RUSSIAN Pharmaceutical Market

Issue: March 2007

- Retail audit of Russian pharmaceutical market – January 2007
- Drugs import in Russia – December 2006

All information is based on retail audit

of Russian pharmaceutical market data by DSM Group,

QMS meets the requirements of **ISO 9001:2000**

Moscow, 2007

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RUSSIAN Pharmaceutical Market
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SUMMARY

Drugs commercial market value in pharmacy purchase prices decreased by 13.6% in January 2007 compared to December 2006 and amounted to 387 mln dollars (VAT included), which is 15.2% higher than in January 2006.

The weighted average **price per drug package** on Russian commercial market slightly decreased and amounted to 38.20 rubles in January 2007. In dollars price decreased by 3% from $1.48 in December 2006 up to $1.44 in January 2007.

According to **Laspeyres index** prices decreased by 0.4% in rubles and by 1.4% in dollars in January 2007, compared to December 2006. Prices increased by 3.3% in rubles and by 9.9% in dollars compared to January 2006. At that, prices for the most successful brands (TOP-100) were 0.1% lower than the year before.

Drugs consumption structure was almost the same in January 2007 as in December 2006. The biggest segments were still the ones priced at 50-150 rubles per package (market share 36%) and at 150-500 rubles per package (30%). At that, there was significant price decrease in high-priced drugs.

In January 2007, the most of the drugs were domestic (69% from market volume – in real terms). However they are quite cheaper than imported ones, they cover less than ¼ of the market value.

Rx drugs cover 43% market share in Russia.

Sanofi-Aventis is the leader of **Russian TOP companies by sales value**, Berlin-Chemie /A.Menarini/ is on the second place while Pharmstandard is on the third place. At that, Pharmstandard leads by market volume (9.05% market share).

Arbidol (its share is 0.93%) leads the **TOP drug trade names** by pharmacy sales value in Russia for November 2006, Mezym Forte (0.86%) is on the second place and Essentiale (0.82%) is on the third place.

In January 2007 **Russian NS (nutritional supplements) pharmacy market value** decreased by 5.4% and amounted to 23.6 mln dollars. Russian NS pharmacy market volume decreased by 7.7% in January 2007 compared to December 2006 and amounted to 147 mln packs.

The **weighted average cost per NS package** in January 2007 increased by 2.5% compared to December 2006 and amounted to 1.69 dollars.

I. Russian drugs commercial market in January 2007

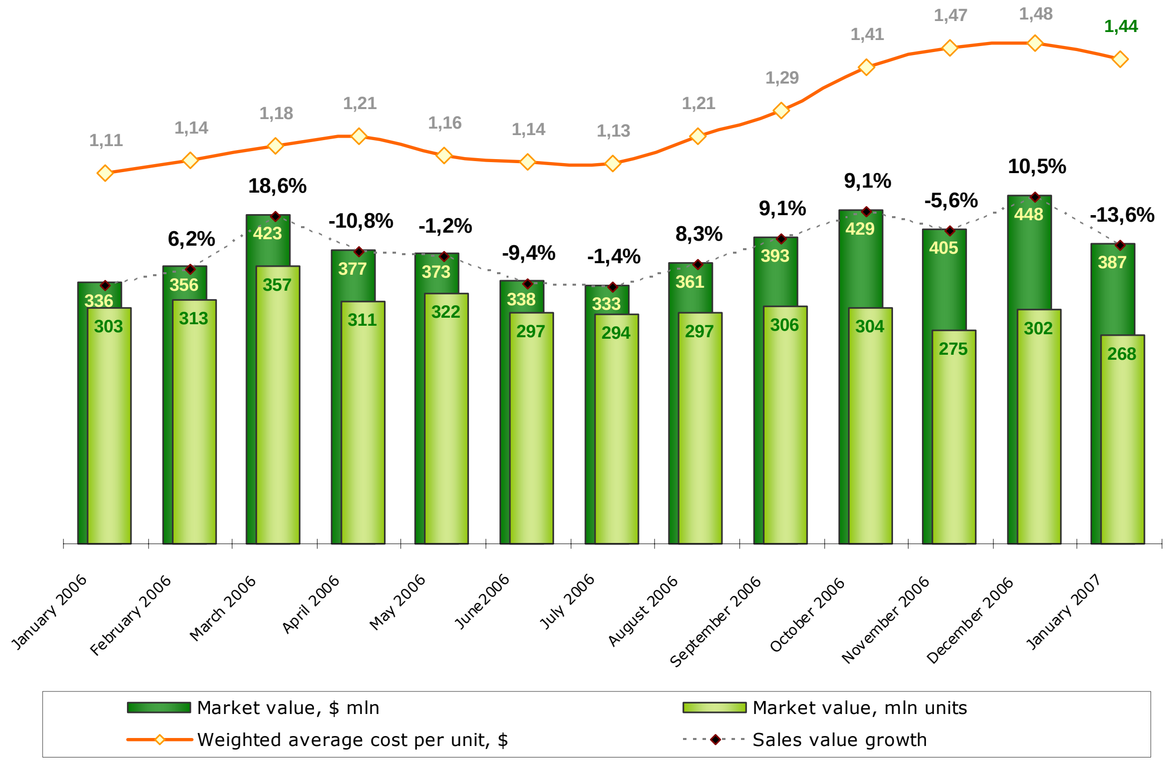
Commercial segment of the pharmaceutical market includes pharmacy sales of RTU drugs and parapharmaceutical products exclusive of sales under Beneficiary Drug Provision (BDP) program.

1. Drugs commercial market value

Diagram 1 shows dynamics in Russian commercial market volume of RTU drugs in wholesale prices from January 2006 to January 2007.

Diagram 1

Drugs commercial market value in January 2006 – January 2007, $ mln, VAT included



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets **ISO 9001:2000** requirements.

According to the DSM Group's retail audit data, we observed decrease of the commercial market in January 2007. The value decreased by 13.6% in January 2007 compared to December 2006 and amounted to 387 mln dollars (**in pharmacy purchase prices**, VAT included). The market slightly decreased in ruble terms – over 12.8% (from 11.8 to 10.3 billion rubles). Sales decrease is normal at the beginning of the year because of traditional seasonality of the market.

The weighted average **price per drug package** on Russian commercial market in rubles slightly decreased and amounted to 38.20 rubles (1.44 dollars). The weighted average price growth in January 2007 compared to that in January 2006 was 22% in ruble terms and 30% in dollar terms.

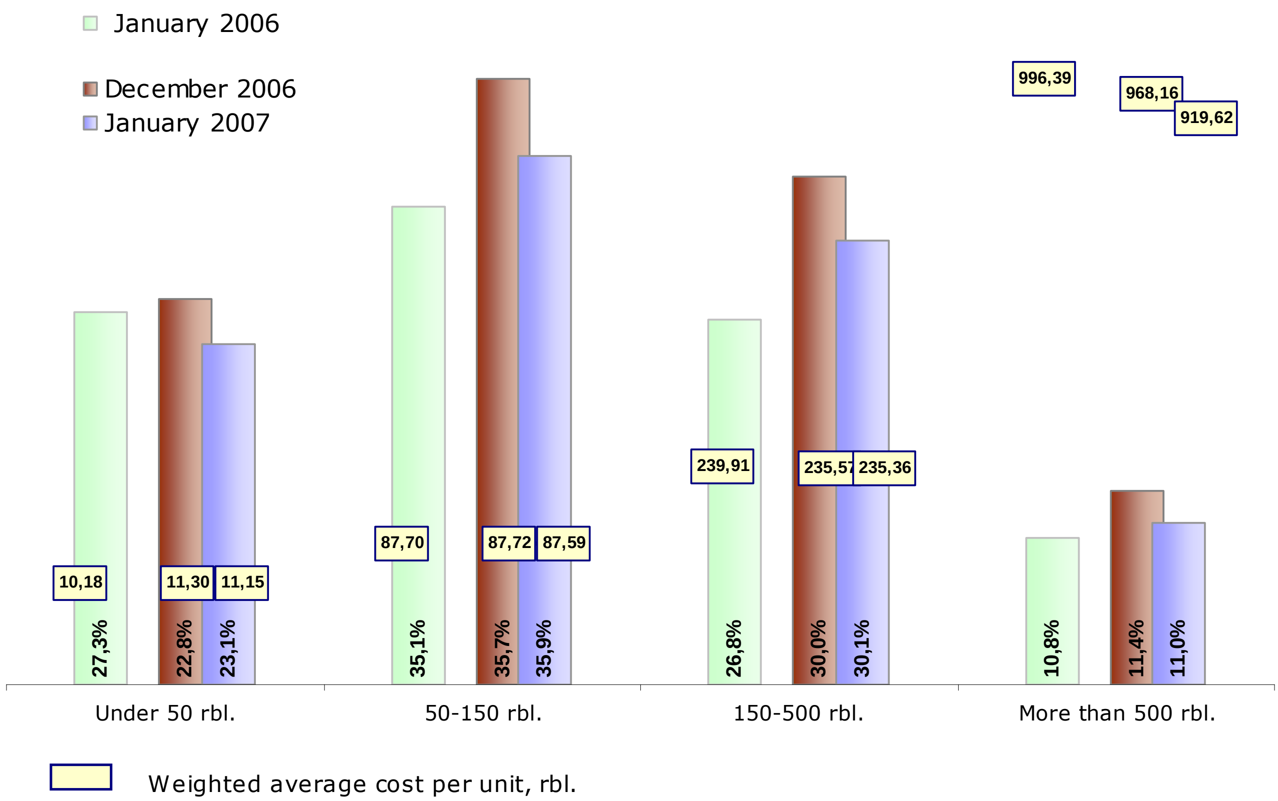
2. Structure of the Russian commercial market

2.1. Drugs consumption structure for different price categories

Diagram 2 shows dynamics in drug consumption structure (in value terms) with regard to various price categories.

Diagram 2

Dynamics of consumption of drugs from different price categories on commercial market in January 2007, %



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets **ISO 9001:2000** requirements.

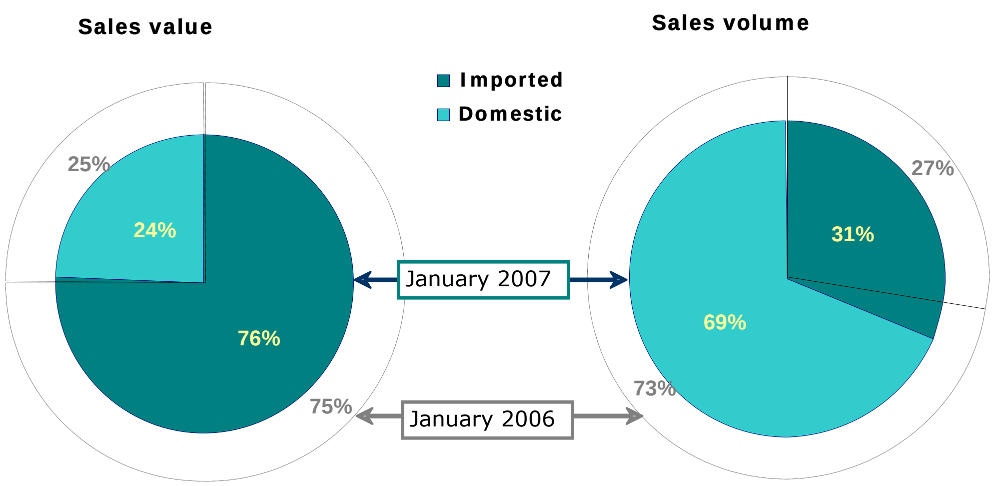
As the *Diagram* shows there was no significant changes in drugs consumption structure. The average pack price in the segment of drugs priced under 500 rubles did not change, while within expensive drugs segment there was great decrease in average pack price.

2.2. Proportion of imported and domestic drugs

The proportion of domestic and imported drugs by pharmacy sales in Russia is shown in *Diagram 3*.

Diagram 3

Shares of domestic and imported drugs on Russian pharmacy market in January 2007, %



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

In January 2007, the share of domestic drugs amounted to 24% in value terms and 69% in real terms. Compared to that of 2006, imported and domestic drugs correlation stayed the same in value terms, while in real terms domestic drugs lost 4%.

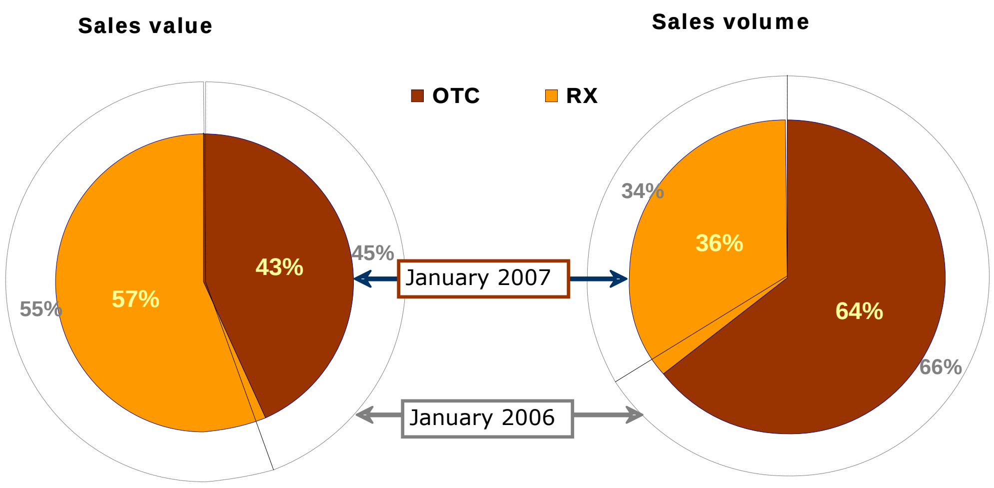
It should be noticed, that imported drugs are much more expensive than domestic ones. However average package cost for domestic drug increased by 26% during the year and amounted to more than 13 rubles; while imported drugs cost increased only by 9% (from 85 up to 93 rubles per package).

2.3. Proportion of Rx and OTC drugs on the Russian commercial market

Proportion of Rx and OTC drugs by pharmacy sales in Russia is shown in *Diagram 4.*

Diagram 4

Proportion of Rx and OTC drugs sales in January 2007



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

The share of Rx drugs stayed the same in January 2007 as in December 2006 and amounted to 57% in value terms and 36% in real terms. Rx drugs share increased by 2% both in value and in real terms compared to that of January 2006.

Rx drugs traditionally cover very big market share in comparison to other countries. So, Rx share on the world pharmaceutical market is only 11%. However, latest years have shown us little decreasing in Rx market share (about 2% each year).

2.4. Drug sales structure by ATC groups

Proportion of 1-st level ATC groups by pharmacy sales in December 2006 – January 2007 in Russia is shown in *Table 1.*

Table 1

First level ATC groups ranking by share in pharmacy sales in December 2006 – January 2007, %

First level ATC groups	Share in sales value, $ %			Share in sales volume, packs, %		
	December 2006	January 2007	Share change	December 2006	January 2007	Share change
A: Alimentary tract and metabolism	19,0%	19,7%	0,8%	20,2%	21,7%	1,4%
N: Nervous system drugs	13,6%	13,4%	-0,1%	21,3%	20,7%	-0,6%
C: Cardiovascular system drugs	11,6%	11,9%	0,3%	8,0%	8,3%	0,3%
R: Respiratory system drugs	11,9%	11,1%	-0,8%	14,4%	13,6%	-0,8%
J: Antibacterials for systemic use	7,6%	7,4%	-0,3%	5,6%	5,4%	-0,2%
G: Genitourinary system drugs and sex hormones	7,6%	7,3%	-0,3%	1,6%	1,6%	0,1%
M: Musculoskeletal system drugs	6,3%	6,4%	0,1%	5,3%	5,1%	-0,1%
[~] Without allocation (homeopathic preparations, plant and animal drugs, substances etc.)	5,6%	5,8%	0,2%	8,3%	8,1%	-0,2%
D: Dermatologicals	4,7%	5,1%	0,4%	8,2%	8,7%	0,5%
L: Antineoplastic and immunomodulating agents	5,1%	4,5%	-0,6%	1,1%	1,0%	-0,1%
B: Agents affecting blood and blood forming organs	2,8%	3,0%	0,2%	2,0%	2,0%	-
S: Agents affecting sensory organs	2,2%	2,2%	0,1%	2,0%	2,0%	-
H: Systemic hormonal preparations (excluding sex hormones)	0,9%	0,9%	-	0,4%	0,4%	-
V: Various	0,7%	0,7%	-	0,9%	0,8%	-0,1%
P: Antiparasitic products, insecticides and repellents	0,5%	0,6%	0,1%	0,6%	0,6%	-

Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

In common the market structure by ATC-groups was quite stable in January 2007 compared to December 2006, shares changes varied within 0.8%. Maximum growth (+0.8%) was observed for leading ATC-group: [A] "Alimentary tract and metabolism", its sales cover in January almost 1/5 of the whole market.

Maximum share decrease was observed for group [R]: "Respiratory system drugs", this caused its shifting from 3-rd to 4-th position. Also group [L]: "Antineoplastic and immunomodulating agents" continue to loose its positions for 4 months.

3. Leaders among drug manufacturers

More than 800 drug manufacturers were represented on the Russian pharmacy market in November 2006.

TOP 10 manufacturers by sales volume are shown in *Table 2.*

Table 2

TOP 10 drug manufacturers by share in pharmacy sales in Russia in October-November 2006

Rating		Manufacturers	Share in sales value, $, %		Share in sales volume, packs, %	
December 2006	January 2007		December 2006	January 2007	December 2006	December 2006
1	1	Sanofi-Aventis	4,95	4,82	1,82	1,73
3	2	Berlin-Chemie /A.Menarini/	3,86	3,96	2,14	2,05
2	3	Pharmstandard	4,26	3,95	8,35	9,05
6	4	Gedeon Richter	2,72	2,83	1,16	1,18
5	5	Lek DD	2,73	2,73	1,24	1,22
4	6	Pfizer International inc.	2,79	2,65	0,48	0,46
8	7	Nycomed	2,48	2,58	0,87	0,83
7	8	Novartis Pharma	2,57	2,48	0,83	0,79
9	9	Servier	2,41	2,25	0,46	0,41
10	10	KRKA	2,15	2,19	1,01	0,99
		Total share of TOP 10	**30,92**	**30,45**	**18,36**	**18,71**

Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

Sanofi-Aventis is the leader of Russian TOP 10 companies by sales value during the whole year, and Berlin-Chemie /A.Menarini/ is on the second place.

Pharmstandard has been the only Russian company in TOP for the latest 2 years. In January 2007 it lost 0.3% of its share and was the 3-rd in rating.

In common the rating is stable, no one company change its rating position significantly.

4. Top sales products

TOP 20 drug brands by pharmacy sales volume in Russia in December 2006 – January 2007 are shown in *Table 3.*

Table 3

TOP 20 drug trade names by sales value in Russia in December 2006 – January 2007

Rating		Brand	Share in sales value, $, %	
December 2006	January 2007		December 2006	January 2007
1	1	Arbidol	1,21	0,93
5	2	Mezym Forte	0,78	0,86
3	3	Essentiale	0,90	0,82
7	4	Actovegin	0,71	0,81
2	5	Viagra	0,97	0,81
9	6	Vitrum	0,69	0,74
8	7	Enap	0,71	0,73
4	8	Teraflu	0,83	0,73
6	9	No-Spa	0,71	0,68
12	10	Linex	0,59	0,67
11	11	Xenical	0,61	0,56
16	12	Mexidol	0,54	0,55
14	13	Pentalgin	0,56	0,52
15	14	Preductal	0,55	0,52
13	15	Anaferon	0,59	0,50
10	16	Coldrex	0,64	0,48
20	17	Cavinton	0,48	0,48
21	18	Sumamed	0,48	0,45
23	19	Mildronat	0,43	0,45
22	20	Prostamol	0,44	0,45
		Total share of TOP20	**-**	**12,74**

Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

Note 1. *A number of trade names from Cliphar-Gosreestr are grouped according to the principle of product lines (Coldrex, Vitrum, No-spa, Teraflu, Cavinton, Pentalgin, Preductal).*

Note 2. *Whereas TOP 20 trade names list changes every month, the cumulative share of TOP 20 trade names for past months could not be indicated in this Table. Only ranking positions and shares of each trade name presented in the reported month are shown for previous months.*

Arbidol showed maximum share decrease (-0.28%) among TOP-20 brands in January 2007. However, it stayed the leader by sales on commercial market. Besides, sales of Viagra decreased significantly, so it lost 2-nd position. Mesym Forte (0.82%) is 2-nd in January 2007, and Essentiale is 3-rd (0.86%). It should be noticed that Crataegus left TOP-20, although it had leading positions during latest years.

5. Price index

Laspeyres index was used for the analysis of drug price dynamics from the beginning of 2006.

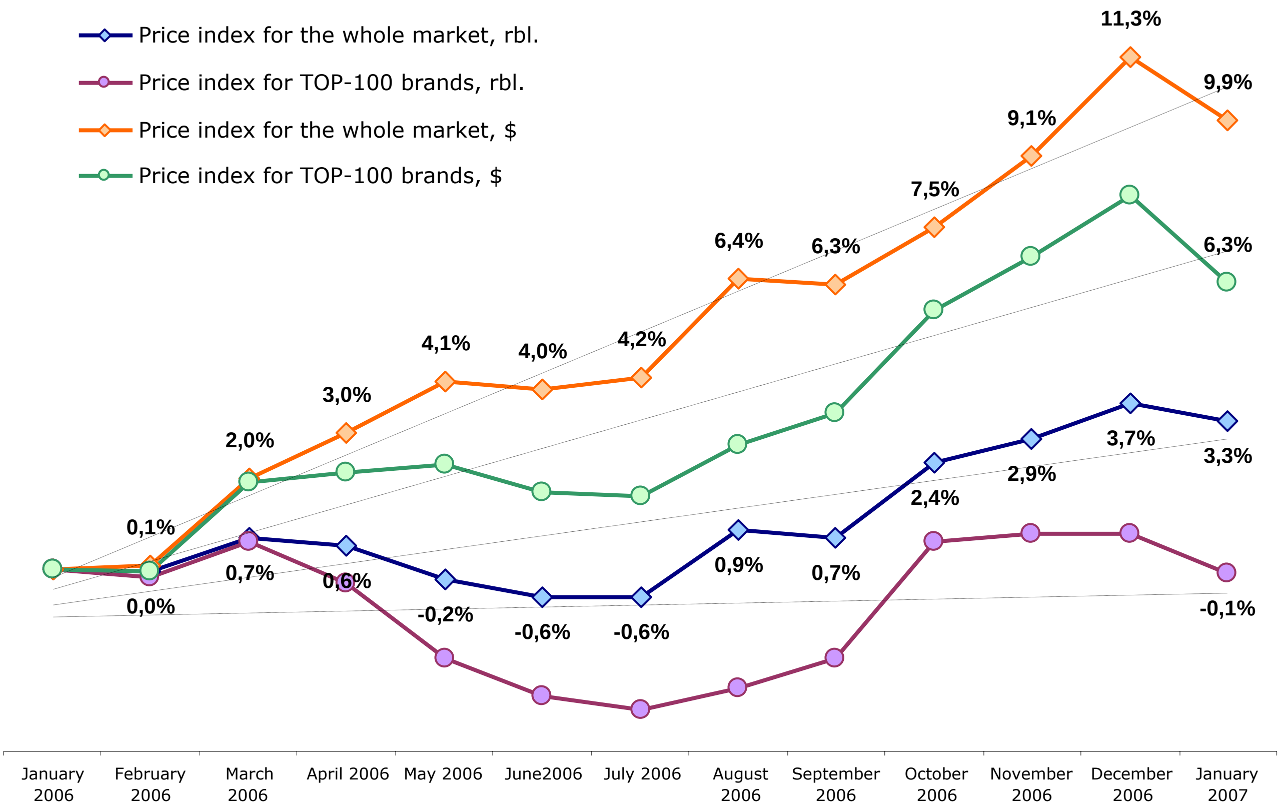
Laspeyres index is the ratio of two value aggregates of base-period quantities at current and base-period prices, where real sales volumes of basket of goods in the base period are used as weights. Ratio of drugs sales in 2005 was taken as a basket of goods. Using this method, seasonal influence on consumption grades, so we see price changes for the period of January 2006 – January 2007.

Price index was calculated on the basis of **all drug trade names listed in the DSM Group database over 2006**. January 2006 was used as a base period.

Diagram 5 shows dynamics in drug prices according to Laspeyres index over the period from January 2006 to January 2007.

Diagram 5

Dynamics of drugs prices on commercial pharmacy market in January 2006 – January 2007, %



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

According to Laspeyres index, in January 2007 drug prices decreased by 0.4% in rubles and by 1,4% in dollars compared to that of December 2006. At that prices increased by 3.3% in rubles and by 9.9% in dollars compared to January 2006.

In January 2007, prices for the most demanded drugs were 0.1% lower than the year before.

6. Import

Drug import volume in Russia in December 2006 amounted to 920 mln dollars (in customs prices[1]), which is 64% higher than that in November 2006 and 66% higher than that in December 2005.

Table 4 shows 10 months dynamics of the shares for different groups of drug importers in Russia by import value for the period of October-December 2006 and for the whole 2006.

Table 5

Shares in import value of different groups of drug importers in Russia in October-December 2006

Rating	Importers	Shares by import value, %			
		October 2006	November 2006	December 2006	2006
1.	Distributor companies	46,38%	42,51%	41,13%	**44,12%**
2.	Representatives of foreign companies	43,06%	39,85%	50,09%	**42,91%**
3.	Direct import companies	9,97%	17,16%	8,56%	**11,58%**
4.	Domestic drug manufacturers	0,59%	0,47%	0,22%	**1,38%**
	Total:	100%	100%	100%	**100%**
	Import value, thousands $	**512 513**	**561 167**	**920 219**	**6 455 753**

Source: Diamond Vision, DSM Group

As can be seen from the *Table*, in December 2006 almost 90% of the total drug import is covered by two groups of importers – distributor companies and representatives of foreign companies.

[1] Customs price does not include customs tax (mainly 10%), VAT (10%) and specific tax (0.15%).

Table 5 shows top 20 distributors by drug import value in Russia in 2006 and their share of import value in October–December 2006.

Table 5

TOP 20 distributors by drug import value in Russia in 2006

Rating	Distributors	Shares by import value of the group "Distributor companies"			
		October 2006	November 2006	December 2006	2006
1	CV "Protek"	23,27	23,74	16,68	**24,70**
2	SIA International	27,54	26,79	25,75	**24,38**
3	Rosta	5,37	6,98	8,13	**6,23**
4	Biotek	2,80	3,31	2,11	**4,52**
5	Genezis	5,32	5,99	7,58	**4,44**
6	Katren	4,19	6,79	5,83	**3,93**
7	Apteka-Holding	3,16	2,93	3,23	**3,06**
8	Moron	2,56	2,89	3,01	**2,99**
9	Dominanta-Servis	3,14	3,30	2,74	**2,86**
10	Shreya Corp.	1,87	1,32	1,71	**2,23**
11	R-Farm	1,31	1,65	2,72	**2,12**
12	Fortuna Plus	1,99	1,26	2,30	**1,73**
13	Farmacevt	2,24	0,83	3,37	**1,70**
14	Farmstor	1,98	0,66	0,95	**1,35**
15	Intermedservis	1,18	0,80	0,87	**1,26**
16	Evroservis	1,73	1,15	1,17	**1,16**
17	Krona	1,46	0,84	0,96	**1,02**
18	Bakster	0,69	0,98	0,53	**1,01**
19	Avesta-Farm	0,60	1,10	1,08	**0,96**
20	National Distributor Company	0,87	1,30	0,60	**0,92**
	Import value of all distributors, $ thousands	**237 704**	**238 574**	**378 472**	**2 848 499**

Source: Diamond Vision, DSM Group

As is shown in this *Table*, CV "Protek" and SIA International remain the largest distributors by import volume in the group "Distributor companies". The other distributors fall behind significantly in ranking. Protek's import value decreased at the end of the year, however it stayed the leader for the whole year. This decreased was most likely caused by decreasing of its participation in DLO program.

The share of 20 largest distributors-importers in total import value of the "Distributor companies" group amounted more than 91% in December 2006.

Table 6 shows TOP 20 drug manufacturers by drug import value in Russia with regard to all groups of importers in October-December 2006.

Table 6

TOP 20 drug manufacturers by drug import value in Russia with regard to all groups of importers in October-December 2006

Rating				Manufacturers	Shares by import value, $			
October 2006	November 2006	December 2006	2006		October 2006	November 2006	December 2006	2006
2	2	3	**1**	SANOFI-AVENTIS	4,23	5,74	5,59	**6,60**
3	10	2	**2**	NOVARTIS	4,13	2,63	5,91	**6,07**
15	6	4	**3**	SCHERING AG	2,47	3,40	4,01	**4,37**
8	8	1	**4**	JANSSEN PHARMACEUTICA N.V.	2,88	3,06	7,33	**3,93**
7	17	6	**5**	A.MENARINI GROUP LTD	2,96	1,56	3,71	**3,84**
4	4	9	**6**	SERVIER	3,80	3,91	2,97	**3,67**
5	18	10	**7**	NOVO NORDISK	3,79	1,40	2,93	**3,38**
1	7	5	**8**	SOLVAY PHARMACEUTICALS B.V.	5,93	3,35	3,90	**3,22**
6	3	8	**9**	F.HOFFMANN-LA ROCHE LTD	3,26	4,03	2,99	**3,01**
9	9	15	**10**	GLAXOSMITHKLINE	2,84	2,67	2,07	**2,68**
22	12	11	**11**	PFIZER	1,60	2,46	2,92	**2,60**
10	1	14	**12**	ABBOTT GMBH & CO.KG	2,70	10,27	2,40	**2,59**
20	14	17	**13**	GEDEON RICHTER	1,89	1,92	1,78	**2,52**
16	15	7	**14**	NYCOMED	2,36	1,77	3,02	**2,37**
12	16	12	**15**	LEK D.D.	2,60	1,59	2,50	**2,29**
18	13	16	**16**	ASTRAZENECA UK LTD	2,13	1,98	1,80	**2,23**
11	5	18	**17**	BOEHRINGER INGELHEIM	2,60	3,71	1,67	**2,16**
14	19	19	**18**	KRKA	2,50	1,37	1,61	**2,12**
19	20	20	**19**	RATIOPHARM INTERNATIONAL GMBH	2,13	1,37	1,46	**1,43**
23	11	24	**20**	ELI LILLY	1,55	2,49	1,17	**1,28**
				Total:				**62,36**

Source: Diamond Vision, DSM Group

Note. *Whereas TOP 20 drug manufacturers list changes every month, the cumulative share of TOP 20 members for past months could not be indicated in this Table. Only ranking positions and shares of each manufacturer presented in the reported month are shown for previous months.*

As is shown in the *Table*, SANOFI-AVENTIS, NOVARTIS and SCHERING AG are the largest manufacturers by drug import value in Russia.

The share of TOP 20 drug manufacturers by import value in Russia in 2006 amounted to 62%.

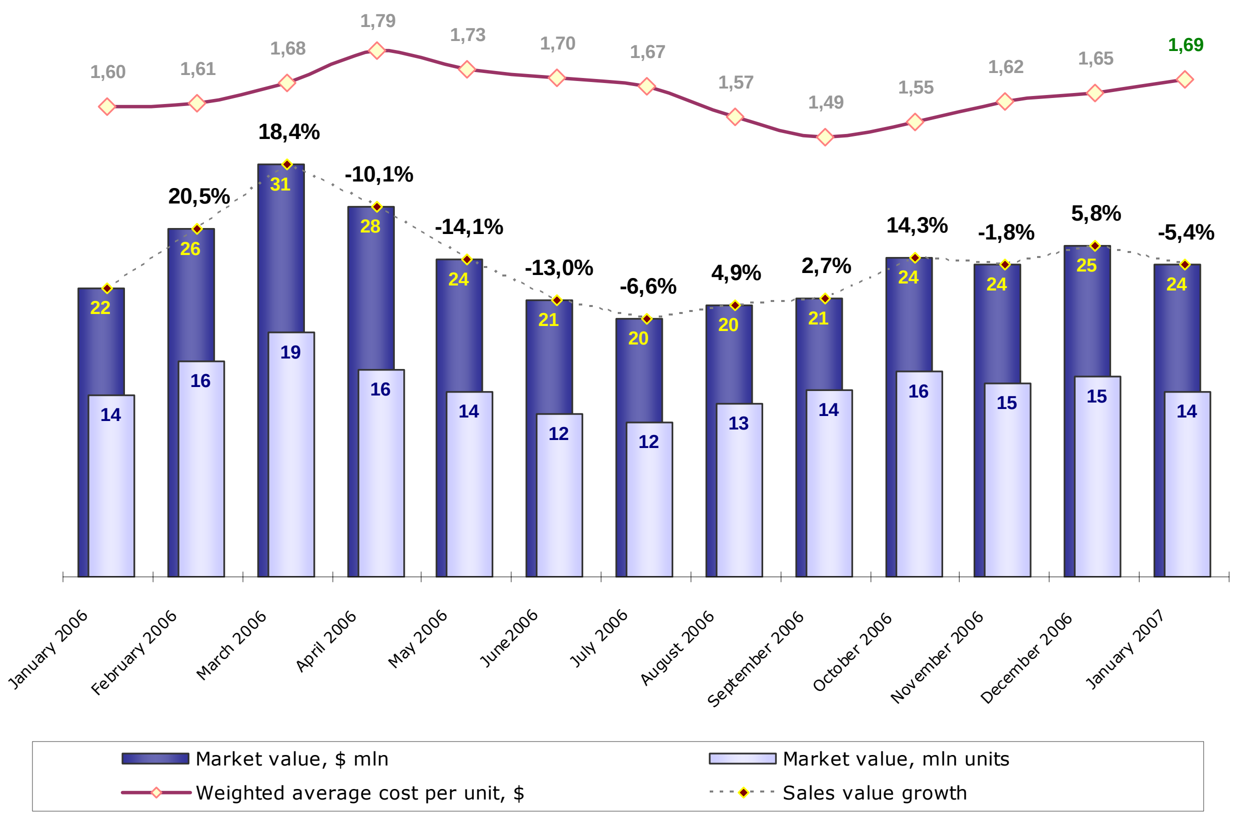
7. Nutritional Supplements

In January 2007, 4215 Nutritional Supplements (NS) trade names by 593 manufacturers was sold.

Diagram 6 presents the dynamics of NS commercial pharmacy market value for the period of January 2006 – January 2007.

Diagram 6

Russian NS commercial pharmacy market in January 2006 – January 2007



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

Russian NS pharmacy market value decreased by 5.4% in January compared to December 2006, and amounted to $23.6 mln. The value as well increased by 8.3% compared to January 2006. In real terms, NS pharmacy market volume decreased by 7.7% in January 2007 compared to December 2006 and amounted to 14 mln packs.

The weighted average cost per NS package decreased in January 2007 by 2.5% (in dollars) compared to December 2006, and amounted to $1.69 (44.78 rubles).

Table 7 shows NS manufacturers with largest pharmacy sales value in Russia in January 2007.

Table 7

TOP 10 NS manufacturers by sales volume in Russia in December 2006 – January 2007

Rating		Manufacturers	Sales value, $, %		Real sales volume, $, %	
December 2006	January 2007		December 2006	January 2007	December 2006	January 2007
1	1	Evalar	13,02	14,97	8,69	9,99
2	2	Diod	11,11	9,85	6,60	5,81
3	3	Akva-MDT/Akvion	5,97	5,59	2,72	2,63
5	4	Natur Produkt	3,72	3,97	5,20	5,63
4	5	Nycomed	3,73	3,28	0,97	0,94
6	6	Ekomir	3,40	3,20	1,12	1,12
9	7	Pharma-med Inc	2,22	2,96	0,24	0,43
7	8	Ferrosan AG	2,82	2,77	0,49	0,59
8	9	M Mertsana (manufactured by "Kurortmedservis")	2,60	2,34	1,85	1,74
15	10	Fora-Farm	1,37	1,62	1,01	1,14
		Total:	**49,97**	**50,54**	**28,89**	**30,02**

Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

The leading NS manufacturers are Diod and Evalar, their cumulative share amounted almost to quarter of the market. Evalar company is an absolute leader on the NS market in January 2007. The year before, Diod leaded TOP NS manufacturers. Besides, Fora-Farm appeared in TOP-10 in January 2007, this company is one of the leaders of cosmetics pharmacy market.

Most of leaders among NS manufacturers are Russian companies. Domestic nutrition supplements covered in January 2007 73.5% of market value and 86.6% of market volume.

Table 8 shows TOP-20 NS brands by pharmacy sales value in Russia.

Table 8

TOP 20 NS trade names by sales value in Russia in December 2006 – January 2007

Rating		Brands	Manufacturers	Shares by sales value, $, %	
December 2006	January 2007			December 2006	January 2007
1	1	Capilar	Diod	5,64	5,23
2	2	Bilberry-Forte	Evalar	2,89	2,69
12	3	Ovesol	Evalar	1,20	2,33
3	4	AlphaVIT	Akva-MDT/Akvion	2,34	2,19
4	5	Lutein Complex	Ekomir	2,20	2,09
10	6	Gepatrin	Ekomir	1,41	1,92
9	7	Lactofiltrum	Sti-Meds Sorb	1,43	1,47
5	8	Viardo	Diod	1,66	1,44
7	9	Gerimax Energy	Nycomed	1,48	1,39
6	10	Green Doctor Sage	Natur Produkt	1,56	1,32
16	11	Ateroklefit	Evalar	1,04	1,14
11	12	Sealex	Vis	1,23	1,11
8	13	Jedemen Slimming	Peking Jedemen Tea sales Centre	1,48	1,05
14	14	Kudesan	Akva-MDT/Akvion	1,17	1,05
13	15	Chistovit well	Ecologia Pitania	1,18	0,94
15	16	Vuka-Vuka	Biocorp	1,06	0,82
19	17	Turboslim-Day	Evalar	0,78	0,77
17	18	Calcium-Active	Diod	0,98	0,77
20	19	Multi-Tabs Kid Ca+	Ferrosan AG	0,74	0,77
28	20	Centrum with Lutein	Wyeth Lederle	0,66	0,75
		Total:		**-**	**31,24**

Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

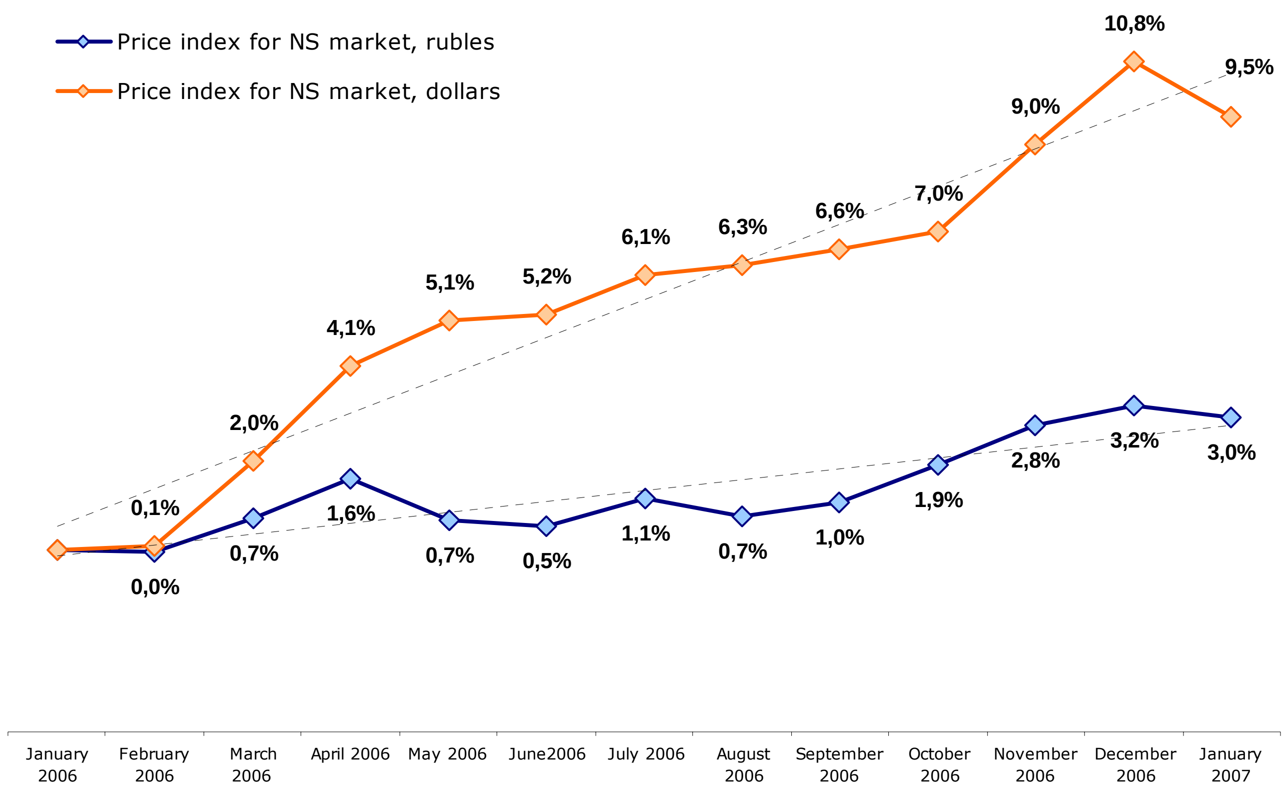
Note. *Whereas TOP 20 NS trade names list changes every month, the cumulative share of TOP 20 members for past months could not be indicated in this Table. Only ranking positions and shares of each trade name presented in the reported month are shown for previous months.*

Capilar and Bilberry-Forte are constant leaders of NS rating. Ovesol, produced by Evalar company, is on the 3-rd position, its growth amounted to 85% in January 2007 compared to December 2006. Okulist by Dood is the one brand excluded of TOP-20 in comparison to December 2006.

NS prices were analyzed with Laspeyres price index.

Diagram 7

Dynamics of NS prices on commercial pharmacy market in January 2006 – January 2007



Source: Retail Audit of Russian Pharmaceutical Market by DSM Group, QMS meets the requirements of **ISO 9001:2000**

According to Laspeyres index prices for nutritional supplements decreased in January 2007 compared to December 2006 by 0.2% in rubles and by 1.3% in dollars. Prices increased as well by 3% in rubles and by 9.5% in dollars compared to January 2006.

About DSM Group

To provide comprehensive, high quality and timely marketing research and full advertising support to the companies on the Russian pharmaceutical market

The marketing agency DSM Group has been on the market since 1999. Two key service fields of the company are marketing research and advertising on the Russian pharmaceutical market.

RESEARCH

QMS meets ISO 9001:2000 requirements

- Monthly retail audits of the Russian pharmaceutical market, which you can see in 25 working days
- Hospitals audits
- BDP database
- Drugs and substances import database
- Multifactor analysis of competitors environment
- Monitoring and analysis of drug sales by distributors
- Monthly analysis of market capacity, tendencies and forecasts
- Ad-hoc research

ADVERTISING

- Design and corporate identity creation
- Souvenirs for pharmaceutical sphere
- Printing (QMS meets ISO 9001:2000 requirements)
- Promo actions and events (from 20 up to 1500 persons)
- Media buying
- Outdoor advertising
- Corporate video
- Direct-mail through Russian pharmacies database
- Marketing plans

There are about 60 specialists in pharmaceutics, marketing and advertising in the staff. Our experts' opinion is highly rated by pharmaceutical and business public.

With us you will use your company's potential more effectively, so reinforce and develop your business.

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