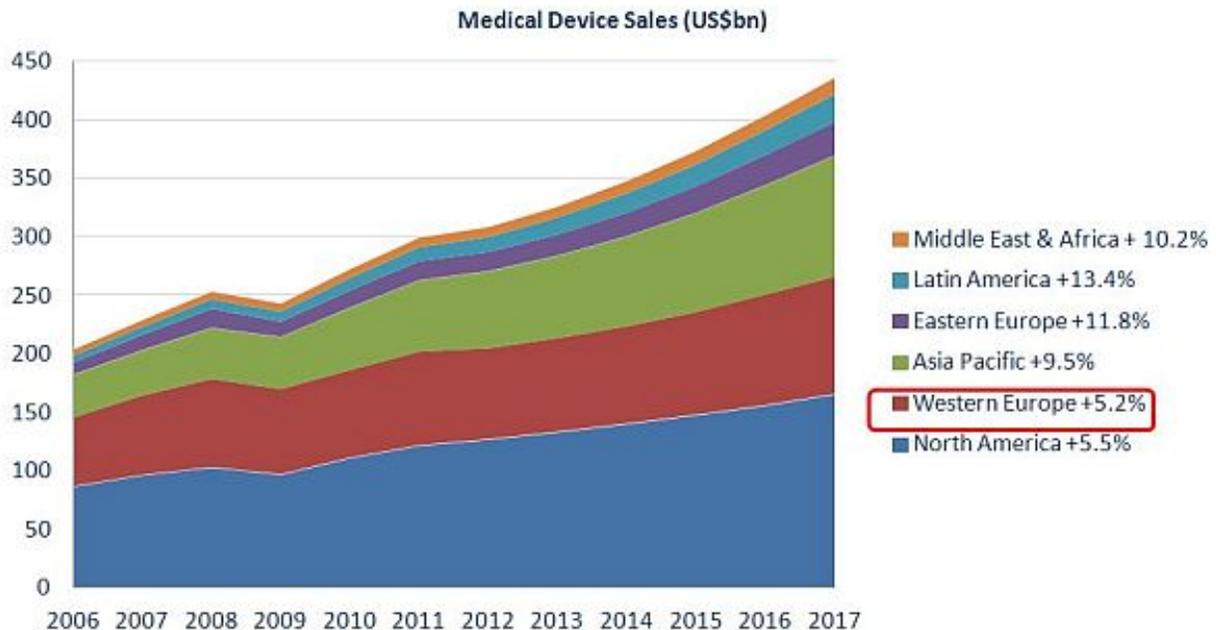


Europe's Medtech Market Not Dead Yet

February 27, 2013 – 10:20 am

The Global Context



Source: BMI Espicom. Growth rates = 5-year CAGRs.



It's an illustration of the rapid pace at which the world moves these days that a forecast of the growth rate of western Europe's medical technology market drafted in May 2012 will have to be revised . . . downward, as it happens. Speaking to a full house at the Breakfast Briefing hosted by [European Medical Device Technology](#) at [MEDTEC Europe](#) on 27 February, Jamie Davies of Business Monitor International conceded that the forecast, which projected a CAGR of around 5.2% through 2016 was "on the optimistic side" from today's vantage point. While the market is not collapsing, Davies stressed, western Europe is headed for stagnation and, in some cases, contraction. As always, there are regional differences and nuances to consider.

Germany is an "economic outperformer in Europe," he noted, reaping the rewards of a steady drip of healthcare reforms over the past 20 years. Its enviable status as an export powerhouse also drives the medtech sector.

Switzerland is an outlier when it comes to spending on high-quality, high price devices, Davies noted. It also spends some 450 euros per capita on healthcare, more than twice Germany's per capita outlays.

The picture is not as bright in southern Europe, where payment delays are lengthening in Italy while the number of hospital beds in Spain remains largely unchanged since 2002, going against a trend in other European countries, where fewer hospital stays are a sign of economic health (and patient quality of life).

The economic doldrums have taken root in France, as well, where the “government has put the brakes on healthcare expenditures.”

Although healthcare budgets, which have been historically sheltered, are now feeling the pinch in a sluggish economy, governments do realise they can't cut too much as it will have a knock-on effect on the larger economic picture, noted Davies. And it doesn't play well with the electorate, either.

[MEDTEC Europe](#) runs through 28 February at Messe Stuttgart in Stuttgart, Germany.