mln packs. In value terms, the city pharmacy market (exclusive of State Reimbursement Program) saw a +6% increase in terms of roubles and +0.5% in terms of dollars compared to 2011 and reached RUB 2.331 bln (USD 75.149 mln) in wholesale prices (Fig.1). The city share in the total volume of all-Russia pharmacy market accounted for 0.6%. The average cost of an OTC pack in the pharmacies of Irkutsk was USD 6.35 (in a year-earlier period – USD 5.78). For twelve months of 2012, the average amount spent by residents of the city for OTC drugs amounted to USD 177.43.

Figure 1. Irkutsk pharmacy market for 2011 – 2012



On the basis of the results for 2012, SANOFI-AVENTIS (+2%), BAYER (+10%) and SANDOZ (+7%) remained the leading drug manufacturers of the regional market (Table 1). Another drug manufacture held its own in the ranking. It was MENARINI (-0.3%) placed at rank nine. Four trade names of the top 10 manufacturers managed to rise in the ranks. NOVARTIS (+19%), PFIZER (+5%) and STADA (+4%) moved up one rank, coming in at numbers 4, 6 and 7 respectively. The only newcomer of the top ten ABBOTT (+26%) moved up from rank 11 to eight. In contrast, SERVIER (+7%) and GEDEON RICHTER (-7%) moved down to ranks five and ten of the ranking. The total share accumulated by the top ten drug manufacturers reduced from 38.2% to 38.0%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank in the top ten		Manufacturer*	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	**SANOFI-AVENTIS**	5.9	6.2
2	2	**BAYER HEALTHCARE**	5.0	4.8
3	3	**SANDOZ GROUP**	4.1	4.0
4	5	**NOVARTIS**	4.0	3.6
5	4	**SERVIER**	3.7	3.7
6	7	**PFIZER**	3.3	3.3
7	8	**STADA**	3.1	3.1
8	11	**ABBOTT**	3.0	3.0
9	9	**MENARINI**	3.0	3.1
10	6	GEDEON RICHTER	2.9	3.3
Total			38.0	38.2

*AIPM members are in bold

Hepatoprotector ESSENTIALE N, which growth in sales amounted to one-third, became the best-selling trade name in the regional market (Table 2). The markets of GONAL-F (+31%), LAVOMAX (+15%) and LINEX (+18%) also developed at a fast pace which allowed them to move up to ranks 3, 4 and 7 respectfully. Note that the latter became the only newcomer of the top-10. OCILLOCOCCINUM (+7%) moved up two ranks, coming in at number six. Three INNs with negative growth rates: CYCLOFERON (-5%), LASOLVAN (-4%) and ARBIDOL (-25%) reduced their market shares and moved down to ranks two, five and eight respectively. The trade names CIALIS and VIAGRA (+9% each) held their previous ranks nine and ten.

Table 2. The top ten trade names by pharmacy sales

Rank in the top ten		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	3	ESSENTIALE N	1.2	1.0
2	1	CYCLOFERON	1.1	1.3
3	6	GONAL-F	0.9	0.8
4	5	LAVOMAX	0.9	0.8
5	4	LASOLVAN	0.8	0.9
6	8	OCILLOCOCCINUM	0.7	0.7
7	11	LINEX	0.7	0.6
8	2	ARBIDOL	0.7	1.0
9	9	CIALIS	0.7	0.7
10	10	VIAGRA	0.7	0.7
Total			8.6	8.4

Only the leader of the top ten INN and generic names ranking XYLOMETAZOLINE (+13%) didn't change its rank (Table 3). Most of the top-10 INN and generic names rose in the ranks– six names moved to higher ranks. PHOSPHOLIPIDS (+29%) moved up to rank two from four, and TILORONE (+13%) moved up to rank five from eight. AZITHROMYCIN (+8%) and BISOPROLOL (+3%) moved up one rank, to numbers six and nine. The newcomers FOLLITROPIN ALFA (+31%) and AMOXICILLIN + CLAVULANIC ACID (+11%) broke into the top 10 ranking, coming in at numbers seven and nine. The remaining three INNs of the top ten ranking reduced their sales and market shares which resulted in the loss of their ranks. They were ACRIDOACETIC ACID (-5%), AMBROXOL (-2%) and KETOPROFEN (-6%), which moved down to ranks 3, 4 and 8, respectively. However, the total share of the top ten under review increased by 0.4 p.p. and accounted for 10.5%.

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

Rank in the top ten		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	XYLOMETAZOLINE	1.6	1.5
2	4	PHOSPHOLIPIDS	1.3	1.1
3	2	ACRIDOACETIC ACID	1.1	1.3
4	3	AMBROXOL	1.0	1.1
5	8	TILORONE	1.0	0.9
6	7	AZITHROMYCIN	1.0	0.9
7	15	FOLLITROPIN ALFA	0.9	0.8
8	6	KETOPROFEN	0.8	1.0
9	10	BISOPROLOL	0.8	0.9
10	12	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
Total			10.5	10.1

In contrast to the above rankings, the top ten ATC groups ranking showed high stability (table 4). It experienced only one shift. Due to outperformance in sales, the group A07 Antidiarrheals, intestinal anti-inflammatory / anti-infective agents (+12%) moved up from rank 12 to 10. The other top-10 ATC groups held their own in the ranking. At the same time, four groups G03 Sex hormones, J01 Antibacterials for systemic use (+5% each), M01 Anti-inflammatory and antirheumatic products and N02 Analgesics (+6% each) kept their market shares intact. Four ATC groups R05 Cough and cold preparations (+9%), R01 Nasal preparations (+12%), A11 Vitamins and C09 Agents acting on the renin-angiotensin system (+24%) reinforced their standing by expanding their market shares. In contrast, L03 Immunostimulants (-4%) showed negative sales rates and reduced its market share. However, the total share of the top 10 increased from 39.2% to 39.4%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2012	2011			2012	2011
1	1	G03	SEX HORM&MODULAT GENITAL SYS	6.0	6.0
2	2	L03	IMMUNOSTIMULANTS	5.0	5.4
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.6	4.6
4	4	M01	ANTIINFLAM & ANTIRHEUM PROD	3.7	3.7
5	5	R05	COUGH AND COLD PREPARATIONS	3.7	3.6
6	6	R01	NASAL PREPARATIONS	3.6	3.4
7	7	A11	VITAMINS	3.5	3.3
8	8	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.1
9	9	N02	ANALGESICS	3.1	3.1
10	12	A07	INTESTINAL ANTIINFECTIVES	2.9	2.8
Total				39.4	39.2

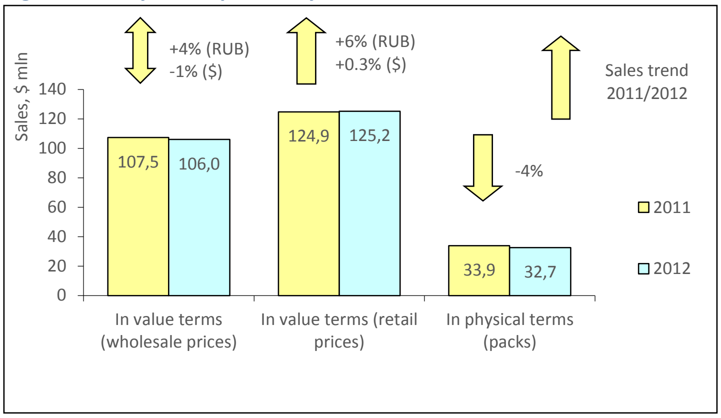
Conclusion. On the basis of the results for 2012, the retail pharmacy market of Irkutsk brought in RUB 3.289 bln (USD 106.070mln). The market performance was positive both in rouble terms (+6%) and in dollar terms (+1%). In physical terms, the sales decreased by 8% to 16.715 mln packs. The average cost of an OTC pack in the city pharmacies increased as compared to the previous year (USD 6.35 vs. USD 5.78), however it was much higher than the average indicator in Russia (USD 3.82). Per capita expenses of city residents for purchase of medicines in pharmacies amounted to USD 177.43 which is higher than on the average in the country (USD 117.58).

CHELYABINSK PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Chelyabinsk was estimated at 1.143 mln, which accounted for 0.8% of the total Russian Federation population and 9.4% of Ural FO (UFO). According to Federal State Statistics Service's data, in 2012 the average salary in Chelyabinsk Oblast was RUB 22,547.3 (USD 728.04), which was 16% lower than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in the pharmacies of Chelyabinsk saw a 4% decrease to 32,673 mln packs. In value terms, the OTC drugs market increased by 4% in rouble terms and at the same time reduced by 1% in dollar terms to RUB 3.283 bln (USD 106.013 mln) in wholesale prices (Fig. 1). The city share in the total volume of all-Russia pharmacy market accounted for 0.7%. The average cost of OTC pack in the Chelyabinsk pharmacies was USD 3.83, whereas in the year-earlier period its cost was USD 3.68 at retail prices. For 12 months of 2012, the average amount spent by residents of the region for drugs in the pharmacies amounted to USD 109.47.

Figure 1. Chelyabinsk pharmacy market for 2011 – 2012



At year-end 2012, SANOFI-AVENTIS (-1%) held its leading rank in the regional top ten drug manufacturers ranking (Table 1). BAYER (+8%) moved up to rank two from three and PHARMSTANDART (-14%) which used to hold that rank earlier moved down to rank three. The other three ATC groups of the top 10 succeeded in rising in the ranks. They were TEVA (+16%), STADA (+2%) and GEDEON RICHTER (+0.3) which moved to rank four and the last two ranks. At the same time, SERVIER (+4%) moved down one rank, to number 5. Another two drug manufacturers: Manufacturers SANDOZ (+4%) and MENARINI (-3%) moved down to the lower ranks 7 and 8. The drug maker ABBOTT (+13%) held its previous rank 6. The total share of the top 10 manufacturers reduced by almost 1 p.p. to 37%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	**SANOFI-AVENTIS**	5.5	5.8
2	3	**BAYER HEALTHCARE**	4.6	4.4
3	2	PHARMSTANDART	4.1	4.9
4	8	**TEVA**	3.6	3.2
5	4	**SERVIER**	3.5	3.4
6	6	**ABBOTT**	3.4	3.3
7	5	**SANDOZ GROUP**	3.4	3.4
8	7	**MENARINI**	3.0	3.3
9	10	**STADA**	2.9	3.0
10	11	GEDEON RICHTER	2.9	3.0
Total			37.0	37.8

*AIPM members are in bold

The ophthalmologic preparation TROPICAMID (+18%) became the bestselling trade name in the city pharmacies (Table 2). A newcomer LYRICA, which sales increased 2.4 times, broke into the ranks of the top ten, coming in at number two. NISE (+24%) became the second newcomer of the top ten, moving up to rank 7. Apart from that, two more shifts took place in the top 10 ranking. The hepatoprotector ESSENTIALE N (+3%) moved up from rank six to four by displacing ACTOVEGIN (-7%) and PLAVIX (-18%) down one rank At the same time, HEPTRAL (+6%) moved up one rank, coming in at number 9, forcing CONCOR (-3%) down to the bottom rank of the top ten. ARBIDOL (-30%) and ALFLUTOP (+5%) retained their ranks three and eight respectively. The total share of the top 10 trade names increased from 7.8% to 8.1%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	2	TROPICAMID	1.7	1.5
2	17	LYRICA	1.0	0.4
3	3	ARBIDOL	0.8	1.2
4	6	ESSENTIALE N	0.8	0.8
5	4	ACTOVEGIN	0.7	0.8
6	5	PLAVIX	0.7	0.8
7	13	NISE	0.6	0.5
8	8	ALFLUTOP	0.6	0.6
9	10	HEPTRAL	0.6	0.6
10	9	CONCOR	0.5	0.6
Total			8.1	7.8

Following the respective trade name, INN TROPICAMIDE (+18%) moved up to the leading rank in the top ten INNs and generic names ranking (Table 3). XYLOMETAZOLINE (+27%) moved up to rank two from six. One of two newcomers of the top ten INNs ranking PREGABALIN, which sales increased 2.4 times, moved up to rank three. The second newcomer NIMESULIDE (+18%) moved up to rank six. On top of that, another two INNs of the top-ten ranking showed growth in purchases. PHOSPHOLIPIDS (+6%) moved up from rank 7 to five, and PANCREATIN (+9%) moved up from rank ten to seven. Two INNs with negative sales rates: CLOPIDOGREL (-9%) and BLOOD (-6%) moved down to the lower ranks eight and ten, respectively. BISOPROLOL (+2%) and AZITHROMYCIN (+4%) retained their ranks four and nine. The cumulative share of the top-ten increased by 1 p.p. and achieved 10.2%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	2	TROPICAMIDE	1.7	1.5
2	6	XYLOMETAZOLINE	1.2	1.0
3	39	PREGABALIN	1.0	0.4
4	4	BISOPROLOL	1.0	1.0
5	7	PHOSPHOLIPIDS	0.9	0.9
6	11	NIMESULIDE	0.9	0.8
7	10	PANCREATIN	0.9	0.8
8	5	CLOPIDOGREL	0.9	1.0
9	9	AZITHROMYCIN	0.9	0.9
10	8	BLOOD	0.8	0.9
Total			10.2	9.2

The leader of the top-10 ATC groups ranking changed (table 4). M01Anti-inflammatory and antirheumatic products (+10%) moved up from rank three to one. S01Ophthalmologicals (+13%) moved up to rank two from five, displacing G03 Sex hormones (+6%) down one rank. C09 Agents acting on the renin-angiotensin system (+6%) and R01 Nasal preparations (+14%) also rose in the ranks, moving up to numbers 5 and 7. In contrast, two ATC groups with negative sales fell in the ranks. They were the last year leader N02 Analgesics (-35%) and R05 Cough and cold preparations (-9%), moving down to ranks 6 and 9. The groups J01 Antibacterials for systemic use (+5%), A11 Vitamins (+2%) and L03 Immunostimulants (+3%) held their previous ranks four, eight and ten. The total share of the top ten reduced by 1.5 p.p. and accounted for 37.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2012	2011			2012	2011
1	3	M01	ANTIINFLAM & ANTIRHEUM PROD	4.5	4.3
2	5	S01	OPHTHALMOLOGICALS	4.3	4.0
3	2	G03	SEX HORM&MODULAT GENITAL SYS	4.3	4.3
4	4	J01	ANTIBACTERIALS FOR SYST USE	4.2	4.1
5	6	C09	AG ACT RENIN-ANGIOTENS SYST	4.0	3.9
6	1	N02	ANALGESICS	3.7	5.8
7	9	R01	NASAL PREPARATIONS	3.4	3.0
8	8	A11	VITAMINS	3.3	3.3
9	7	R05	COUGH AND COLD PREPARATIONS	3.2	3.6
10	10	L03	IMMUNOSTIMULANTS	2.9	2.9
Total				37.6	39.1

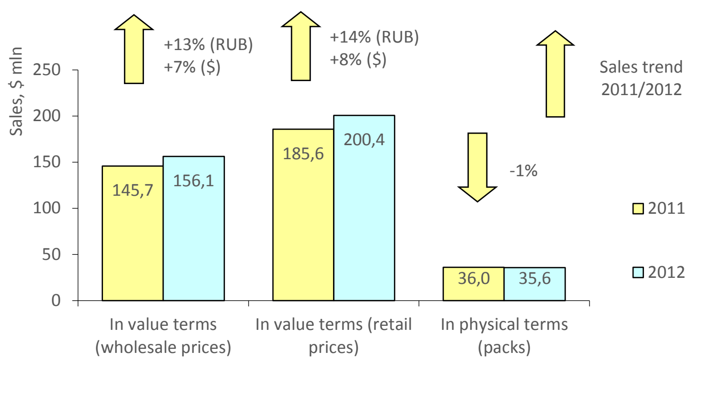
Conclusion. On the basis of the results for 2012, the retail pharmacy market of Chelyabinsk brought in RUB 3.876 bln (USD 125.173 mln). At the same time, the market increased 6% in terms of roubles and 0.3% in terms of dollars. In pack terms, the market showed negative growth rates (-4%) and achieved 32.673 mln packs. In 2012, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 3.83 vs. USD 3.68) and inconsiderably exceeded the Russia average figures (USD 3.82). In 2012, per capita expenses for purchase of medicines in the region pharmacies amounted to USD 109.47 which is less than on the average in the country (USD 117.58).

YEKATERINBURG PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Yekaterinburg was estimated as 1.411 mln, which accounts for 1.0% of the total Russian Federation population and 11.6% of Ural FO (UFO). According to Federal State Statistics Service's data, in 2012 the average salary in Sverdlovskaya Oblast was RUB 25,715.2 (USD 830.33), which was 4% lower than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in the pharmacies of Yekaterinburg saw a 1% decrease to 35.607 mln packs. In value terms, the OTC drugs market increased by 13% in rouble terms and by 7% in dollar terms and reached 4.837 billion roubles (USD 156.110 million) in wholesale prices (Fig. 1). The average cost of an OTC pack increased as compared to a year earlier (USD 5.15) and reached USD 5.63 at retail prices. For 12 months of 2012, the average amount spent by residents of Yekaterinburg for drugs amounted to USD 142.04.

Figure 1. Yekaterinburg pharmacy market for 2011 – 2012



Based on the results for 2012, half of the drug manufacturers of the top ten in the market of Yekaterinburg held their own in the ranking (Table 1). Among them were the ranking leaders SANOFI-AVENTIS (-3%), BAYER (+13%), ABBOTT (+14%) and PHARMSTANDART (+7%), as well as SERVIER (+18%) placed at number six. Two drug manufacturers with positive sales rates: NOVARTIS (+24%) and TEVA (+20%) moved up to the higher ranks five and eight. At the same time, the less dynamic MERCK SHARP DOHME (+6%), SANDOZ (+11%) and GEDEON RICHTER (+5%) moved down to ranks 7, 9 and 10. The total share of the top-10 reduced from 39.7% to 38.8%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank 2012	Rank 2011	Manufacturer*	Share in total pharmacy sales, % 2012	Share in total pharmacy sales, % 2011
1	1	**SANOFI-AVENTIS**	6.3	7.3
2	2	**BAYER HEALTHCARE**	5.3	5.2
3	3	**ABBOTT**	4.6	4.6
4	4	PHARMSTANDART	4.1	4.3
5	9	**NOVARTIS**	3.3	3.0
6	6	**SERVIER**	3.3	3.1
7	5	**MERCK SHARP DOHME**	3.1	3.3
8	11	**TEVA**	3.0	2.8
9	8	**SANDOZ GROUP**	3.0	3.0
10	7	GEDEON RICHTER	2.9	3.1
Total			38.8	39.7

*AIPM members are in bold

Three newcomers broke into the ranks of the top ten trade names ranking (table 2). They were REDUKSIN, which sales increased 2.6 times, and CIALIS (+21%) and NUVARING (+20%), which moved up to ranks 5, 9 and 10 respectively. The other five ATC groups of the top ten moved up to yet higher ranks: ESSENTIALE N (+5%) and HEPTRAL (+13%) moved up to ranks one and two, whereas the last year leader ARBIDOL reduced sales by 15% and moved down to rank three. DETRALEX (+13%), ALFLUTOP (+11%) and LINEX (+14%) also moved up one rank, coming in at numbers four, six and eight respectively. The total share of the analysed top 10 trade names virtually remained unchanged and accounted for 7.9%.

Table 2. The top ten trade names by pharmacy sales

Rank 2012	Rank 2011	Trade name	Share in total pharmacy sales, % 2012	Share in total pharmacy sales, % 2011
1	2	ESSENTIALE N	1.2	1.3
2	3	HEPTRAL	1.1	1.1
3	1	ARBIDOL	1.0	1.3
4	5	DETRALEX	0.7	0.7
5	48	REDUKSIN	0.7	0.3
6	7	ALFLUTOP	0.7	0.7
7	6	URSOSAN	0.7	0.7
8	9	LINEX	0.6	0.6
9	15	CIALIS	0.6	0.6
10	16	NUVARING	0.6	0.6
Total			7.9	7.9

A trend toward rising in the ranks was characteristic of the top ten INNs and generic names - seven of its INNs moved up to the higher ranks (Table 3). PANCREATIN (+11%) moved up to rank two, and XYLOMETAZOLINE (+24%) - to rank three. URSODEOXYCHOLIC ACID (+23%) and HYALURONIC ACID (+40%) moved up to ranks five and six from seven and eight. The composition DIOSMIN + HESPERIDIN (+16%) moved up one rank, to number 8. The newcomers - SIBUTRAMINE (+58%) and IBUPROFEN (+22%) – broke into the ranks of the top ten, coming in at numbers nine and ten. At the same time, UMIFENOVIR (-15%) reduced its sales and moved down from rank two to seven. Two INNs of the top 10 succeeded in holding their own in the ranking. They were the leader of the top ten PHOSPHOLIPIDS (+7%) and ADEMETIONINE (+14%) at rank 4. The cumulative share of the top10 increased from 9.9% to 10.2%.

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

Rank 2012	Rank 2011	INN/Generic Names	Share in total pharmacy sales, % 2012	Share in total pharmacy sales, % 2011
1	1	PHOSPHOLIPIDS	1.3	1.3
2	3	PANCREATIN	1.2	1.3
3	6	XYLOMETAZOLINE	1.2	1.1
4	4	ADEMETIONINE	1.2	1.2
5	7	URSODEOXYCHOLIC ACID	1.0	0.9
6	8	HYALURONIC ACID	1.0	0.8
7	2	UMIFENOVIR	1.0	1.3
8	9	DIOSMIN + HESPERIDIN	0.8	0.8
9	32	SIBUTRAMINE	0.8	0.5
10	11	IBUPROFEN	0.8	0.7
Total			10.2	9.9

The top ten ATC-groups ranking retained its leader - G03 Sex hormones (+7%) kept its rank one (Table4). On top of that, R01 Nasal preparations (+16%) also held their previous rank ten in the ranking. Six ATC-groups of the top ten rose in the ranks. A11 Vitamins (+15%), M01 Anti-inflammatory and antirheumatic products (+18%), N06 Psychoanaleptics (+11%) and C09 Agents acting on the renin-angiotensin system (+18%) moved up to ranks two through five. The newcomers J05 Antivirals for systemic use (+30%) and A07 Antidiarrheals, intestinal anti-inflammatory / antiinfective agents (+22%) broke into the ranks of the top ten, coming in at numbers eight and nine. And only two ATC-groups of the top ten moved down to the lower ranks: N02 Analgesics (-4%) and J01 Antibacterials for systemic use (+7%) moved down to ranks 6 and 7. The consolidated share of the top 10 increased from 36.4% to 36.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank 2012	Rank 2011	ATC code	ATC group	Share in total pharmacy sales, % 2012	Share in total pharmacy sales, % 2011
1	1	G03	SEX HORM&MODULAT GENITAL SYS	4.7	4.9
2	3	A11	VITAMINS	4.0	3.9
3	6	M01	ANTIINFLAM & ANTIRHEUM PROD	3.7	3.5
4	5	N06	PSYCHOANALEPTICS	3.6	3.7
5	7	C09	AG ACT RENIN-ANGIOTENS SYST	3.6	3.4
6	2	N02	ANALGESICS	3.5	4.2
7	4	J01	ANTIBACTERIALS FOR SYST USE	3.5	3.7
8	13	J05	ANTIVIRALS FOR SYSTEMIC USE	3.4	2.9
9	11	A07	INTESTINAL ANTIINFECTIVES	3.3	3.1
10	10	R01	NASAL PREPARATIONS	3.3	3.2
Total				36.6	36.4

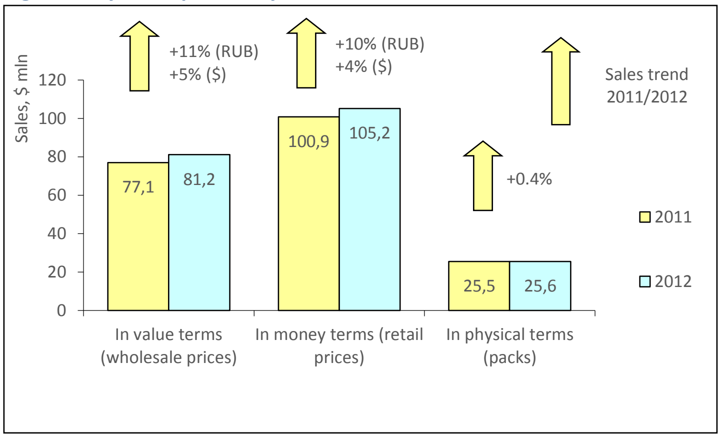
Conclusion. On the basis of the results for 2012, the retail pharmacy market of Yekaterinburg brought in RUB 6.211 bln (USD 200.437 mln). At the same time, the market increased 14% in terms of roubles and 8% in terms of dollars. In pack terms, the market showed negative growth rates (-1%) and achieved 35.607 mln packs. In 2012, the average cost of an OTC pack in Yekaterinburg pharmacies was higher than in the year-earlier period (USD 5.63 vs. USD 5.15). The average expenses of city residents for medicines in the pharmacies considerably exceeded the national average figures (USD 142.04 vs. USD 117.58).

TYUMEN PHARMACY MARKET: 2012 RESULTS

According to Federal State Statistics Service, as of January 1, 2012 the population of Tyumen was estimated at 632.6 thd, which accounts for 0.4% of the total Russian Federation population and 5.2% of Ural FO (UFO). According to Federal State Statistics Service's data, in 2012 the average salary in the Tyumen region was RUB 47,402 (USD 1,530.58), which is 77% higher than the average salary in Russia (RUB 26,822.3).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2012 the sales of OTC drugs in physical terms in the pharmacies of Tyumen saw a 0.4% increase to 25.569 mln packs. In value terms, the OTC drugs market increased by 11% in rouble terms and by 5% in dollar terms and reached RUB 2.519 billion (USD 81.159 million) in wholesale prices (Fig. 1). The regional market share accounted for 0.6% of the Russian pharmacy market. The average cost of an OTC pack grew as compared to the previous year (USD 3.96) and reached USD 4.11 at retail prices. For 12 months of 2012, the average amount spent by residents of Tyumen for drugs amounted to USD 166.27.

Figure 1. Tyumen pharmacy market for 2011 – 2012



At year-end 2012, one newcomer TEVA (+15%) broke into the ranks of the top ten drug manufactures in the Tyumen market, coming in at number ten (Table 1). On top of that, another two drug manufacturers of the top-ten ranking showed growth in sales. SERVIER (+13%) moved up from rank seven to five, and NOVARTIS (+14%) moved up from rank nine to six. At the same time, three drug manufacturers SANDOZ (+10%), MENARINI and NYCOMED/TAKEDA (+4% each) moved down to ranks seven through nine. The first four drug manufacturers held their own in the ranking. They were SANOFI-AVENTIS (-0.2%), PHARMSTANDART (-8%), BAYER (+18%) and ABBOTT (+9%). The cumulative share of the top 10 manufacturers reduced from 38% to 36.4%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	**SANOFI-AVENTIS**	5.2	5.8
2	2	PHARMSTANDART	4.4	5.3
3	3	**BAYER HEALTHCARE**	4.1	3.8
4	4	**ABBOTT**	3.5	3.6
5	7	**SERVIER**	3.4	3.3
6	9	**NOVARTIS**	3.3	3.2
7	6	**SANDOZ GROUP**	3.3	3.4
8	5	**MENARINI**	3.2	3.4
9	8	**NYCOMED/TAKEDA**	3.1	3.3
10	12	**TEVA**	2.9	2.8
Total			36.4	38.0

*AIPM members are in bold

Despite 31% reduction in sales, ARBIDOL maintained its dominant position in the regional pharmacy market (Table) 2). The other three trade names showed the negative sales rates: DUPHASTON (-1%) which held its previous rank five, as well as trade names LASOLVAN (-6%) and SYMBICORT TURBUHAL (-2%) which moved down one rank, to numbers 7 and 9. At the same time five trade names of the top-10 rose in the ranks. ACTOVEGIN (+5%), ESSENTIALE N (+10%) and VIAGRA (+5%) moved up one rank, coming in at numbers 2, 3 and 6. ALFLUTOP (+28%) moved up from rank nine to four. The only newcomer of the top ten trade names ranking REDUKSIN, which sales grew 2.2 times, moved up to rank eight. VIFERON (+2%) held its previous rank ten. The total share of the top 10 trade names reduced from 8.0% to 7.3%.

Table 2. The top ten trade names by pharmacy sales

Rank		Trade name	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	1	ARBIDOL	1.2	1.9
2	3	ACTOVEGIN	0.9	0.9
3	4	ESSENTIALE N	0.9	0.9
4	9	ALFLUTOP	0.7	0.6
5	5	DUPHASTON	0.7	0.8
6	7	VIAGRA	0.6	0.7
7	6	LASOLVAN	0.6	0.7
8	39	REDUKSIN	0.6	0.3
9	8	SYMBICORT TURBUHAL	0.6	0.7
10	10	VIFERON	0.6	0.6
Total			7.3	8.0

Two INNs from the top ten INN and Generic Names held their own in the ranking – as before INTERFERON ALFA-2B (-1%) and KETOPROFEN (+3%) held their previous ranks 8 and 9 (table 3). Six trade names of the top ten rose in the ranks. XYLOMETAZOLINE (+30%) moved up to rank one from two, displacing UMIFENOVIR (-31%). PANCREATIN and BLOOD (+6% each) moved up one rank, to numbers three and five. At the same time, AMBROXOL (+2%) moved down to rank six. INN PHOSPHOLIPIDS (+12%) moved to rank four and the newcomers of the top ten IBUPROFEN (+21%) and AMOXICILLIN + CLAVULANIC ACID (+20%) moved up to ranks seven and ten. The total share of the top 10 under review reduced and accounted for 9.6%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2012	2011		2012	2011
1	2	XYLOMETAZOLINE	1.4	1.2
2	1	UMIFENOVIR	1.2	1.9
3	4	PANCREATIN	1.0	1.0
4	7	PHOSPHOLIPIDS	1.0	0.9
5	6	BLOOD	0.9	1.0
6	5	AMBROXOL	0.9	1.0
7	11	IBUPROFEN	0.9	0.8
8	8	INTERFERON ALFA-2B	0.9	0.9
9	9	KETOPROFEN	0.8	0.9
10	15	AMOXICILLIN + CLAVULANIC ACID	0.8	0.7
Total			9.6	10.3

The top-10 ATC groups ranking didn't change in composition; however it experienced numerous shifts (table 4). Six ATC groups of the top ten ranking rose in the ranks, but all of them by one number. J01 Antibacterials for systemic use (+8%) and G03 Sex hormones (+6%) moved up to the first two ranks from 2 and 3 respectively. M01 Anti-inflammatory and antirheumatic products and L03 Immunostimulants (+16% each) moved up to ranks four and five, whereas R01 Nasal preparations (+17%) and J05 Antivirals for systemic use (+16%) moved up to ranks seven and eight. At the same time, N02 Analgesics (-10%), R05 Cough and cold preparations (+6%) and A11 Vitamins (+4%) moved down to ranks three, six and nine, respectively. C09 Agents acting on the renin-angiotensin system (+14%) held its previous rank ten in the top ten ranking. The total share of the top 10 ATC groups increased from 38.5% to 37.7%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2012	2011			2012	2011
1	2	J01	ANTIBACTERIALS FOR SYST USE	4.4	4.5
2	3	G03	SEX HORM&MODULAT GENITAL SYS	4.1	4.3
3	1	N02	ANALGESICS	4.1	5.0
4	5	M01	ANTIINFLAM & ANTIRHEUM PROD	3.9	3.8
5	6	L03	IMMUNOSTIMULANTS	3.9	3.7
6	4	R05	COUGH AND COLD PREPARATIONS	3.8	3.9
7	8	R01	NASAL PREPARATIONS	3.7	3.5
8	9	J05	ANTIVIRALS FOR SYSTEMIC USE	3.4	3.2
9	7	A11	VITAMINS	3.4	3.6
10	10	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.1
Total				37.7	38.5

Conclusion. On the basis of the results for 2012, the retail pharmacy market of Tyumen brought in RUB 3.264 bln (USD 105.179 mln). At the same time, the market increased 10% in terms of roubles and 4% in terms of dollars. In pack terms, the market also showed not high, but positive growth rates (0.4%) and achieved 25.569 mln packs. At year-end 2012, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 4.11 vs. USD 3.96) and exceeded the Russia average figures (USD 3.82). Per capita expenses spent by city residents for the purchase of medicines in the pharmacies amounted to USD 166.27 which is significantly higher than on the average in Russia (USD 117.58).

RUSSIAN FEDERATION REGIONAL HOSPITAL MARKETS: 2012 RESULTS

According to the results of the Hospital Purchase Audit in Russian Federation™, at 2012-end, 11 regional markets taken individually accounted for 46.0% of the entire hospital sector of Russian Federation, which is a bit lower than in the year-earlier period (49.4%). The biggest market is the market of Moscow which share accounted for 21.2% of hospital purchases (Fig. Further follow the markets of Saint Petersburg (6.2%), Kazan (4.4%) and Yekaterinburg (3.0%). The regional markets considerably differ by average cost of a hospital OTC pack. At year-end 2012, the highest average cost of a hospital pack was observed in Krasnoyarsk (USD 6.88). In Moscow that figure amounted to USD 6.22 and in St. Petersburg - the average price of a pack was estimated at USD 4.39. The lowest cost of a hospital pack was registered in Krasnodarsky Krai (USD 1.81).

Figure 1. Regions' share in the total hospital purchase volume in the Russian Federation in 2012.

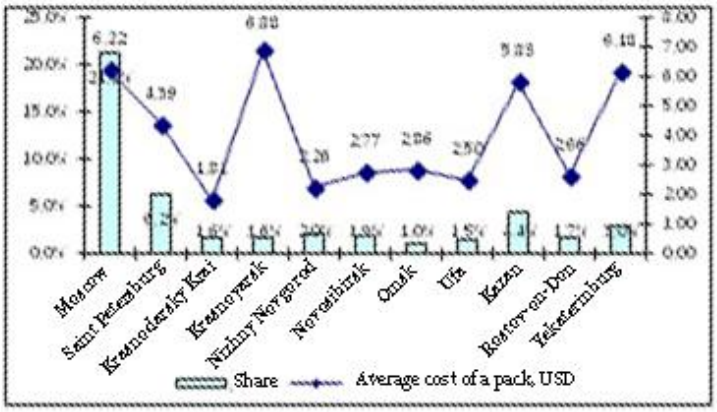


Table 1 provides information of the ranks of the All-Russia top drug manufacturers in the regional top ten rankings. At half year-end, the largest share of the Russian hospital market was accounted for by the drugs made by Sanofi-Aventis, which dominated in the four regions. It ranked 2nd in Moscow, St. Petersburg, Ufa and Krasnoyarsk and 3rd in Krasnodarsky Krai and Novosibirsk. Sanofi-Aventis was ranked 10th only in Rostov-on-Don. Nycomed/Takeda, which was ranked 2nd in the All-Russia ranking, was ranked the same in two other regions. It broke into the ranks of the top ten in seven regions, and only in St. Petersburg and Ufa - into the ranks of the top twenty. AstraZeneca rounding out the top-three drug manufactures ranking, dominated the Novosibirsk market, and broke into the ranks of the top ten in seven regions and of the top twenty - in three regions. The maximum number of "crossings" with the all-Russia list of top manufacturers was observed in Moscow and Kazan (7 companies each), the minimum number – in Krasnodar, Ufa, Novosibirsk and Omsk (3 manufacturers each).

Table 1. The top 10 drug manufacturers by hospital purchases (rank in the regional rankings)

Rating position	Company	Rank in regional rankings: Moscow	St. Petersburg	Krasnodarsky Krai	Ufa	Kazan	Yekaterinburg	Nizhny Novgorod	Rostov-on-Don	Novosibirsk	Krasnoyarsk	Omsk
1	Sanofi-Aventis	2	2	3	2	1	1	1	10	3	2	1
2	Nycomed/ Takeda	8	11	1	15	2	10	8	2	4	5	6
3	AstraZeneca	6	5	14	9	6	7	7	11	1	3	15
4	Merck Sharp Dohme	5	1	52	35	3	13	9	6	16	4	5
5	Roche	3	18	19	52	9	14	44	112	34	1	59
6	Pfizer	1	3	26	32	13	5	25	35	12	9	11
7	Bayer Healthcare	4	16	65	18	4	2	40	3	24	20	12
8	Pharm-Centre	55	14	12	8	45	27	33	1	17	24	13
9	Veropharm	16	20	5	11	5	6	36	28	42	11	53
10	Biotec	105	65	84	21	11	86	21	32	54	46	105

Yet more significant deviations in the regional top 10 rankings were observed with a breakdown of individual trade names (Table 2). However, in six regions under review the leader of all-Russia hospital market NATRIUM CHLORIDUM takes the top position in the regional ranking. It broke into the ranks of the top-ten ranking in four regions, and only in Kransodarsky Krai it ranked thirty fourth. The trade name CLEXAN ranked second in the general ranking was placed at the same rank in Yekaterinburg. It became a leader in Kazan, and moved to rank three in Nizhny Novgorod. In four regions it entered the top-10 rankings, in two regions – in the top-20 rankings. And only in Krasnodar and Rostov-on-Don it moved to ranks 26 and 20, respectively. At the same time, Actovegin which ranked third broke into the ranks of the top ten in only two regions, of the top twenty in three regions and moved to much lower ranks in the other regions. It should be noted that in two regions (Yekaterinburg and Krasnoyarsk) the leader of the regional market didn't come in the All-Russia top ten. The maximum number of "crossings" with the all-Russia list of top trade names was observed in Nizhny Novgorod (seven ranks).

Table 2. The top 10 trade names by hospital purchases (rank in the regional rankings)

Rating position	Trade name	Rank in regional rankings: Moscow	St. Petersburg	Krasnodarsky Krai	Ufa	Kazan	Yekaterinburg	Nizhny Novgorod	Rostov-on-Don	Novosibirsk	Krasnoyarsk	Omsk
1	NATRIUM CHLORIDUM	4	1	34	1	2	4	1	1	1	3	1
2	CLEXAN	13	9	26	5	1	2	3	20	12	6	4
3	ACTOVEGIN	37	61	1	N/A	17	80	19	3	44	27	16
4	ZYVOX	1	3	N/A	37	96	14	263	N/A	91	95	212
5	GLUCOSE	26	54	23	4	25	7	6	23	7	14	3
6	MERONEM	14	13	133	14	66	15	15	171	2	2	322
7	CUROSURF	6	19	N/A	12	6	9	10	61	6	12	N/A
8	CEFTRIAXONE	47	43	4	11	33	202	5	36	15	148	7
9	CEFOTAXIM	77	27	6	36	288	162	7	7	29	80	62
10	HEPARIN	34	4	2	9	N/A	16	4	13	10	49	51

Considerable variance in the consumption structure of not only individual drugs and INN groups, but of pharmacotherapeutic groups as well is observed depending on the regions (table 3). However, it should be noted that the leader of the all-Russia ranking – Group J01 Antibacterials for systemic use topped almost all regional rankings. The sole exception was Krasnoyarsk where it was ranked 2nd. L01 Antineoplastic agents ranked 3rd in the top-10 in Russia became a leader of the ranking in this region. The second group of the All-Russia hospital ranking - B05 Blood substitutes and perfusion solutions – broke into the top five ranking in 10 analysed regions, being ranked 2nd in seven of them. And only in Yekaterinburg it ranked sixth. Starting from rank three, the regional rankings differed considerably. To the fullest extent, the top-10 of all-Russia hospital sector was reproduced in Kazan (9 positions match), in Moscow and St. Petersburg - 8 positions match.

Table 3. The top 10 ATC groups by hospital purchases (rank in the regional rankings)

Rank in RF ranking	ATC code	Rank in regional rankings: Moscow	St. Petersburg	Krasnodarsky Krai	Ufa	Kazan	Yekaterinburg	Nizhny Novgorod	Rostov-on-Don	Novosibirsk	Krasnoyarsk	Omsk
1	J01	1	1	1	1	1	1	1	1	1	2	1
2	B05	3	2	6	2	2	5	2	2	2	3	2
3	L01	2	8	7	3	3	2	7	37	44	1	4
4	B01	4	5	4	4	4	3	3	3	3	62	3
5	N01	5	7	17	5	9	9	5	9	5	10	5
6	V08	6	6	16	8	5	4	38	4	6	12	14
7	B02	8	15	14	14	8	12	8	5	22	19	26
8	N06	21	14	3	7	14	26	12	8	16	5	7
9	N05	14	3	2	23	6	22	27	32	7	4	36
10	J06	7	9	46	20	10	14	33	39	11	8	10

Conclusion. As comparison of the main rankings shows, the Russian hospital sector was marked by the pronounced regional specificity of market profile. However, in most cases the leaders of all-Russia rankings got high ranks in the regional hospital markets as well.

REGIONAL DIGEST

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

April 3, 2013 Remedium

The Federal Law On Circulation of Drugs was submitted for approval

According to the Ministry of Public Health of the Russian Federation, a draft law On Circulation of Drugs was submitted for approval to the federal executive bodies. Elena Maximkina, Head of Department of State Regulation of Medicines, Ministry of Health, said that the Ministry of Public Health of Russia received proposals on amendments from over 20 organizations in the course of public discussion of the draft law. In finalizing the draft law, most of the proposals have been considered.

April 4, 2013, The Pharmatsevticheski Vestnik

FAS didn't support amendments to the draft law On Circulation of Drugs

The Federal Anti-Monopoly Service (FAS) didn't support a draft Federal Law On Introduction of Amendments to the Federal Law On Circulation of Medicines and to the Article 333.32.1, Part II of the Tax Code of the Russian Federation prepared by the Ministry of Public Health of Russia. FAS believes that a draft law of the Ministry of Health won't resolve issues of marketing authorization for drugs, and some of its provisions will put more obstacles to the development of the Russian pharmaceutical market.

April 4, 2013, Moscovskiy Komsomolets

Kazakh medicines will not receive priority in Russian government's drug procurement due to lack of marketing authorization in the Russian Federation

Kazakh medicines will not receive priority in Russian government's drug procurement due to lack of marketing authorization in the Russian Federation, Serik Sultanov, President of PharmMedIndustry of Kazakhstan Association said. According to him, "the negotiations are being conducted at the level of Customs Union in order to reach mutual recognition of marketing authorizations between three countries as in the European Union".

April 9, 2013, RIA News

A draft law On Procurement of Drugs to Patients with Orphan Diseases has been returned by Cabinet of Ministers for rework

According to the document placed on the governmental website on Tuesday, the Cabinet of Ministers proposed to rework a draft law On Procurement of Drugs to Patients with Orphan Diseases, as the document violates the balance of RF budgets. The draft law proposes to amend the Federal Law On the Fundamentals of Public Health Protection in the Russian Federation, which provides for the exclusion of procurement of drugs to patients with rare (orphan) diseases from the RF constituent entities' powers. According to the documents, such powers shall be transferred to the federal budget level with simultaneous co-financing from the regional budgets.

April 11, 2013, The Vedomosti

FAS proposed to introduce a requirement for GMP production for all drugs supplied to Russia

From 2014, not only Russian drug manufacturers shall be required to comply with international quality standards, but also all importers, the government officials believe. According to the draft report on competition status prepared by the Federal Anti-monopoly Service, it is necessary to introduce a requirement for GMP production for all drugs supplied to Russia. The Ministry of Industry and Trade shares this point of view, a spokesman for the Ministry said. But it will take much time and work to harmonise the laws and regulations.

April 10, 2013, PRIME

The total funds allocated for satisfaction of the needs of the population in medicines in 2012 accounted for 61.5% of the domestic pharmaceutical market of prescription medicines

The Accounts Chamber considered the results of the expert and analytical program Analysis of Efficiency of Usage of Funds Allocated for the Performance of Government Obligations to Satisfy the Needs of Certain Citizen Categories in Medicines in 2011-2012. It was noted that the total funds of the federal budget, budgets of the constituent entities of the Russian Federation, extra-budget state medical insurance funds for procurement of Russian Federation population with medicines required to provide free medical aid including satisfaction of the needs of certain citizen categories in medicines grow year-by-year and in 2012 amounted to RUB 320.0 bln or 61.5% of the Russian pharmaceutical market of prescription medicines.

April 15, 2013, GMPnews.ru

According to the experts, the Law on Circulation of Drugs proposed by the Ministry of Public Health will create difficult conditions for drug manufacturers

According to ARPM, the definition of a generic drug proposed by the Ministry of Public Health only officially recognizes the substitutability of generic drugs and biosimilars, but in fact this recognition will work neither for chemical synthesis drugs nor biosimilars. "As a result, the law will create the unbearable situation both for the pharmaceutical manufacturers of generics and for the companies engaged in the development of innovative bioproducts, as they will never prove the substitutability in respect to foreign import originals", Viktor Dmitriev, the General Director of Association said.

April 23, 2013, ITAR-TASS

In Russia the biotechnological products output is intended to be increased 33 times by 2020

According to Oleg Fomichev, Deputy Minister of Economic Development of Russian Federation, in Russia the biotechnological products output is intended to be increased 33 times by 2020. He took part in the opening of the Russian Pavilion at the largest exhibition of biotechnological industry BIO-2013 held in Chicago.

April 25, 2013, The Izvestia

Federal Service for the Supervision of Public Health and Social Development to exercise control over circulation of drugs in the retail network

The Ministry of Public Health, which earlier objected to sales of drugs in the retail stores, now sets up a working group to determine which drugs to be sold in such stores. If such products are sold in ordinary stores, they will have to be controlled by a new regulatory body - Federal Service for the Supervision of Public Health and Social Development (Roszdravnadzor) which will supervise the circulation of drugs. According to the Profile Committee of State Duma, this regulatory authority fails to perform its current obligations to exercise control over pharmacies.

April 27, 2013, Gazeta.ru

Ministry of Public Health increased control over sales of high-potency drugs

The citizens of Russia who need high-potency drugs will soon face difficulties with receipt of such drugs even if they have a prescription. The Ministry of Public Health prepared a draft decree on quantity registration of over 90 such drugs from June 25, 2013. Nowadays, only narcotic analgesics, psychotropic drugs and precursors are subject to such registration. According to the document, this list will be added with high-potency and poison substances which have been entered into the list attached to Article 234 of the Criminal Code (illegal circulation of high-potency or poison substances for purposes of selling). The latest list was approved by Governmental Decree of December 29, 2007, but up to now not all drugs included into such list have been subject to the above registration. For instance, many endocrine, analgesic and sleeping preparations are considered to be high-potency drugs.

NEWS FROM COMPANIES

April 1, 2013 Remedium

R-Pharm group joined AIPM

Association of International Pharmaceutical Manufacturers announced of the expansion of its members - on March 27, 2013 the general meeting of AIPM company-members took the decision to elect R-Pharm Group a member of the Association. It was an important event for the Russian pharmaceutical market, which demonstrates the inevitability of development of partnership between the international and Russian pharmaceutical companies and their further integration.

April 25, 2013, Remedium

KhimRar and Sanofi signed an agreement for development of drugs

The research agreement signed by KhimRar NP Centre of High Technologies and Sanofi provides for provision of KhimRar with innovative molecules at early and late research stages in accordance with the procedure established by the agreement. The agreement has been concluded for two years with the possibility of further prolongation. More than 20-years research experience of KhimRar in Russia will allow it to provide new molecules in such therapeutic areas as oncology, diabetes, cardio-vascular diseases and infectious diseases.

April 22, 2013, The Kommersant

Abbott was denied to buy Petrovax Pharm

The Russia's Government Commission on Foreign Investments has rejected U.S. company Abbott's plan to buy the Russian vaccine developer and producer Petrovax Pharm. There is a buyer in Russia which may buy the company with the value of about USD 150 mln - the largest domestic drug manufacturer Pharmstandard.

Source of information – IMS Health

If you have questions or comments, please contact:
Vladimir Grigorievich Shipkov, Executive Director of AIPM
Tel: 933 70 40
Information of AIPM in Internet: http://www.aipm.org
Ekaterina Korduban, Director for PR and Remedium Group Development
Tel: 780 34 25, fax: 780 34 26
Information of Remedium Group in Internet: http://www.remedium.ru