

PRESS RELEASE

UBM TechInsights Issues Warning to Medical Devices Industry about Possible Obsolescence as Reliance on Smartphones Increases

“Déjà Vu” Factor at Play as Consumer Medical Device and Smartphone Technology Converge, Presenting Design and Intellectual Property Management Challenges

ANAHEIM, February 7, 2010/PR Newswire/ -- [UBM TechInsights](#) today warned the consumer medical device industry that the smartphone juggernaut will impact revenues, design strategies, and intellectual property (IP) management for medical devices in the same way it has for many consumer products including cameras, GPS devices and personal media players.

“The question for traditional medical device companies is whether their designers, marketers and IP staff have factored the smartphone platform into their thinking,” said Jeff Brown, vice president of business intelligence for UBM TechInsights. “Smartphones provide medical technology companies with unprecedented access to an enormous consumer market. To capture this opportunity, they must think carefully about how they develop new technologies and protect their intellectual property innovations. Otherwise, they face the same fate as makers of stand-alone GPS and MP3 players – a slow decline to obsolescence.”

Brown is communicating this message today at [Medical Design & Manufacturing \(MD&M\) West](#), during a seminar entitled “[Managing the Electronic Medical Device Lifecycle from Standalone Innovation to Converged Capability](#).”

Innovation in the electronic medical devices industry is accelerating, enabling breakthrough methods of administering treatments and improving patient care. Initially, these sophisticated electronic medical devices, like many advances in consumer electronics, appear as standalone units with high price tags and low sales volume. Over time, successful device categories attract competitors that drive product evolution in one of two directions: improving the original stand-alone format, or converging functionality with a larger, established market.

Using UBM TechInsights’ product profile database built from over 1000 [product teardowns](#) of consumer electronic devices and smartphones, Brown has traced the technology lifecycle of consumer electronics innovations as they have diverged along these two paths and examined how electronic medical device technologies will progressively converge with smartphones.

The core elements of many personal medical devices – including processors, displays, memory, keyboard/data-entry methods, battery power, connectivity methods, speaker/headphones, and sensors – are being found increasingly in smartphones. Driven by apps, video, and gaming, smartphones have also become more sophisticated, boasting greater processing power and better sensors.

As a result, electronics designers can now deliver valuable medical device functionality at a lower marginal cost through integration with smartphones. Lower prices to consumers who already possess smartphones increase the addressable market for integrated products as compared to more expensive, stand-alone medical devices.

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Integration often appears first as a physical connection between the smartphone and a specialized sensor through a cable or wireless technology. An example is the [Nike + iPod Sport Kit](#) that adds pedometer and pulse meter functionality to the iPhone, augmented with a “personal trainer” application for tracking time, distance, pace, and calories burned. Subsequent stages of integration include physical packaging, sometimes with “sleeves” for specialized sensor functionality like the [AliveCor iPhone ECG](#), then ultimately complete integration employing onboard smartphone sensors, like the [iStethoscope](#). The potential for personal wellness and medical applications development on smartphone devices, including the charting of results and access to related medical information, opens new areas for added value not available from traditional stand-alone medical devices.

“Medical device functionality in smartphones is often rudimentary to start, compared to stand-alone devices,” continued Brown. “However, smartphone implementations come with the advantage of being conveniently at hand and ready for use at all times, and usually at a significantly lower cost to the consumer. Over time, medical technology innovations improve the precision and reliability of implementations on smartphones so that they rival – or, when combined with apps – even surpass stand-alone devices.”

Brown and other executives will be on hand at MD&M West and the co-located [DesignMED](#) conference and exposition, taking place at the Anaheim Convention Center in California today through February 10, 2011. UBM TechInsights will be showcasing its portfolio of intellectual property consulting, business intelligence, and technical intelligence products and services at its booth, #7238, located in the Ballroom, Level 3.

For more information on Brown’s predictions, or for a copy of his presentation, please contact UBM TechInsights at busintelligence@ubmtechinsights.com.

About UBM TechInsights

UBM TechInsights provides professional services and essential intelligence to manage technology and Intellectual Property (IP) portfolios. With over 20 years of experience in technical analysis and IP matters UBM TechInsights provides a comprehensive IP management process that delivers maximum strategic advantage and financial returns for customers around the world. The company provides information and customized services in IP, Technical Intelligence, and Business Intelligence for each stage of the IP lifecycle. Global markets served include Automotive, Clean Technologies, Consumer Electronics, Investment, Legal, Medical Devices, Semiconductors, and Software. For more information, please visit www.ubmtechinsights.com.

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