

WiCON Publishes the China Pharmaceutical Guide 2020 (15th Edition)

Chinese Pharma Growth Stabilizes amid Deepening Healthcare and Drug Regulatory Reform

Metuchen NJ, September 18, 2020 – WiCON International Group LLC, the publisher of well-known WiCON | Pharma China (www.pharmachinaonline.com), announced the official publication of its *China Pharmaceutical Guide 2020 (15th Edition)* as scheduled.

According to the publication, quoting a recent information release from IQVIA, the overall Chinese pharmaceutical market growth rebounded to 8.4% in 2019 from 4.7% the previous year to CNY 1,467.8 billion. The CAGR of the market in the past three years was 6.5%. Rx drug sales accounted for 84.4% of the overall Chinese pharmaceutical market with 9.0% growth in 2019, which is much higher than that of non-prescription drugs.

Separately, Sinohealth CMH data quoted by the publication shows that the Chinese drug terminal markets (excluding herbal materials, TCM crude drugs and TCM granule formulations) reached CNY 1.82 trillion in 2019, up 8.9% year on year. In Q1/2020, pharmaceutical sales fell sharply due to coronavirus pandemic. It is estimated that the Chinese drug terminal market will decline by 2.3% year on year in 2020.

In the supposedly lucky Year of the Pig (2019), MNCs continued to see robust China business growth in amid a market vacuum before flooding of local GQCE products. Such admirable performance was achieved following negotiated NRDL listing and successful 4+7 tender bids, though no information is available about their bottom-lines. Besides, MNCs actively recalibrated their China strategies, business model & objectives and investment plans adapting various structural issues of the Chinese pharmaceutical market. Reorganization of MNC businesses in China, which began a few years back, persisted in 2019 and early 2020.

Despite their surprise short-term gains ahead of the storm, it is by no means a smooth-sailing voyage forward for MNC pharma companies in China last year. While they have been busy introducing newer, innovative drugs to China at unprecedented speed, foreign pharma's older medicines have come under pressure in a bulk procurement scheme that's cutting some off-patent drugs' prices through a bidding process. Even IQVIA has lowered its Chinese pharma market growth project to 3%-6% annually before 2023 in its latest report, *The Global Use of Medicine in 2019 and Outlook to 2023*. The coronavirus outbreak in early 2020 is set to dampen growth further in the foreseeable future.

Structural issues with the Chinese healthcare system continued to haunt the pharmaceutical industry in 2019 and 2020. Notwithstanding the touted pharma industry ambitions of the Chinese government, slogans are nothing but pies in the sky when it comes to paying for better medicines. The healthcare reform has long been hijacked by cost containment and gone astray from the pledged path of improving efficiency and fixing structural flaws. The crashing course of reform is deeply rooted in the growing contradictions between wishful goals and healthcare financial reality, as well as among different government policies and their pursuits.

In the meantime, China is doubling down on its efforts to radically overhaul its healthcare system by driving down prices of off-patent drugs to free up state funds for novel, cutting-edge therapies. The campaign is putting pressure on profit margins for both foreign and domestic drug makers. The 4+7 trial that started in late 2018 had seen prices plunge by more than half, while cheaper generic drugmakers undercut their global peers. Its "success" emboldened Beijing to expand the program nationwide in 2019/2020 and then initiate a second round of supply contracts for its public hospitals.

The *China Pharmaceutical Guide 2020*, an indispensable annual reference for MNC pharma

executives with China responsibilities for more than a decade, provides various data sets on the Chinese pharmaceutical market and drug consumption patterns from respected sources including QuintilesIMS, SMEI, CPIIC, CPA, Sinohealth, Nicholas Hall and other official sources. The publication, from the publisher of *WiCON | Pharma China* and covers all aspects of Chinese pharma/healthcare sector, aims to help HQ and local executives at proactive MNCs feel the dynamic and up-to-date pulse of Chinese healthcare in order to stay in the driver seat of their business in the country.

Now in its 15th edition, ***China Pharmaceutical Guide 2020*** continues to play an instrumental role in helping executives understand, navigate, manage and lead their pharmaceutical businesses in China.

- ☞ Authored by James J. Shen, a veteran pharmaceutical executive and the Publisher/Chief Editor of *Pharma China* who has three decades of managing China and Asian pharma businesses as a leading China business consultant, multinational company executive and an entrepreneur.
- ☞ Prepared for the real world executives to help them navigate through the complex and turbulent Chinese healthcare business environment for success.
- ☞ Comprehensive and latest data on the Chinese pharmaceutical industry and market, the Chinese healthcare sector, drug evaluation and registration, and disease & drug consumption patterns – much of the data made available exclusively by reputable sources to *China Pharmaceutical Guide* and *Pharma China*.

The *China Pharmaceutical Guide 2020 (15th Edition)* is presented in four comprehensive volumes:

Volume I – *Overview of the Chinese Pharmaceutical & Healthcare Sectors* (covering update of China's business environment, history and structure of the Chinese pharmaceutical industry, Chinese health sector structure and statistics, health insurance sector structure and data, as well as disease and drug consumption patterns);

Volume II – *Chinese Pharmaceutical IP and Regulatory Guide* (covering the Chinese drug regulatory system overview, summaries of major healthcare/pharmaceutical related laws and regulations, government agencies and industry associations and pharma IP strategies & legal issues);

Volume III – *Annual Review, Trends, Opportunities and Strategic Considerations* (including a complete review of latest data, business trends, regulatory & IP/legal developments and healthcare reform progress of the Chinese pharmaceutical industry and market in 2019/1H2020, and a large collection of feature articles from industry experts relating to competemporary trends, issues and strategic considerations as well as promising opportunities of the present and future); and

Volume IV – *Sales & Marketing, Entry Strategies and Case Studies* (covering orientation, models and strategies of pharmaceutical sales, marketing and distribution in China, marketing entry strategies and execution, case studies featuring success stories of MNCs and domestic players, R&D and outsourcing, human resource management and legal/IP issues), as well as appendices with full texts of important healthcare/pharma related policies, laws and regulations.

The ***China Pharmaceutical Guide 2020 (15th Edition)*** has been thoroughly updated with ample latest data from many reputable sources, abundant analysis by leading industry experts, new regulations and more case studies. Its coverage was renewed and expanded significantly in the following areas:

- ☞ Hundreds of pages of new data, information, analysis and case studies.
- ☞ Thorough summaries and analysis of the latest healthcare reform, drug pricing & reimbursement and hospital tender purchase policies, as well as coverage of the most recent government reorganization relating to healthcare and drug regulation.

- ☞ Comprehensive industry, market and international trade data as well as health statistics are updated with the 2019 (full year) and available data for H1/2020.
- ☞ Expanded coverage on IP, patent and anti-monopoly-related laws and regulations, e-commerce and digital marketing opportunities, the primary healthcare sector, the OTC and consumer healthcare sector, high-growth market segments, key regional hospital markets, and the pharmaceutical distribution sector,
- ☞ Updated coverage of the Chinese biosimilars/biologics market prospects and regulatory outlook.
- ☞ Updated coverage of emerging legal issues (including FCPA/compliance and liability issues) and drug-related IP and trademark concerns.
- ☞ Comprehensive top line data, research findings and observations from our collaborative partners such as IQVIA, Kantar Health, Nicholas Hall, ZS Associates and RDPAC, as well as other reputable sources including the Chinese Pharmaceutical Association, SMEI, PHIC and Sinohealth.
- ☞ All regulatory changes in 2019/1H2020 are updated to present a clear and most up-to-date picture of the Chinese drug regulatory framework with summaries and analysis of all pharmaceutical related regulations in effect by mid-2020.
- ☞ Focused coverage of China's ongoing efforts to revamp its drug regulatory regime through amendments of the *Drug Administration Law*, the proposed *Vaccine Management Law*, the transformation of drug pricing mechanism, deepening reform of the drug registration and evaluation regime, new policies to support drug innovation, biosimilars and high clinical value generics, and the initiative to re-evaluate all generic drugs with bioequivalence studies.
- ☞ Extensive review and analysis of China's drug registration applications and approvals as well as Chinese drug innovation trends in recent years.
- ☞ Comprehensive review of Sino-foreign M&A, joint venture, strategic alliance, licensing, research partnerships and new drug R&D events in 2019 and H12020.
- ☞ Expanded coverage on MNC performance and strategic considerations in China with healthcare reform in the backdrop, intellectual property/patent law amendments, data exclusivity, patent litigation, drug regulations, pharma marketing and distribution strategies, drug consumption patterns, the Chinese R&D and outsourcing sector, clinical studies/practices, healthcare reform, community healthcare sector, essential drug policy, regional drug consumption patterns, and the vaccine and API sectors.
- ☞ In addition to the existing five key case study areas, two more areas on pharma's alliance with health insurance companies and with e-commerce/digital health providers are added. Numerous new case studies are added, as existing cases are updated and filtered.

All purchasers of the *China Pharmaceutical Guide 2020 (15th Edition)* will receive one-year complimentary subscription of *Pharma China Weekly e-Alert (Premium Edition)* which provides a weekly summary of the top Chinese pharmaceutical news and *Breaking News Alerts* which notifies subscribers of any major unfolding events in the Chinese pharmaceutical and healthcare sectors.

For further information, please contact WiCON International Group to request a free promotional PDF containing the executive summary, the table of contents, the lists of tables and charts, and preface. To download our promotional PDF and a brochure/order form, please visit: <http://www.pharmachinaonline.com/download/index.asp>.

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WiCON International Group is the publisher of **WiCON | Pharma China**, the most trusted English media and source of business intelligence covering the Chinese pharmaceutical / biopharmaceutical sector.

WiCON | Pharma China (www.pharmachinaonline.com) caters for the growing needs of the global pharma industry for up-to-date and insightful intelligence on China's burgeoning but increasingly complex healthcare marketplace. It is subscribed by most MNCs, leading CROs, investment banks, consulting firms and industry associations.

WiCON | Pharma China publishes the following products:

- ☞ **Pharma China Journal Edition** (monthly in PDF)
- ☞ **Pharma China Web Edition** (continuously-updated news and in-depth commentaries)
- ☞ **China Pharmaceutical Guide** (latest edition – published annually in August or September)