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WHEN INNOVATION MEETS GROWTH



THE BUSINESS OF MEDTECH

International Business Development for MedTech Companies: Where Should You Start?

By Gary J. Sagiv

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I was born in South Africa and moved to Israel with my family when I was fifteen, and later I studied and worked in the United States, the United Kingdom, China and India. Living between countries early in life probably explains why international business development has always felt natural to me, but I have learned that it does not feel natural to most medical technology founders. For many of them, going international is something that happens after the product is finished. In my experience, the companies that succeed abroad start thinking about it much earlier, and they start in a more modest and more deliberate way than most people expect.

So in this second article of the series I want to answer the question founders ask me most often once they accept that a good product is not enough: where do we actually start?

Why international business development comes early for MedTech

For companies from a small home market, international business is not a choice. Israel, Cyprus, Greece and many of the smaller EU countries are good examples. Many of them have sophisticated health systems, and Israel in particular has a remarkable number of medical technology companies. But for most of these companies, the domestic market can only ever be a reference site and a place to gather early experience. The real business has to be built abroad, which means international planning belongs in the first business plan rather than in the third.

Even companies from large markets benefit from thinking internationally early. Regulatory work done with several countries in mind is far cheaper than regulatory work redone later. Clinical evidence designed with the expectations of more than one market in mind travels further. And the relationships that eventually lead to distribution agreements usually take years to mature, so the first conversations should happen long before the first order is needed.

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Start with an honest look at your readiness

Before choosing any country, I ask a company to look honestly at itself. Is the device cleared somewhere, or close to clearance? Is there clinical evidence that a foreign physician would find convincing? Is there material, in English at least, that explains the product clearly to a distributor who has never heard of you? Is the product stable enough to be supported from thousands of kilometers away? And, perhaps the question founders least like to hear, is there someone in the company with the time and experience to travel, build relationships and follow up for several years?

A company that answers no to most of these questions is not ready to sign distributors, but it is ready to start learning. That learning stage is valuable in itself. It is the time to attend the right trade fairs, talk to clinicians in two or three candidate markets, understand who pays for care in each of them, and meet potential partners without any pressure to sign.

Resist the temptation to go everywhere at once

Many years ago, for a company I represented at the time, I published a short LinkedIn article announcing that we were starting outreach to international distributors in the EU, the US and Asia. Looking at it today, I recognize the instinct very well, because almost every young company has it. You want to be everywhere, because every region looks promising and nobody wants to miss an opportunity.

The advice I give founders now is to resist that instinct. A small company cannot support partners on three continents at once, and a distributor who feels unsupported quickly loses interest. It is far better to choose a few markets, enter them properly and use the results to earn the next ones. The way you choose those markets is important enough that I have given it its own article, which comes next in this series.

Build the foundations once

There are a few things worth building before the first market is chosen, because every later market will rely on them. The first is a regulatory file that is organized so that each new country can be added with a gap analysis rather than a completely new project. The second is a clear and simple commercial story: what the device does, which patients it helps, and why it matters to the person paying for it, told in a way that a distributor can repeat to a hospital. The third is a basic understanding of your own economics, so that you know what price a partner in another country would need in order to make a fair margin.

None of this needs to be perfect. It needs to exist, because without it every international conversation starts from zero, and partners notice when a company has not done its homework.

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Use networks that already exist

Founders often underestimate how much help is available at the start. Trade fairs, export institutes, embassies and industry associations exist precisely to connect companies with markets abroad. I serve as Director of Israel for FABA, the Federation of Asian Biotech Associations, whose flagship event, BioAsia, is held every year in Hyderabad, and through that role I see how much an introduction from a trusted network can shorten the first steps into a new region. A warm introduction from someone a distributor already trusts is worth far more than a hundred cold emails.

The first step is a conversation

When I describe the international work we do at Synergen, I say that we take a device that works into markets where it sells, one country at a time. The phrase "one country at a time" is deliberate. International business development is built from a long series of conversations, with clinicians, regulators, distributors and buyers, and each of them teaches you something about the next one.

My PhD was in international law, and people sometimes ask what that has to do with business. More than you might think. Both are about understanding people, competing interests and decisions made under uncertainty, and both reward patience and preparation more than enthusiasm. That is the spirit in which I would encourage any founder to begin: with a few honest questions about readiness, a short list of candidate markets, and the willingness to go and listen before trying to sell.

LET'S TALK

If you are trying to work out where your company's international business should begin, I would be glad to talk it through. Write to me at **gary@synergenmedtech.com** and tell me about your commercialization or international business development challenges. In the next article, I look at how to choose the right international market for your device.

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