

Market of Bulk Drugs and Intermediate for Pharmaceuticals in Japan: Key Research Findings 2017

◆ Research Outline

Yano Research Institute has conducted a study on the domestic market of bulk drugs and intermediate for pharmaceuticals with the following conditions:

1. Research period: From July to September, 2017
2. Research targets: Companies that domestically develop business of producing/selling bulk drugs and intermediate for pharmaceuticals, and general pharmaceutical companies
3. Research methodologies: Face-to-face interviews by the expert researchers, surveys via telephone, and literature research

What are Bulk Drugs and Intermediate for Pharmaceuticals?

Bulk drugs are materials of active ingredients that are needed in the process of producing pharmaceutical products. Intermediate is the material produced in the process of producing bulk drugs, during which they go through such processes as molecular change and purification. The market of bulk drugs and intermediate for pharmaceuticals in this research indicates the market of pharmaceutical bulk drugs and intermediate domestically produced, but excludes those produced in-house by pharmaceutical companies.

◆ Key Findings

■ The Market of Bulk Drugs and Intermediate for Pharmaceuticals in FY2016 Prospected to Continue Expansion to Reach 424.0 Billion Yen

Size of the market of bulk drugs and intermediate for pharmaceuticals in FY2016 is prospected to attain 424.0 billion yen, a rise by 27.3% from that of FY2011, with the average annual rate of growth from FY2011 to FY2016 being recorded as 4.95%. Though the yield of domestic pharmaceutical products, excluding those imported, ended up with slow growth, progressive outsourcing at pharmaceutical companies to produce pharmaceutical bulk drugs and intermediate, together with market entry by such enterprises as large chemistry and those from overseas, have given rise to the market expansion.

■ Market Players Try to Accept More Orders by Introducing Differentiation Strategies, Coping with Higher Demand from Customers,

In such a situation where the market is in a fierce competition among the market players, the companies in the market have been trying to differentiate from other enterprises by appealing their specialized areas and enhancing the technologies which they are good at, not to mention placing importance on quality management and on availability to cater to the demands of price reduction and delivery time. They also try to expand more opportunities of gaining orders by building a system to enable to respond to or provide solutions to the diversifying demands from the trusting companies.

■ Growth of Contracted Production Expected to Expand Market Size

Size of the domestic market of bulk drugs and intermediate for pharmaceuticals is likely to be on the rise because of expansion in the entrusted business of such pharmaceutical bulk drugs and intermediate, against the backdrop of the growing number of pharmaceutical companies,

primarily those large ones, being prospected to consign production, more companies from other industries entering the market and enhancing the sales activities, and more contracted manufacturers augmenting their facilities and increasing credibility by improving product quality.

◆ **Report Format:**

Published report: “Yano Pharmacy Data Report 2017”

Issued on: February 28, 2017

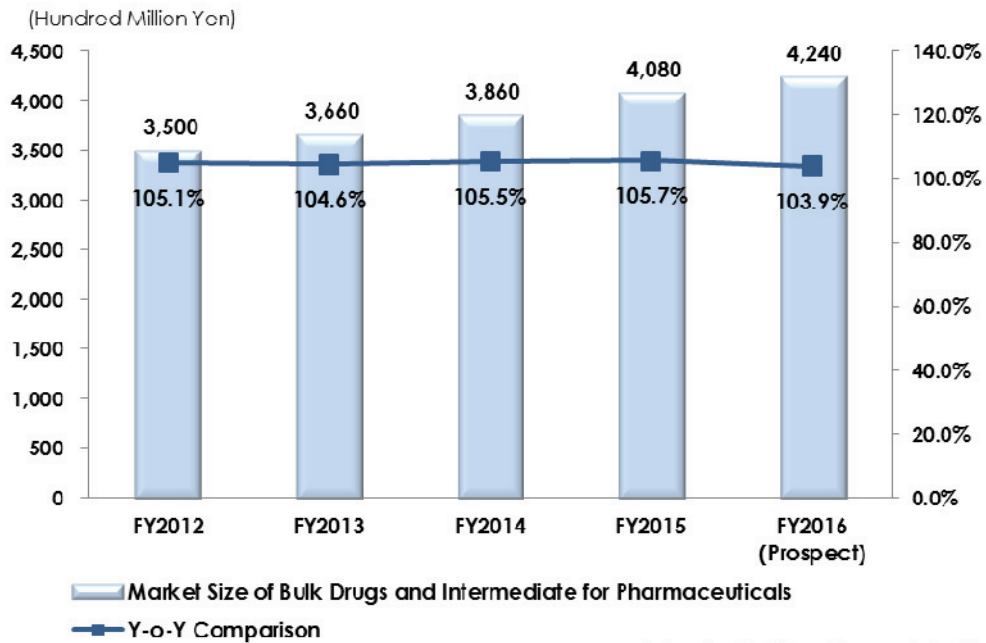
Language: Japanese

Format: 606 pages in A4 format

Price: 250,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

Contacts: Public Relations
Yano Research Institute Ltd. (URL: <http://www.yanoresearch.com>)
 Phone: +81-3-5371-6912 E-mail: press@yano.co.jp

■ **Figure 1: Transition of Market Size of Bulk Drugs and Intermediate for Pharmaceuticals**



Estimated by Yano Research Institute

Notes:

1. The market size is based on the yield.
2. The market of bulk drugs and intermediate for pharmaceuticals in this research excludes those that are produced in-house by pharmaceutical companies.