

Note: Key data/information in this sample page is hidden, while in the report it is not.

I GMP standards situation of target companies

There is no specific GMP standard for pharmaceutical grade glucosamine in China now and no glucosamine enterprise in China passes GMP authentication.

No glucosamine products in China are directly used in pharmaceutical, but healthcare product. Therefore, most pharmaceutical grade glucosamine claimed by Chinese manufacturers are the same to food grade products, except Jiangsu Aoxin Biotechnology Co., Ltd. who is applying for GMP authentication now.

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I-2 Companies have agreements with TSI

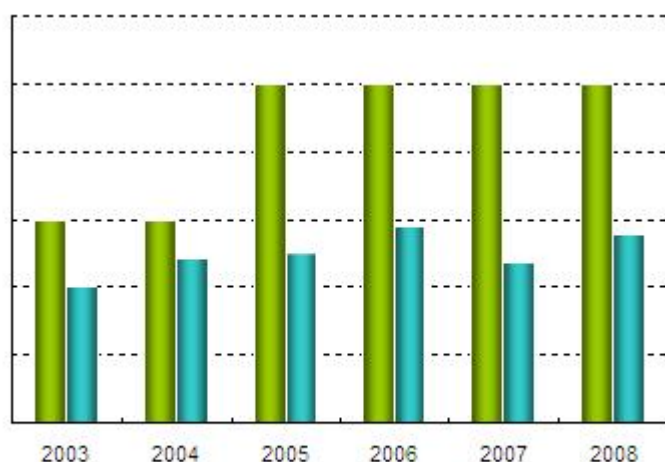
According to CCM's in-depth investigation with site visits, it is found that TSI has trade agreements with many Chinese glucosamine manufacturers in the past 3 years, including Fujian Wellable Group Marine Biological & Chemical Co., Ltd. (Fujian Wellable), Zhejiang Aoxing Biotechnology Co., Ltd. (Zhejiang Aoxing), Jiangsu Nanjing Yongsheng Biotechnology Co., Ltd. (Jiangsu Yongsheng),

However, TSI has shifted to Europe market as it has nearly lost all the glucosamine market in the U.S, and its purchasing volume from Chinese manufacturers decreased a lot. Now there are only Jiangsu Mingzeng and Zhejiang Aoxing, still have trade agreements with TSI and others have stopped supplying glucosamine to it.

I-2.1 Jiangsu Gaoyou Mingzeng Biochemical Factory

➤ Output & capacity in 2008 and previous years

Figure I-2.1-1 Production situation of glucosamine, 2003-2008



Source: CCM International ■ Capacity(t/a) ■ Output(t)

Glucosamine output in Jiangsu Mingzeng has been relatively stable in past few years. Its capacity has not changed a lot due to limited raw materials and its plant area.

➤ **Situations related to GMP standards**

✓ **Plant layout**

Its office and production plant are separated, with the two's distance of about 5 meters. Roads between its buildings are constructed with concrete.

Currently, the company is constructing an office building which will be finished in early 2010 and original office will be changed into a production plant.

Jiangsu Mingzeng's overall production environment is bad. Facilities in its plant have been seriously corroded. Meanwhile, there is little virescence area in this factory.

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