



# Medical Technology in Europe





Medical technology brings many benefits. First and foremost, it makes a positive difference to the lives of people all over the world. Many people now live healthier, more productive and independent lives as a result of the innovations the medical technology industry has delivered. Furthermore, medical technology is also improving the productivity and efficiency of healthcare systems, as well as driving economic growth and its standing as a centre for innovation.

## Enabling people to live healthy and productive lives

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Medical technology is responsible for increasing life expectancy in many disease areas, improving the quality of life of individuals with chronic medical conditions and allowing them to remain integrated, valued and productive members of society. Between 1980 and 2000, a European citizen's life expectancy at birth increased by three years; improvements in medical technology have played a significant part in this.

The industry has provided dramatic advances in how chronic conditions such as cardiovascular disease and diabetes are managed. In addition, individuals who undergo surgical procedures now

benefit from improved techniques. Minimally-invasive procedures, which have been made possible by medical technology, offer patients much reduced treatment and recovery times with less risk of complications and allow them to go back more quickly to a productive life. Medical technology has also facilitated increased use of community care, allowing treatment to be delivered at or close to the individual's home. For those with chronic conditions, there are considerable benefits in not having to travel to a hospital for routine healthcare. The community care can bring improved quality of life and greater independence to many people.

# Increasing the productivity and efficiency of healthcare systems

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The advances provided by medical technology are also helping to increase the efficiency of healthcare systems. The industry's continuous cycle of innovation and improvement is bringing new solutions to existing challenges as well as addressing unmet medical needs. As Europe's population ages, the financial demands on European healthcare systems are increasing inexorably, and therefore improved efficiency will be vital. The industry is helping to make these healthcare systems – and how they are delivered – more efficient, more cost-effective and sustainable. At the same time these improvements have not been a driver of cost; despite a steady increase in the amount of national Gross Domestic Product (GDP) spent on healthcare, the portion spent on medical technology is small and has remained

relatively constant, at around 4% of total healthcare expenditure.

For example, there are now many surgical procedures, such as knee and hip replacements, where there have been dramatic reductions in the length of hospital stay. In the case of cataract surgery, the vast majority of procedures are now performed without any need for an in-patient stay. The use of eHealth solutions such as Telemonitoring, as well as the shift from hospital to community care also contribute to reducing overall care costs. There are other benefits too, such as improved patient safety, with the appropriate use of medical devices designed to minimise the risk of adverse events and complications whilst maintaining high quality of care.



# Contributing to economic growth

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There is a third important component to the medical technology industry; its contribution to Europe's economy. With a total market of nearly €95 billion, equivalent to around one third of the global market, this sector as an industry provides a substantial boost to Europe's economy. At the same time, it provides nearly half a million high-quality jobs, across the 22,500 medical technology companies in Europe.

The industry in Europe is also an engine of innovation, consistently reinvesting in research and development – around €7.5 billion per year, equivalent to around 8% of sales. It is characterised by a very high proportion of Small and

Medium-sized Enterprises (SMEs); in fact around 80% of all medical technology companies in Europe has less than 250 employees. The speed and flexibility of these SMEs, working collaboratively with healthcare professionals and academia, stimulates the rapid development of products addressing specific patient needs. Innovation cycles are on a par with those in information technology; a new introduction can expect to be replaced by an improved version every 18 months. This continuous commitment to innovation, and the substantial investment that underpins it, is crucial to Europe's ambitions to become a smart, sustainable and inclusive economy.

# Benefits of the EU regulatory system

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The European Union's regulatory system for medical devices has proved highly successful, and is recognised as providing the 'gold standard' globally in setting standards for patient safety. In addition it has proved efficient in rapidly bringing the benefits of innovation to people. Indeed, according

to independent studies by recognised researchers from respected global research firms and key opinion leading professors, people in the European Union on average benefit from advances in medical technology five years earlier than in Japan and two years earlier than in the US.

As well as speeding medical technology, the efficiency of the system is also a spur for innovation. By avoiding excessive delays, designers and manufacturers are encouraged to develop new products. The basis of this success lies in the decentralised approach adopted in Europe, whereby member states are

responsible for ensuring compliance with European regulations. This has allowed the EU safety requirements to become the benchmark for the global regulatory model (GHTF), since it provides a robust set of safety requirements capable of dealing with diverse and novel technologies.

## About Eucomed

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Eucomed **represents the medical technology industry in Europe**. Our mission is to make modern, innovative and reliable medical technology available to more people.

Eucomed members **include both national and pan-European trade and product associations** as well as medical technology manufacturers. We represent designers, manufacturers and suppliers of medical technology used in the diagnosis, prevention, treatment and amelioration of disease and disability.

The industry we represent **employs around 500,000 people**, turns over €95 billion per year in Europe and encompasses some 500,000 different

medical technologies, ranging from syringes and bandages to orthopaedic implants and pacemakers.

Eucomed **promotes a balanced policy environment** that enables the medical technology industry to meet the growing healthcare needs and expectations of society.



# The medical technology industry key facts and figures

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1. The industry in Europe had **sales of almost €95 billion in 2009; more than 30%** of the global sales of medical technology. The European industry is **growing at more than 5% per annum**.
2. Around **8% of sales are reinvested into the research and development** of new and improved products – **more than €7.5 billion**. This places the sector in the top tier of research investment in the EU.
3. There are around **22,500 medical technology companies** in Europe; of these some **80% are SMEs** employing less than 250 people; the total number of **people employed approaches 500,000**.
4. There are around **500,000 medical technologies** currently available to healthcare professionals, ranging from syringes and bandages to orthopaedic implants and pacemakers.
5. Improvements in medical technology happen at a remarkable speed; on average a product will be superseded by an **improved version within 18-24 months** of introduction.
6. In 2009 the medical technology industry filed **more patent applications than any other sector** - **almost 16,500** - equivalent to more than 12% of the total number of applications in Europe.
7. On average, **EU Member States spend 8.3% of their GDP on healthcare**; yet medical technology accounts for **only 4.2% of total healthcare expenditure** - a proportion which has remained relatively constant for a number of years.
8. **Medical technology contributed to a 13% reduction** in the average length of hospital stay between 2000 and 2008, cutting costs dramatically.