

China Vaccine Industry Report, 2008-2009

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1. China Vaccine Market in Globalization Process

1.1 Impact of Globalization on China Pharmaceutical Market

Economic globalization is a double-edged sword. On the one hand, economic globalization provides good external environment for China pharmaceutical industry development; it is favorable for Chinese companies to introduce foreign investment, advanced technology & equipment and management experiences and to explore international market; it stimulates Chinese companies to optimize industrial structure, product mix and to improve quality and technology standard. In all, vast opportunities are brought by economic globalization to Chinese enterprises; on the other hand, China pharmaceutical companies have met severe challenges and competition with international giants; in addition to global economic uncertainties, China pharmaceutical companies will face more operation risks.

2.3 Market Structure, 2008

The multinational big companies and China National Biotech Group play the leading role in domestic vaccine market. They have abundant varieties of products and their production lines are much more than other manufacturers. They will continue to maintain the dominance in the next few years.

The second-tier vaccine manufacturers include Liaoning Chengda Biotechnology Co., Ltd. and Shenzhen Kangtai Biological Products Co., Ltd. with over CNY100 million sales. But these companies have few varieties of products.

The third-tier vaccine enterprises are those with less than CNY100 million sales including Zhejiang Pukang Biotechnology Co., Ltd. and Zhejiang Tianyuan Bio-Pharmaceutical Co., Ltd. etc.

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3. Market of Main Varieties of Vaccine, 2008

3.2 China Hepatitis B Vaccine Market

3.2.2 Market Size

China has 16 million newborns every year, together with the children in 5 to 12 years old, and the high risk people who engage in special vocation, the demand for preventing hepatitis B gene vaccine is about 32 million people (the equivalent of about 100 million doses). The domestic production could meet the demand, and domestic products account for over 80%. In addition, with the vaccination of healthy adults are carrying out step by step, the hepatitis B vaccine needs are increasing.

3.2.4 Market Price of HB Vaccine

Virus Vaccine - Recombinant (CHO cell) HB Vaccine's

Dosage Form, Price & Origin, 2008

<i>Product</i>	<i>Dosage Form</i>	<i>Specification</i>	<i>Ceiling Retail Price (Yuan)</i>	<i>Origin</i>
<i>Recombinant (CHO cell) HB Vaccine</i>	Liquid	10ug×3 /case /person-portion	41.00	Lanzhou
<i>Recombinant (CHO cell) HB Vaccine</i>	Liquid	20ug×1/case/person-portion	24.40	Lanzhou

Source: Medicine Economy Newspaper

Virus Vaccine- Recombinant Yeast HB Vaccine's Dosage Form, Price & Origin, 2008

<i>Product</i>	<i>Dosage Form</i>	<i>Specification</i>	<i>Ceiling Retail Price (Yuan)</i>	<i>Origin</i>
<i>Recombinant (Yeast) HB Vaccine</i>	Liquid	5ug×3/case/person-portion		Beijing
<i>Recombinant (Yeast) HB Vaccine</i>	Liquid	10ug×3 /case/person-portion	48.00	Beijing

Source: Medicine Economy Newspaper

5. Import and Export of Vaccine in China

5.1 General Trend of Vaccine Trade

China is the biggest producer and consumer of vaccine. According to statistics from China Customs, Jan to May 2009, total import and export volume of vaccine reached 1,390,613 kg, of which 801,960 kg was the import and 588,653 kg was the export. Jan to May 2009, total import and export value of vaccine amounted to 296,079,218 U.S. dollars, of which \$ 268,637,149 was the import and \$ 27,442,069 was the export.

Jan to Dec 2008, total import and export volume of vaccine was 2,568,970 kg, 1,842,081 of which was the import and 726,889 of which was the export. Jan to Dec 2008, total import and export value of vaccine was 573,210,842 U.S. dollars, of which \$ 526,517,865 was the import and \$ 46,692,977 was the export.

Import and Export of Vaccine in China, 2008

Total Import & Export Value 573210842 (USD)		Total Import & Export 2568970 Volume(kg)	
Import Value	526517865	Import Volume	1842081
Export Value	4669297	Export Volume	726889

Source: China Customs

6. China Key Vaccine Producers

6.1 Main Vaccine Companies

6.1.2 Beijing Tiantan Biological Products Co., Ltd

6.1.2.1 Company Profile

Beijing Tiantan Biological Products Co., Ltd specializes in research, production and operation of biological products like vaccine, blood preparations, diagnosis equipment, and now its holding shareholder is China National Biotec Group. With the company development, now it has several holding subsidiaries like Changchun Qifu Biological Products Co., Ltd.

6.1.2.2 Operation

Main Businesses of Beijing Tiantan Biological Products Co. by Sector and by Product, 2008

	<i>Business revenue (RMB)</i>	<i>Operation cost (RMB)</i>	<i>Gross Profit Margin (%)</i>	<i>Business revenue y-o-y change (%)</i>	<i>Operation cost y-o-y change (%)</i>	<i>Gross Profit Margin y-o-y change (%)</i>
Prevention products	602,432,813.99	180,272,356.81	70.08	38.88	41.41	0.53 percentage points drop
Blood products	70,279,026.39	54,192,400.22	22.89	-22.68	-19.93	2.65 percentage points drop

Source: Beijing Tiantan Biological Products Co., Ltd

Main Businesses of Beijing Tiantan Biological Products Co. by Region, 2008

<i>Area</i>	<i>Business revenue (RMB)</i>	<i>Y-o-y Change (%)</i>
<i>North China, Northeast and Northwest</i>	249,091,778.27	2.90
<i>South China and East China</i>	245,646,746.90	89.30
<i>Southwest and Middle China</i>	177,973,315.21	16.44
<i>Total</i>	672,711,840.38	28.21

Source: Beijing Tiantan Biological Products Co., Ltd

→ Related Reports

- **China Chemical Pharmaceutical Market Report, 2008**
<http://www.researchinchina.com/htmls/Report/2008/5622.html>
- **China Pharmaceutical Chain Industry Report, 2007-2008**
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- **China Listed Bio-pharmaceutical Companies Report, 2008**
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