



The Rise and rise of MedTech in Germany

An overview of MedTech in Germany – the where, the what and the challenges ahead for German medical device companies.

By Melinda Barlow.

Germany is known globally for its commitment to research and innovation, so it's no surprise to learn it's the [third largest market](#) in the world where MedTech is concerned. Its global reputation for quality and precision in development and manufacturing has also made Germany consistently attractive to foreign interests, strengthening its offering even further amidst an increasingly competitive global market.

GERMANY AS EUROPE'S MEDTECH CAPITAL

Europe is the second biggest market for medical technologies after the USA and within [the European market](#), Germany leads the pack, taking sole responsibility for almost 30% of Europe's €100 billion MedTech industry. (1)

The German medical technology industry turns over more than €27 billion in sales

annually and it seems innovation is key to the market's strength with a third of that turnover coming from new products and those that are less than three years old. (2)

Germany has around 12,500 medical technology companies employing almost 200,000 people (3) and these companies conform to the likes of greater Europe, where 95% of MedTech companies are small to medium enterprises, operating with an annual turnover of under €50 million and less than 250 employees.

THE IDEAS FACTORY

The next great product idea is just a moment away and the capacity for new ideas is seemingly endless: the European Patent Office (EPO) reports [patent applications for medical technologies](#) as the leading category for over 15 years consecutively. Germany alone is responsible for 12% of these, ahead of Switzerland, France, and the Netherlands with 4% each. (4)

MEDTECH IN GERMANY: A NATIONAL INTEREST

Most of [Germany's MedTech companies](#) are located in the south around Stuttgart in [Baden Württemberg](#). The highest proportion of that region's focus is on dental materials and equipment and surgical mechanics. Key players in the region include B.Braun, Zeiss and Roche Diagnostics.

Baden Württemberg may have the greatest density of MedTech companies, but [Bavaria](#) boasts the big names. With Munich at its center, Bavaria alone produces 60% of Germany's electro medical equipment and thanks to global players such as Siemens Medical Solutions, GlaxoSmithKline, and Novartis Pharma, 70% of Bavarian made products are exported to international markets.

Further north, the regions of [Berlin/Brandenburg](#) are also holding their own. Berlin is known for companies specializing in medical imaging and for this reason, companies like Visage Imaging and World of Medicine have chosen to have their EU headquarters or branches in the capital.

[North Rhine-Westphalia](#) is the highly industrious region bordering the Netherlands and Belgium and its most widely known landmark is the Bayer sign. The company was founded in the region and is one of its biggest and oldest employers. Sharing the market, are also some of the world's key global players including 3M Medica, Medtronic and Sarstedt. Technology in the region focuses on healthcare service provision, preventive

medicine, and management among other specialties.

The German government is of course well engaged with all of this activity and its [High Tech Strategy 2020](#) (page 9) includes support for more than 30 [MedTech cluster networks](#) across the country; to foster collaborative innovation through the sharing of funding, resources, facilities and training.

BODY PARTS, THERANOSTICS AND E-HEALTH TAKE THE LEAD

MedTech developments are not limited to one sector or category in the German market. German designed medical devices such as prosthetics and implants are opening new levels of freedom and mobility to consumers and are responsible for one of the largest outputs in German MedTech manufacturing. '[Theranostics](#)' combines therapeutic applications with diagnostic tools, representing a shift in treatment focus; by delivering personalized treatment, specific to the needs of the individual, they provide more holistic solutions and maximize patient outcomes.

E-Health technologies are blowing open the scope of telemedicine and innovations are beginning to address the challenges. An aging and changing population with a shortage of specialized health care staff is the driving force behind Germany's MedTech companies to provide new solutions that streamline processes, allowing health care facilities and service providers more efficient modes of operation and delivery.

DATA, WEARABLES AND MORE: CAN GERMANY KEEP UP?

Adapting to the current global market seems to be the greatest challenge ahead. Investors want more certainty in the results of the technologies produce, while patients want simpler processes and more manageable ways of dealing with the technologies available to them.

Data management is of course a huge consideration, and no market is better equipped to deal with the issues around privacy and access to data than Germany. Serge Bernasconi, CEO of MedTech Europe, EDMA & Eucomed discussed the issue in a [blog post last year](#). "Big data was omnipresent in 2014 ... we will have to demonstrate to all those worried about data privacy how anonymized data gathered from wearables and MedTech is processed with the utmost care, safety and transparency, and used to make our world-class healthcare systems operate more efficiently, effectively and safely."

Finding the balance between necessary data collection that provides doctors with comprehensive information and in many cases, makes technologies work, whilst maintaining patient privacy is of fundamental importance, especially in a highly privacy conscious market such as Germany.

New wearable technologies from fast innovators such as Apple and Google have put basic health care firmly into the hands of everyday users. The [health and fitness options](#) in the Apple watch affect change in how people are using devices to become more informed about their own health. Google is delivering the future to us while simultaneously taking the health care industry by storm with partnerships such as the recent [blood sugar detecting contact lens](#) with Novartis.

The benefits of course of these advances are that now, thanks in part to wearable technology, the MedTech industry has more patient knowledge than ever before to drive innovation. Working collaboratively and responsively with changing human behaviours will continue to inspire greater innovations within the German MedTech sector and only increase their global standing and reputation.

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