

BIONIKA LLC

Volume of investments required: \$ 1500 thousand

Use of funds

R&D - 50%

Acquisition of fixed assets - 33%

Marketing - 12%

Acquisition of current assets - 5%

Company profile

1. Date of establishment – June 2005.
2. Size and source of investment to date – \$ 450 000 – “Rosnauka” (Government science department) competition winner.
3. Production – medication (substance), adding a hemostasis function to the human blood substitute solutions.
4. Target market – military and clinical medicine, surgery.
5. Sales 2004 – none.
6. Description and value of assets – none.
7. Goodwill and intellectual property rights – not registered.
8. Signs of public recognition – 30 international publications.

Owners

Legal entity	51%
Individuals (2):	24.5% each other
Share of government property	0%

Products characteristics

Product under development – the medication (substance), adding a hemostasis correcting function to the blood substitute solutions. When injected, the medication substitutes the hemostatic properties of human plasma. There is no known existing analogue in the world so far. The comparative analysis below shows the key parameter not present in the practical contemporary blood substituting medications.

Markets & Competition

Data	Medication of “Bionika”	Refrigerated plasma
	Geographical Region – Russia. Market size \$ 200 million	
2004	Company market share \$ ths / %	0 / 0% 200 000 / 100%
	Geographical Region – Russia. Market size \$ 250 million	
2009	Company market share \$ ths / %	10 000 / 4% 240 000 / 96%

Marketing & Sales

The overall Russia demand in blood substituting medicines is estimated as 1 liter per 1 individual annually, that makes up 150 mln liters a year. The Russia’s blood substituting medicines domestic production output is 50 mln liters a year, that is just 1/3 of it’s demand. The missing volume is being imported. The average price of Russia’s made blood substituting medicine equals to \$ 4–5. Thus, the Russia’s domestic market for the blood substituting medicines estimated up to \$ 200–250 mln.

The price of the standard medicine draught (high concentrated substance) 10 ml volume is assumed to be equal to the blood substitute solution price, hence it will make up \$ 4–5 over the launching period of time, with consistent rise to \$ 8.5 in 3 years period. One medication draught is supposed to go along with one blood substituting solution draught. The sales target assumes the following volume figures:

2007 – 1 000 000 draughts

2008 – 1 200 000 draughts

2009 – 1 250 000 draughts.

The sales destination threads are listed below.

Partition A) Blood substitutes producing pharmacology plants as follows:

- Obninsk pharmacologic company
- MedBioFarm, Kaluga region
- Omutninsk chemicals plant, Moscow
- ESKOM company ltd., Stavropol
- BIOKHIMIK company ltd., Saransk
- MEDSINTEZ pharmacology plant, Sverdlovsk region
- KRASFARMA company ltd., Krasnoyarsk
- BIOSINTEZ company ltd., Penza
- MEDPOLIMER company ltd., St. Petersburg.

Partition B) Large medical research institutes producing and applying blood substituting solutions with supplement of the "Bionika" medication, such as:

- Medical research establishments,
- Social medical establishments,
- Private clinics and hospitals,
- Medical diagnostic centers,
- Ambulance and first aid services,
- Blood transfusion center,
- Ministry of Extraordinary Situations (M.Ch.S) establishments,
- Military establishments.

Prospects of development

The research of the medication and its practical introduction will basically reconsider the diagnostic methods and treatment of serious hemostasis dysfunction. This will make a new step towards solving producing, storing, and applying blood substituting solution problems. The new generation, virus safe and easy-to-use "Bionika" medication will definitely supply the actual growing demand coming from medical, scientific and social establishments. The successful project realization will take Russia far forward this direction, rendering vast export abilities.