

## Medical Devices for Institutions & Home Health Care - Brazil

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- Quality disposables in general, including surgical gloves
- Diagnostic kits for laboratorial and pathological tests

### *Hardware & Software*

- CD ROM's for the various medical specializations

### *Medical or ParaMedical Software in the following areas:*

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|---------------------|---------------|------------------------|
| ● Clinical analysis | ● Podiatry    | ● Relational Data Base |
| ● Nutrition         | ● Cardiology  | ● Neurology            |
| ● General surgery   | ● Orthopaedic | ● Pediatric surgery    |
| ● Plastic surgery   | ● Dermatology | ● Endocrinology        |
| ● Nursing           | ● Pharmacy    |                        |

The Brazilian market for blood related products is estimated at US\$ 100 million/year, in addition to 200,000 litres of plasma.

### III. Business Environment

Commercialization of medical devices and equipment is usually done through distributors and resellers. Very seldom will a manufacturer set up its own direct sales office, although some of the larger companies prefer to enter government bids directly. In most cases, however, distributors and manufacturers will work closely together.

Distributors tend to carry complementary product lines, and are usually specialized in their segment, even though some may carry several lines in their inventories. The country's overall economic situation is forcing distributors to operate with fewer people and to carry much less inventory, emphasizing service, quality and just-in-time deliveries, in order to be price competitive. The vast majority of distributors and resellers are established in São Paulo, Rio de Janeiro and other southern cities. Northern states and smaller locations are served through local resellers, which in turn will work with different distributors.

Canadian manufacturers should quote in U.S. dollars, which is largely used for business transactions in general and, preferably, CIF/Brazil. English is acceptable as a business language, as well as Spanish; Portuguese is not expected from foreigners. Promotional material should be either in English or Portuguese; literature and/or catalogues in Spanish should be avoided, unless specifically requested.

Importers/Distributors will usually develop a strong partnership with the foreign manufacturer, and will expect to be granted an exclusivity over the market they operate in, be it local, regional or national, but always based on volume, capacity, marketing expenditures and so on. Distributors are responsible for all importing procedures, licensing of the product with authorities (if needed) and marketing. Giving the peculiarities of the Brazilian economy, this is certainly an option that should be strongly considered, particularly in segments where governments are a major buyer. Costs must be carefully analyzed in the light of the high inflation rates and payment terms.

Usually the importer will work with a mark-up over the manufacturer's price list; very seldom is business done through commissions over sales, although it may happen on particularly large government bids and occasional

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