

Market Spotlight: Shoulder implants

By JENNIFER STERLING

NEW YORK

The Baby Boomer population is driving the growth of once-obscure shoulder replacement surgeries at a record pace, with orthopedic device makers jostling for market share by offering more and better technology.

Doctors say patients today insist on playing golf and participating in normal daily activities well into their later years. To meet the rising demand, medical device companies are in a race to expand their product portfolios. Hip and knee replacements still far outnumber shoulder replacements, but there is a much greater awareness of the shoulder surgery now.

"In the last five years, shoulder replacement surgeries have probably increased 25 to 33 percent," said Dr. Joseph D. Zuckerman, chairman of orthopedic surgery at New York University Medical Center and spokesman for the American Academy of Orthopaedic Surgeons. "The development of arthritis is more common and more people now are seeking treatment for it."

In Indiana, orthopedic surgeon Dr. Vivek Agrawal estimates the volume for shoulder replacements doubled at his practice from 2001 to present.

That reflects the nationwide trend as well. The Centers for Medicare and Medicaid Services, the federal agency that administers the program primarily to the elderly, said the number of allowed total shoulder replacements performed and paid for by the program rose 13 percent to 19,225 in 2006 from 16,960 in 2005.

Over the years a number of hip and knee implant makers have widened their focus to shoulders. And more products are on the way.

Some of the major shoulder replacement companies include France's Tornier SA, Johnson & Johnson subsidiary DePuy Orthopaedics Inc., Biomet Inc. and Zimmer Holdings Inc.

In 2006, shoulder replacement implants composed 1.5 percent of the \$14.7 billion global orthopedics market, which is dominated by the spinal segment, according to market intelligence firm Datamonitor.

Patrick Treacy, vice president of marketing for Stryker Orthopaedics, estimates the overall shoulder device market is growing at about 10 percent a year. The company currently markets two shoulder-related product lines.

"Baby boomers are expecting much more out of their life and they're demanding more and not putting up with the pain, which has led to a greater awareness and therefore a greater adoption by physicians," said Treacy.

Warsaw, Ind.-based Zimmer Holdings Inc. brought two shoulder systems to market last year. In the third quarter, the company's extremities segment, which is mainly composed of shoulder system sales, reported 36 percent growth from the year-earlier period.

The benefit to patients can be life-altering.

Photographer Linda Hackett, 68, of New York barely had use of her arm due to osteoarthritis. In March, she underwent the surgery to repair her shoulder at the Hospital for Special Surgery in New York.

"I go to the gym now. I do weights, curls and even pulldowns," Hackett said.