

NEW

US forecasts to 2007 & 2012

Freedonia®

Cosmetic Surgery Products

Study # 1741

February 2004

\$3900

Growth in cosmetic procedures to spur product sales

US demand for cosmetic surgery products will approach \$2 billion in 2007, stimulated by an aging US population willing to spend disposable income on cosmetic surgery procedures to obtain a more youthful appearance. Demand will also be driven by the larger number of practitioners who will purchase cosmetic surgery products to generate additional revenues from an existing client base, as well as to obtain an advantage in a highly competitive marketplace.

Product manufacturers, noting these trends, have been focused on providing minimal- and non-invasive products that provide immediate and longer-lasting results with no pre-screening and no down time; and that are lower cost, easier-to-use, and serve multiple-purposes. FDA approval of new products as well as approval for the usage of currently available products in cosmetic applications will also positively impact demand.

Injectables demand to see robust gains

Recent FDA approvals of botulinum toxin- and hyalu-

ronic-based injectables will be responsible for large gains not only in the demand for injectables but in demand for all cosmetic surgery products as consumers will become more informed regarding the choices and benefits of competing products and procedures. These minimally invasive products offer immediate effects with no pre-screening and no recovery time. The expected, increased demand has enticed other firms to begin developing improved botulinum toxin and hyaluronic based products, which will result in increased competition, lower prices and stimulated consumer demand.

Implants to stimulate continued growth

Implants will continue to see sustained growth despite uncertainty over the status of silicone breast implants. Newer implant types are expected to post robust gains as both men and women choose implants to improve overall body contour, especially in the thighs and buttocks.

Equipment sales to lead demand

Equipment sales will continue to account for nearly half of all product demand in 2007. Although this market is fairly



Nonsurgical Products by Type (\$2 billion, 2007)

Equipment
50%

Implants
17%

Injectables
25%

Disposables
7%

Other 1%

mature, innovative, multi-use laser and pulsed-light systems should provide growth opportunities. Currently, only a small portion of cosmetic surgeons and dermatologists use laser equipment, so market potential in the wider professional market is still substantial.

Microdermabrasion equipment is expected to grow at an even faster pace as cosmeticians and spa operators begin to offer more skin resurfacing procedures. Since a number of light resurfacing procedures are normally required to achieve the desired results, a weekly visit to the beautician to have one's hair set and to receive a skin resurfacing may become commonplace.

Study Coverage

These and other findings are analyzed in *Cosmetic Surgery Products*, a new Freedonia study available for \$3900. This study provides historical data for 1992, 1997 and 2002, plus forecasts to 2007 and 2012 in dollars for cosmetic procedures and product sales by type.

It also includes a review of raw materials used in the production of cosmetic surgery products. In addition, the study examines market share data and profiles selected industry players.

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Study #1741 - Cosmetic Surgery Products

Freedonia's methods involve:

- Establishing consistent economic and market forecasts
- Using input/output ratios, flow charts and other economic methods to quantify data
- Employing in-house analysts who meet stringent quality standards
- Interviewing key industry participants, experts and end-users
- Researching a proprietary database that includes trade publications, government reports and corporate literature

COSMETIC PROCEDURES BY TYPE

Injections

SAMPLE PAGE

The number of cosmetic injections is projected to grow 17 percent annually to \$2 billion. Advances reflect positive demand for new and longer-lasting injectable products. An aging populace ready to embrace treatments for wrinkled and sagging skin. Taking advantage of the fastest growing population segments — those between the ages of 40 and 60 — injectables will find a ready market with baby boomers and executives who have excess, disposable income to spend for luxury items. Many will perceive an attractive and youthful appearance obtained by non-invasive, cosmetic procedures such as injectables, as an advantage in a highly competitive job market. Consumers will have a greater awareness of injectables as more products gain FDA-approval. FDA-approval for cosmetic purposes allows companies to advertise the advantages of injectables for aesthetic enhancement purposes. As more and more products are approved, marketing will intensify, resulting in a public more informed regarding the safety and efficacy of injectable products. Besides being a perceived advantage for many competing for professional positions, men and women alike will desire to undergo quick and safe injection procedures which offer immediate gratification in their desire to restore a youthful appearance and enhance their self esteem.

Although FDA approved BOTOX, RYSTALYNE and certain tissue-filler injectables provide the convenience of an allergy pretesting, immediate results and no recovery time, the effects of injectables do not generally provide the long lasting results which could be obtained through face lift surgery, laser surgery or microdermabrasion procedures. Many new creams and gels are also coming to market which claim to offer the same benefits as injectables at a much smaller price. In independent tests however, most creams and gels do nothing more than provide moisture to the face, doing little to remove or reduce existing wrinkles.

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PRODUCTS

TABLE VI-2
COSMETIC SURGERY EQUIPMENT & CONSUMABLES DEMAND
(million dollars)

Item	1992	1997	2002	2007	2012
Medical Facilities (000) \$ equipment/practice					
Cosmetic Surgery Equipment Demand					
Lasers					
Microdermabrators					
Consumables					
Other					
% equipment					
Total Cosmetic Surgery Products					

SAMPLE TABLE
Historical data through 2002 plus Freedonia forecasts to 2007 and 2012

Lasers

Demand for lasers is projected to grow 17 percent annually to \$2 billion in 2007 driven by positive demand for cosmetic surgery procedures and greater consumption of laser surgery procedures. Demand will also be driven by the number of practitioners who will purchase laser equipment streams by providing highly profitable, long-term revenue from an existing client base. Additionally, the development of smaller, less-costly, multi-purpose laser equipment will be a key growth driver.

Explanations that support each table's data and forecasts

Practitioners currently employing laser surgery are focused on the 29 per-cent of the population between the ages of 35 and 54 who have higher amounts of disposable income and are finding cosmetic surgery as an acceptable way to improve their appearance, and in the process enhance their

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This study can help you:

- Determine your market & sales potential
- Learn more about industry competitors
- Assess new products & technologies
- Identify firms to merge with or acquire
- Complement your research & planning
- Gather data for presentations
- Confirm your own internal data
- Make better business decisions

COMPANY PROFILES
presented for 27 competitors such as Allergan, Candila, Dermamed USA, Elan, Genzyme, Medicis, Mentor, Inamed, Lumenis and WL Gore

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Other Titles from The Freedonia Group

Weight Control: Products & Services

This study analyzes the US weight control industry. It presents historical (1993, 1998, 2003) demand data and forecasts to 2008 and 2013 by product (e.g., prescription drugs, dietary supplements, meal replacements, meal supplements); by service (commercial weight loss centers, medically supervised weight control programs); by application (weight loss, maintenance, gain); and by market (retail, health care, Internet/mail order). The study also evaluates market share data and profiles leading industry players.

#1763 02/2004 \$3900

Implantable Medical Devices

US demand for medical implants will grow nearly 11% annually through 2007. Aging demographics, product advances and changing patient care strategies will drive gains. Best prospects include implantable cardioverter defibrillators (ICDs), drug-eluting stents, bioengineered tissue, neurological stimulators, and cochlear and retinal implants. This study details the \$14.6 billion US medical implant industry to 2007 and 2012 by material and product. It also profiles major competitors and assesses market share.

#1720 10/2003 \$3900

Anti-Aging Products

Anti-aging products demand in the US will grow 11.1% annually through 2007, propelled by a stream of products that offer health and appearance enhancing benefits. Fastest gains are projected for memory improvement and sexual dysfunction/impotence products, while botulinum toxin and drug active ingredients lead gains by chemical. This study analyzes the \$17 billion US anti-aging products industry to 2007 and 2012 by type and chemical. It also profiles US industry competitors and presents market share data.

#1682 07/2003 \$3800

Cosmeceuticals

Demand for cosmeceuticals in the US will grow 8.5% yearly through 2007, propelled by a stream of new products offering appearance-enhancing benefits for an aging population. Skin care products will remain the dominant segment while professional products (e.g., PROPECIA, BOTOX) and botanical extracts and enzymes grow the fastest. This study analyzes the \$3.4 billion US cosmeceuticals industry to 2007 and 2012 by product and chemical. It also evaluates market share and profiles key companies.

#1653 03/2003 \$3900

Silicones

Demand for silicones in the US will grow 6.1% yearly through 2006, driven by their versatility, product development and favorable environmental profile. Silicone gels will grow the fastest based on greater use as glob top encapsulants for flip chip electronic processors. Silicone fluids will benefit from expanding uses in cosmetics and toiletries. This study analyzes the \$2.6 billion US silicones industry to 2006 and 2011 by product, market and application. It also examines market shares and profiles key firms.

#1552 05/2002 \$3700

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