

## Medical devices: A hot segment in Japan

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### Medical devices: A hot segment



The aging population in Japan is not only driving the medical care and pharmaceutical industry but also the medical devices market. Currently, the medical devices market in Japan is about 2.3 trillion yen, according to report on "Attractive sectors - Healthcare" by Japan External Trade Organization (JETRO). It is ranked third, following the US and Germany. According to the Ministry of Health, Labor and Welfare, the market size is expected to reach about three trillion yen by 2015. (Read [Aged society fuels growth of generics](#))

According to Espicom, the medical devices market remains the second largest, after only the US. Per capita GDP is also high, among the top 10 in the world. Japan is the eighth highest exporter of medical devices in the world. In September 2011, the Ministry of Health said medical spending is rising in line with the aging population. The ministry blamed the rise in the use of sophisticated and expensive equipment and technology, such as MRI, CT and endoscopic keyhole surgery. Espicom noted that Japan has the most expensive medical equipment in the world.

In terms of market size by type of products, a report on "Attractive sectors -Healthcare" by JETRO, diagnostic imaging system and biological function supplemental devices or substitutes account for large shares. The market for devices for measuring and monitoring biophysical phenomenon is also growing. The production value of the market for devices for surgical procedures is the highest of all medical devices in Japan. As for the diagnostic imaging system, Japan is highly competitive with half of all products being exported.

The market for therapeutic instruments, on the other hand, largely depends on imports and, therefore, the presence of imported products is more conspicuous here than in other markets. Progress has been seen in the development of next-generation drug delivery systems, a system combining drugs and medical devices and molecular imaging in the field of nanomedicine. As Japan has highly advanced elemental technologies, such as electronics, IT and fabric technology, it is expected that novel medical devices will be developed by making full use of these technologies.

In addition, [Japan has identified biotechnology as one of the six key sectors of growth](#) and has taken initiatives in this regard.

The biotechnology market crossed the 25 trillion yen mark last year and is expected to grow due to aging of society and increasing health awareness among the people.