

# Medtech: Challenging the Market Leaders

**Jerry Niznick, the U.S. pioneer of low-cost dental implants, will also market in Europe. His target is mainly products from Nobel Biocare. In September, Niznick will also launch a copy of Straumann implants.**

What Easy Jet is in the air, Implant Direct is to dental practices. The U.S. dental implant pioneer, Jerry Niznick, is attacking the established manufacturers head-on with his products.

Dr. Niznick believes he is already responsible for a large part of the sales decline of Nobel Biocare. "Of the 7.5 million U.S. dollars Nobel Biocare lost in U.S. sales in the 1st Quarter of 2008, we are probably responsible for two-thirds" says Niznick to the trade newspaper. Nicolas Weidmann, spokesman of Nobel Biocare, says: "We do not comment on the business development of other companies."

**Implants at Half Price:** From September 2008, Niznick will also compete with the Basel-based company Straumann. "It is more difficult compared to Nobel Biocare, because Straumann has paid a lot of money to opinion leaders for the loyalty of their customers," claimed Niznick.

Straumann spokesman Mark Hill replied: "With Straumann, patient and dentist are certain that the implant is thoroughly, clinically tested, and the results are in scientific journals." Here, low-cost operators that do not conduct research, cannot compete." Niznick does not agree with the criticism of the two



market leaders. According to Dr. Niznick, "Nobel Active is the worst implant design in the last 25 years on the market." Nicolas Weidmann of Nobel Biocare responded to the allegations by saying that "Active Nobel is both qualitatively as well as clinically a very good product. We have the product tested with 2000 doctors, with 30,000 copies already sold."

The concept of Implant Direct is simple: The company copies products of large competitors and developing them further. These are then sold to dentists over the Internet at a 50% to 75% lower price. "We target experienced dentists, the training we leave to the established implant companies." Because the company is already profitable two years after market launch, it will also build up a sales team. "This will not affect our prices," says Niznick. Responding to the claim that dentists rarely pass the price reduction on to their

patients, Dr. Niznick acknowledged that "This is historically correct, but now the game is changing. Dentists are faced with the increased competition (from dentists) reducing their prices."

First, Niznick sold his products only in the United States. Now he also wants to conquer the European market. "Two former Straumann executives introduced that idea to me. They are now managing the European headquarters of Implant Direct in Zurich. "Overall, the company has eight employees in

Switzerland." Apart from Switzerland, the low-cost provider has its own sales team on the ground in Germany, Austria and England. In other European countries, such as Poland and Spain, there are independent distributors.

For the expansion, he seeks no further funding - going public is not considered at the moment. "We do not need additional capital and seek no private investors," he pointed out. According to its own figures Implant Direct generates an annual turnover of 35 million U.S. dollars and a profit of 10 million. Niznick expects that he will soon receive purchase offers for his company that attracts my interest. "I will probably consider the sale of my company sometime although there is no deadline. Implant Direct has grown in just 20 months to what I had accomplished in the first 20 years with Core-Vent and Paragon Implant companies, so we are just at the beginning of what I think can be accomplished.

