

Medical Technology is Booming Irish Exports

Simon McKeever, May / June 2016



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Ireland's Medical Technology industry are a massive contributor to Ireland's export industry, and that is a trend that looks set to continue for many years. Simon McKeever of the Irish Exporters Association gives us his insight.

Medical and pharmaceutical products are making a huge contribution to Irish GDP, accounting for 27 per cent of total exports in 2015, a whopping increase of 36 per cent over the 2015 figures. This big jump actually represented 43 per cent of the €18 billion increase that Irish exports experienced last year. Ireland is the seventh largest exporter of medicinal and pharmaceutical products in the world. The robust performance of pharmaceutical exports can be linked to the launch of new product lines in the wake of the so-called patent cliff. Ireland has become

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globally recognised as a centre of excellence in the Medical Technology (MedTech) industry, being home to 13 of the world's top 15 MedTech companies. We are second only to Switzerland as the largest per capita exporter of MedTech products in Europe, a trade valued at €12.6 billion annually and we supply 15 of the world's top 100 countries. Exports of medical devices and diagnostics products now represent 9 per cent of Ireland's total goods exports. Employing over 29,000, the Irish MedTech industry has the highest number of people working in the industry in any coun-

try in Europe, per head of population. Over 2,000 jobs have been announced since 2014 and over €900 million investment announced in the industry. It is largely a home-grown industry with as much as 50 per cent of the 400 MedTech companies based here being indigenous. Aerogen, the Irish Exporters Association's Exporter of the Year 2014, specialise in high performance drug delivery and was founded in Galway in 1997. Their technologies are being used by more than 90 per cent of hospitals in Ireland and 60 per cent of the top 100 hospitals in the US, export being



Ireland's top medical device industry is striding ahead in exports

99 per cent of Aerogen's business. John Power, CEO & Managing Director of Aerogen commented: "With such a small internal market Irish Med-tech companies are inevitably 'born-global'. This export focus from day one means Irish companies are particularly adept at successfully interpreting and adapting their marketing mix to local needs. Aerogen products are now distributed in over 70 countries around the world and whilst the 80/20 rule applies in terms of the largest economies providing the bulk of our sales we are delighted that benefits of our critical care products are enjoyed by patients globally."

Resilient sector

The MedTech sector proved to be remarkably resilient during the recession with growth in both exports and employment. The Irish Medical Devices Association (IMDA), the group that represents the sector, have said that during this time, the MedTech industry continued to

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expand with 7 per cent export growth reaching €8.5 billion.

Ireland, as a small open economy, really punches above its weight globally in this industry. Figures show that Ireland manufactures 50 per cent of ventilators used in acute hospitals worldwide, 33 per cent of the global supply of contact lenses, 80 per cent of the world's stents and 75 per cent of orthopaedic knee products.

Our booming MedTech industry is largely due to our low corporate tax rate and our high number of educated graduates. According to IDA Ireland, Ireland is ranked number one globally for the most highly employable graduates. Irish colleges saw a gap in the education market for courses that produced highly skilled graduates in a developing technology and there is now a close link between the industry and colleges in this country, ensuring that the skills needed in the sector are steadily met. Paschal McCarthy, President of the Irish

Exporters Association commented on the development of Ireland as a MedTech cluster: "Ireland is now a global leader and a world class place to base MedTech companies, this is a direct result of our first class graduates and people, the quality of our colleges and the work of IDA."

This sector is set to keep expanding, not only with new developments in healthcare and technology, but the average lifespan increasing in two of the biggest markets, the US and Europe.

Irish Exporters Association

The Irish Exporters Association drives and supports the growth and development of all exporting companies in Ireland, enabling our members with practical assistance, critical support and connections with key stakeholders. We particular support our MedTech members with our dedicated Life Sciences Ireland (LSI) division. LSI was originally established to address supply chain issues in the Life Sciences industry and to develop and deliver training for the logistics, transport and storage industry. Life Sciences Ireland is today a very active group with representatives from manufacturing companies, logistics companies and wholesalers and it assists MedTech members with: Good Distribution Practice; importation of raw materials from outside the EU; AED; Air Cargo security; assistance with origin and classification queries; and market access. To learn more about the benefits of IEA membership please visit www.irishexporters.ie.

MedTech booming Irish exports

Simon McKeever, Chief Executive, Irish Exporters Association

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