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

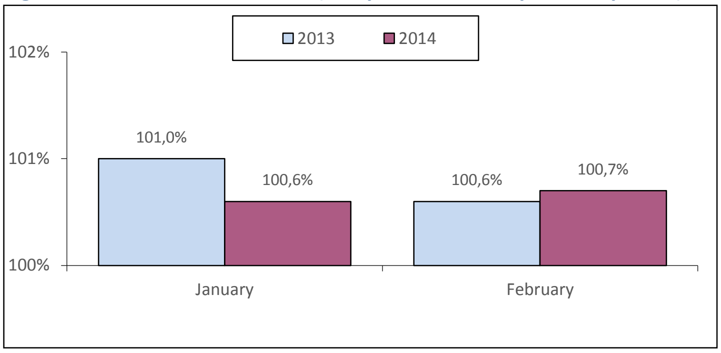
MACROECONOMIC INDICES

Inflation

According to Federal State Statistics Service's data, in February 2014, the Consumer Price Index was estimated as 100.7%, compared to the previous month, in February 2013 - 100.6%.

In February this year, Industrial Producer Price Index was 99.6%, whereas in the month-earlier period it had amounted to 100.4%.

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



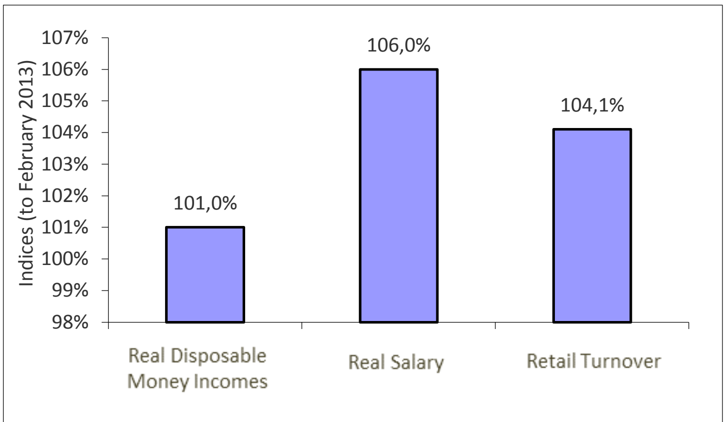
Living standard

According to preliminary Federal State Statistics Service's data, in February 2014 a gross monthly average salary per worker reached RUB 29,680 (USD 823.3) which accounted for 100.5% compared to the previous month and 112.6% compared to February 2013. The real salary in February 2014 accounted for 106.0% as compared with the same period in 2013. In February 2014, the real value of cash disposable incomes accounted for 101.0% compared to the same period of 2013 (Fig. 2)

Retail turnover

In February 2014 the retail turnover was equal to RUB 1,853.1 bln, which in stock accounted for 104.1% as compared to the same period a year ago (Fig. 2)

Figure 2. Real values of cash incomes, salary and retail turnover in February 2014



Source: Rosstat

Manufacture of Industrial Products

According to Federal State Statistics Service's data, in February 2014 the Industrial Production Index accounted for 102.1% compared to the same period a year ago, in January-February 2014 - 100.9%.

Domestic production

The top 10 domestic pharmaceutical manufacturers by production volume at 2014 February-end are shown in Table 1. The total production volume of top ten manufacturers was estimated at USD 206.6 mln.

Table 1. Top ten chemical and pharmaceutical manufacturers by production volume in February 2014.

Rank	Manufacturer	Production volume, $mln
1	Pharmstandart	50.2
2	KRKA-Rus	33.3
3	Stada	30.9
4	Valenta	24.4
5	Akrihin	14.4
6	Pharm-Center	13.9
7	Materia Medica	11.6
8	Sotex	10.1
9	Gedeon Richter -Rus	9.3
10	Microgen	8.5

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In January 2014 compared to December 2013, reduction in pharmacy sales (in terms of roubles) was observed in all analysed regions. The highest reduction was observed in Moscow (-22%) and Rostovskaya Oblast (-21%), the lowest one in Krasnoyarsky Krai and Perm (-3% each).

Table 2. Pharmacy sales in the regions, 2013-2014

Region	Pharmacy sales, $mn (wholesale prices)			Growth gain, % (roubles)		
	November 2013	December 2013	January 2014	November/ October 2013	December/ November 2013	January 2014/ December 2013
Moscow	181.3	229.8	166.0	-6%	25%	-22%
St Petersburg	55.2	65.6	52.5	-2%	17%	-14%
Krasnodarsky Krai	36.9	43.9	33.9	-2%	17%	-17%
Novosibirskaya Oblast	24.6	29.2	24.2	-1%	17%	-11%
Tatarstan	26.7	33.6	27.8	-9%	24%	-11%
Krasnoyarsky Krai	20.2	23.0	20.8	-0.3%	12%	-3%
Rostovskaya Oblast	27.5	33.9	24.8	-10%	22%	-21%
Voronezhskaya Oblast	18.4	22.1	17.8	-2%	18%	-13%
Perm	6.4	7.4	6.7	-2%	14%	-3%
Tyumen	7.3	9.2	7.5	-7%	25%	-13%

Advertising

The largest advertisers and pharmaceutical brands 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 February 2014

Rank	Company*	Quantity of broadcasts
1	Pharmstandart	11,446
2	Novartis	9,520
3	Berlin-Chemie Menarini Group	6,248
4	Bayer AG	5,913
5	Evalar	5,622

Source - Remedium according to TNS Russia's data

Table 4. Top five brand names in mass media in February, 2014

Rank	Brand name*	Quantity of broadcasts
1	Evalar	5,622
2	Grippferon	2,417
3	Arbidol	2,114
4	Complivit	1,654
5	ACC	1,640

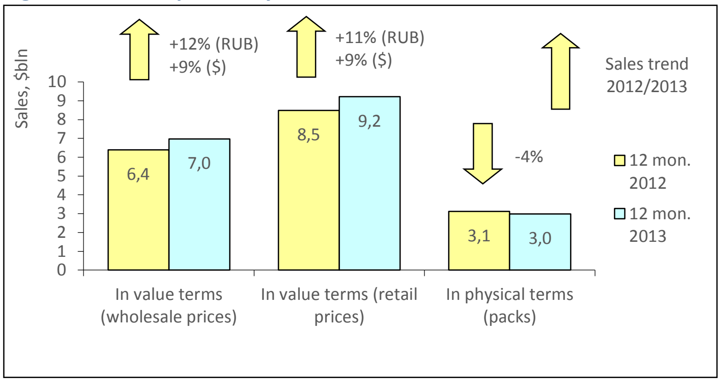
Source - Remedium according to TNS Russia's data

* Only products registered with State Register of Medicines were considered

PHARMACY OTC MARKET IN RUSSIA: 2013 RESULTS

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at the end of 2013 the sales of OTC drugs in physical terms in pharmacies of Russia saw a 4% decrease to 2.993 bln packs. In value terms, the OTC drugs market increased by 12% in rouble terms and by 9% in dollar terms and reached 221.920 billion roubles (USD 6.979 billion) at wholesale prices (Fig. 1). The regional market share of OTC drugs accounted for 71% in physical terms and 51% at retail prices. The average cost of an OTC pack grew as compared to a year earlier and reached USD 3.08 at retail prices (vs. USD 2.72) at retail prices. For 12 months of 2013, the average amount spent by residents of Russia for OTC drugs in pharmacies amounted to USD 64.31.

Figure 1. Russian pharmacy market for 2012 – 2013



In 2013, the top 10 pharmaceutical manufacturers in the Russian pharmacy market didn't change in composition and most of its manufacturers kept their previous positions (table 1). As before, the manufacturers PHARMSTANDART (+14%[1]), SANOFI-AVENTIS (+11%), SANDOZ (+18%), BAYER (+13%) and NOVARTIS (+16%) held their first five ranks, and NYCOMED/TAKEDA (+18%) kept its previous rank ten. Note that virtually all those manufacturers (except for SANOFI-AVENTIS) showed high growth rates which allowed them to reinforce their positions. The markets of another three manufacturers of the top ten also developed at a fast pace. They were the drug makers STADA (+19%) and JOHNSON & JOHNSON (+20%), which moved up one rank, to numbers 6 and 8. At the same time, the latter displaced the drug maker TEVA (+15%) down one rank, though it showed outstripping, but lower growth rates. MENARINI also moved down one rank, reducing its sales by 1%. The cumulative share of the top 10 manufacturers expanded from 42.3% to 43%.

Table 1. The top ten drug manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	PHARMSTANDART	7.4	7.2
2	2	**SANOFI-AVENTIS**	5.7	5.8
3	3	**SANDOZ GROUP**	5.0	4.8
4	4	**BAYER HEALTHCARE**	4.6	4.6
5	5	**NOVARTIS**	4.5	4.3
6	7	**STADA**	3.7	3.5
7	6	**MENARINI**	3.6	4.1
8	9	**JOHNSON & JOHNSON**	3.0	2.8
9	8	**TEVA**	3.0	2.9
10	10	**NYCOMED/TAKEDA**	2.5	2.3
Total			43.0	42.3

*AIPM members are in bold

ESSENTIALE N (+22%) and ARBIDOL (-2%) held their leadership positions in the top ten brand names ranking (Table 2). The remaining top 10 brand names changed their positions, moreover, five brand names rose in the ranks. KAGOCEL (+62%) moved up from rank six to three, displacing LINEX (+9%) to rank four. The newcomers EXODERIL (+60%), CARDIOMAGNIL (+45%) and ACC (+16%) broke into the ranks of the top ten, coming in at numbers five and six, as well as ten. Another brand name with high growth rates PENTALGIN (+20%) moved up to rank eight from ten. At the same time, the brand names with low growth rates ANAFERON (+7%) and LASOLVAN (+0.1%) fell in the ranks, coming in at numbers 7 and 9, respectively. The total share of the top ten brand names increased by almost 1 p.p. and accounted for 12.6%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	ESSENTIALE N	2.2	2.0
2	2	ARBIDOL	1.7	1.9
3	6	KAGOCEL	1.4	1.0
4	3	LINEX	1.4	1.4
5	13	EXODERIL	1.1	0.8
6	12	CARDIOMAGNIL	1.0	0.8
7	5	ANAFERON	1.0	1.0
8	10	PENTALGIN	1.0	0.9
9	4	LASOLVAN	0.9	1.1
10	11	ACC	0.9	0.9
Total			12.6	11.8

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

The top three ranks in the top ten INN and generic names ranking held their own in the ranking (table 3). Among them were INNs XYLOMETAZOLINE (+18%), PHOSPHOLIPIDS (+21%) and PANCREATIN (+0.4%). IBUPROFEN (+15%) moved up to rank four from six, and the composition CHONDROITINSULFURIC ACID + GLUCOSAMINE (+16%) - to rank 9 from 10. The newcomers KAGOCEL (+62%) and NAFTIFINE (+60%) broke into the ranks of the top ten, coming in at numbers seven and ten. At the same time, UMIFENOVIR (-2%) which reduced its sales and AMBROXOL (+4%) and BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+9%) with low growth rates, in contrast, moved down to ranks five, six and eight, respectively. The total share of the top ten increased by 0.6 p.p. and accounted for 17.4%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	XYLOMETAZOLINE	2.9	2.8
2	2	PHOSPHOLIPIDS	2.4	2.2
3	3	PANCREATIN	2.0	2.2
4	6	IBUPROFEN	1.7	1.7
5	4	UMIFENOVIR	1.7	1.9
6	5	AMBROXOL	1.6	1.7
7	15	KAGOCEL	1.4	1.0
8	7	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.4	1.4
9	10	CHONDROITINSULFURIC ACID + GLUCOSAMINE	1.1	1.1
10	23	NAFTIFINE	1.1	0.8
Total			17.4	16.8

The upper half of the top ten ATC groups held their own in the ranking (table 4). As before, the Groups R05 Cough and cold preparations (+13%), N02 Analgesics (+10%), R01 Nasal preparations (+15%) and A11 Vitamins (+11% each) and A07 Antidiarrheals, intestinal anti-inflammatory / antiinfective agents (+10%) and J05 Antivirals for systemic use (+37%) remained the best selling groups of OTC drugs. Two shifts took place in the bottom part of the top 10 ranking. A05 Bile and liver therapy (+17%) moved up one rank to number 7, displacing R02 Throat preparations (+8%) down one rank. The only newcomer Group M01 Anti-inflammatory and antirheumatic products (+21%) broke into the ranks of the top ten, coming in at number nine, displacing L03 Immunostimulants (+8%) from rank nine to ten. The consolidated share of the top 10 increased from 49.0% to 50.0%.

Table 4. The top ten ATC Groups by pharmacy sales

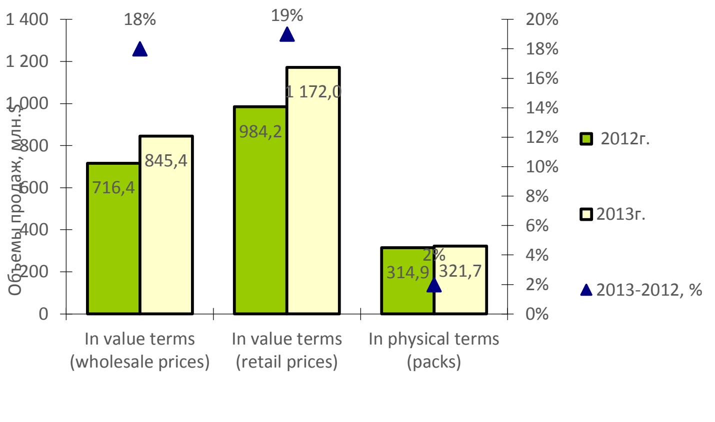
Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	R05	COUGH AND COLD PREPARATIONS	7.3	7.2
2	2	N02	ANALGESICS	7.0	7.0
3	3	R01	NASAL PREPARATIONS	6.0	6.1
4	4	A11	VITAMINS	5.7	5.7
5	5	A07	INTESTINAL ANTIINFECTIVES	5.4	5.5
6	6	J05	ANTIVIRALS FOR SYSTEMIC USE	5.2	4.2
7	8	A05	BILE AND LIVER THERAPY	3.6	3.5
8	7	R02	THROAT PREPARATIONS	3.5	3.6
9	12	M01	ANTIINFLAM & ANTIRHEUM PROD	3.2	3.0
10	9	L03	IMMUNOSTIMULANTS	3.0	3.1
Total				50.0	49.0

Conclusion. At year-end 2013, the OTC pharmacy market of Russia brought in RUB 293.115 bln (USD 9.219 bln) which is 11% in terms of roubles and 9% in terms of dollars higher than in 2012. In pack terms, the market showed the negative growth rates (-4%) and accounted to 2.993 bln packs. At year-end 2013, the average cost of OTC pack in the pharmacies of Russia amounted to USD 3.08 which was higher than 2012 figure (USD 2.72). The average expenses of Russia residents for purchase of OTC drugs in pharmacies also increased (USD 64.31 in 2013 vs. USD 59.38).

RUSSIAN BIOLIGICALLY ACTIVE ADDITIVE (BAA) MARKET: 2013 RESULTS

According to the results of the Retail Audit of BAA in Russian Federation™, at year-end 2013 the volume of pharmacy sales in Russia amounted to RUB 26.901 billion (USD 845.392 mln) at wholesale prices and RUB 37.295 bln (USD 1.172 bln) - at retail prices (Fig. 1). The market performance was positive both in rouble terms (+21%) and in dollar terms (+18%) at wholesale prices. In physical terms, the BAA sales increased by 2% and amounted to 321.743 mln packs. The average cost of a BAA pack was USD 3.64, whereas in the year-earlier period its cost was USD 3.16. It should be noted that the average cost of an OTC pack (USD 4.23) was higher than that of a BAA pack. The average sum spent by residents of Russia for purchase of BAA in 2013 amounted to USD 8.18. (in 2012 - USD 6.88).

Figure 1. Russian BAA pharmacy market for 2012 – 2013



At year-end 2013, the top two drug manufacturers held their own in the BAA market (Table 1). As before, EVALAR (+8%) continued to hold a wide lead. Despite the delay in sales rates and reduction of company's share in the market by more than 2 p.p., its share in the BAA market remained very high 18.7%. ESSENTIALE N (+29%) kept and reinforced its previous rank two. The markets of the other six brand names also developed at a fast pace. On top of that, five of them showed high growth rates. GNC PM FARMA (+49%) moved up to rank three from six, and PHARMAMED CANADA (+37%) moved up from rank seven to five. The manufacturers POLENS (+44%) and QUEISSER (+35%) moved up to ranks seven and eight from ranks nine and ten, displacing POLYARIS (+30%) down to rank 9 despite its outstripping growth rates. The only newcomer of the top ten BAYER (+92%) moved up to rank ten. The manufacturer RECORDATI (+3%) showing low growth rates and PFIZER (-3%) with reduced sales moved down to the lower ranks four and six, respectively. The total share of top ten manufacturers in the BAA market reduced by almost 0.5 p.p. and accounted for 46.6%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	EVALAR	18.7	21.0
2	2	VIS	6.5	6.1
3	6	GNC PM FARMA	3.4	2.8
4	3	RECORDATI	2.9	3.5
5	7	PHARMAMED CANADA	2.8	2.4
6	4	**PFIZER**	2.7	3.4
7	9	POLENS	2.6	2.2
8	10	QUEISSER	2.4	2.1
9	8	POLYARIS	2.4	2.2
10	16	**BAYER HEALTHCARE**	2.3	1.4
Total			46.6	47.1

*AIPM members are in bold

A BAA to treat erectile dysfunction SEALEX FORTE, which sales increased 25% at year-end 2013, remained the best selling BAA in the Russia market (Table 2). The brand names placed at ranks two and three in the top ten switched places: ALI CAPS (+48%) with higher growth rates moved up to rank 2, displacing PHITOLAX (+8%) to rank three. BAA REDUKSIN-LIGHT (+29%), TONGKAT ALI PLATINUM (+26%) and HEMATOGEN RUSSKIY (-9%) held their previous ranks four, five and seven. At year-end, three newcomers broke into the ranks of the top ten brand names. They were SUPRADIN KIDS (2.2-fold growth in sales), SOPELKA PATCH (2.4-fold growth) and MAXILAC (2.2-fold growth), moving up to numbers six, nine and ten. At the same time, OVESOL (-12%) reduced its sales and moved down two ranks to number eight. The total share of the top ten brand names increased by 1.5 p.p. and reached 20.0%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	SEALEX FORTE	4.5	4.4
2	3	ALI CAPS	3.3	2.7
3	2	PHITOLAX	2.5	2.8
4	4	REDUKSIN-LIGHT	2.3	2.1
5	5	TONGKAT ALI PLATINUM	2.2	2.1
6	21	SUPRADIN KIDS	1.3	0.7
7	7	HEMATOGEN RUSSKIY	1.0	1.4
8	6	OVESOL	1.0	1.4
9	35	SOPELKA PATCH	1.0	0.5
10	34	MAXILAC	0.9	0.5
Total			20.0	18.5

The leader in the top ten INN/Generic names in the BAA market didn't change either, the composition GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS (+25%) held and strengthened its first rank (table 3). Another three INNs of the top ten held their own in the ranking. As before, EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA (+48%) и LINOLEIC ACID + VITAMIN E (+29%) held their previous ranks two and three, INDOLE-3-CARBINOL (+11%) - its previous rank 9. Three drug manufacturers of the top 10 rose in the ranks. The composition EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY (+26%) moved up one rank to number four, and the newcomers ANETHUM GRAVEOLENS + ARMENIACA VULGARIS + PLANTAGO OVATA + SENNA (+51%) and ASCORBIC ACID + CHOLINE + CYANOCOBALAMIN + FISH + NICOTINAMIDE + PYRIDOXINE (2.2-fold growth in sales) broke into the top ten, coming in at numbers six and seven. INN ASCORBIC ACID (+7%) with low growth rates, as well as the composition FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR + SENNA + LINUM USITATISSIMUM (-16%) which reduced its sales and AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA + HELICHRYSUM ARENARIUM + MENTHA PIPERITA (-12%) shrank their market shares and moved down to the lower ranks five, eight and nine, respectively. However, the total share of the top 10 under review has increased from 19.3% to 20.0%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	GLYCYRRHIZA GLABRA + PANAX GINSENG + SERENOA REPENS	4.5	4.4
2	2	EURYCOMA LONGIFOLIA + SERENOA REPENS + TURNERA DIFFUSA	3.3	2.7
3	3	LINOLEIC ACID + VITAMIN E	2.3	2.1
4	5	EURYCOMA LONGIFOLIA + PANAX GINSENG + ROYAL JELLY	2.2	2.1
5	4	ASCORBIC ACID	1.9	2.1
6	11	ANETHUM GRAVEOLENS + ARMENIACA VULGARIS + PLANTAGO OVATA + SENNA	1.4	1.1
7	25	ASCORBIC ACID + CHOLINE + CYANOCOBALAMIN + FISH + NICOTINAMIDE + PYRIDOXINE	1.3	0.7
8	6	FOENICULUM VULGARE + LAMINARIA DIGITATA + PLANTAGO MAJOR + SENNA + LINUM USITATISSIMUM	1.1	1.6
9	9	INDOLE-3-CARBINOL	1.1	1.2
10	7	AVENA SATIVA + BUPLEURUM FALCATUM + CURCUMA LONGA + HELICHRYSUM ARENARIUM + MENTHA PIPERITA	1.0	1.4
Total			20.0	19.3

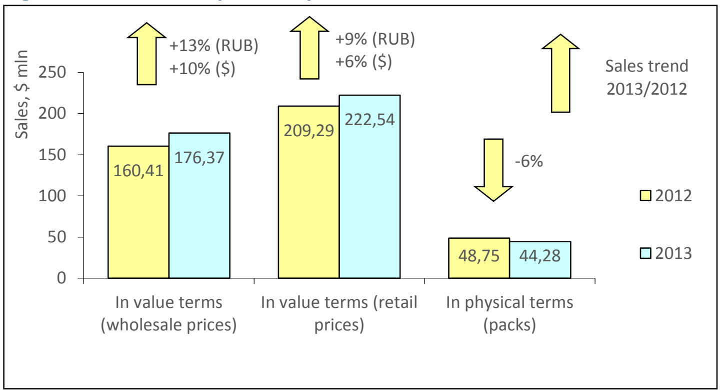
Conclusion. At year-end 2013, BAA sales in pharmacies of the country increased 22% in terms of roubles and 19% in terms of dollars and brought in 37.295 bln roubles (USD 1.172 million) at final consumer prices. In pack terms, the BAA market grew by 2% and achieved 321.743 mln packs. The average cost of an OTC pack increased as compared to the previous year (USD 3.64 vs. USD 3.13). Expenses of residents for purchase of BAA in pharmacies proved to be much higher as well (USD 8.18 vs. USD 6.88).

NOVOSIBIRSK PHARMACY MARKET: 2013 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, at year-end 2013 the average salary in the Novosibirskaya Oblast was RUB 25,598.4 (USD 800.45), which is 15% lower than the average salary in Russia (RUB 29,960.1).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2013 the sales of OTC drugs in physical terms in pharmacies of Novosibirsk saw a 6% decrease to 41.629 mln packs. In value terms, the OTC drugs market increased by 13% in rouble terms and by 10% in dollar terms and reached 5.613 billion roubles (USD 176.374 million) at wholesale prices (Fig. 1). The city's share 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 4.72) and reached USD 5.35 at retail prices. For 12 months of 2013, the average amount spent by residents of Novosibirsk for drugs in the pharmacies amounted to USD 146.04.

Figure 1. Novosibirsk pharmacy market for 2012 – 2013



At year-end 2013, the top ten drug manufacturers dominating in the market of Novosibirsk didn't change in composition (Table 1). Apart from that, four of its manufacturers held their own in the ranking. Among them were three ranking leaders SANOFI-AVENTIS, BAYER (+15% each) and PHARMSTANDART (-4%), as well as NOVARTIS (+19%) placed at number six. The manufacturers SANDOZ (+15%), NYCOMED/TAKEDA (+14%), MERCK SHARP DOHME (+21%) and TEVA (+17%) showed outperformance and rose in the ranks, coming in at numbers four and from 7 through 9 respectively. As the same time, the less dynamic ABBOTT (+11%) and SERVIER (+6%) moved down to ranks five and ten. The cumulative share of the top 10 drug manufacturers reduced from 37.3% to 37.1%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	**SANOFI-AVENTIS**	5.6	5.5
2	2	**BAYER HEALTHCARE**	4.9	4.8
3	3	PHARMSTANDART	3.6	4.3
4	5	**SANDOZ GROUP**	3.6	3.5
5	4	**ABBOTT**	3.5	3.6
6	6	**NOVARTIS**	3.4	3.3
7	8	**NYCOMED/TAKEDA**	3.2	3.2
8	9	**MERCK SHARP DOHME**	3.2	3.0
9	10	**TEVA**	3.0	2.9
10	7	**SERVIER**	3.0	3.2
Total			37.1	37.3

*AIPM members are in bold

The top four brand names didn't change in the top ten ranking (Table 2). On top of that, the first two brand names KAGOCEL (+29%) and ESSENTIALE N (+37%) not only held, but reinforced their positions due to high growth rates, whereas ARBIDOL (-15%) and VIAGRA (-7%) reduced their sales. The other brand names of the top-10 showed positive growth rates. However, only two of them NISE (+17%) and CARDIOMAGNIL (+33%) showed outperformance, which allowed above drugs to break into the ranks of the top ten, coming in at numbers 8 and 10. Two more brand names HEPTRAL (+9%) and LINEX (+8%) showed high growth rates and moved up to ranks five and six, respectively. ANAFERON (+3%) and DUPHASTON (+2%) with low growth rates moved down to ranks seven and nine respectively. The consolidated share of the top 10 reduced from 7.3% to 7.2%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	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	6	HEPTRAL	0.6	0.6
6	9	LINEX	0.6	0.6
7	5	ANAFERON	0.6	0.6
8	11	NISE	0.6	0.6
9	7	DUPHASTON	0.6	0.6
10	18	CARDIOMAGNIL	0.6	0.5
Total			7.2	7.3

One newcomer entered the top-ten INN and generic names ranking (table 3). It was INN URSODEOXYCHOLIC ACID (+35%) placed at rank nine. Apart from the newcomers, another three INNs managed to rise in the ranks. IBUPROFEN (+7%) moved up from rank seven to four, and AMBROXOL (+11%) moved up from rank eight to six. The composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+8%) moved up one rank, to number 8. At the same time, INNs PANCREATIN (-1%) and SILDENAFIL (+1%) moved down one rank to numbers 5 and 7, respectively. The other four INNs held their own in the ranking. They were the top ten leaders XYLOMETAZOLINE (+9%), KAGOCEL (+29%) and PHOSPHOLIPIDS (+35%), as well as the composition AMOXICILLIN + CLAVULANIC ACID (+9%) placed at rank ten. The total share of the top ten under review, as well as one of the previous top ten ranking, increased by almost 0.1 p.p. 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, %	
2013	2012		2013	2012
1	1	XYLOMETAZOLINE	1.5	1.5
2	2	KAGOCEL	1.3	1.1
3	3	PHOSPHOLIPIDS	1.2	1.0
4	7	IBUPROFEN	0.8	0.9
5	4	PANCREATIN	0.8	0.9
6	8	AMBROXOL	0.8	0.8
7	6	SILDENAFIL	0.8	0.9
8	9	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	0.8	0.8
9	17	URSODEOXYCHOLIC ACID	0.8	0.7
10	10	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
Total			9.6	9.5

Only two ATC Groups of the top 10 ATC groups retained their previous ranks (table 4). Among them were both the leader of the top ten G03 Sex hormones (+11%) and J01 Antibacterials for systemic use (+10%) placed at rank 3. Four ATC groups of the top ten ranking moved up to the higher positions. They were the groups M01 Anti-inflammatory and antirheumatic products (+18%), R01 Nasal preparations (+11%), J05 Antivirals for systemic use (+28%) and A05 Bile and liver therapy (+27%) which moved up to ranks two, four, six and ten, respectively. At the same time, the groups N02 Analgesics (-7%), R05 Cough and cold preparations (+7%), A11 Vitamins (+11%) and C09 Agents acting on the rennin-angiotenzin system (+15%) fell in the ranks, coming in at numbers five and from 7 through 9 respectively. The total share of the top 10 ATC groups increased from 37.8% to 37.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	G03	SEX HORM&MODULAT GENITAL SYS	4.9	4.9
2	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.1	3.9
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.0	4.1
4	5	R01	NASAL PREPARATIONS	3.8	3.9
5	2	N02	ANALGESICS	3.8	4.5
6	9	J05	ANTIVIRALS FOR SYSTEMIC USE	3.6	3.2
7	6	R05	COUGH AND COLD PREPARATIONS	3.5	3.7
8	7	A11	VITAMINS	3.4	3.5
9	8	C09	AG ACT RENIN-ANGIOTENS SYST	3.4	3.3
10	12	A05	BILE AND LIVER THERAPY	3.3	2.9
Total				37.6	37.8

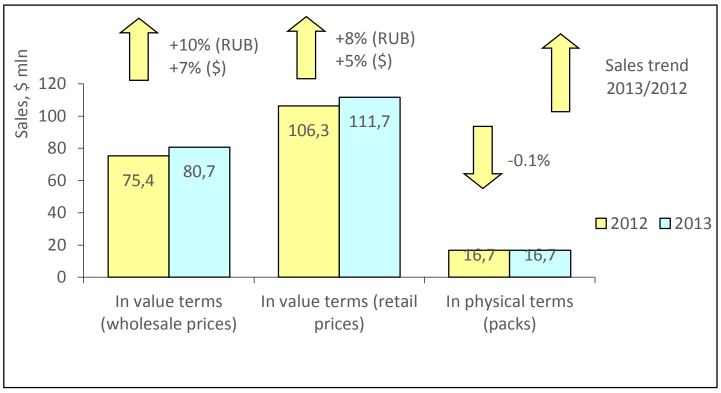
Conclusion. At year-end 2013, the OTC drugs market of Novosibirsk brought in RUB 7.079 bln (USD 222.537 mln). The market increased 9% in terms of roubles and 6% in terms of dollars. In pack terms, the market showed negative growth rates (-6%) and achieved 41.629 mln packs. In 2013, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 5.35 vs. USD 4.72) and exceeded the Russia average figures (USD 4.23). Per capita expenses of Novosibirsk residents for purchase of medicines in the city pharmacies also exceeded the national average figures (USD 146.04 vs. USD 125.08).

IRKUTSK PHARMACY MARKET: 2013 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 12 months of 2013 the average salary in the region was RUB 29229.4 (USD 913.99), which is 2% lower than the average salary in Russia (RUB 29960.1).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in twelve months of 2013 the Irkutsk pharmacy market volume in physical terms reduced by 0.1% to 16.703 million packs (Fig. 1). At wholesale prices, the market showed the positive performance both in terms of roubles (+10%) and in terms of dollars (+7%) and reached 2.567 bln roubles (USD 80.726 mln). The region's share accounted for 0.6% of the total volume of all-Russia pharmacy market. The average cost of OTC pack in the city pharmacies according to the results for 2013 was USD 6.69 (in 2012 - USD 6.36). In 2013, per capita expenses for purchase of medicines in pharmacies amounted to USD 184.28.

Figure 1. Irkutsk pharmacy market for 2012 – 2013



At year-end 2013, four from the top ten manufacturers in the Irkutsk market showed outperformance (Table 1). They were SANOFI-AVENTIS and BAYER (+12% each) placed at the first two ranks and PFIZER (+36%) and TEVA (+18%), coming in at numbers three and nine. The sales growth rates of the other top ten manufacturers lagged behind the national average. However, four of them managed to hold their own in the ranking. They were NOVARTIS (+10%), STADA (+7%), ABBOTT (+6%) and NYCOMED/TAKEDA (+9%) placed at ranks four, seven, eight and ten. The manufacturers SANDOZ (+6%) and SERVIER (+1%) moved down to the lower ranks five and six, respectively. The total share of the top ten drug manufacturers increased by 0.5 p.p. and achieved 38.3%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	**SANOFI-AVENTIS**	6.0	5.9
2	2	**BAYER HEALTHCARE**	5.0	5.0
3	6	**PFIZER**	4.0	3.3
4	4	**NOVARTIS**	4.0	4.0
5	3	**SANDOZ GROUP**	4.0	4.1
6	5	**SERVIER**	3.4	3.7
7	7	**STADA**	3.2	3.2
8	8	**ABBOTT**	2.9	3.0
9	11	**TEVA**	2.9	2.7
10	10	**NYCOMED/TAKEDA**	2.8	2.8
Total			38.3	37.7

*AIPM members are in bold

Hepatoprotector ESSENTIALE N (+15%) and interferon inducer CYCLOFERON (+1%) remained the best selling drug in the Irkutsk pharmacies (Table 2). Due to 54% growth in sales, potency regulator VIAGRA moved up to rank three from ten. The names LAVOMAX and LASOLVAN (+2% each) held their previous ranks four and five. The only newcomer of the top ten, vaccine PENTAXIM (+19%), moved up to rank six. The drug CIALIS (+5%) also rose in the ranks, moving up two ranks to number 7 despite lagging behind growth rates. LINEX (-1%) that had been placed at that rank earlier reduced its sales and moved down to rank eight. Another two INNs with negative growth rates, OSCILLOCOCCINUM (-6%) and GONAL-F (-30%) moved down to ranks nine and ten, respectively. In total, the top ten brand names accumulated 8.1% of sales, which is less than in the year-earlier period (8.4%).

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	ESSENTIALE N	1.2	1.2
2	2	CYCLOFERON	1.1	1.1
3	10	VIAGRA	1.0	0.7
4	4	LAVOMAX	0.9	0.9
5	5	LASOLVAN	0.8	0.8
6	12	PENTAXIM	0.7	0.6
7	9	CIALIS	0.7	0.7
8	7	LINEX	0.6	0.7
9	6	OSCILLOCOCCINUM	0.6	0.7
10	3	GONAL-F	0.6	0.9
Total			8.1	8.4

The top 10 INN and generic names ranking kept its three leading names unchanged: INNs XYLOMETAZOLINE (+16%), PHOSPHOLIPIDS (+14%) and ACRIDOACETIC ACID (+1%) held their first three positions in the ranking (Table 3). The remaining top 10 INNs changed their positions, moreover, three of them rose in the ranks. The newcomers SILDENAFIL (+60%) and IBUPROFEN (+20%) broke into the ranks of the top ten, coming in at numbers four and seven. The composition AMOXICILLIN + CLAVULANIC ACID moved up one rank, to number nine. At the same time, the less dynamic INNs MBROXOL (+6%), TILORONE (+5%), AZITHROMYCIN (-1%) and KETOPROFEN (+12%) moved down to ranks 5, 6, 8 and 10, respectively. The cumulative share of the top ten increased by 0.4 p.p. and achieved 10.5%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	XYLOMETAZOLINE	1.6	1.6
2	2	PHOSPHOLIPIDS	1.3	1.3
3	3	ACRIDOACETIC ACID	1.1	1.1
4	17	SILDENAFIL	1.0	0.7
5	4	AMBROXOL	1.0	1.0
6	5	TILORONE	1.0	1.0
7	12	IBUPROFEN	0.9	0.8
8	6	AZITHROMYCIN	0.9	1.0
9	10	AMOXICILLIN + CLAVULANIC ACID	0.9	0.8
10	8	KETOPROFEN	0.9	0.8
Total			10.5	10.1

Most of the top 10 ATC groups retained their previous ranks (table 4). Despite the negative growth rates and the notable decline in the market share, G03 Sex hormones (-1%) held their previous rank one. As before, J01 Antibacterials for systemic use (+5%) held their previous rank two and reduced their market share due to lagging behind the growth rates. The groups M01 Anti-inflammatory and antirheumatic products (+17%), R05 Cough and cold preparations (+9%), A11 Vitamins (+6%), C09 Agents acting on the rennin-angiotenzin system and N02 Analgesics (+11% each) held their previous ranks four and from 7 through 10, respectively. The other two ATC groups of the top ten rose in the ranks. J05 Antivirals for systemic use (+22%) moved up to rank three from five, R01 Nasal preparations (+14%) - from rank six to five. At the same time, the group L03 Immunostimulants (+5%) showing low sales rates lost three ranks and moved down to rank 6. The consolidated share of the top 10 reduced from 38.9% to 38.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	G03	SEX HORM&MODULAT GENITAL SYS	5.3	6.0
2	2	J01	ANTIBACTERIALS FOR SYST USE	4.4	4.6
3	5	J05	ANTIVIRALS FOR SYSTEMIC USE	4.1	3.7
4	4	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	3.7
5	6	R01	NASAL PREPARATIONS	3.8	3.6
6	3	L03	IMMUNOSTIMULANTS	3.8	3.9
7	7	R05	COUGH AND COLD PREPARATIONS	3.5	3.5
8	8	A11	VITAMINS	3.4	3.5
9	9	C09	AG ACT RENIN-ANGIOTENS SYST	3.2	3.2
10	10	N02	ANALGESICS	3.1	3.1
Total				38.6	38.9

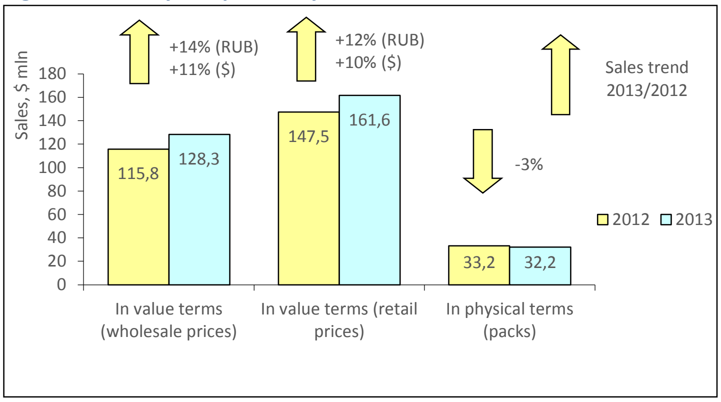
Conclusion. At year-end 2013, the pharmacy market in Irkutsk was estimated at RUB 3.551 bln (USD 111.7 mln) at final consumer prices. Note that the market performance was positive both in rouble terms and in dollar terms (+8% and +5%, respectively). In pack terms, the market reduced by 0.1% to 16.703 mln packs. The average cost of an OTC pack (USD 6.69) in the pharmacies increased as compared to a year earlier (USD 6.36) and was higher than the average value in Russia (USD 4.23). Per capita expenses of Irkutsk residents for purchase of medicines in the city pharmacies also exceeded the national average figures (USD 184.28 vs. USD 125.08).

KRASNOYARSK PHARMACY MARKET: 2013 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, based on the results for 12 months of 2013 the average salary in the Krasnoyarski Krai was RUB 31,593 (USD 987.9), which is 5% higher than the average salary in Russia (RUB 29960.1).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2013 the sales of OTC drugs in physical terms in the pharmacies of Krasnoyarsk saw a 3% decrease to 32.237 mln packs. In value terms, the OTC drugs market increased by 14% in rouble terms and by 11% in dollar terms and reached RUB 4.082 billion (USD 128.326 million) at wholesale prices (Fig. 1). The city share in the total volume of all-Russia retail market accounted for 0.9%. The average cost of an OTC pack increased as compared to the previous year (USD 4.44) and reached USD 5.01 at retail prices. For 12 months of 2013, the average amount spent by residents of Krasnoyarsk for drugs amounted to USD 158.99.

Figure 1. Krasnoyarsk pharmacy market for 2012 – 2013



At year-end 2013, SANOFI-AVENTIS (+14%), BAYER (+10%), SERVIER and SANDOZ (+17% each) held their leading positions in the Krasnoyarsk retail market (Table 1). On top of that, another two manufacturers NOVARTIS and ABBOTT (+12% each) held their own in the ranking, rounding out the top ten. Some shifts took place in the middle part of the top ten. The manufacturers TEVA (+34%) and NYCOMED/TAKEDA (+20%) showed high sales rates and moved up to ranks five and seven. In contrast, the manufacturers with low growth rates PHARMSTANDART (+4%) and MERCK SHARP DOHME (+1%) moved down to ranks six and eight. The cumulative share of the top ten drug manufacturers increased from 38.6% to 38.7%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	**SANOFI-AVENTIS**	5.8	5.8
2	2	**BAYER HEALTHCARE**	4.8	5.0
3	3	**SERVIER**	4.3	4.2
4	4	**SANDOZ GROUP**	4.3	4.1
5	7	**TEVA**	3.8	3.2
6	5	PHARMSTANDART	3.4	3.7
7	8	**NYCOMED/TAKEDA**	3.2	3.0
8	6	**MERCK SHARP DOHME**	3.2	3.5
9	9	**NOVARTIS**	3.0	3.0
10	10	**ABBOTT**	3.0	3.0
Total			38.7	38.6

*AIPM members are in bold

The regional top ten brand names ranking also proved to be sufficiently stable - five of its brand names managed to hold its own in the ranking (Table 2). They were the leader of the top ten hepatoprotector ESSENTIALE N (+15%), as well as the brand names VIAGRA (-5%), ARBIDOL (+1%) and ALFLUTOP (+7% each) placed at ranks 3 through 6, respectively. The other brand names of the top ten rose in the ranks. KAGOCEL (+47%) moved up to rank 2 from 8, whereas the brand names KETONAL (+12%) and CONCOR (+19%) moved up two ranks to numbers seven and eight, respectively. The newcomers CARDIOMAGNIL (+45%) and LOZAP PLUS (+29%) broke into the ranks of the top ten, coming in at numbers nine and ten. The total share of the top 10 trade names increased from 7.1% to 7.2%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	ESSENTIALE N	1.3	1.3
2	8	KAGOCEL	0.8	0.6
3	3	VIAGRA	0.7	0.9
4	4	ARBIDOL	0.7	0.8
5	5	ACTOVEGIN	0.7	0.7
6	6	ALFLUTOP	0.7	0.7
7	9	KETONAL	0.6	0.6
8	10	CONCOR	0.6	0.5
9	25	CARDIOMAGNIL	0.6	0.4
10	21	LOZAP PLUS	0.5	0.5
Total			7.2	7.1

INN PHOSPHOLIPIDS (+14%) remained the leader of the top ten INN and generic names ranking (Table 3). Due to 20% growth in sales, XYLOMETAZOLINE moved up to rank two, displacing the less dynamic KETOPROFEN (+9%) down one rank. BISOPROLOL (+21%) and AMBROXOL (+17%) moved up one rank to numbers six and eight, displacing INN BLOOD (+11%) to rank nine. The newcomers KAGOCEL (+47%) and AZITHROMYCIN (+21%) showed much higher growth rates, coming in at numbers 7 and 10. INNs PANCREATIN (+4%) and SILDENAFIL (+5%) held their previous ranks four and five, respectively. The total share of the top ten under review, as well as that of the previous top ten ranking, increased by 0.1 p.p. and accounted for 9.7%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	PHOSPHOLIPIDS	1.4	1.4
2	3	XYLOMETAZOLINE	1.3	1.2
3	2	KETOPROFEN	1.2	1.2
4	4	PANCREATIN	1.0	1.1
5	5	SILDENAFIL	0.9	1.0
6	7	BISOPROLOL	0.9	0.8
7	17	KAGOCEL	0.8	0.6
8	9	AMBROXOL	0.8	0.8
9	8	BLOOD	0.8	0.8
10	12	AZITHROMYCIN	0.7	0.7
Total			9.7	9.6

In contrast to the previous top 10s, the top ten brand names ranking changed its leader (table 4). N02 Analgesics which used to dominate the top 10 ranking reduced its sales by 9% and moved down to rank three. At the same time, the groups M01 Anti-inflammatory and antirheumatic products (+18%), J01 Antibacterials for systemic use (+14%), G03 Sex hormones (+11%) and R05 Cough and cold preparations (+16%) moved up one rank, coming in at numbers 1 through 4, respectively. As before, the groups C09 Agents acting on the rennin-angiotensin system (+21%), R01 Nasal preparations (+20%) and L03 Immunostimulants (+13%) held their previous ranks six and seven, as well as ten. The only newcomer J05 Antivirals for systemic use (+36%) broke into the ranks of the top 10 ranking, coming in at number eight. At the same time, A11 Vitamins (+18%) moved down one rank, to number 9. The total share of the top ten under review increased by 0.4 p.p. and achieved 38.8%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	2	M01	ANTIINFLAM & ANTIRHEUM PROD	4.9	4.7
2	3	J01	ANTIBACTERIALS FOR SYST USE	4.4	4.3
3	4	G03	SEX HORM&MODULAT GENITAL SYS	4.1	4.2
4	5	R05	COUGH AND COLD PREPARATIONS	3.9	3.8
5	1	N02	ANALGESICS	3.8	4.8
6	6	C09	AG ACT RENIN-ANGIOTENS SYST	3.8	3.6
7	7	R01	NASAL PREPARATIONS	3.7	3.5
8	11	J05	ANTIVIRALS FOR SYSTEMIC USE	3.6	3.0
9	8	A11	VITAMINS	3.5	3.4
10	10	L03	IMMUNOSTIMULANTS	3.0	3.0
Total				38.8	38.4

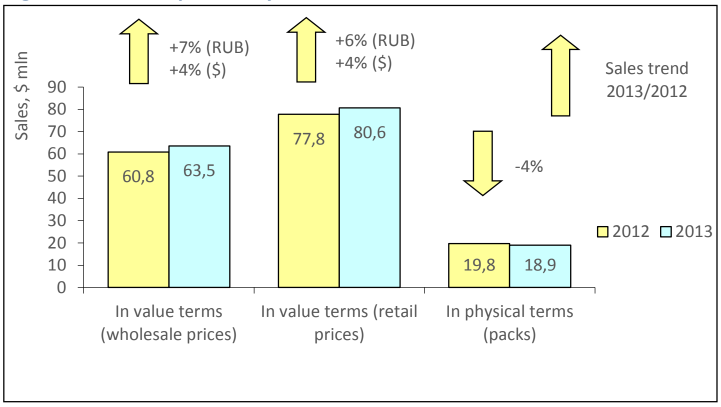
Conclusion. On the basis of the results for 2013, the retail pharmacy market of Krasnoyarsk brought in RUB 5.140 bln (USD 161.6 mln). At the same time, the market increased 12% in terms of roubles and 10% in terms of dollars. In pack terms, the market reduced by 3% to 32.237 mln packs. At year-end 2013, the average cost of an OTC pack in the city pharmacies was higher than in the year-earlier period (USD 5.01 vs. USD 4.44) and exceeded the national average (USD 4.23). Per capita expenses for purchase of medicines in the city pharmacies amounted to USD 158.99 which is higher than on the average in the country (USD 125.08).

BARNAUL PHARMACY MARKET: 2013 RESULTS

According to Federal State Statistics Service, as of January 1, 2013 the population of Barnaul was estimated as 629.8 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, in 2013 the average salary in the Altaiski Krai was RUB 18,007.6 (USD 563.09), which is 40% lower than the average salary in Russia (RUB 29,960.1).

According to the results of the Retail Audit of OTC drugs in Russian Federation™, in twelve months of 2013 the Barnaul pharmacy market volume in physical terms reduced by 4% to 18.932 million packs (Fig. 1) In terms of wholesale prices, the market showed the positive performance both in terms of roubles (+7%) and in terms of dollars (+4%) and reached 2.021 million roubles (USD 63.507 mln). The region's share accounted for 0.4% of the total volume of all-Russia pharmacy market. At year-end 2013, the average cost of OTC pack in the Barnaul parmacies was USD 4.26, whereas in the year-earlier period its cost was USD 3.94. In 2013, per capita expenses for purchase of medicines in pharmacies amounted to USD 128.00.

Figure 1. Barnaul pharmacy market for 2012 – 2013



At year-end 2013, the top ten manufacturers ranking in the Barnaul pharmacy market didn't change in composition (Table 1). The first three manufacturers held their own in the ranking: As before, SANOFI-AVENTIS (+2%), NYCOMED/TAKEDA (+1%) and BAYER (+4%) are placed at ranks one, two and three. One more manufacturer NOVARTIS (+11%) also managed to hold its previous rank. Three drug manufacturers: ABBOTT (-0,5%), MENARINI and SERVIER (4% each) reduced their sales as compared to the previous year. That resulted in the loss of their positions as the manufacturers moved down to lower ranks 6, 7 and 10, respectively. Apart from them, another three manufacturers of the top ten rose in the ranks. PHARMSTANDART (+4%) and TEVA (+14%) moved up to ranks four and five and SANDOZ (+18%) moved up to rank eight from ten. The total share accumulated by the top 10 manufacturers reduced more than 1 p.p. and accounted for 37.3%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	**SANOFI-AVENTIS**	4.9	5.1
2	2	**NYCOMED/TAKEDA**	4.6	4.8
3	3	**BAYER HEALTHCARE**	4.4	4.5
4	6	PHARMSTANDART	3.6	3.7
5	8	**TEVA**	3.5	3.2
6	5	**ABBOTT**	3.5	3.7
7	4	**MENARINI**	3.3	3.7
8	10	**SANDOZ GROUP**	3.3	3.0
9	9	**NOVARTIS**	3.2	3.1
10	7	**SERVIER**	3.0	3.3
Total			37.3	38.4

*AIPM members are in bold

Antiviral ARBIDOL remained the best selling drug in the region pharmacies, though its sales reduced by 4% in the analysed period (Table 2). Note that another four brand names showed negative growth rates: REDUKSIN (-5%) that moved up one rank to number two, ACTOVEGIN (-12%) and DUPHASTON that moved down to ranks 3 and 10 and CONCOR (-5%) that held its previous rank 4. Four of the other five brand names from the top ten with positive growth rates rose in the ranks. ESSENTIALE N (+23%) and THERAFLU (+19%) moved up to ranks five and six, displacing NISE (+16%) one rank down to number 7. The newcomers DYSPORT (+65%) and NIMESIL (+16%) broke into the ranks of the top ten, coming in at numbers eight and nine respectively. In total, the top ten brand names accumulated 7.1% of sales, which is less 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, %	
2013	2012		2013	2012
1	1	ARBIDOL	0.9	1.0
2	3	REDUKSIN	0.8	0.9
3	2	ACTOVEGIN	0.8	0.9
4	4	CONCOR	0.7	0.8
5	7	ESSENTIALE N	0.7	0.6
6	8	THERAFLU	0.7	0.6
7	6	NISE	0.7	0.6
8	26	DYSPORT	0.6	0.4
9	11	NIMESIL	0.6	0.6
10	5	DUPHASTON	0.6	0.7
Total			7.1	7.2

One newcomer entered the top ten INN and generic names ranking (Table 3). It was AMBROXOL (+15%) that moved up to rank ten. Another five INNs of the top ten succeeded in improving their ranks. XYLOMETAZOLINE (+20%) and NIMESULIDE (+15%) moved up one rank, to numbers one and two. The composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+19%) and INN SIBUTRAMINE (+5%) moved up to ranks four and five from 8 and 7, and PHOSPHOLIPIDS (+15%) moved up to rank eight from ten. The remaining four INNs of the top ten showed negative growth rates. On top of that, three of them: BISOPROLOL (-0,3%), UMIFENOVIR (-4%) and BLOOD (-10%) fell in the ranks, whereas AZITHROMYCIN (-0.4%) held its previous rank 6. The cumulative share of the top 10 accounted for 10.1%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	2	XYLOMETAZOLINE	1.4	1.3
2	3	NIMESULIDE	1.4	1.3
3	1	BISOPROLOL	1.2	1.3
4	8	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	0.9	0.8
5	7	SIBUTRAMINE	0.9	0.9
6	6	AZITHROMYCIN	0.9	0.9
7	5	UMIFENOVIR	0.9	1.0
8	10	PHOSPHOLIPIDS	0.8	0.8
9	4	BLOOD	0.8	1.0
10	13	AMBROXOL	0.8	0.7
Total			10.1	10.0

Only two shifts took place in the top 10 ATC groups (Table4). J05 Antivirals for systemic use (+21%) showing the highest growth rates among the top ten ATC groups moved up to rank seven from eight, displacing R05 Cough and cold preparations (+16%) down one rank. On top of that, a newcomer A11 Vitamins (+7%) moved up to rank ten. The other ATC groups of the top ten retained their ranks unchanged. They were M01 Anti-inflammatory and antirheumatic products (+9%), G03 Sex hormones (+5%), N02 Analgesics (+6%), J01 Antibacterials for systemic use (+1%), L03 Immunostimulants (+6%) and R01 Nasal preparations (+14%) placed at ranks one through six, respectively. C09 Agents acting on the rennin-angiotensin system (+4%) held its previous rank nine. The consolidated share of the top 10 increased from 37.7% to 38.2%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	M01	M01 ANTIINFLAM & ANTIRHEUM PROD	4.9	4.8
2	2	G03	SEX HORM&MODULAT GENITAL SYS	4.5	4.6
3	3	N02	ANALGESICS	4.3	4.3
4	4	J01	ANTIBACTERIALS FOR SYST USE	4.1	4.3
5	5	L03	IMMUNOSTIMULANTS	3.8	3.8
6	6	R01	NASAL PREPARATIONS	3.7	3.5
7	8	J05	ANTIVIRALS FOR SYSTEMIC USE	3.6	3.2
8	7	R05	COUGH AND COLD PREPARATIONS	3.5	3.3
9	9	C09	AG ACT RENIN-ANGIOTENS SYST	3.0	3.1
10	11	A11	VITAMINS	2.9	2.8
Total				38.2	37.7

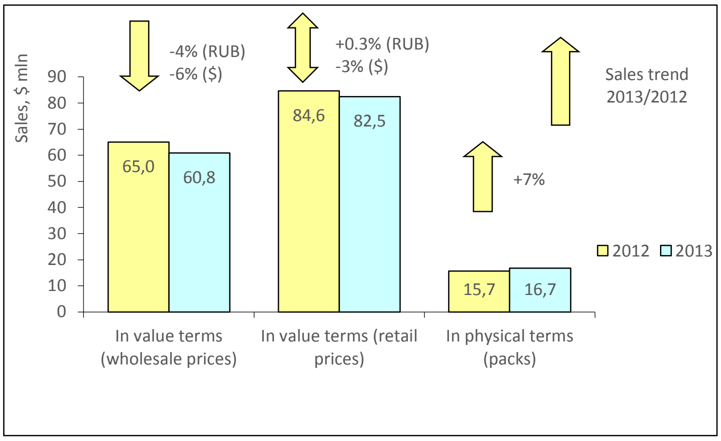
Conclusion. At year-end 2013, the pharmacy market in Barnaul was estimated at RUB 2.563 bln (USD 80.602 mln) at final consumer prices. Note that the market performance was positive both in rouble terms and in dollar terms (+6% and +4%, respectively). In pack terms, the market reduced by 4% and amounted to 18.932 mln packs. The average cost of an OTC pack (USD 4.26 vs. 3.94) in the pharmacies increased as compared to a year earlier and was higher than the national average (USD 4.23). Per capita expenses of residents for purchase of medicines in the city pharmacies were slightly higher than the national average expenses (USD 128.00 vs. USD 125.08).

VLADIVOSTOK PHARMACY MARKET: 2013 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 9.6% of Far Eastern FO (FFO). According to Federal State Statistics Service's data, in 2013 the average salary in the Primorski Krai was RUB 29,969.6 (USD 937.14), which is virtually the same as the average salary in Russia (RUB 29,960.1).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2013 the sales of OTC drugs in physical terms in the pharmacies of Vladivostok saw a 7% increase to 16.745 mln packs. In value terms, the OTC drugs market reduced by 4% in rouble terms and by 6% in dollar terms and reached 1.939 billion roubles (USD 60.834 million) at wholesale prices (Fig. 1). The average cost of an OTC pack reduced as compared to a year earlier period (USD 5.40) and reached USD 4.93 at retail prices. For 12 months of 2013, the average amount spent by residents of Vladivostok for drugs amounted to USD 137.36.

Figure 1. Vladivostok pharmacy market for 2012 – 2013



At year-end 2013, the top ten manufacturers ranking in the Vladivostok market showed high stability. eight of its drug makers held their own in the ranking (Table 1). At the same time, all those manufacturers demonstrated reduction in sales. They were SANOFI-AVENTIS (-10%), SERVIER (-5%), SANDOZ (-11%), BAYER (-3%), PHARMSTANDART (-7%), NOVARTIS (-3%), NYCOMED/TAKEDA (-1%) and TEVA (-10%) placed at ranks one through eight, respectively. The newcomers ABBOTT (-4%) and MENARINI (-6%) broke into the ranks of the top ten, coming in at numbers nine and ten. The total share of the top 10 drug manufacturers reduced by almost 1 p.p. to 36.4%.

Table 1. The top ten manufacturers by pharmacy sales

Rank		Manufacturer*	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	**SANOFI-AVENTIS**	5.0	5.3
2	2	**SERVIER**	4.4	4.5
3	3	**SANDOZ GROUP**	4.1	4.4
4	4	**BAYER HEALTHCARE**	3.9	3.8
5	5	PHARMSTANDART	3.6	3.7
6	6	**NOVARTIS**	3.6	3.5
7	7	**NYCOMED/TAKEDA**	3.4	3.3
8	8	**TEVA**	3.1	3.3
9	13	**ABBOTT**	2.8	2.8
10	12	**MENARINI**	2.7	2.8
Total			36.4	37.3

*AIPM members are in bold

Four newcomers broke into the ranks of the top ten brand names ranking (Table 2). They were the ophthalmological drug TROPICAMIDE which sales grew 7.7 times, as well as the antifungal agent EXODERIL (+12%), the potency regulator VIAGRA (+0.1%) and the preparation to treat cold-related diseases THERAFLU (+27%). The top ten leader, hepatoprotector ESSENTIALE N (+2%), demonstrated the positive sales rates. In contrast, five brand names reduced their pharmacy sales. At the same time, one of them, ACTOVEGIN (-12%), moved up one rank to number 2, whereas the other names moved down to the lower ranks. They were LINEX (-14%), SUMAMED (-20%), ARBIDOL (-32%) and ALFLUTOP (-11%), coming in at numbers three and 6 through 8, respectively. The total share of the top 10 trade names increased from 6.9% to 7.3%.

Table 2. The top ten brand names by pharmacy sales

Rank		Brand name	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	ESSENTIALE N	1.4	1.3
2	3	ACTOVEGIN	0.8	0.9
3	2	LINEX	0.8	0.9
4	84	TROPICAMIDE	0.7	0.1
5	11	EXODERIL	0.6	0.6
6	5	SUMAMED	0.6	0.8
7	4	ARBIDOL	0.6	0.8
8	6	ALFLUTOP	0.6	0.6
9	12	VIAGRA	0.6	0.5
10	22	THERAFLU	0.6	0.4
Total			7.3	6.9

As in the previous ranking, half of the top ten INN and generic names ranking showed positive growth rates, and the other half - negative sales rates (Table 3). The upper part of the top ten included its leaders XYLOMETAZOLINE (+8%) and PHOSPHOLIPIDS (+0.3%), as well as the newcomers TROPICAMIDE (8.4-fold growth in sales), IBUPROFEN (+8%) and NIMESULIDE (+61%) placed at ranks three, eight and ten. INNs PANCREATIN (-12%), AZITHROMYCIN (-18%) and BLOOD (-11%) which reduced their sales and the composition BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (-13%) moved down to the lower ranks 5, 6, 7 and 9, respectively. But despite the negative sales rates, the composition moved up one rank, to number 7. The total share of the top ten increased by 1.3 p.p. and accounted for 10.6%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	XYLOMETAZOLINE	1.7	1.5
2	2	PHOSPHOLIPIDS	1.5	1.4
3	85	TROPICAMIDE	1.2	0.1
4	3	PANCREATIN	1.1	1.2
5	4	AZITHROMYCIN	0.9	1.1
6	5	BLOOD	0.9	0.9
7	8	AMOXICILLIN + CLAVULANIC ACID	0.8	0.8
8	11	IBUPROFEN	0.8	0.7
9	6	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	0.8	0.9
10	32	NIMESULIDE	0.8	0.5
Total			10.6	9.3

As in the previous ranks, the leader of the top ten ATC groups didn't change. Despite the 14% reduction in sales, J01 Antibacterials for systemic use held its own in the ranking (Table 4). ATC group R05 Cough and cold preparations (-4%) held its previous rank 8. Five ATC groups from the top 10 rose in the ranks. Three groups moved up one rank: M01Anti-inflammatory and antirheumatic products (+4%), J05 Antivirals for systemic use (+2%) and N02 Analgesics (-2%) were placed at numbers two, four and six, respectively. G03 Sex hormones (+9%) moved up to rank seven from ten, and the only newcomer of the top ten S01Ophthalmologicals (+54%) moved up to rank five. At the same time, R01 Nasal preparations (+0.2%), L03 Immunostimulants (-11%) and A07 Antidiarrheals, intestinal anti-inflammatory/ antiinfective agents (-12%) moved down to the lower ranks three, nine and ten, respectively. The consolidated share of the top 10 increased from 34.4% to 35.6%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	J01	ANTIBACTERIALS FOR SYST USE	4.6	5.1
2	3	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	3.7
3	2	R01	NASAL PREPARATIONS	4.0	3.8
4	5	J05	ANTIVIRALS FOR SYSTEMIC USE	3.6	3.4
5	18	S01	OPHTHALMOLOGICALS	3.4	2.2
6	7	N02	ANALGESICS	3.4	3.4
7	10	G03	SEX HORM&MODULAT GENITAL SYS	3.3	2.9
8	8	R05	COUGH AND COLD PREPARATIONS	3.2	3.2
9	4	L03	IMMUNOSTIMULANTS	3.1	3.4
10	6	A07	INTESTINAL ANTIINFECTIVES	3.1	3.4
Total				35.6	34.4

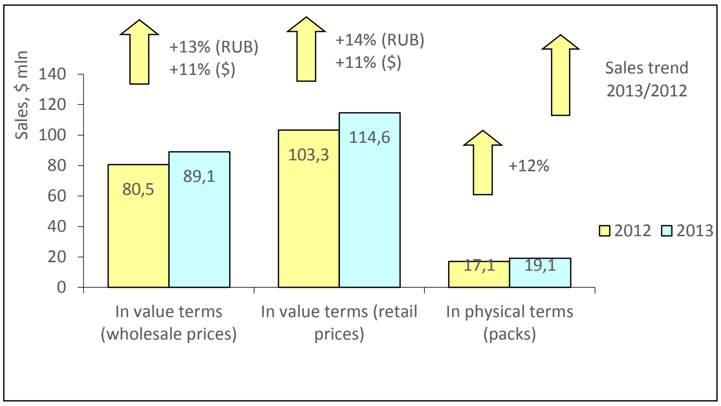
Conclusion. On the basis of the results for 2013, the retail pharmacy market of Vladivostok brought in RUB 2.629 bln (USD 82.476 mln). The market increased 0.3% in terms of roubles and 3% in terms of dollars. In pack terms, the market showed positive growth rates (+7%) and achieved 16.745 mln packs. In 2013, the average cost of an OTC pack in the city pharmacies was lower than in the year-earlier period (USD 4.93 vs. USD 5.40). The average expenses of city residents for medicines in the pharmacies considerably exceeded the national average (USD 137.36 vs. USD 125.08).

KHABAROVSK PHARMACY MARKET: 2013 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 2013 the average salary in the Khabarovski Krai was RUB 33,819.2 (USD 1,057.51), which is 13% higher than the average salary in Russia (RUB 29,960.1).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, at year-end 2013 the sales of OTC drugs in physical terms in the pharmacies of KHABAROVSK saw a 12% increase to 19.087 mln packs. In value terms, the OTC drugs market increased by 13% in rouble terms and by 11% in dollar terms and reached RUB 2.833 billion (USD 89.054 million) at wholesale prices (Fig. 1). The average cost of an OTC pack reduced as compared to a year earlier (USD 6.05) and reached USD 6.00 at retail prices. For 12 months of 2013, the average amount spent by residents of Khabarovsk for drugs amounted to USD 193.01.

Figure 1. Khabarovsk pharmacy market for 2012 – 2013



At year-end 2013, in the Khabarovsk market the drug manufacturer SANDOZ (+21%) showed the highest sales due to high growth rates and moved up to rank one (Table 1). The less dynamic leader of the last year ARBIDOL (+13%) moved down to rank two. Apart from the above mentioned, another four drug manufacturers of the top ten managed to rise in the ranks. PHARMSTANDART (+23%) and NOVARTIS (+35%) moved up two ranks to numbers three and five, and the manufacturer ABBOTT (+16%) improved its position by only one rank and moved up to number 9. The only newcomer TEVA (+33%) broke into the ranks of the top ten, coming it at number eight. At the same time, SANOFI-AVENTIS (-1%) which reduced its sales, as well as SERVIER (+3%), NYCOMED/TAKEDA (+8%) and MENARINI (+2%) with low growth rates moved down to the lower ranks 4, 6, 7 and 10, respectively. The cumulative share of the top ten 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, %	
2013	2012		2013	2012
1	2	**SANDOZ GROUP**	5.2	4.9
2	1	**BAYER HEALTHCARE**	5.0	5.1
3	5	PHARMSTANDART	4.4	4.1
4	3	**SANOFI-AVENTIS**	4.1	4.7
5	7	**NOVARTIS**	4.1	3.4
6	4	**SERVIER**	3.7	4.1
7	6	**NYCOMED/TAKEDA**	3.3	3.5
8	11	**TEVA**	3.2	2.8
9	10	**ABBOTT**	2.9	2.8
10	8	**MENARINI**	2.8	3.1
Total			38.8	38.5

*AIPM members are in bold

The leader of the top ten brand names ARBIDOL (+38%) held its dominant position in the ranking (Table 2). Seven brand names of the top 10 rose in the ranks. The brand names LINEX (+17%), OSCILLOCOCCINUM (+45%) and AMOKSIKLAV (+32%) moved up one rank, coming in at numbers two, five and eight, respectively. LASOLVAN (+52%) with higher growth rates moved up from rank seven to three. The newcomers of the top ten KAGOCEL (+94%), ACC (+75%) and ANAFERON (+46%) moved up to ranks four, seven and nine. At the same time, CYTOVIR-3 (+34%) and VIAGRA (-3%) moved down to numbers six and ten. The total share of the top ten brand names increased by over 1.5 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, %	
2013	2012		2013	2012
1	1	ARBIDOL	1.5	1.2
2	3	LINEX	1.1	1.1
3	7	LASOLVAN	0.9	0.6
4	18	KAGOCEL	0.9	0.5
5	6	OSCILLOCOCCINUM	0.9	0.7
6	5	CYTOVIR-3	0.8	0.7
7	20	ACC	0.8	0.5
8	9	AMOKSIKLAV	0.7	0.6
9	15	ANAFERON	0.7	0.5
10	4	VIAGRA	0.6	0.8
Total			8.8	7.2

Three newcomers broke into the ranks of the top ten INN and generic names ranking (Table 3). They were INNs AZITHROMYCIN (+29%), KAGOCEL (+94%) and ANAS BARBARIAE (+45%), coming in at numbers eight, nine and ten. Apart from the newcomers, another four INNs of the top ten managed to rise in the ranks. They were UMIFENOVIR (+38%) and AMBROXOL (+58%), as well as the composition PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE (+72%) and AMOXICILLIN + CLAVULANIC ACID (+30%), which moved up to ranks two through four and seven, respectively. At the same time, the composition BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS (+17%) and INN IBUPROFEN (+10%) moved down one rank, to numbers 5 and 7. XYLOMETAZOLINE (+36%) held and reinforced its previous rank one in the top ten. The cumulative share of the top ten increased by 2.3 p.p. and achieved 12.4%.

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

Rank		INN/Generic Names	Share in total pharmacy sales, %	
2013	2012		2013	2012
1	1	XYLOMETAZOLINE	2.5	2.1
2	3	UMIFENOVIR	1.5	1.2
3	5	AMBROXOL	1.4	1.0
4	10	PARACETAMOL + ASCORBIC ACID + PHENIRAMINE + PHENYLEPHRINE	1.3	0.9
5	4	BIFIDOBACTERIUM INFANTIS + ENTEROCOCCUS FAECIUM + LACTOBACILLUS ACIDOPHILUS	1.1	1.1
6	7	AMOXICILLIN + CLAVULANIC ACID	1.1	1.0
7	6	IBUPROFEN	0.9	1.0
8	13	AZITHROMYCIN	0.9	0.8
9	38	KAGOCEL	0.9	0.5
10	20	ANAS BARBARIAE	0.9	0.7
Total			12.4	10.1

The dominant three groups held their own in the top ten ATC group ranking (table 4). They were R01 Nasal preparations (+34%), R05 Cough and cold preparations (+47%) and J01 Antibacterials for systemic use (+21%). N02 Analgesics (+21%) placed at rank 5 also managed to maintain its position unchanged. The groups J05 Antivirals for systemic use (+40%), L03 Immunostimulants (+30%) and A11 Vitamins (+16%) moved up to ranks four, six and nine, displacing the less dynamic M01 Anti-inflammatory and antirheumatic products (+10%), G03 Sex hormones (+6%) and A07 Antidiarrheals, intestinal anti-inflammatory / antiinfective agents (+5%) to ranks 7, 8 and 10, respectively. The total share of the top 10 increased from 42.0% to 45.8%.

Table 4. The top ten ATC Groups by pharmacy sales

Rank		ATC code	ATC group	Share in total pharmacy sales, %	
2013	2012			2013	2012
1	1	R01	NASAL PREPARATIONS	6.6	5.5
2	2	R05	COUGH AND COLD PREPARATIONS	6.1	4.7
3	3	J01	ANTIBACTERIALS FOR SYST USE	4.9	4.6
4	7	J05	ANTIVIRALS FOR SYSTEMIC USE	4.7	3.8
5	5	N02	ANALGESICS	4.4	4.1
6	8	L03	IMMUNOSTIMULANTS	4.3	3.7
7	6	M01	ANTIINFLAM & ANTIRHEUM PROD	4.0	4.1
8	4	G03	SEX HORM&MODULAT GENITAL SYS	3.9	4.2
9	10	A11	VITAMINS	3.6	3.6
10	9	A07	INTESTINAL ANTIINFECTIVES	3.4	3.7
Total				45.8	42.0

Conclusion. On the basis of the results for 2013, the retail pharmacy market of Khabarovsk brought in RUB 3.645 bln (USD 114.578 mln). At the same time, the market increased 14% in terms of roubles and 11% in terms of dollars. In pack terms, the market also showed positive growth rates (+12%) and achieved 19.087 mln packs. In the twelve months of 2013, the average cost of an OTC pack in the city pharmacies was slightly lower than in the year-earlier period (USD 6.00 vs. USD 6.05), but considerably higher than the national average (USD 4.23). Per capita expenses amounted to USD 193.01 which is notably higher than on the average in Russia (USD 125.08).

REGIONAL DIGEST

Additional Pharmacological Support (DLO)/Essential Drug Reimbursement Program (ONLS), Government Control

3 March 2014, ITAR-TASS

Government to allocate 3 bln rubles for high-tech health care events in the regions

Dmitri Medvedev signed a decree to provide funding for high technology health care in 2014. This decree which draft was submitted by the Ministry of Public Health reviewed the types of High Tech Medical Care (HTMC) funded out of the federal and regional budgets. The less resource-intensive HTMC will be funded at the expense of compulsory health insurance. From there, the sophisticated HTMC will be funded out of the budget sources. To this effect, the federal budget allocated RUB 3 bln in 2014.

5 March 2014, RIA News

According to Roszdravnadzor's data, medicine prices in Russia haven't changed since the start of the year

In Russia, medicine prices in the outpatient and inpatient segments haven't changed in the first two months of 2014 as compared to 2013, Acting Head of the Federal Service on Healthcare Surveillance (Roszdravnadzor) Mikhail Murashko announced at the board meeting held on 5 March 2014. According to him, in 2013 the prices for vital and essential medicines in the Russian Federation were stable. In the outpatient segment the retail prices reduced by slightly more than 0.5%, in the hospital segment the prices saw a 1% increase, the official said.

7 March 2014, Vademic.ru

Ministry of Industry and Trade registered the licensing supervision specification in the pharmaceutical production

The Ministry of Industry and Trade registered Decree No 1607 of 4 October 2013 with the Ministry of Justice to approve the structure, the time-limits and sequence of administrative actions to be taken by the authority in the course of supervision over manufacturing conditions of medicinal products for human use. According to the administrative specification, the Ministry of Industry and Trade shall exercise control over the data of license-holder operations, conditions of its sites and facilities, compliance of staff qualifications with the licensing requirements, as well as actions taken by the license-holder to comply with the licensing requirements.

12 March 2014, PRIME

Federal Anti-monopoly Service believes that regulation blunders caused high medicine prices in Russia

Igor Artemyev, Head of the Federal Anti-monopoly Service of Russia, submitted the report on medicine prices in the Russian Federation for consideration to the government commission on small businesses and competition promotion headed by the First Deputy Prime Minister of Russian Federation Igor Shuvalov. Having considered the above report, the commission arrived at the conclusion that high medicine prices in Russia were caused by gross regulation blunders, said Artemyev.

12 March 2014, ITAR-TASS

According to the data from the Ministry of Health, investments in upgrades of fixed assets of Russian public health system will amount to RUB 1 trillion

Investments in upgrades of fixed assets of Russian public health system will amount to RUB 1 trillion. These estimates were provided by the Deputy Head of the Ministry of Health Sergey Kraevoy within the framework of the Russian PPP (Public Private Partnership) Week. The Ministry of Health relies upon the partnership with private investors. The primary element of the public health system (outpatient clinics) and High Tech Medical Care (HTMC) may become major niche-investment opportunities.

13 March 2014, ITAR-TASS

Russian phthisiologists to create the national TBC patient registry

The Russian phthisiologists with the support of Ministry of Health prepare the scale project on registration of TBC patients. According to plan, the national TBC patient registry will be launched in a year. The project will make it possible to carry out operational monitoring of the epidemiological situation and to identify week points in the prevention and treatment of dangerous disease, the Chief External Phthisiologist of Ministry of Health of Russian Federation Irina Vasilieva said.

14 March 2014, Vedomosti.ru

Federal Anti-monopoly Service proposed to limit the grant of patents for medicinal products

FAS believes that criteria of patentability should be tightened to reduce consequences of patents which have been granted groundlessly. On its website, the Service explains that groundless granting of patents results in the forced extension of individual manufacturers monopolies. If the authority limits the grant of patents for any new property or new application of a known pharmaceutical substance, it may bring down the medicine prices, FAS wrote in the presentation dedicated to the medicine price analysis in Russia, CIS and BRICS countries.

19 March 2014, ITAR-TASS

Ministry of Industry and Trade proposed to forbid public purchase of some medical products of foreign origin

The Ministry of Industry and Trade of the Russian Federation prepared a draft decree to forbid access of some medical products of foreign origin to the public purchasing system. This document is published on the single portal of information disclosure for public hearings. So, for example, the Ministry of Industry and Trade proposed to forbid public purchase of medical products if they are manufactured in any country except for the Russian Federation, Belarus or Kazakhstan. In case of adoption of such document, it is expected to come into force from 1 April 2014.

21 March 2014, PRIME

Ministry of Industry and Trade predicts that transition of domestic pharmaceutical manufacturers to GMP standards will take 3 years

The transition of domestic pharmaceutical manufacturers to international GMP standards can take up to three years, Director of the Department for the Development of Pharmaceutical and Medical Manufacturing of the Ministry of Industry and Trade of the Russian Federation Olga Kolotilova said. Before the Association of Russian Pharmaceutical Manufacturers reported that the pharmaceutical industry and regulators of the Russian Federation are not ready to fully implement migration to the GMP-standards from 2014. It has been stated that the Ministry of Trade also planed to check up manufacturers abroad. Amendments to the Federal Law on circulation of drugs stated that the products shall only be imported by manufacturers which comply with the Russian GMP-standards to ban access to the market for poor quality medicines from India and China.

25 March 2014, The Rossiyskaya Business-Gazeta

Ministry of Health and FAS reconciled draft amendments to FL on circulation of drugs

It took a little over two years for all amendments to be reconciled. Four outstanding issues have been left after all preparations. Drugs replaceability (in particular biological drugs) was one of the most sensitive issues. It was proposed to consider drugs replaceable if qualitative and quantitative properties of the pharmaceutical substances from which they are produced, the dosage forms, the composition of excipients and their route of administration are equivalent. Disclosure in the public registry of any information about the replaceability of drugs as well as its usage shall be started from 1 January 2019. However, these provisions do not apply to innovative medicines, herbal and homeopathic preparations, as well as drugs that are permitted for human use in Russia for over 20 years and in respect of which it is impossible to conduct bioequivalence studies.

NEWS FROM COMPANIES

13 March 2014, GMPnews.ru

Novo Nordiskis is expected to start manufacturing insulin at the plant in Kaluga region in 2014

In April 2012, Novo Nordisk held the groundbreaking ceremony for a new plant in the Kaluga region. Today, the plant building is almost completed, interior works are being performed, packaging line has been installed and being tested. The plant is expected to start manufacturing in 2014. It is assumed that the plant will be manufacturing the most advanced products to date - analogues of human insulin ultra-short, long-term and two-phase action in Penfill cartridges, and multi-dose pre-filled FlexPen device.

29 March 2014, Pharmapractice.ru

Allergan joined the Association of International Pharmaceutical Manufacturers

Association of International Pharmaceutical Manufacturers (AIPM) announced the expansion of Association members. On 26 March 2014, the general meeting of the members of the Association granted membership of AIPM to international pharmaceutical company Allergan. Allergan, Inc. is an innovative global health care company with leading portfolios of products in the ophthalmology, neurology, aesthetic medicine and other fields. Allergan started to work in Russia in 2011.

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