

## **NCMD Update – February 2005**

### **NCMD ELECTS OFFICERS FOR 2005-2006**

**Rich West**, chief executive officer of Adigy, will lead NCMD as its chairman in the group's first full year of operation. Chairman elect for 2006-07 is **Peyton Anderson**, CEO of Affinergy. **Andrew DiMeo** is NCMD's executive director and **Sam Taylor**, executive vice president of NCBIO, is finance chair.

"North Carolina is home to a large number of medical device companies already, and most of the ingredients are here to make the medical device sector a significant contributor to the state's economic growth, including the large company presence, the research strength, the technical skill base, and the access to capital. I believe that NCMD is the missing ingredient, and that we can help to turn North Carolina's medical device sector into a world leader," West said.

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### **EVENT OUTLOOK**

#### **Medical Device Forum – "FDA Regulatory Update"**

May 16, 2005 - North Carolina Biotechnology Center - 5:00-8:00 pm (5:00-5:30 registration)

Featured Speakers:

**Patricia Love**, Associate Director, FDA, Office of Combination Products

**Heather Rosecrans**, Director of Premarket Notification 510(k) Staff, FDA, Office of Device Evaluation

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### **NCMD ANSWERS QUESTIONS ABOUT NORTH CAROLINA'S MEDICAL DEVICE INDUSTRY**

*Harvard Business School Professor Michael Porter identified the medical device and diagnostic industry as an under-realized opportunity for the greater RTP area in his "Clusters of Innovation" report. Building upon this research, RTI International further concluded that the sector needed a catalyst, and that an inventory of device and diagnostic capabilities should be conducted. While attention to the sector is needed, North Carolina's medical device and diagnostic industry is already more evolved than many realize. NCMD has worked with the NC Department of Commerce and local Chambers of Commerce, among others, to provide this snapshot glimpse of the state's current medical device and diagnostic landscape.*

#### **How big is North Carolina's Medical Device and Diagnostic industry?**

While the picture is not complete, preliminary data suggests there are at least 200 medical-equipment manufacturing facilities across the state, 75% of which are in state owned. There are approximately 200 additional facilities in North Carolina that are involved in medical device distribution, packaging, labeling, sterilization, and other niche activities.

#### **What size role are the research and development firms playing?**

The smaller medical technology companies are more difficult to find. Preliminary research indicates there could be 50 to 100 such establishments in the state. One of North Carolina's greatest strengths is its research assets, which include world-class medical schools, biomedical engineering programs, and top ranked NIH funding. According to the Medical Device Venture Capital Directory, access to capital is also strong, with North Carolina ranked 6th among states having firms investing in medical devices.

#### **Are there any large companies represented in the state?**

A December report in Medical Device & Diagnostic Industry (MD&DI) magazine identified the top 40 medical manufacturers worldwide. Five manufacturers in six North Carolina locations were noted, including **Baxter International** in Marion (3rd), **Fresenius Medical** in Charlotte (9th), **Becton Dickinson** in Durham (10th), **Zimmer Holdings** in Stateville (23rd), and **Cardinal Health** in Asheville and Creedmoor (29th).

#### **Why should North Carolina be focused on the medical device industry?**

According to MD&DI, the medical device industry continues to grow significantly, estimating the total market to be \$94 billion in 2004 and growing at a rate of 7% yearly. Within the industry, the cross cutting sector of combination products is projected by the FDA to be a \$9.5 billion market by 2009. North Carolina is already a recognized leader in biotechnology and pharmaceuticals. By focusing on the medical device industry, the state will be in a better position to capitalize on this great market potential.

**MEDICAL DEVICE INDUSTRY JOBS AVAILABLE** – check out the job board at [www.NCMedicalDevice.org](http://www.NCMedicalDevice.org) for more info