

SOUTH AFRICA

Market Assessment

The market for medical devices is estimated at US\$ 250 million, with an annual growth rate of 5 per cent. With up to 15 major suppliers offering medical equipment and products, as well as over 60 agents and distributors, the South African market is sophisticated and extensive, and offers over 500 trade names from which to choose.

Local manufacture is limited to hospital furniture, medical disposables, orthopaedic products, and other general medical equipment.

The United States is the main supplier of this market (30 per cent), followed by Germany (25 per cent), Japan (20 per cent), and the U.K. (10 per cent).

U.S. suppliers with subsidiaries in South Africa include: Abbott Laboratories, Johnson & Johnson Professional Products, Meditech, 3M South Africa, and S.A. Cynamid. Hewlett-Packard operates through the local company Hi Performance Systems, and General Electric through its agents Bromat Medical (Pty) Ltd.

Best sales prospects include: ambulatory ECG recorders; ambulatory blood pressure monitors; cerebral function monitors; diagnostic ultrasound equipment; ECG cardio-pulmonary equipment; electro-consultant equipment; heart-lung machines; mobile diagnostic equipment; and pre-packaged medical disposables.

Buyers and Distribution Channels

There are more than 80 medical equipment suppliers in South Africa. Ten are foreign subsidiaries, and of these five are American. Another 10 are local manufacturers and the balance are agents and distributors.

State-owned hospitals usually invite tenders, while private hospitals, clinics, individual physicians, and hospitals run by mining companies normally buy from agents and distributors. All end-users insist on after-sales service from locally based technicians.