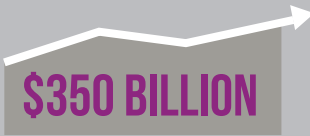


SUSTAIN U.S. LEADERSHIP IN MEDICAL TECHNOLOGY

CURRENTLY, THE U.S. LEADS IN THE PRODUCTION OF LIFE-CHANGING MEDICAL TECHNOLOGY

U.S. companies dominate the roughly



global device industry. ¹

The U.S. accounts for

40 PERCENT

of the global medical technology market. ²

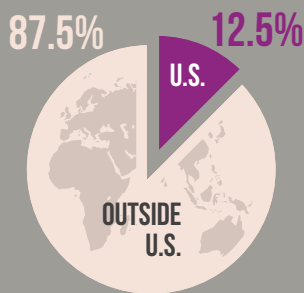
The industry creates

TWO MILLION

American jobs. ³

BUT U.S. LEADERSHIP IS BEING CHALLENGED

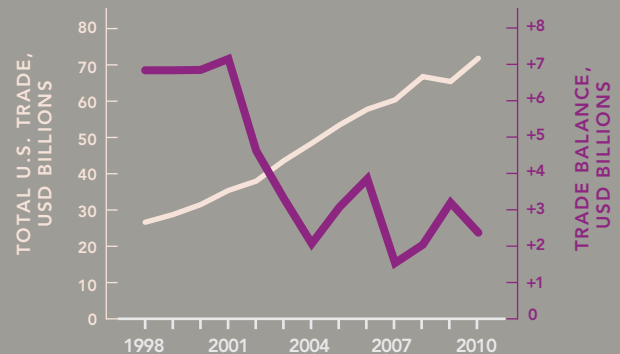
GREATER EMPLOYMENT GROWTH EXPECTED OVERSEAS



MEDICAL TECHNOLOGY EMPLOYMENT GROWTH

87.5% of medical technology companies that foresee employment growth in the future expect **HIGHER EMPLOYMENT GROWTH OUTSIDE THE U.S.** than in the U.S. ⁴

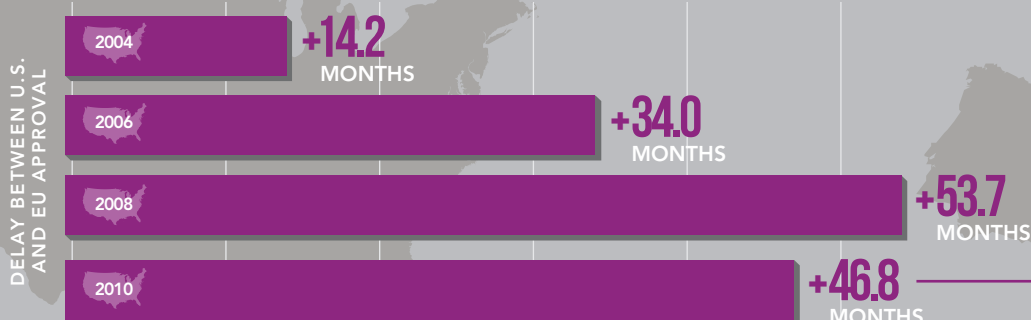
DECLINING U.S. TRADE BALANCE IN MEDICAL TECHNOLOGY



While total medical technology trade has increased significantly, **THE BALANCE OF TRADE IN MEDICAL TECHNOLOGY HAS DRAMATICALLY DECREASED.** ⁵

POLICIES PUT U.S. LEADERSHIP AT RISK

BREAKTHROUGH MEDICAL TECHNOLOGY (PMA) APPROVAL IN THE U.S. NOW TAKES NEARLY **FOUR YEARS LONGER** THAN IN THE EU ⁶

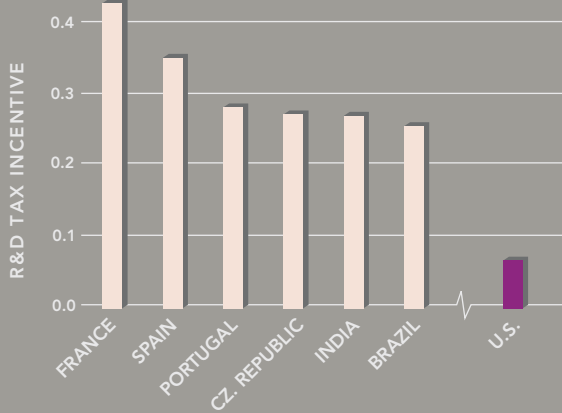


Each additional month working through the PMA process in the U.S., a company incurs: ⁷

\$740,000
PER MONTH

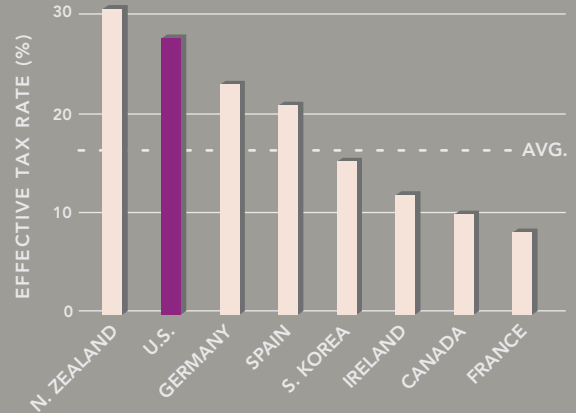


U.S. R&D INCENTIVES REMAIN LOW



The U.S. ranks **24TH OUT OF 38** OECD countries in the value of its R&D tax credit. ⁸

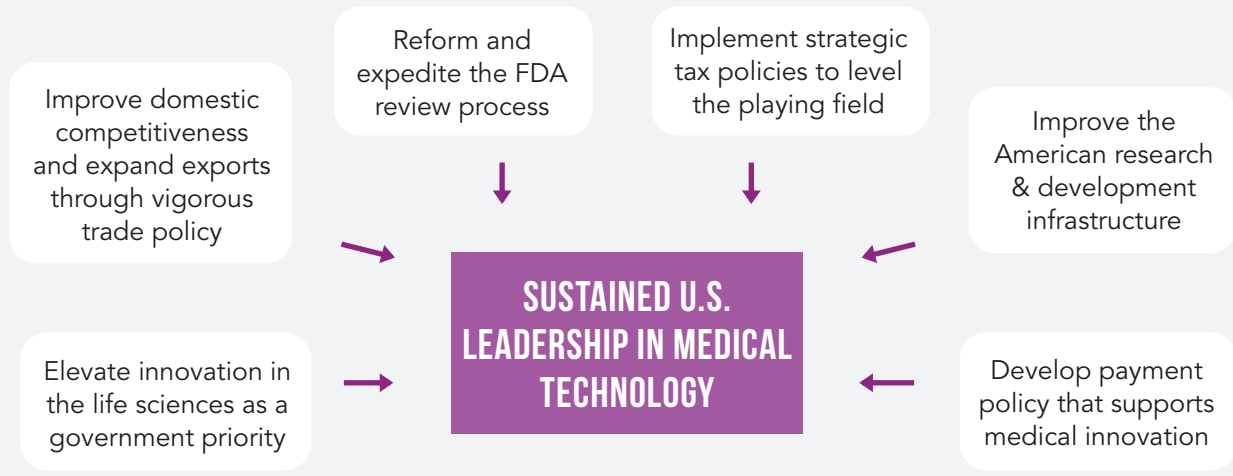
U.S. CORPORATE TAX RATES REMAIN HIGH



The U.S. has a **27.6 PERCENT EFFECTIVE TAX RATE**, compared to the OECD average rate of **16.4 PERCENT**. ⁹

SO WHAT NOW?

A COMPETITIVENESS POLICY AGENDA FOR THE MEDICAL TECHNOLOGY INDUSTRY



FOR MORE INFORMATION visit: AdvaMed.org/Competitiveness-Agenda

SOURCES & FOOTNOTES:

1. *Medical Technology Innovation Scorecard, the race for global leadership*, PWC, January 2011, page 8
2. *Ibid.*
3. **NOTE:** Accounts for direct and indirect employment. *State Economic Impact of the Medical Technology Industry*. Report prepared for AdvaMed by The Lewin Group, Inc. 2007
4. *AdvaMed Industrial Competitiveness Survey: Key Findings*, page 3
5. *United States International Trade Commission DataWeb*
6. *Competitiveness and Regulation: The FDA and the Future of America's BioMedical Industry*, February 2011, California Healthcare Institute and The Boston Consulting Group, page 13
7. *FDA Impact on U.S. Medical Technology Innovation – A Survey of Over 200 Medical Technology Companies*, Josh Makower, MD, Stanford University; Aabed Meer, MD-MBA Candidate, Stanford University, page 28
8. *OECD Science, Technology, and Industry Scorecard 2009*
9. *Paying Taxes 2011: The Global Picture*, PWC and the World Bank Group, November 18, 2010, <http://doingbusiness.org/data/exploretopics/paying-taxes>

