



For immediate release

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Survey shows that 59% of medtech firms in Ireland increased sales in 2015

In the next three years, 72% expect to hire more staff and 77% plan to launch new products and services according to a report launched by AIB and Ibec on the medtech sector in Ireland

Ireland's reputation as a major global hub for the medtech sector has grown in stature in recent years with 18 of the top 25 medtech companies in the world now operating here. This looks set to continue, as 77% of companies plan to launch new products and services in the next three years, according to a survey of medical device manufacturers and specialist precision engineering firms conducted by Ipsos MRBI on behalf of AIB and Ibec.

The sector has shown remarkable resilience during the recession with growth in exports and employment. Half those surveyed have an annual turnover of more than €5 million and exports by the sector in 2014 amounted to €8.5 billion or approximately 10% of total exports. Encouragingly, 58% of the firms surveyed are Irish owned.

The industry is highly innovative and dynamic and the source of high-skill, high-tech jobs. Overall the medtech sector employs over 27,000 staff placing Ireland as the country with the highest number of people working in the industry in Europe per capita. The sector is widely dispersed geographically with several clusters. Almost 50% of the sector's overall employment is in the Western region and just 16% of those surveyed were based in Dublin. 48% employ over 50 staff and 72% expect to hire more staff in the next three years.

Increased demand in overseas markets is a major opportunity according to 56% of those surveyed, with operational excellence, increased output and development of new products also highlighted. Encouragingly, 87% plan to invest in new equipment and technology. On the challenges facing the sector, 67% cite profitability, while increased overhead costs, reduced demand, energy costs and exchange rates are also singled out.

Ibec's Director of Medtech and Engineering Sectors, Sinead Keogh, said: "This is an exciting time for medtech in Ireland as the sector continues to grow with more than €960 million in investment over the past two years and more than a third of all medtech investment in Europe coming to Ireland. We need to keep pace with the growth of the sector with over 2,000 new jobs announced across the country since 2014. The industry will need to compete to continue to attract the best talent and ensure that the increased number of students taking science, technology, engineering, and maths subjects for their Leaving Certificate, pursue careers in medtech."

AIB's Head of Healthcare and Life Sciences, Anne Bannon, said: "Ireland is already a leading player in the global medtech industry and has the opportunity to become an even more significant global hub. Investment by the world's top medtech companies in Ireland has led to the emergence of a growing number of indigenous innovation-led companies along the entire value chain, which have invested in R&D and developed proprietary products. A growing number of exciting research-based medtech start-ups and spinouts are also emerging from research centres and academic institutions. Our research shows that the vast majority of companies plan to invest in R&D, new equipment or new products over the next three years. The new healthcare market place rewards companies that work with hospitals to cut costs and improve patient outcomes."

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