

Kronvet LLC

Volume of investments required: \$ 960 thousand

Use of funds

R&D - 13%

Acquisition of fixed assets - 45%

Product upgrade - 8%

Marketing - 1.5%

Acquisition of current assets - 32.5%

Company profile

1. Date of establishment – February 1992.
2. Size and source of investment to date - – \$ 760 000, including: own funds – \$ 160 000, attracted funds – \$ 150 000. The Federal Program for the special purpose – \$ 450 000;
3. Production - inactivated mono- and polyvalent vaccine against infection diseases of farm poultry. Diagnostic sets for express diagnostics of infectious diseases of farm poultry. Conducting serological examinations. Consulting assistance.
4. Target market – poultry industry.
5. Sales 2004 - \$ 2 028 ths.
6. Description and value of assets - \$ 37 900. The enterprise owns special equipment, which is necessary for research work and production.
7. Goodwill and intellectual property rights- the following patents: № 2120993 Stock culture "ADV" of hydropericarditis virus of poultry of "Adenoviridae" family; №1707075 Stock culture of virus of Marek's disease; №2070055 Method of receiving erythrocytic diagnosticum of poultry bacillary white diarrhea; №2059404 Vaccine against Marek's disease and preventive measures against Marek's disease.
8. Signs of public recognition – for the successful liquidation of outbreak of Gamboro disease on poultry farm "Sinyavinskaya" "Kronvet" LLC was awarded with the certificate of the Head of municipal establishment of Kirovsky district of Leningrad region. Diploma of Co-Head of organization committee – Governor of Saint-Petersburg – V International Exhibition and Congress "High technologies. Innovations. Investments".

Owners

Legal entity: GNU VNIVIP	11%
4 Individuals	89% (54%, 10%, 14%, 11%)
Total share of government property	11%

Products characteristics

Current product: "Kronvet" LLC managed to develop and implement into the day-to-day work of poultry farms original inactivated vaccine against Gamboro disease, which does not have any analogues abroad. Hexavalent vaccine Avikron-6 against main infections of chicken was developed and is successfully implemented. The number of diagnostic test systems for industrial poultry was produced, they help not only with antibodies identification, but also determine the immunity stress after specific preventive measures are conducted.

Product under development: at present the new inactivated vaccine Avikron-9 is being developed, it includes antigens against nine infectious diseases of poultry.

Markets & Competition

Main consumers of the product are poultry farms of North-West of Russia and CIS countries. At present market players are local manufacturers and well as foreign manufacturers, their market share is 25%. Among local manufacturers are – VNIIZh, VNIVIP, "Avivak", bio-factories "Kurskaya", "Schelkovskaya" (if compared to their products, our products are of a higher quality). The competitor abroad is INTERVET (our product has a lower price and has the same of even better quality than the competitor's).

In 2004 market share of the company in Russia made 10%, \$ 750 ths. By 2009 we plan to get a market share of 25%, which will make \$ 1.875 mln.

Marketing & Sales

Basis of the marketing strategy – is the close work with big poultry farms of Russia. Our vaccines are used in poultry farms under the control of authors-developers. With the help of the vaccine, outbreak of Gumboro disease on poultry farm "Sinyavinskaya", "Zavodskaya", "Krasnie Zory" and others, was liquidated, where it was not possible to liquidate the outbreak with the help of other vaccines, including the ones, manufactured abroad. In 2004 we started receiving the requests from abroad. We signed the contract with Armenia and are in the negotiation process of signing the contract with Tadjikistan, Moldova and Iran.

Prospects of development

At present development of industrial poultry belongs to the priority tasks of the development of agriculture in Russia, because industrial poultry farming is the most profitable branch of agriculture. The important problem here is the complex vaccination against different infectious diseases of poultry. For this purpose "Kronvet" LLC is planning to increase the range and quantity of its products, and to develop the distribution area.