

Angetreten, um die Grossen zu ärgern

Die nicht börsenkotierte Implant Direct bläst zum Angriff auf die **Schweizer Marktführer**. Eine Auslegeordnung. **VON VOLKER STROHM**

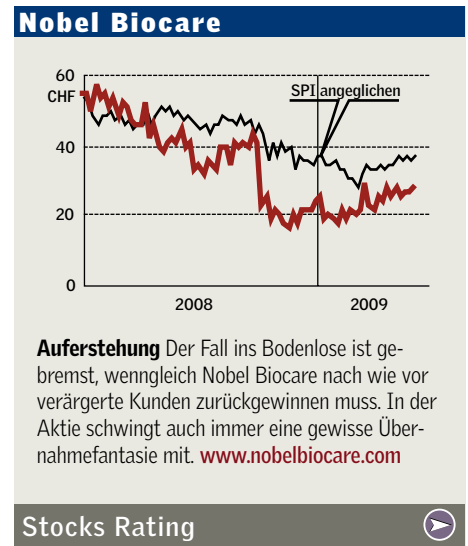
Eine Zahnarztpraxis irgendwo in Europa. Aus wirtschaftlicher Sicht lukrativ: Rund 5000 Zahnimplantate werden hier jährlich gesetzt. Domenico Scala, der Firmenchef von Nobel Biocare soll, so wird die Geschichte kolportiert, enttäuscht von dannen gezogen sein, Implant Direct hat das Rennen gemacht. Obwohl Scala mit dem amerikanischen Billiganbieter von Zahnimplantaten mitgeboten und massive preisliche Eingeständnisse gemacht haben soll, blieb der Zahnarzt, bis dato Nobel-Biocare-Kunde, stur: «Ich nehme Ihr Angebot an, wenn Sie mir den eben offerierten Discount auch rückwirkend für die vergangenen Jahre anbieten», soll er am Ende des Gesprächs gesagt haben.

Wie auch immer sich diese Geschichte im Detail abgespielt hat – Scala hätte sich den gesamten Aufwand sparen können, da ein Angebotsdossier namens «Implant Direct» längst auf seinem Tisch liegt. Deren Gründer Gerald Niznick macht keinen Hehl daraus, dass er seine Firma für mindestens 200 Millionen Dollar jederzeit verkaufen würde. Wie Stocks weiss, hat auch Straumann bereits eine Kaufofferte erhalten.

Mit solchen Transaktionen hat der Amerikaner, mit dessen Namen konfrontiert die Branche mitunter sehr heftig reagiert, Erfahrung: 2001 verkaufte er die damalige Paragon Implant an Sulzer Medica, bevor er 2004 Implant Direct gründete und von Zimmer, die sich mittlerweile Sulzer Medica einverleibt hatte, die Produktionsstätten in Kalifornien zurückholte. Niznick zitiert auf der Firmen-Homepage nicht unbescheiden das US-Magazin Barron's, worin in einem Artikel über den Implantatemarkt vom «Godfather of American Implant Dentistry» die Rede ist.

«Ob wir kulturell zu Straumann oder Nobel Biocare passen würden, steht auf einem anderen Blatt», sagt Thomas Vogt, Mitglied des dreiköpfigen Management-Teams von Implant Direct und verantwortlich für das Europa-Geschäft (siehe Interview). «Das Produktportfolio würde sicher eine grosse Kannibalisierung mit sich bringen.» Das ist keine Überraschung: Implant Direct kopiert die Produkte von Nobel Biocare, Straumann und Zimmer Dental. Einziger Unterschied: Bei der Bestellung übers Internet können bis zu 70 Prozent gespart werden.

Diese Vorgehensweise stösst den etablierten Anbietern sauer auf. Sie bemängeln primär, dass für die Produkte keine Studien vorliegen. «Wie sieht ein solches Produkt in 15 oder 20 Jahren aus», fragt ein Dentalexperte, «was passiert, wenn die Firma kurz- oder mittelfristig nicht mehr existiert?» Die Antwort liefert er gleich selbst: Dann liesse sich unter Umständen nicht mehr rekonstruieren, welches Implantat gesetzt worden ist – es müsste entfernt werden.



«Die überwiegende Mehrheit der Zahnmediziner will mit Qualitätsgarantien versorgt werden», unterstreicht Nicolas Weidmann, Firmensprecher bei Nobel Biocare. Bei den Klotenern ist die Auseinandersetzung mit Niznick nicht neu: Als Ernst Thomke Anfang des Jahrtausends über sein Beteiligungsvehikel BB Medtech (mit Heliane Canepa) beim damals noch in Schweden domizilierten, aber schlingernden Weltmarktführer eingestiegen ist, hat ihm – wie ein Bekannter Thomkes gegenüber Stocks schildert – der umtriebige Amerikaner ausrichten lassen: «Ich werde Ihnen das Leben schwer machen.»

Bei Implant Direct heissen die Angriffsflächen auf die Marktführer Innovation und Margen. «Zu einem guten Teil wird die Innovation bei börsenkotierten Firmen von Investorensseite getrieben», so Vogt. «Sie müssen neue Produkte auf den Markt bringen, um eine Preiserosion zu vermeiden. Das führt dazu, dass immer wieder Lösungen angeboten werden, die vom chirurgischen Prozess her gesehen sehr umstritten sind.»

Der Ausstieg über die Börse ist für Niznick kein Thema: «Die Vorteile wären primär



BILD: PD, REF: MONTAGE: STOCKS

MEDITECH

Markets

Artikeltext

A case of David versus Goliath

Implant Direct, a non-quoted company, is challenging the **Swiss market leaders**. An assessment. BY VOLKER STROHM

A dental practice somewhere in Europe – a flourishing business with around 5,000 dental implants placed each year. Domenico Scala, CEO of Nobel Biocare, left with his tail between his legs, so the story goes, having been beaten to the finishing line by Implant Direct. Although Scala reportedly sought to compete with the American supplier of low-price dental implants, and offered huge price concessions, the dentist, who was a Nobel Biocare customer, stood firm: “I’ll accept your offer on condition that you make the discount retroactive for the past years”, he is reported to have said at the end of the meeting. Whatever the exact details of this story, Scala could have saved himself the trouble, because an offer prospectus bearing the name “Implant Direct” had long since landed on his desk. Company founder Gerald Niznick makes no secret of the fact that he would sell his firm at any time for a price of at least 200 million dollars. As *Stocks* knows, Straumann have also received an offer to buy the business.

The American is no stranger to such transactions, and his name has been known to provoke very fierce reactions in the industry. In 2001 he sold his then company Paragon Implant to Sulzer Medica, before going on to found Implant Direct in 2004 and buying back the production plants in California from Zimmer, which had taken over Sulzer Medica in the meantime. On the company website, Niznick, without any undue modesty, cites the American financial journal *Barron’s Magazine*, in which an article refers to him as the “Godfather of American Implant Dentistry”. “Whether our corporate culture would fit with Straumann or Nobel Biocare, is another matter”, says Thomas Vogt, a member of the management trio at Implant Direct and responsible for its European arm

(see the interview). “The product portfolio would certainly bring about some major cannibalization.” That’s no surprise: Implant Direct copies the products of Nobel Biocare, Straumann and Zimmer Dental. The only difference is that if you order on the Internet you can save up to 70 percent. This method of doing business is resented by the established names in the market. Their main criticism is that there are no studies to validate the products. “What will such products look like in 15 or 20 years time”, asks one dental expert; “what happens if the company ceases to exist sooner or later?” He supplies the answer himself: it may not be possible to identify what sort of implant was placed – and it would have to be removed. “The vast majority of dental professionals expect quality guarantees”, emphasizes Nicolas Weidmann, company spokesman at Nobel Biocare. The Swiss company, based at Kloten, near Zürich, is no stranger to disputes with Niznick: at the turn of the millennium, Ernst Thomke joined the beleaguered world market leader – still based in Sweden at that time – via his investment company BB Medtech (together with Heliane Canepa). As *Stocks* learned from an acquaintance of Thomke, the go-getting American, Niznick, told Thomke: “I’m going to make life difficult for you.” The areas in which Implant Direct takes the market leaders to task are innovation and profit margins. “At quoted companies, innovation is largely investor-driven”, says Vogt. “They *have to* bring new products to market in order to avoid price erosion. Consequently, new solutions are constantly being offered that are very controversial in regard to the surgical process.”

Stock exchange flotation is not an option as far as Niznick is concerned:

“The advantages would be primarily financial”, says Vogt, “but we are able to finance our growth ourselves.” Last year the company achieved revenues of \$ 25 million, and the target for 2009 is between 40 and 45 million.

“Contrary to media reports, the actual influence of these suppliers is negligible because they only account for very small market shares”, comments Mark Hill. And the Straumann spokesman also fired his own salvo: “The assertion that premium suppliers have an excessive profit margin on their products is risky, and could backfire on the low-cost suppliers. If you take into account the costs of high-quality materials, scientific studies, customer service, and training, the question is then whether it is not in fact the low-price suppliers who are charging

the higher mark-ups because they do not have any of these costs, and in the case of staff training, they even outsource to the established manufacturers.”

Grafik „Nobel Biocare“

SPI adjusted

Revival: the freefall has been arrested, although Nobel Biocare still face the task of winning back aggrieved customers. Share prices always reflect a certain degree of takeover fantasy. **www.nobelbiocare.com**

Stock rating

Grafik „Straumann“

SPI adjusted

Catch-up race: Straumann shares are also priced at a highly ambitious level. The Basel-based company has optimized its cost structure, making it an interesting medium- to long-term investment. Market share has grown recently. **www.straumann.com**

Stock rating

Grafik „Konzert der Grossen“

Big is beautiful

Market share for dental implants

Others

Low-price suppliers such as Implant Direct only play a marginal role. Their market share is put at around two percent.

Source: Adamant, ZKB

Kasten „Kurzinterview“

BRIEF INTERVIEW

“Now and then we receive a letter from our competitors' lawyers”

A very basic question, to start off: why does the Implant Direct concept actually work?

Thomas Vogt: I can give you an equally simple answer: we offer the customer the same quality and the same prospects of a successful outcome as other manufacturers – but at a 70 percent lower price. That is, of course, a strong argument, particularly in economically challenging times.

So you see yourself as a beneficiary of the economic crisis?

I don't like the word "beneficiary". Our growth is being boosted by the crisis – but we will continue to grow once the crisis has passed.

The price discount argument is fair enough – but your competitors maintain that the implant itself is not a major cost factor in the dental treatment; that is to say, it only accounts for a relatively small proportion of the overall cost.

The fact is, patients can pay 20 to 25 percent less when our products are used. In my view, that is not a marginal amount.

Nevertheless, you are faced with skepticism on the part of dentists – they often talk about "brand loyalty".

Dentists do not change the range of products they use overnight – that's true. They must first be convinced that they will get the same quality at a lower price. It takes a week or two before a dentist decides to make the change.

In spite of the price advantage, not all dentists are changing over to Implant Direct. Why is that?

Some dentists are still too comfortable; there is not much pressure of competition. And too few people question the claims made by the major suppliers. We need to change this mindset.

One point of criticism is the lack of long-term studies to validate your products ...

... which is not true. Company president Gerald Niznick has been in the market for 15 years, and is regarded as one of the dental implantology pioneers.

Secondly, our products are, for example, approved by the US health authority, the FDA, and they are covered by the product liability law in the USA. Last but not least, many products from our competitor Zimmer are attributable to Niznick – there are enough studies dealing with these.

But, just between us, isn't it a bit unusual to sell dental products through the Internet?

That's a cultural question. Swiss and German dentists don't rush after every new innovation that comes along, so they respond less quickly to our business model. In other countries and regions, the concept is more readily accepted: in Spain, Italy, Scandinavia, and the USA, too. But we also see differences at a quite different level: Nobel Biocare customers are generally more open to innovations than Straumann customers.

Let's stay with the word "unusual": whereas other medical technology companies often make a big secret of their product prices, Implant Direct advertises them quiet openly on the Internet and in printed price lists.

What feedback do you get about this?

(laughs) Now and then we receive a letter from our competitors' lawyers. The message we get from customers is: at last somebody is putting right certain things in the industry. There is a great sense of frustration amongst dentists.

How do see the market developing?

The first thing to say is that we are very satisfied with our current rate of growth and the market share we are winning. In the long term, the implant market will see a change in pricing. The premium suppliers will find it difficult to hold on to their 80 percent market share. *(vst)*

Bildunterschrift

"Some dentists are still too comfortable"

Thomas Vogt, Chief Operating Officer at Implant Direct