

Bulgaria takes a giant leap with Commercial League

Tchaikapharma, a state-of-the-art plant in Plovdiv, which already won the Reputable Building of The Year Award, was inaugurated by the Bulgarian President, Georgy Parvanov, on March 17. Inaugurating the plant, the president said: "Currently, over 80 percent of Bulgaria's export is raw materials and only 3-4 percent are hi-tech products. The whole society of Bulgaria has a reason to celebrate today, because opening of a new hi-tech manufacturing facility such as Tchaikapharma, will make Bulgaria to be perceived as an equal and worthy member of the European Union."

A month away from the signing of the EU accession treaty and 20 months from effectively becoming full member of the community Bulgaria is at the cross-roads and high-tech intensive local pharmaceutical production as well as all segments of healthcare trade and services are among the sectors of critical importance for future development.

The flagship of this industry is the group of companies formed by the largest wholesaler and distributor Commercial League National Pharma Centre Inc, which has been spearheading the expansion of the critical industry in Bulgaria and the neighbouring nations.

During the inauguration ceremony, supervisory board Chairman Tihomir Kamenov stated: "There is no higher cause than to serve life and health of the people. Seven years ago we realised there is great demand for quality at reasonable prices for Bulgaria's population. Today, Tchaikapharma's mission is to provide



Bulgarian President Georgy Parvanov (L) and Commercial League Inc supervisory board Chairman Tihomir Kamenov cut the ribbon at the inauguration ceremony

highest quality medicines at affordable prices, which we achieve in close cooperation with our multinational partners. On the threshold of the EU accession we are ready to meet the new competition."

Earlier in December 1999, the group set the first landmark for the formation of a new drug manufacturing and marketing powerhouse in Bulgaria with the opening of the Tchaikapharma plant in Varna followed by rapid territorial expansion in growing affiliates in FYROM, Switzerland and the United States.

Outlining the company mission, a company statement said: "Today, and for the last four years, the group is thoroughly refocused from pre and wholesale, distribution, and retail networks development towards late R&D stages of drug development like pre and clinical trials, pre- and post-registration monitoring, and regulatory

development of drug safety profiles, and moreover towards manufacturing and marketing of its own branded generics and in-licensed original medicines.

Early sign of such extension upwards of the vertically integrated CL trade structure were the product launches, import and trade exclusivity agreements reached and executed with Fresenius, Baxter, Abbott and Boehringer Ingelheim in mid-late 90s."

It attributed the growth to "political and financial stability of Bulgaria and consistent economic growth of above 5 percent average for the last five years" as largely contributing to the expansion of the public money spent on pharmaceuticals from 87 million Euro in 1999 to 302 million Euro in 2004 although the healthcare expenditure as a whole remains among the lowest in Europe at only 4.3 percent of GDP in 2005.

The Tchaikapharma generics' large capacity to deliver on its competition promises in the European marketplace can vividly be illustrated by a single example.

According to company statement, "Retail price of Ranitidine-Tchaikapharma (off patent Zantac) pack of 20tbl., strength 150mg, is sold in Bulgaria for 1.5 Euro retail price while the cheapest found in the 25 European Union countries is in Portugal: 6.5 Euro retail price.

Last but not the least the company hoped that "the established relations of CL with more than 60 pharma manufacturers and drug suppliers will further enable Tchaikapharma to out-compete its local peers and provide it with strong leverage to forge its ambitious marketing and sales goals both in original and well balanced and reasonably priced branded generics portfolios."