

THE DENTAL SERVICES AND EQUIPMENT MARKET IN ROMANIA

DEMO REPORT

by

**FRD CENTER MARKET ENTRY SERVICES
ROMANIA**

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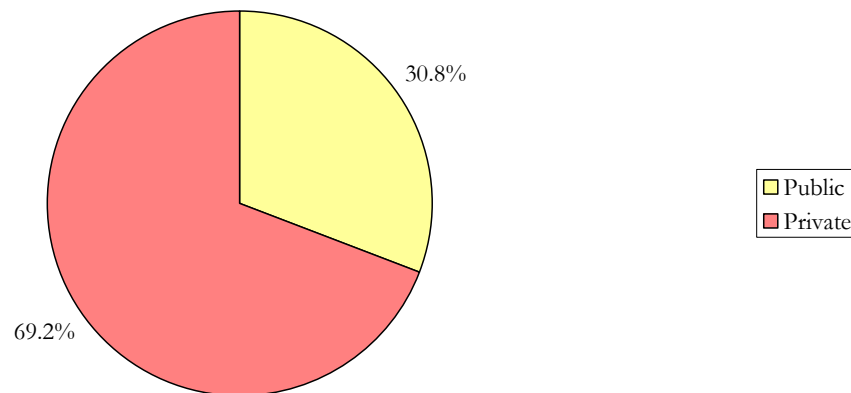
1. Situation of the Romanian dental services market

Before 1989, the dental care in Romania was provided free of charge by the national health system, through a network of dental practices at hospitals, clinics, schools and workplaces.

At present, the Romanian market of dental practices is very fragmented, consisting of over 11,600 individual practices throughout the country.

According to the National Institute of Statistics, the private dental practices represented some 70% in the total dental centres in Romania in 2008.

The dental centers by private / public segments in Romania in 2008

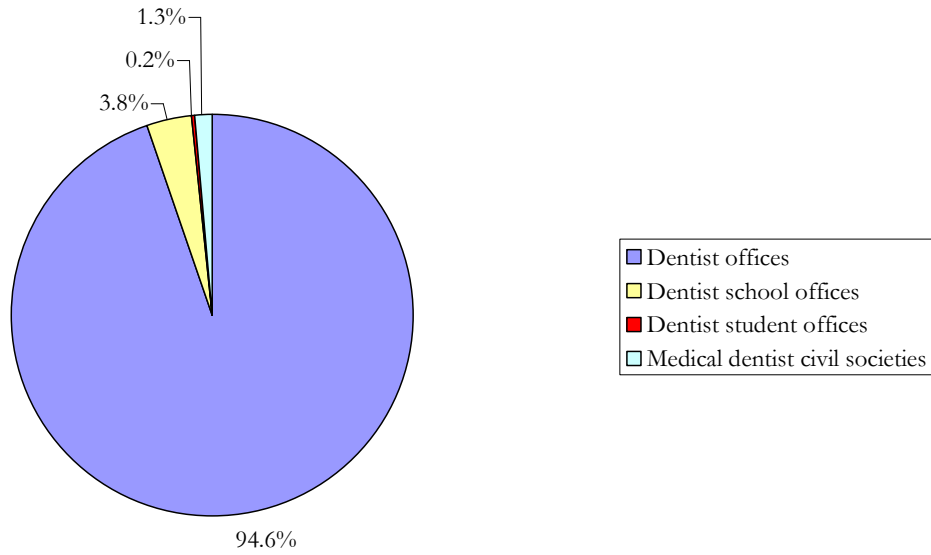


*Source:
National Institute of Statistics*

As shown in the chart below, the biggest percentage of the dental centres in Romania in 2008 was represented by dentist offices (some 95%), being followed by dentist school practices, medical dentist civil societies and dentist university offices.

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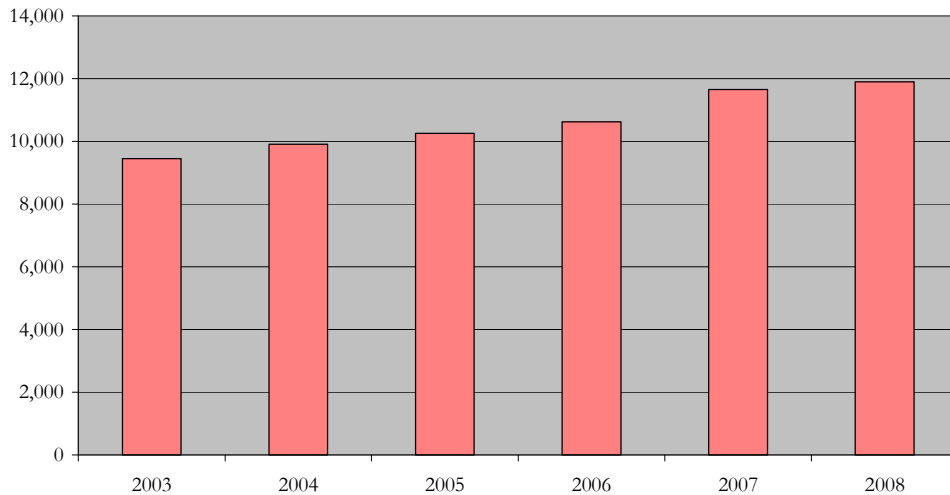
The dental centers by categories in Romania in 2008



Source:
National Institute of Statistics

Many stomatologists in Romania started their activities with one single dental chair and subsequently hired new staff and extended their individual practices. According to the National Institute of Statistics, there were 11,901 dentists practicing in Romania in 2008. Their number recorded a continued growth during the period 2003 – 2008, as shown in the chart below.

The evolution of the dentists number in Romania

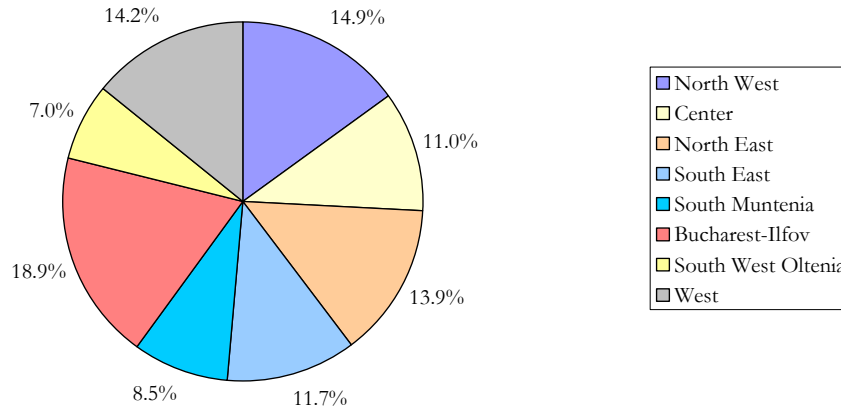


Source:
National Institute of Statistics

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According to the National Institute of Statistics, in 2008, the biggest percentage of the dentists in Romania was located in the Bucharest – Ilfov area (some 19%) and the lowest percentage in the South West Oltenia region (7%). The location of the dentists in all the development regions of the country in 2008 is presented below.

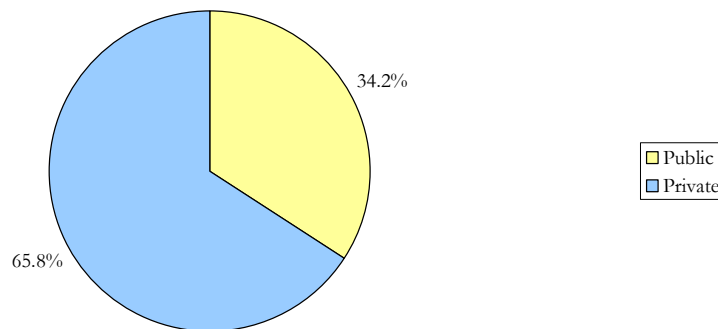
**The location of the dentists
by development regions in Romania in 2008**



*Source:
National Institute of Statistics*

According to the National Institute of Statistics, 4,067 dentists were working in the public system and 7,834 in the private system in 2008. Many dentists work in both the state and private sectors.

**The dentists working in
the public / private sectors in Romania in 2008**

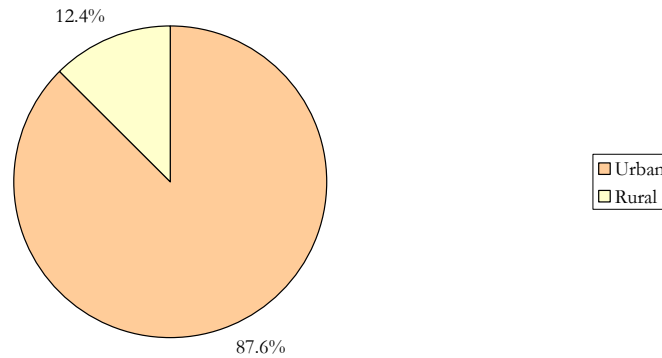


*Source:
National Institute of Statistics*

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According to the National Institute of Statistics, 10,427 dentists were working in the urban area and 1,474 in the rural area in 2008.

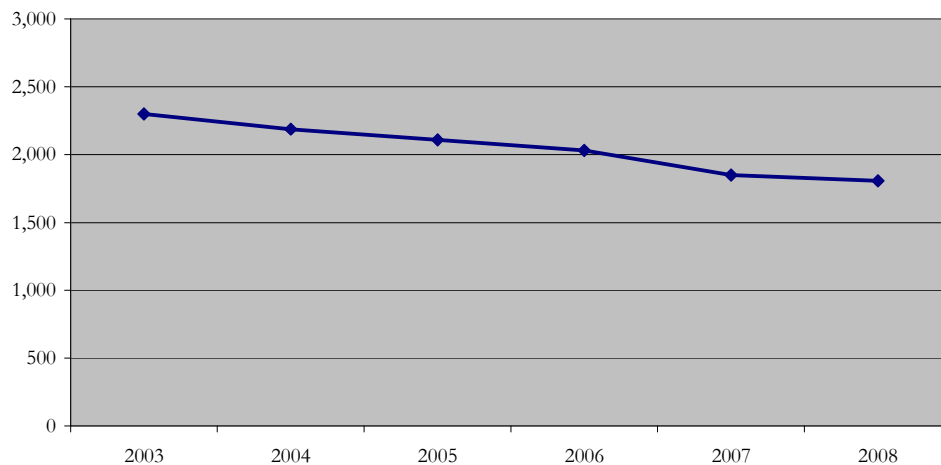
The dentists working in the urban / rural area in Romania in 2008



*Source:
National Institute of Statistics*

The number of the inhabitants per one dentist in Romania recorded continuous decrease during the period 2003 – 2008, as shown in the below chart. In 2008, the approximate number of dentists per 10,000 inhabitants was of some six dentists.

The evolution of the number of the inhabitants per one dentist in Romania



*Source:
National Institute of Statistics*

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The undergraduate dental education in Romania comprises of a six year training programme in any of the nine state funded dental faculties (located in Bucharest, Iasi, Timisoara, Cluj Napoca, Targu Mures, Constanta, Craiova, Oradea and Sibiu) or the three private funded dental faculties (located in Bucharest, Iasi and Arad). The quality assurance is monitored by the Ministry of Education and the Council of the Dental Faculty.

The governing bodies and professional associations on the Romanian dental market are:

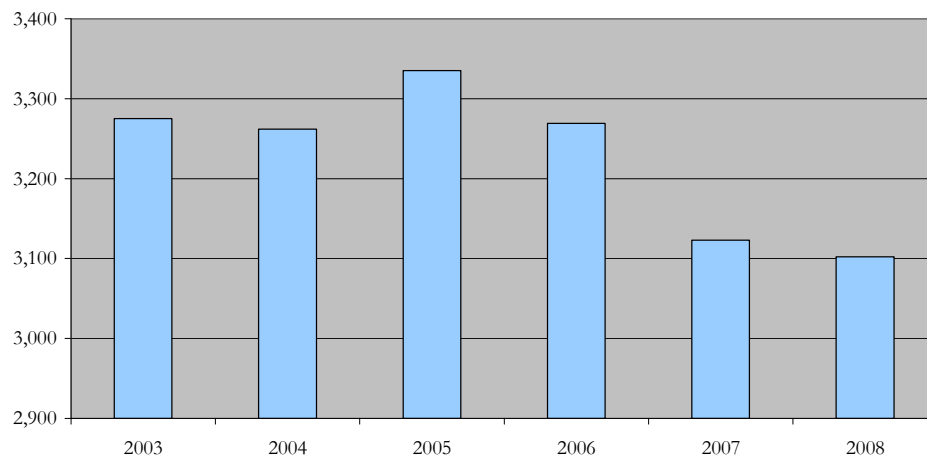
- Romanian Dental Council, which functions based on the law 95/2006. All the Romanian dentists who want to practise their profession are obliged by law to become members of the Romanian Dental Council.
- Romanian Dental Association of Private Practitioners, a non-governmental organization, which represents and defends the liberal dental profession and organises continuing education.
- Other associations - dental specialists have their own professional associations.

2. Public dental services market in Romania

According to the National Institute of Statistics, there were 3,584 public dental centres in Romania in 2008, out of which 3,102 dental practices, 447 dentist school offices, 27 dentist university practices and 8 medical dentist civil societies.

As shown in the below chart, the highest number of the public dentist offices in Romania was recorded in 2005 (3,335 public dentist practices). During the period 2005 - 2008, the number of public dentist offices recorded a continuous y/y decrease.

The evolution of the number
of the public dentist offices in Romania

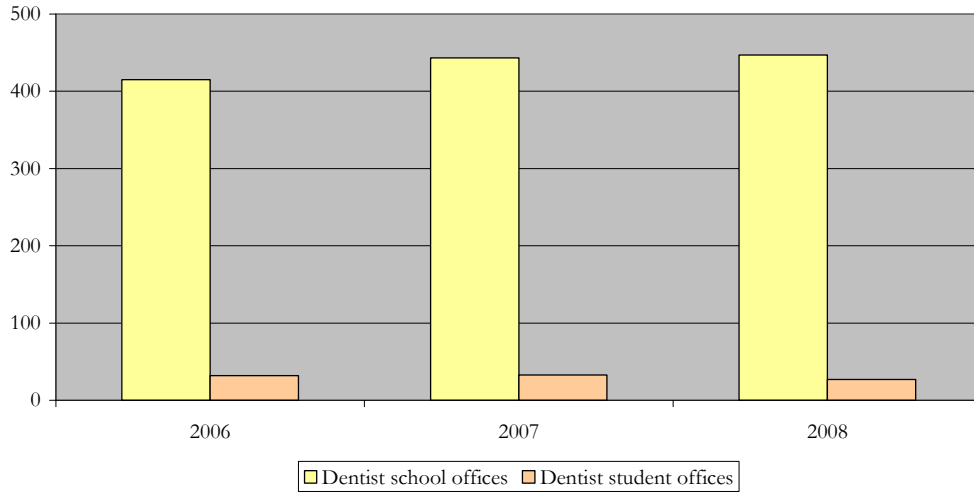


Source:
National Institute of Statistics

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All the dentist school and dentist university offices in Romania are state-owned. During the period 2006 – 2008, the number of the public dentist school and university practices in Romania recorded similar values. The evolution of their number is presented in the chart below.

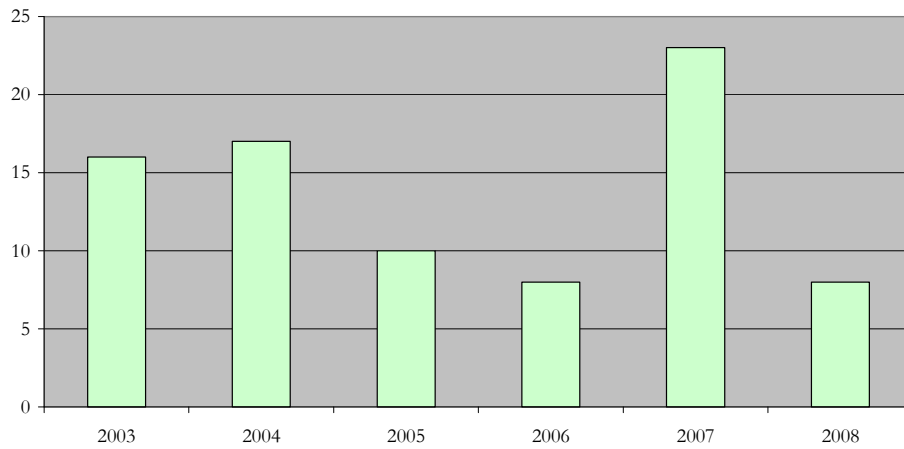
The evolution of the number of the public dentist school and dentist student offices in Romania



*Source:
National Institute of Statistics*

The evolution of the number of the public medical dentist civil societies, during the period 2003 – 2008, is presented in the chart below.

The evolution of the number of the public medical dentist civil societies in Romania



*Source:
National Institute of Statistics*

3. Private dental services market in Romania

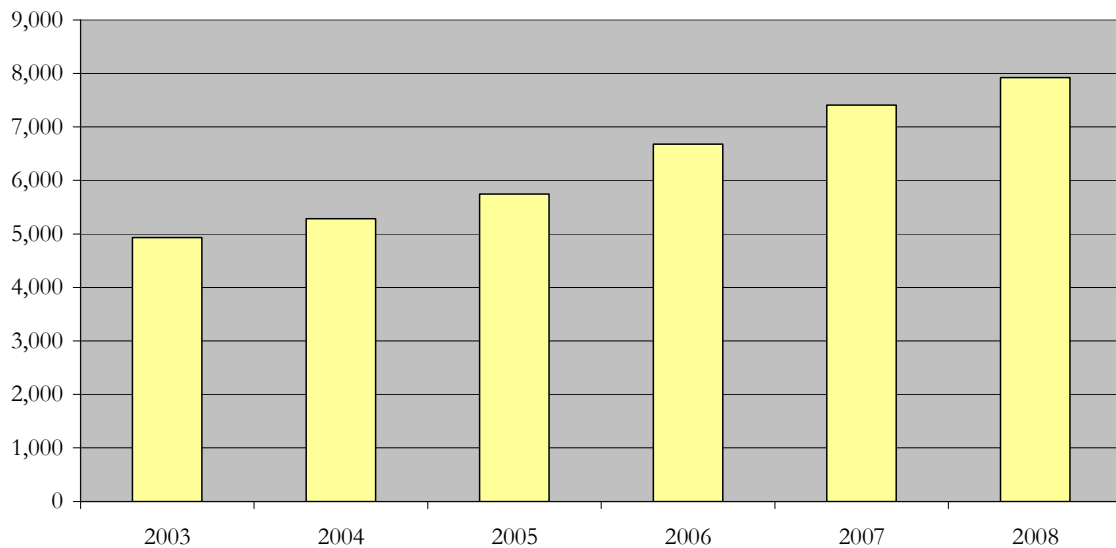
3.1 Situation of the private dental services market in Romania

The private dentistry is a growing industry in Romania.

According to the National Institute of Statistics, there were 8,071 private dental centres in Romania in 2008, out of which 7,923 private dental offices and 148 private medical dentist civil societies.

The number of the private dental offices in Romania recorded a continue y/y growth during the period 2003 – 2008. The evolution of their number is presented below.

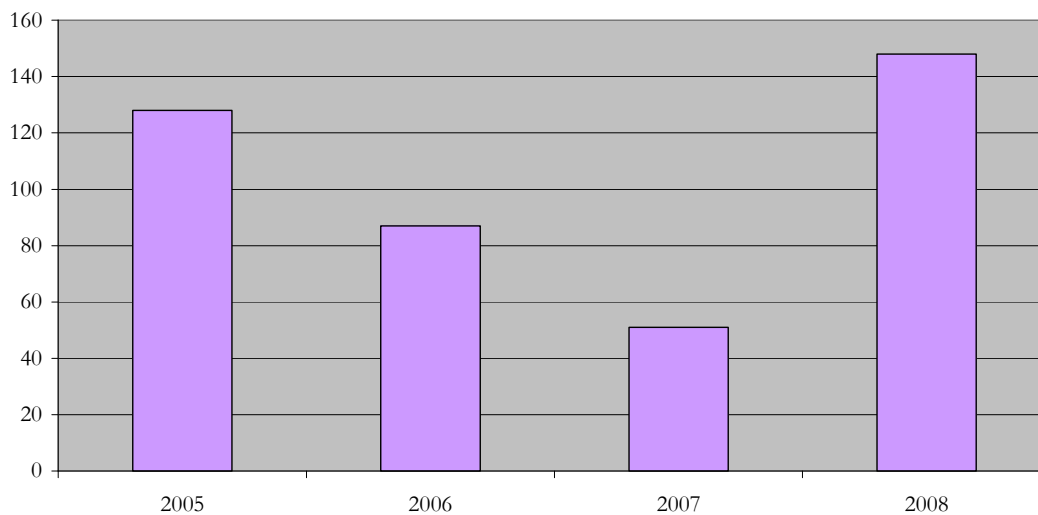
The evolution of the number of the private dentist offices in Romania



Source: National Institute of Statistics

The evolution of the number of the private medical dentist civil societies in Romania, during the period 2005 – 2008, is presented in the below chart.

**The evolution of the number of
the private medical dentist civil societies in Romania**



Source: National Institute of Statistics

Some private centres that provide general medical services in Romania (e.g. Gral Medical, Sanador, Medsana) are active also in the dental services segment.

In the last years, the private sector of cosmetic dentistry treatments recorded a significant development in Romania, the most popular procedures offered by the private dental clinics including: tooth whitening (bleaching), porcelain veneers, bonding, gum re-contouring, dental jewels etc.

3.2 Main private dental services centres in Romania

3.2.1 Dent Estet



Dent Estet has four dental clinics in Bucharest, out of which one is exclusively dedicated to kids and teenagers. The company is owned by Dr. Oana Taban.

The company's procedures include: dental aesthetics, implantology, surgery, orthodontics, complete reconstruction, prosthetics, odontotherapy, endodontics, periodontics, oral pathology, radiology etc.

Financial data of Dent Estet Clinic SRL in 2008:

- Turnover: 1.5 million EUR
- Net profit: 0.04 million EUR
- No of employees: 28

3.2.2 Trident Dental



Trident Dental has one dental clinic in Bucharest. The company is owned by Dr. Florin Lazarescu.

The clinic's dental treatments include: cosmetic dentistry, odontology, prosthetics, endodontics, ortodontics, dental prophylaxis, surgery and dental implantology, dental radiology. Trident hosts the headquarters of the Society of Aesthetic Dentistry in Romania.

Financial data of Trident Dental SRL in 2008:

- Turnover: 0.7 million EUR
- Net profit: 0.03 million EUR
- No of employees: 31

3.2.3 Velvet



Velvet has three dental clinics, out of which two in Bucharest and one in Timisoara. The company is owned by Dr. Cristi Costachescu and Dr. Cristi Misailescu.

Velvet offers complete dental services, including surgery, dental implant, (laser) teeth whitening, orthodontics or radiology.

Velvet together with Dent Estet opened Green Dental, an eco clinic located in Bucharest, which has mainly attracted expats. Green Dental is affiliated to Green Dentistry, a project initiated and funded in 2004 by the European Union, with its main concern being eco-friendly management of dental waste.

Financial data of Velvet Medical SRL in 2008:

- Turnover: 0.6 million EUR
- Net profit: 0.05 million EUR
- No of employees: 8

3.2.4 Dental Plan



Dental Plan has two clinics located in Bucharest. The company is owned by Dr. Michael Shkurko.

Dental Plan is specialised on the segment of corporate clients in Romania. Some of the company's clients are: KPMG, Petromservice, Romenergo, Lugera & Makler, PayLogic etc.

The company's initial investment in the business was of some 400,000 EUR.

Financial data of Dental Plan SRL in 2008:

- Turnover: 0.4 million EUR
- Net loss: 0.4 million EUR
- No of employees: 13

3.2.5 City Dent



City Dent has one dental clinic in Bucharest. The company is owned by Dr. Rodica Ghionea.

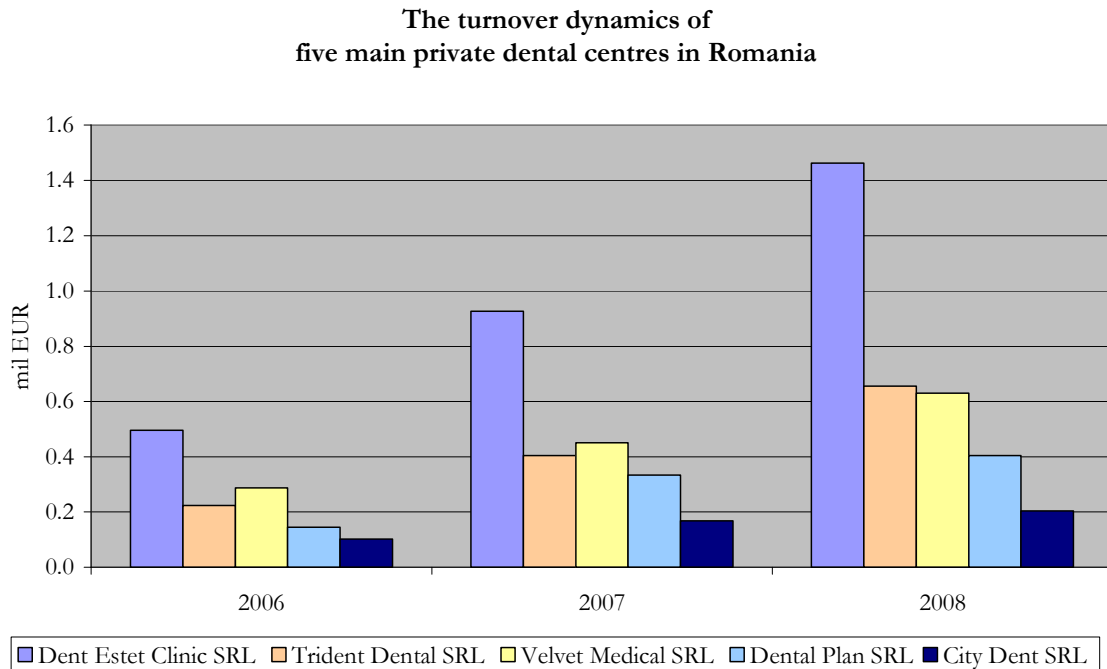
The clinic offers regular dental check-ups, professional dental whitening, cavity treatment, orthodontics, paradontology, dental implants etc.

Financial data of City Dent SRL in 2008:

- Turnover: 0.2 million EUR
- Net profit: 0.02 million EUR
- No of employees: 14

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The turnover dynamics of these five main private dental centres in Romania, during the period 2006 – 2008, is presented in the chart below.



Source: Ministry of Finance

4. Dental equipment market in Romania

4.1 Situation of the dental equipment market in Romania

During the last years, the demand of the dental instruments and equipment in Romania recorded a significant growth due to the rapid development of the private sector and to the privatisation of the state sector, requiring the replacement of the worn-out equipment.

Some domestic manufacturers of medical equipment (e.g. Societatea Aparatura Medicala, IOR) produced in the past dental units (dental chairs, mobile units, water units, dental lamps, junction boxes etc) but at present, they stopped the production of the dental equipment.

The dental equipment in Romania is imported mainly from Germany, Italy, the Czech Republic, Hungary, Ukraine etc.

The main factors that influence the potential buyers of the dental equipment in Romania are:

- the price
- the local availability of service and spare parts
- the short delivery term

4.2 Main importers and distributors of dental equipment in Romania

4.2.1 Dentotal Protect



Dentotal Protect has the headquarters in Bucharest and covers the entire country.

Some of the brands distributed by the company are: Zhermack, 3M ESPE, Kerr, Inibsa, Spofa Dental, Madespa, Nakanishi, Rite Dent, Heraeus Kulzer etc.

Financial data of Dentotal Protect SRL in 2008:

- Turnover: 7.2 million EUR
- Net profit: 0.8 million EUR
- No of employees: 87

4.2.2 Dental Partner's



Dental Partner's distributes brands such as Favodent, KaVo Dental, Muller Dental, Dentaureum, Gendex, Septodont, Hager Werken etc.

Some of the company's clients are: RATB Policlinic, Elias Policlinic, the Universities of Medicine and Pharmacy in Iasi, Timisoara and Bucharest, Ministry of Interior, various private dental centres etc.

The company has the headquarters in Bucharest and subsidiaries in Timisoara and Constanta.

Financial data of Dental Partner's SRL in 2008:

- Turnover: 2.5 million EUR
- Net profit: 0.1 million EUR
- No of employees: 12

4.2.3 Edwards



Edwards International Group SRL is the local subsidiary of the Swedish company Edwards. The firm has various divisions in the fields of: dental equipment, environmental and fluid systems, water treatment and waste water treatment systems, welding and heat treatments equipment.

Edwards International Group, through its division Edwards Dental, imports and distributes dental products and equipment, such as: dental burs, products for endodontics, obturation materials and composites, absorbable and non-absorbable membranes, gloves, bibs, saliva ejectors etc.

The company distributes the following brands: Alpro Medical, Angelus, Busch, CMS Dental, Gore Tex, Kettenbach, Medicom, Microbrush, Nobel Biocare, NSK, Promedica, TGA Weber.

Financial data of Edwards International Group SRL in 2008:

- Turnover: 2.4 million EUR
- Net profit: 0.01 million EUR
- No of employees: 46

4.2.4 Medica M3 Comexim



Medica M3 Comexim has in its portfolio products for coronal restoration, composite accessories, pit and fissure sealants, anesthetic products, prophylaxis equipment, compressors and vacuum systems, sterilization systems, radiology equipment, burs, files, instruments, preclinical simulators etc.

Medica M3 offers technical assistance, qualified information on its products and service authorised by the Ministry of Health.

Financial data of Medica M3 Comexim SRL in 2008:

- Turnover: 2.1 million EUR
- Net profit: 0.01 million EUR
- No of employees: 51

4.2.5 Tehnodent Poka



Since its establishment, Tehnodent Poka has collaborated with various producers of dental products and equipment in Italy, Germany, Hungary, Switzerland, South Korea, China or Taiwan.

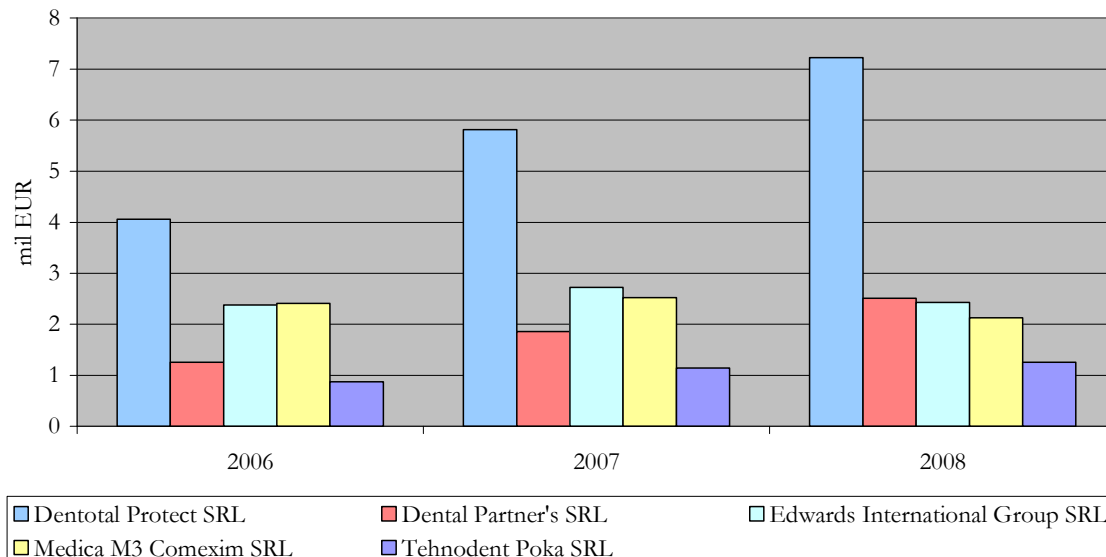
The company has the warehouse and the showroom in Timisoara.

Financial data of Tehnodent Poka SRL in 2008:

- Turnover: 1.3 million EUR
- Net profit: 0.1 million EUR
- No of employees: 9

The turnover dynamics of these five main importers and distributors of dental equipment in Romania, during the period 2006 – 2008, is presented in the chart below.

The turnover dynamics of five main importers and distributors of dental equipment in Romania



Source: Ministry of Finance

5. Dental medicine events in Romania

5.1 Denta Trade Exhibition

The 23rd edition of the International Exhibition of Dentistry – Denta - takes place in April 2010, in Bucharest, in the Romexpo Exhibitions Center.

Denta is an important trade event, dedicated to the equipment, instruments, accessories and materials in the dental industry, the chemical - pharmaceutical products for the dental medicine and the products of the oral hygiene.

Denta offers to the participants the opportunities to sign new contracts, to build brand awareness, to explore and enter new markets and sectors, to deepen existing business relations etc.

The Denta edition in 2009 recorded over 4,000 visitors, 180 exhibitors from 19 countries and covered 5,500 sqm of exhibition area.

Some of the participants at the Denta exhibition in 2010 are: Bray Medical from Belgium, BMS Dental from Italy, Zirkonzahn from Italy, Zhermack from Italy, Inibsa from Spain, Stomadent from Slovakia, Medical Trade from the Czech Republic, OrthoStar from Bulgaria etc.

5.2 Dental Conferences

Some examples of the dental conferences organised in Romania are presented below:

- The Romanian Dental Association of Private Practitioners organises the International Conference with the thematic “Classic and modern in the dental medicine”. The conference is organised in April 2010 in Bucharest, within the Denta Exhibition.
- The Romanian Dental Council in collaboration with the Romanian Society of Oral Rehabilitation and the International Congress of Oral Implantologists organise the International Conference with the thematic “Current Trends in the Minimally Invasive Dentistry and the Implant Prosthodontic Rehabilitation”. The conference is organised in April 2010 in Bucharest, within the Denta Exhibition.
- The Romanian Dental Association of Private Practitioners organised the Conference “Prosthodontic - aesthetics and functionality”, in March 2010 in Bucharest. The conference’s themes were: the dental aesthetics, pre-prosthetics therapy, materials and technologies used etc. The conference was organised in collaboration with the World Dental Federation - FDI, Groupement des Associations Dentaires Francophones - GADEF, European Prosthodontic Association - EPA.

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Sources consulted for this report: business mass media, the companies, official sources

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