

Research Report of Mergers and Acquisitions in Chinese Medical Circulation Industry, 2009

Research Report of Mergers and Acquisitions in Chinese Medical Circulation Industry, 2009

China Research and Intelligence Co., Ltd.

Date: Apr, 2009
Pages: 60
Price: US\$ 1,660.00
ID: RDDE1F46AF0EN

In 2008, the medical wholesale enterprises in Chinese medical circulation industry were about 12 thousand in small scale. Only about 5 hundred exceeded the annual sales amounts of 50 million Yuan (7.1 million USD). The top three medical circulation enterprises accounted for 20% market shares of the total medical sales amounts. In the mature market, the medical industry was highly concentrated. The top three American medical circulation enterprises accounted for 90% market shares and 70% in Japan.

Chinese medical circulation channels generally can be divided into two steps: one is the wholesale and the other is retail. The circulation channel of Chinese pharmaceutical market is that the manufacturers sell their medicines to the retail dealers through the wholesale dealers. However, Chinese pharmaceuticals are not separated operation. The pharmacies in the hospitals, as special and monopolized retail link, account for over 30% market shares of the pharmaceutical retail market. The pharmaceuticals in the hospitals will be 3 or 4 folds prices from the manufacturers to the patients, leading to the retail prices of Chinese pharmaceuticals.

As the pharmaceutical safety and the usage costs become more and more important, Chinese generic pharmaceutical industry and medical circulation industry will be favorably affected by the medical reform policies, and Chinese medical circulation industry is speeding up their market integration. To condense the circulation link is one of the medical reform trends. In the traditional pharmaceutical industry chains, the added prices in the circulation links are one of important factors leading to the high pharmaceutical prices. Therefore, the supervision departments will probably replace some small circulation enterprises through strictly implementing the professional standards.

It is favorable for the large medical separated sales enterprises to flatten the medical circulation. The circulation enterprises in large scale will become the major channels of the separated sales. From now on, the medicines will be distributed by the large circulation enterprises regardless of the community hospitals or the new rural medical centers, which is convenient to supervise. The separated sale networks are of great importance for the circulation enterprises. The price-negotiation ability of the enterprises in large-scale will be strengthened in the circulation link, and the large circulation enterprises are the regional second class pharmaceutical stations. Under the circumstances of the medical reform, they will be more advantageous when the government choose the distribution enterprises. Therefore, Chinese medical circulation industry is integrated by mergers and acquisitions to change the previous large quantities and low concentration.

In 2009, it is pointed out in Chinese New Medical Reform Advises that the retail guide prices of the essential pharmaceuticals used in the government public medical organizations are determined by the state; the provincial governments decide the purchase prices; the essential pharmaceuticals are purchased by public bidding, unite distributed, cut down the intermediate links, publicly bid by the provincial designated organizations and distributed by the chosen distribution enterprises. The advice will inevitably accelerate the rights for the provinces in the medical purchase.

?

It is unavoidable that the regional governments will take protective measures in the process of purchase in the future. However, the national-wide medical commercial enterprises will become the first choice for the regional governments and the pharmaceutical enterprises because of their advantages in marketing channels and price-negotiation abilities.

?

Meanwhile, because of the strong medical circulation enterprises in Shanghai, Jiangsu, Guangdong and Beijing etc and the high medical security level, regional protectionism will become the hot topic in Chinese medical circulation industry.

As for the canceling the additional medicine expenses in the hospitals, it is generally regarded as the favorable factors by the medical commercial enterprises. At present, 30 to 40 percent medicines are sold through the hospitals and the left parts are sold through other channels.

Apart from the medicine prices, it is clearer for the development of the medical circulation industry to reconstruct in the future in the new medical reform advices which concludes propelling the mergers and acquisition among the medical circulation enterprises, developing the united distributions, realizing the operations in scale and encouraging the development of the chain retail stores.

It is predicted that after the implementation of the medical reform, massive medium and small medical circulation enterprises will be closed down. A new shuffle will occur in Chinese medical circulation industry. Because the manufacturers need to face the terminal policy regulations directly, in objective sense, it enhances the manufacturers' advantages in the competition as well as the position in the medical circulation. However, the medical circulation enterprises will be in the dilemma as well as the position decline. During this period, the shuffle and replacement in the medical circulation enterprises will be deteriorated. The large enterprises with abundant capitals will expand and extent the channels, but the small enterprises will have little choice to distribute the medicines for the manufacturers and probable to be replaced.

At present, Chinese medical circulation giants have speed up their distributions in the whole country. In the beginning of 2009, the dominator of Chinese medical circulation industry, Shanghai Fosun Pharmaceutical (Group) Co., Ltd had invested 600 million Yuan (87 million USD) in China National Medicines Corporation Ltd so as to construct its retail networks all over the country. Another giant Jointown Pharmaceutical Group Co., Ltd was speeding up its distributions in the whole country, which was planning to set up 15 branch companies, 100 second class distribution centers and 5,000 chain retail stores.

More following information can be obtained in this report:

- Present Development Situation of Chinese Medical Circulation Industry
- Chinese Medical Circulation Channels
- Development Environments of Chinese Medical Circulation Industry
- Factors affecting the Development of Chinese Medical Circulation Industry
- Major Merger and Acquisition Cases in Chinese Medical Circulation Industry
- Merger and Acquisition Trends in Chinese Medical Circulation Industry
- Development Trends of Chinese Medical Circulation Industry
- Merger and Acquisition Opportunities in Chinese Medical Circulation Industry

Table of Content

1 PRESENT DEVELOPMENT SITUATION OF CHINESE MEDICAL CIRCULATION INDUSTRY

1.1 Development Environments of Chinese Medical Circulation Industry

- 1.1.1 Policy Environment
- 1.1.2 Economic Environment
- 1.1.3 Social and Cultural Environment

1.2 Market Scales of Chinese Medical Circulation Industry

1.3 Competitions of Chinese Medical Circulation Industry

- 1.3.1 Entry/Exit Barriers
- 1.3.2 SWOT Analysis on the Operation Businesses

1.4 Problems in Chinese Medical Circulation Industry

2 CHINESE MEDICAL CIRCULATION CHANNELS

- 2.1 Chinese Medical Agents
 - 2.1.1 Development History
 - 2.1.2 Development Direction of the Individual Medical Agent
 - 2.1.3 Development Trends
- 2.2 Chinese Medical Wholesale Industry
- 2.3 Chinese Medical Retail and Circulation Stores
 - 2.3.1 Concentration
 - 2.3.2 Development of the big Stores
- 2.4 Development Trends of Chinese Medical Circulation Channels

3 PRESENT SITUATION AND DEVELOPMENT TRENDS OF CHINESE MEDICAL CIRCULATION INDUSTRY

- 3.1 Present Situation and Characteristics of Chinese Medical Circulation Industry
 - 3.1.1 Fast Growth Trends
 - 3.1.2 Disparate Development
 - 3.1.3 Further Subdivisions
 - 3.1.4 Operation Position of Importance
- 3.2 Development Trends of Chinese Medical Circulation Industry
 - 3.2.1 Major Development Trends
 - 3.2.2 Prediction on the Development Trends
- 3.3 Supplies and Demands of Chinese Medical Circulation Industry
 - 3.3.1 General Supplies
 - 3.3.2 Demand Scales
- 3.4 Distributions of the Foreign Capitals in Chinese Medical Circulation Industry
 - 3.4.1 Characteristics and Regional Distributions of the Foreign Capitals
 - 3.4.2 Major Entry Models
 - 3.4.3 Development Strategies of Foreign Funded Medical Circulation Industry in China.

4 OPERATION MODELS OF CHINESE MEDICAL CIRCULATION INDUSTRY

- 4.1 Market Orientation of Chinese Medical Circulation Enterprises
 - 4.1.1 Disorder Operation Orientation
 - 4.1.2 Analysis on the Orientation of Chinese Medical Circulation Industry
 - 4.1.3 Three Misunderstandings of Operation Orientation
- 4.2 Establishment of the Core Competitiveness in Chinese Medical Circulation Industry
 - 4.2.1 Establishment of the Core Competitiveness
 - 4.2.2 Establishment of the Core Competitiveness propelled by information
- 4.3 Speed-up of the Franchise Operation occupying Lands for the Medical Stores
 - 4.3.1 United Distributions Breaking through the Development Bottleneck
 - 4.3.2 Franchise Operation Jointly Undertaking the Ventures
 - 4.3.3 Crucial Problems on Choosing the Franchise Operation Branches

5 INVESTMENT POLICIES AND ENVIRONMENTS OF CHINESE MEDICAL CIRCULATION INDUSTRY

- 5.1 Influences of the Medical Circulation System Reform on Chinese Medical Circulation Industry
- 5.2 Influences of the WTO Policies on Chinese Medical Circulation Industry
 - 5.2.1 Influences on the Intellectual Propriety Rights
 - 5.2.2 Influences on the Import Duty Rate
 - 5.2.3 Influences on the Listed Companies
- 5.3 Influences of the Industrial and Other Policies on Chinese Medical Circulation Industry
 - 5.3.1 Influences of the Industrial Policies

- 5.3.2 Influences of the Tax Policies
- 5.3.3 Influences of the Regional Policies

6 OPERATIONS OF CHINESE MAJOR MEDICAL CIRCULATION ENTERPRISES

- 6.1 Shanghai Pharmaceutical Co., Ltd
 - 6.1.1 Company Profiles
 - 6.1.2 Operations
 - 6.1.3 Development Strategies
- 6.2 China National Medicines Corporation Ltd
 - 6.2.1 Company Profiles
 - 6.2.2 Operations
 - 6.2.3 Development Strategies
- 6.3 Nanjing Medical Co., Ltd
- 6.4 Zhejiang Int'L Group Co., Ltd
- 6.5 Sanjiu Medical & Pharmaceutical Co., Ltd
- 6.6 Chongqing Tomgjunge Pharmacy Chains
- 6.7 Jointown Pharmaceutical Group Co., Ltd

7 PRESENT SITUATIONS OF THE MERGERS AND ACQUISITIONS IN CHINESE MEDICAL CIRCULATION INDUSTRY

- 7.1 Merger and Acquisition Background in Chinese Medical Circulation Industry
- 7.2 Merger and Acquisition Characteristics and Trends in Chinese Medical Circulation Industry
- 7.3 Merger and Acquisition Barriers in Chinese Medical Circulation Industry
 - 7.3.1 Policy Barriers
 - 7.3.2 Structural Adjustment Barriers
 - 7.3.3 Capital Barriers
 - 7.3.4 Regional Protection Barriers

8 MERGER AND ACQUISITION CASES IN CHINESE MEDICAL CIRCULATION INDUSTRY

- 8.1 Shanghai NO.1 Pharmacy Co., Ltd Merged Shanghai Huifeng Pharmaceutical Co., Ltd
- 8.2 Quanzhou Southeast Medical Circulation Enterprises Merged Xiamen Xingsha Pharmaceutical Co., Ltd
- 8.3 China National Medicines Corporation Ltd Merged 20% stock Shares of Yichuang Humanwell Pharmaceutical Co., Ltd
- 8.4 Zhengzhou Starfish State and Biological Pharmaceutical Co., Ltd Merged Shanxi Tongruitang Pharmacy Co., Ltd
- 8.5 Other Cases

9 MERGER AND ACQUISITION VENTURES IN CHINESE MEDICAL CIRCULATION INDUSTRY

- 9.1 Capital Reconstruction Ventures in Chinese Medical Circulation Industry
- 9.2 Personnel Change Ventures in Chinese Medical Circulation Industry
- 9.3 Business Management Ventures in Chinese Medical Circulation Industry
- 9.4 Business Cultures Ventures in Chinese Medical Circulation Industry
- 9.5 Business Strategies Ventures in Chinese Medical Circulation Industry

10 MERGER AND ACQUISITION OPPORTUNITIES IN CHINESE MEDICAL CIRCULATION INDUSTRY

- 10.1 Analysis on Chinese Medical Circulation Industry Chains
- 10.2 Merger and Acquisition Opportunities for the Upstream and Downstream Enterprises in Chinese Medical Circulation Industry
- 10.3 Merger and Acquisition Opportunities among Chinese Medical Circulation Industry with Other Industries

- 10.4 Merger and Acquisition Opportunities among Chinese Medical Circulation Enterprises
- 10.5 Recommendations for the Mergers and Acquisitions in Chinese Medical Circulation Industry

SELECTED CHARTS

- Chart Scales of Chinese Medical Market, 2003-2008
- Chart Introductions to Chinese Medical Circulation Channels
- Chart Scales of Chinese Retail Medical Market, 2003-2008
- Chart Operations of, 2004-2008
- Chart Major Contents of Chinese Medical Reform
- Chart Major Merger and Acquisition Cases in Chinese Medical Circulation Industry in Recent Years

I would like to order:

Product name: Research Report of Mergers and Acquisitions in Chinese Medical Circulation Industry, 2009
Product link: <http://marketpublishers.com/r/RDDE1F46AF0EN.html>
Product ID: RDDE1F46AF0EN
Price: US\$ 1,660.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service: office@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click 'BUY NOW' button on product page <http://marketpublishers.com/r/RDDE1F46AF0EN.html>

To pay by Wire Transfer, please, fill in your contact details in the form below:

First name:
Last name:
E-mail:
Company:
Address:
City:
Zip/Post Code:
Country:
Tel:
Fax:
Your message:

* All fields are required

Customer Signature _____

Please, note that by ordering from MarketPublisher.com you are agreeing to our Terms & Conditions at http://marketpublishers.com/docs/terms_conditions.html

To place an order via fax simply print this form, fill in the information below and fax the completed form to **+44 20 7900 3970**

