



Global API Market Outlook 2020

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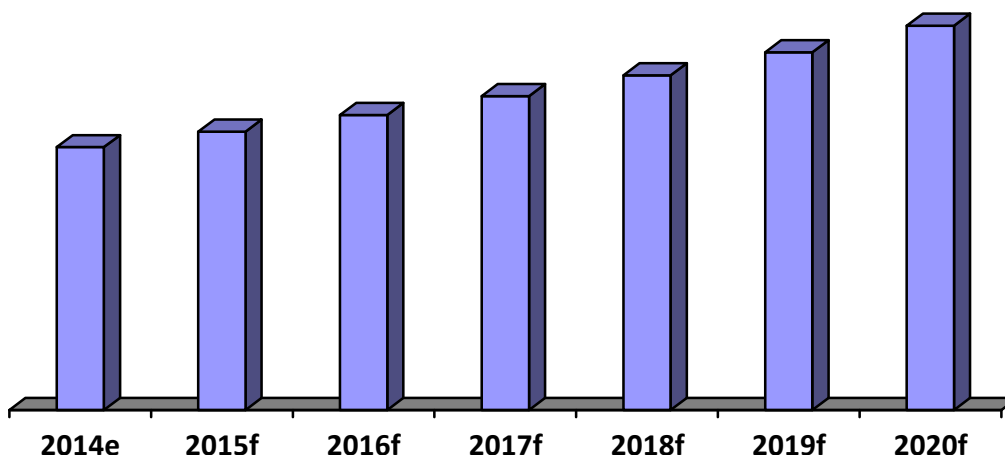
Sample Sections from the Report

Global API Industry

Manufacturing of products based on small-molecule Active Pharmaceutical Ingredients (API) is important to the global healthcare industry. Though, the industry is confronted by several challenges, such as over capacity, industry consolidation and lack of capability differentiation; niche growth segments, such as biotech API, hold significant potential for the API market participants. The emergence of biopharmaceuticals is set to significantly influence the overall API market.

The global API market was around US\$ XX Billion in 2014, and is anticipated to grow to US\$ XX Billion by 2020, at a CAGR of XX% during 2014-2020. It is estimated that the market will continue the trend of its incessant growth owing to factors, such as a rising number of blockbuster drugs expirations resulting in the growth of generics, rapid drug discovery and development process, increasing demand for contract manufacturing, and stupendous rise in the pharmaceutical market.

Figure 4 1: Global - API Market (Billion US\$), 2014-2020



Source:

Drivers & Challenges

Drivers

Patent Expiry Opening Market for Generic APIs

A large number of drugs going off patent are presenting opportunities for drug makers to introduce generic equivalents of these drugs. The number of patent expiries was estimated to affect more than US\$ XX Billion sales of branded drugs in 2014. A generic drug generally takes about XX% of the branded

drug market share, and prices at about XX% of its branded counterpart. Anticipating the opportunity, drug makers around the globe are building a strong pipeline of products to be sold worldwide and have been filing applications, seeking approval for generic drugs. Some of the important drugs whose patents are on the verge of expiry include Teva Pharmaceutical Industries Ltd's, multiple sclerosis brand, Copaxone; AstraZeneca SA's, hyperacidity drug, Nexium; and Boehringer Ingelheim's, cardiac drug, Micardis. The list of premium drugs expected to go off-patent in the next three years is summarized below.

Table 5 1: Blockbuster Drugs Going Off Patent (2014-2015)

Drug	Company	Year
Micardis	Boehringer Ingelheim	2014
Nasonex	Merck & Co	2014
Sandostatin LAR	Novartis	2014
Evista	Lily	2014
Copaxone	Teva Pharma	2014
Nexium	AstraZeneca	2014
Exforge	Novartis	2014
Abilify	Otsuka Pharmaceutical Co.	2015
Gleevec	Bristol-Myers Squibb	2015
Namenda	Forest Laboratories	2015

Source: IMS Health & Various Industry Sources

Asian Markets Offer Considerable Growth Potential

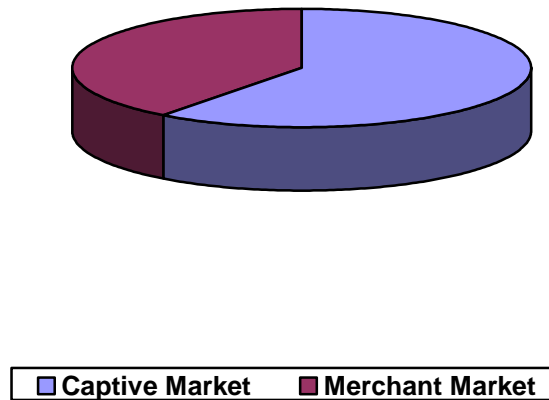
Asian markets, particularly India and China, offer immense growth prospects. In 2014, the Asia Pacific API market contributed XX% to the global API market. The Asia Pacific API industry is majorly involved in manufacturing of APIs. These companies then sell these APIs to drug formulating companies. The formulating companies might either be domestic or international drug manufacturers. Drug manufacturing companies are opting for API manufacturers in Asia Pacific due to the low labor and operations cost, as well as the good infrastructure of companies here. In the coming years, the Asian API market will contribute a considerable amount to the global API market. It is forecasted that the Asia Pacific API market will contribute XX% to the global API market and will be valued at US\$ XX Billion, by 2020.

Market Segmentation

By Type of Manufacturing

Of the total market value, the captive market accounted for XX% of the total API market, or US\$ XX Billion in 2014. The merchant market for APIs includes those APIs that are sold by third parties. This merchant market of APIs accounted for the remaining XX%.

Figure 6 1: Global Share of Captive and Merchant Market in API Market (2014)

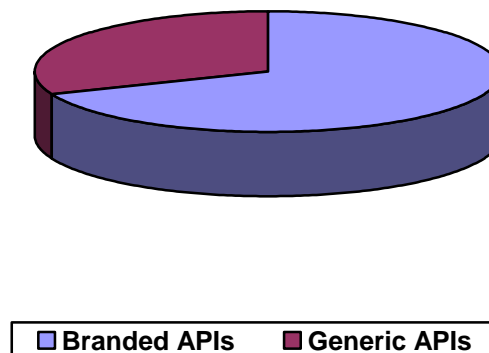


Source: RNCOS

By Type of Drug

Of the total global market for APIs, generic APIs accounted for approximately XX%, or US\$ XX Billion; and branded (i.e., innovator) APIs accounted for the remaining XX% or US\$ XX Billion in 2014. In the next few years, the generic drug API market is expected to grow at a fabulous pace, whereas the branded API market is going to lose its hold on the global API market. This is because a number of branded drugs are going to lose their patents in the coming years.

Figure 6 4: Global Share of Branded and Generic Market in API Market (2014)

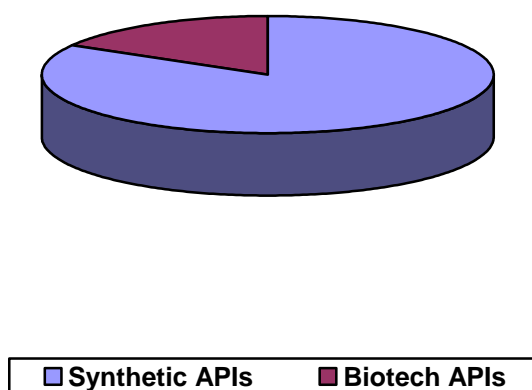


Source: RNCOS

By Type of API

The global API market is lead by chemical or small molecule APIs. It was estimated that the share of small molecule APIs in 2014 was nearly XX%. On the other hand, share of biotech APIs in 2014 was about XX%.

Figure 6 7: Global - Share of Synthetic and Biotech APIs in API Market (2014)



Source: RNCOS

Competitive Landscape

APIs are chemicals, which are used to manufacture pharmaceutical products. These are the biologically active ingredients in the drug, and are responsible for the pharmacological activity or desired effect the drug has on an individual. The API industry is responsible for the manufacture of APIs through chemical or physical means. There are several players in the API industry, which produce API either by themselves or by outsourcing. Some of the API manufacturers are Teva Active Pharmaceutical Ingredients (TAPI), BASF SE, Kyowa Hakko Kirin, Lonza, Dr. Reddy's Laboratory, Aurobindo Pharma, Divis Laboratories Ltd., Royal DSM and Boehringer Ingelheim GmbH.

The leading manufacturer of API is TAPI. TAPI works in areas, such as chromatography, chemical synthesis, fermentation and plant extraction. Apart from this, it has a large portfolio of more than XX API products. In 2014, TAPI generated third party sales of US\$ XX Million. Dr. Reddy's Laboratory is another leading manufacturer of API with more than XX APIs in its portfolio for drug use, diagnostics kits and biotechnology products. Aurobindo Pharma also manufactures approximately XX APIs, and exports them to countries worldwide.

These companies are making all possible efforts to gain hold of the API market. They are inventing new technologies, such as continuous flow reactors for the production of APIs, so as to achieve uniformity in the product so obtained. APIs are also being manufactured in nano-size to increase their solubility.

Companies now-a-days prefer outsourcing manufacture of API so as to reduce the cost of production, and reduce the lengthy process to obtain the final product rapidly. The company which is able to achieve these goals remains on the top of the API market and makes maximum profit.

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Business Description

BASF is a leading chemical company headquartered in Germany. The Company employs XX individuals across XX global and regional business units. The Company's business operations are divided into XX segments namely: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions, Oil & Gas, and Others. The segments are further divided into XX divisions which are grouped into the following four regions: Europe; North America; Asia Pacific; and South America, Africa and Middle East.

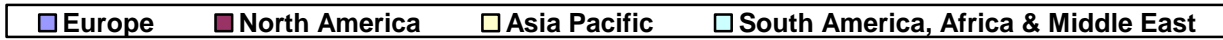
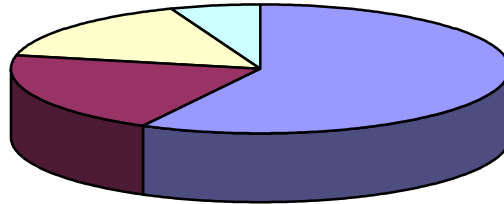
The Performance Products segment is further divided into Dispersions & Pigments, Care Chemicals, Nutrition & Health, Paper Chemicals and Performance Chemicals Division. The Nutrition & Health division is responsible for the production of active ingredients and excipients for the pharmaceutical industry, such as caffeine, ibuprofen, pseudophedrine as well as binders and coatings for tablets.

Table 8 1: BASF SE – Revenues by Business Segment (Billion US\$), 2013 & 2014

Segments	2013	2014
Chemicals	XX	XX
Performance Products	XX	XX
Functional Materials and Solutions	XX	XX
Agricultural Solutions	XX	XX
Oil and Gas	XX	XX
Others	XX	XX
Total	XX	XX

Source: Company Annual Report 2014

Figure 8 1: BASF SE - Break up of Revenue by Geographic Segment (%), 2014



Source:

Research Methodology

Protein therapeutics has emerged as an area of immense potential and has witnessed increasing research and developments during the past few years, which is from the fact that major drug players are investing in this industry. This fact has led us to study protein therapeutics, and explore growth opportunities in this field, which will help our clients in planning their strategies.

For our study, we have gathered information from various credible sources such as, journals, articles, news portals, and various paid databases, such as, LexisNexis, OneSource, EIU, etc. Our team of experts has prudently evaluated all the collected information, and presented it in a chronological order to depict a meaningful and clear picture of the Global Protein Therapeutics Market. This is worth mentioning here that while compiling the data, we have also cross-checked all the collected information from other multiple sources and data warehouses, so that we can present the most accurate and precise information on the sector.

Moreover, we have identified and analyzed all emerging trends and major players in the industry. We have also stated in the report, the market dynamics, the key factors that would drive, challenge and offer opportunities for the market in the future. Along with this, we have also identified the possible growth areas. With the co-ordination of all the factors, we have presented a coherent analysis of the performance of the industry. We have also provided a strategic framework, in the form of Porter's five forces analysis that would help in business strategy development.

Finally, we have provided forecasts for the industry. The forecasts that are provided are an aggregate of our economic and predictive analysis on the basis of past trends, challenges, and opportunities for expansion. Most importantly, while forecasting, we have given due consideration to the ongoing private sector activities, key vertical sector demand, and developments, which are essential in determining the prospective growth potentials of the sector. In this way, our report depicts the most unbiased picture of the global protein therapeutics market that will prove decisive for the clients.

About the Company

RNCOS specializes in Industry intelligence and creative solutions for contemporary business segments. Our professionals study and analyze the industry and its various components, with comprehensive study of the changing market behavior. We provide corporations with an insight of the 'industry and market' necessary to compete in today's business environment. Additionally, our team focuses on the cause and effect relationship between federal and state regulations and the industries affected by regulation.

The company also works closely with small and medium sized consultancy firms, in various industry sectors. We assist in back-end research and data gathering processes. Our accuracy and data precision proves beneficial in terms of pricing and time management that assist the consultants in meeting their objectives in a cost-effective and timely manner.

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