

## Global In vitro diagnostics markets outpace pharma industry growth, finds Frost & Sullivan

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Despite global economic and industry challenges, in vitro diagnostics (IVD) markets are growing robustly at double the rate of the global pharmaceutical industry in some segments. Growth in emerging markets and next-wave emerging markets, particularly in the Asia-Pacific (APAC) region, are the most important factors in formulating future strategies.

Frost & Sullivan's Analysis of the Global In Vitro Diagnostics Market research finds the market size was \$45.68 billion in 2012 and forecasts revenue to reach \$64.65 billion in 2017. While the U.S. and Western Europe are the largest IVD markets, APAC and Eastern Europe are projected to be the fastest growing. The research covers immunochemistry, clinical microbiology, tissue diagnostics, hemostasis, hematology, molecular diagnostics, self-monitoring blood glucose (SMBG), and point of care testing (POCT) segments.

"The APAC region holds the greatest number of next wave emerging markets, such as Indonesia, Vietnam and the Philippines," noted the analyst, Frost & Sullivan. "This fast rising regional market must be part of every IVD company's long-term strategy."

APAC healthcare expenditure is forecast to increase 151 percent by 2020. The demand for better quality healthcare and healthcare infrastructure development will drive strong demand for IVD in the region. The largest markets continue to be the U.S. and Western Europe, which collectively represent nearly 60 percent of the global IVD market. The anticipated outcome for these markets, however, varies.

"Unfavorable business conditions for IVD are slowing the U.S. market, forcing market participants to pursue outside markets that are demonstrating rapid growth," remarked the analyst. "On the other hand, despite challenges in reimbursement and a need for Conformit   Europ  enne (CE) marking reform, Western European markets exhibit an upward trajectory."

Such optimism will, however, be tempered by lower public health reimbursement in Western Europe and Medicare cuts in the United States. This will restrain demand across all segments of the IVD market in those regions.

"Such trends will act as a further spur for competitive IVD companies who have long recognized slowing growth in developed nations and have pursued emerging markets and other strategies," said the analyst. "Global IVD market participants will employ a diverse set of strategies rather than rely on comprehensive product portfolios to expand their businesses."