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Malaysian, Chinese medtech firms form JV

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Singapore: Malaysia-based medical device producers, OSA Niaga and Straits Orthopedics entered into a joint venture (JV) with Beijing-based multinational medical supplier Naton Medical to produce a wider range of Malaysian-made orthopedic products. The JV is expected to generate $1.47 billion (RM4.5 billion) in gross national income (GNI) for Malaysia, which presently imports more than 90 percent of orthopedic solutions.

Under the JV, joint collaboration will take place between the two firms in R&D and the products will be labeled as a Malaysian brand. Naton will transfer its technologies and capabilities in areas of orthopedic manufacturing and processes to contract manufacturer Straits Orthopedics, Malaysia. The JV company is expected to begin operations in the first quarter of 2013 and will market products to the Asian and Middle East markets within the next five years.

OSA Niaga is a wholly-owned subsidiary of OSA Technology, which produces orthopaedic implants used in surgical procedures and treatment of fractured bones at all private and government hospitals in Malaysia.

"If we are more successful than what we are expecting today, the Asian and Middle East regions are not the only markets we want to capture. We want to hit Europe, Japan and the US," said Straits Orthopedics' senior vice-president TH Su.