

Old is still gold for pharma industry

CASH COWS Established brands top revenue charts, contribute 70% to key industry revenues

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MUMBAI: Old is still gold for the domestic pharmaceutical industry as far as revenue is concerned. Established brands — more than 25 years of age — such as Digene, Corex, Liv-52, Betadine, Revital and others contribute around 70% of the revenue of top 300 Indian pharma brands.

These brands clocked annual revenue of ₹40,000 crore for the 12 months ending January 2010, of which around ₹28,000 crore was contributed by old brands.

According to market data provider ORG-IMS, the market size of the domestic pharma industry stood at ₹60,000 crore at the end of January 2010.

Old or mature brands are cash cows for the companies. Corex, the cough syrup from the Pfizer stable, which is also the top-selling brand in India, has annual revenue of around ₹186 crore and has been in the market for around 40 years. Voveran from Novartis, Revital from Ranbaxy, Becosules from Pfizer, Digene from Abbott are among the brands with annual revenue of either more than

LONG-TERM MONEY SPINNERS

Annual revenue of some major brands

Brand/Company	Revenue (₹ crore)
Corex, Pfizer	186
Voveran, Novartis	168
Revital, Ranbaxy	132
Dexorange, Franco Indian	125
Becosules, Pfizer	122
Liv-52, Himalaya	121
Betadine, Win-Medicare	96
Digene, Abbott	87
Aten, Zydus Cadila	75
Gelusil-MPS, Parke Davis	64

Source: ORG-IMS- January 2010

₹100 crore or a little less.

Experts feel that the industry should broaden its portfolio. "It is a matter of concern for the Indian pharmaceutical industry, which has to necessarily depend on all brands, rather than depending on some brands," said RB Smarta, managing director, Interlink Marketing Consultancy.

According to sector experts, brand building is a continuous process and it takes time for a

product to become a brand.

"To create a brand is a time and capital consuming exercise. Along with many years of investing, a product has to earn the trust of consumers to become a reputed brand, which is very difficult," said Kedar Rajadnye, vice-president, OTC division, Piramal Healthcare. Piramal's Saridon, which has been around for 50 years, has annual revenue of ₹50-60 crore.

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