Indiana's medical device industry is fifth largest in U.S. generating $10 billion annually

INDIANAPOLIS, Ind., - According to a report released today by BioCrossroads, the medical devices industry is one of Indianas most valuable economic assets employing over 20,000 people, and generating more than $10 billion of annual economic output. The first of its kind report, From Hearts to Hips: Indianas Leadership in Medical Devices, was compiled by FaegreBD Consulting and BioCrossroads to shed light on the current landscape of the sector and to identify challenges on the horizon.
Today, the medical devices sector accounts for more than 40 percent of the jobs in the states life sciences industry placing Indiana as the fifth largest state in percentage of medical technology industry employment. And in 2010, Indianas medical device companies manufactured more than $2 billion worth of exports, or approximately $100,000 per employee. The industry provides high-paying jobs with the average employee earning $60,000 annually, more than 56 percent higher than the states average private sector worker.

"From small towns to larger cities, the economic impact of the medical devices industry is significant and is well-distributed throughout the state," said David Johnson, president and CEO of BioCrossroads. According to the report, the geographic diversity of the sector spans Warsaw and Indianapolis to Bloomington, Spencer and West Lafayette.

A recognized leader in the field, Indianas medical devices sector is highly diversified and offers a broad depth of products used throughout the world. Major companies such as Biomet, Boston Scientific, Cook Medical, DePuy, Medtronic, Roche Diagnostics and Zimmer are either headquartered or maintain major operations within the state and develop a wide variety of medical devices for from cardiovascular to urological to diagnostics and orthopedics.

"This report is proof that Indianas medical devices sector is robust and resides on a solid foundation that positions us well for future growth," added Johnson. "There are still many external factors like the economic, regulatory and health care reform environment that pose real challenges for this industry."

The report delves into external challenges the industry faces today. In addition to the current economic conditions that have lowered the demand for some medical devices, the industry faces even bigger challenges to overcome in the next decade including:

- A rapidly changing health care market
- Tax policies that discourage innovation
- Increasing regulatory uncertainty

- A shift to overseas production and expansion to overseas markets
- Technological changes requiring more worker education
- Increasingly competitive global market

"Indianas medical device industry is a cornerstone to the states life sciences sector and the states economy overall," said Dave Zook, Chair at FaegreBD Consulting. "There are several looming challenges that, if unaddressed, will significantly weaken the industry and the states economy."

The full report is available at www.biocrossroads.com [1]

About BioCrossroads
BioCrossroads (www.biocrossroads.com [1]) is Indiana's initiative to grow, advance and invest in the life sciences, a public-private collaboration that supports the region's existing research and corporate strengths while encouraging new business development. BioCrossroads provides money and support to life sciences businesses, launches new life sciences enterprises (Indiana Health Information Exchange [2], Fairbanks Institute for Healthy Communities [3], BioCrossroadsLINX [4], OrthoWorx [5] and Datalys Center [6]), expands collaboration and partnerships among Indiana's life science institutions, promotes science education and markets Indiana's life sciences industry.

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