

中国制剂药物市场：现状与前景

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# Outlook of China Drug Formulation Market



## Report Description

It has been well recognized that the drug formulation has been one of the valued-added technologies for both innovative drugs and generics as well as both small molecule drugs and biologics. Although the drug formulation industry has existed in China for decades and growing numbers of Chinese drug companies are currently focusing on this area, their current technical skills and capability are still limited.

However, as the fast growing Chinese pharmaceutical market is providing great opportunities to all types of dosage form drugs, the Chinese drug formulation industry is also currently experiencing significant changes. The growth and development of this Chinese industry have thus started receiving attention of the drug companies from around the world.

The report, “**Outlook of China Drug Formulation Market**”, published by JZMed, Inc, a world renowned market research firm specialized in Chinese pharmaceutical and biotechnology industries, has provided a unique insight into the current development state of this Chinese industry.

The report analyzed, in both depth and detail, the Chinese drug formulation industry in all aspects including its current industry and market sizes, technical capabilities in drug formulation and the variety of dosage forms it can produce. Based on the in-depth analysis of a series of growth drivers and resistors that could affect the future development of this Chinese industry, the report also depicts a clear picture of what the Chinese industry will look like by 2015, including its development pattern and growth potential.

Moreover, by analyzing the current competitive landscape of the Chinese industry, the report also clearly revealed the roles currently played by the multinational drug companies in the Chinese market of finished drugs. Through a detailed, head-to-head comparison of the Chinese industry with its Indian counterpart in all aspects, the report also objectively revealed the current position of the Chinese industry in the global competitive landscape.

The report is a must-read book to all global pharmaceutical and biotechnology companies seeking marketing opportunities in China and collaboration with Chinese drug companies, venture capital investors interested in investment opportunities in the Chinese pharmaceutical industry, market research/consultancy companies seeking the information of the Chinese industry of finished drugs, and even the government agencies of those countries that are interested in learning the current and future development of the Chinese pharmaceutical industry.

## Key Findings of the Report

- ◆ In the past decade China has been one of the main places in the world for sourcing APIs and pharma intermediates. Almost all world major pharmaceutical, generic drug and specialty pharmaceutical companies have sourced a variety of APIs and pharma intermediates from China. However, even though many Chinese-made APIs not only have low price but also good quality and are thus marketed in the well regulated markets, very few of the formulated forms of these drugs are accepted by these countries.
- ◆ In fact, until now China has been weak in drug formulation, which leads to the fact that China has so far not become the main place for those global drug companies to source finished drugs, or partner with Chinese drug companies to manufacture them, or collaborate with the Chinese companies to develop new drug delivery technologies. The main shortcomings associated with this Chinese industry include its low technical capability and lack of familiarity about the product quality regulations in the well regulated markets.
- ◆ Currently, there are about 1,400 drug companies in China that are, collectively, able to produce more than 60 dosage forms and about 5,000 different types of medicines. The current Chinese market value of the dosage form medicines is worth about \$50 B, accounting for about 5.7% of the global market value. It has grown in 19.3% in a compound annual growth rate (CAGR) in the past five years.
- ◆ On the other hand, very few Chinese drug companies are currently able to market their finished drugs in the well regulated market. So far, there are only about 21 Chinese drug companies that have passed either the FDA or the EMEA's cGMP inspection of their manufacturing facilities for dosage form drugs. More companies are, however, in preparation with aims also to eventually enter the well regulated markets. The current total export value of the Chinese-made dosage form drugs marketed in overseas markets is about \$1.5 B. It accounts for only about 6.2% of China's total export value of pharma-related products (vs. 85% for APIs).
- ◆ The current fact that the strength of the Chinese drug companies resides in APIs rather than finished products has, to a large extent, determined the low-end position of the Chinese-made products in both the international market and the value chain of global pharmaceutical supply.
- ◆ In the current global pharmaceutical supply chain, China exports APIs to other countries. Drug companies in these countries make them into finished drugs. Some of the finished drugs are then marketed back in China. To both the Western and even the Indian drug companies, China has primarily played as a supplier of raw materials with almost nothing in supply of formulated drugs.

- ◆ The unusual path is formed only because China currently still does not have sufficient ability to make all types of finished drugs that could meet the desired quality requirements. The situation in which China is strong in API manufacturing but weak in drug formulation is, however, expected to change in the near future. A series of factors will drive, both externally and internally, the future development and growth of this Chinese industry.
- ◆ Externally, pressured by a number of negative factors, majority world major drug companies are currently vigorously pursuing a number of strategies to expand their product portfolios of generic drugs. In addition to licensing sales rights to more generic drugs and investing more to develop new formulations and drug delivery technologies for their currently marketed drugs, they are also placing more of their focus on the emerging countries especially China as the Chinese pharmaceutical market has displayed un-resistible attraction. The strong growth potential of the Chinese pharmaceutical market provides a great opportunity to all drug companies around the world to market their finished products in the country. In fact, major pharma companies are playing increasingly important roles in the Chinese market and become the key players of the Chinese industry of finished drugs.
- ◆ Internally, aiming to transform the Chinese pharmaceutical industry, the Chinese government is encouraging the Chinese drug companies to upgrade their manufacturing facility and improve their product quality. The SFDA has officially launched the new cGMP standard which has become closer to the Western standards. Meanwhile, growing numbers of Chinese drug companies are also increasing their R&D investment in developing new formulations and devoting their effort to improving their product quality. It is believed that more Chinese companies will soon gain the ability to launch their dosage form products in the well regulated markets.
- ◆ It is therefore believed that the Chinese dosage form drug market will continue to grow in a fast pace. It is expected to likely experience a CAGR of about 25% in the next five years. Its market value could reach more than \$150 B by 2015. The market value of the Chinese-made dosage form drugs marketed in the overseas market is expected to grow in about 35% a year (CAGR) and could reach around \$6.6 B by then.

## Key Features of the Report

- ◆ It is the first time that the report provides an in-depth analysis of the current state of the Chinese drug formulation industry, including its market size and technical capability. It has revealed a clear picture of the current position of the Chinese-made finished drugs in the global pharmaceutical supply chain.
- ◆ It is also the first time that the report clearly revealed the roles of multinational drug companies in the growth and development of the Chinese finished drug market, including the current key players, their market shares and their strategies to enhance and solidify their positions in the Chinese market.
- ◆ The report also conducted complete and in-depth comparisons of the drug formulation industries between China and India. It has revealed the relative positions of China and India in the global pharmaceutical supply chain.
- ◆ The report also provides detailed analysis of the root causes of the quality issues associated with Chinese-made products and concerned by many sourcing companies. With a detailed update of the latest state of the quality control in the Chinese pharmaceutical industry, the report provides a general guide to all sourcing companies that are interested in Chinese-made products.
- ◆ By analyzing a series of growth drivers and resistors and forecasting its future development pattern and growth potential, the report also provides another clear picture of how the Chinese drug formulation industry will look like by 2015.
- ◆ The report also includes the detailed company profiles of those Chinese companies that have successfully passed the cGMP inspection of the regulatory agencies of the developed countries, including the detailed description of their technical capability, strengths and experience, production capacity, cGMP status and quality management, and current portfolios of finished drugs on market, in addition to their detailed contact information.

## **Your Questions Are Answered**

The report provides detailed answers to a variety of questions many professionals are concerned about:

- ◆ Who are the current key players in the Chinese drug formulation industry? What are their current formulation capability and production capacity and quality management of finished products?
- ◆ How many Chinese drug companies are able to market their finished drug products in the international market? Who are the major players? Where do they currently market most of their products?
- ◆ How do the major pharma companies in China affect the development and growth of the Chinese industry and the market of the finished drugs? What share do they currently have in the Chinese market? How has it grown in the past few years?
- ◆ What roles are the Chinese companies playing in the world pharmaceutical supply Chain? Who are the major competitors of the Chinese drug companies in the international market? How to evaluate their capability?
- ◆ How will Chinese government's policy affect the development of Chinese drug formulation industry? What is the current state of the government's regulation on product quality? Is drug formulation the next hot wave in the Chinese pharmaceutical industry?
- ◆ How will the Chinese formulation industry develop in the future? Why is it important to closely follow the development of this Chinese industry? What are the drivers and resistors for its future growth and development? What obstacles will Chinese drug companies face when entering the well regulated markets?