



# ECUADOR: DENTAL MARKET

Amparo Meneses  
11/2007

## Market Data

The total market for dental equipment, instruments and materials during 2007 is estimated at USD 7.14 million. Imports for the same period are estimated at USD 6.3 million. Industry experts estimate a five percent market growth during 2008.

The Ecuadorian dental market is primarily served by imports. The U.S. dominates the import market with 40 percent market share in 2007 (USD 2.52 million), which is expected to grow at five percent during 2008.

## Competition

Main competitors are: Germany; Colombia; Brazil; Argentina; Peru; Pakistan; Switzerland and China. Germany is the dominant supplier for anesthetics. Colombia is strong in anesthetics, acrylics, artificial teeth, hemostatics, and cement. Brazil sells mainly units and basic biomaterials. Pakistan is very strong when it comes to instruments. Switzerland competes in the area of biomaterials. China offers dental units, ovens, mortars, alcohol lamps, gas welding torches and rubber cups. Informal imports mainly for biomaterials and hand instruments account for 20% of market share. The informal market is split between the U.S. and Colombia.

Domestic manufacture includes: dental units; sterilizers; compressors; suction pumps; and lamps. Local manufacturers import components such as valves, hoses, foot controls, and motors. They are interested in doing a joint venture with U.S. manufacturers. Exports of dental equipment from Ecuador are negligible. Import duties for dental equipment, instruments and materials range between five to 15 percent depending on the type.

## Best Prospects

Best prospects are: hand instruments and biomaterials. An important niche market is developing for spare parts for dental units, compressors, and hand equipment. At the present time, the U.S. is the virtually sole provider of spare parts and is well regarded.

## End Users

Approximately 6,800 dentist are the potential end users. Private end users account for 80 percent market share, leaving the remaining 20 percent to public end users. Price is the key factor when making the final purchase decision.

## Market Entry

U.S. firms can increase market share by maintaining long-term relationships with distributors, and remaining in the market even when sales drop during periods of lower economic activity. Interest in

smaller sales amounts is also important in order to develop business relationships that can result in larger sales in the future. Since personal contact is an important factor to retain market share, U.S. firms may wish to deal directly with their Ecuadorian distributors, instead of entrusting this matter completely to their agents/brokers in Miami. U.S. manufacturers dealing directly with their Ecuadorian distributor, should respect contracts to avoid direct sales to one-time buyers.

When appointing a local distributor, U.S. firms should seek counsel from an Ecuadorian law firm to ensure that their distribution agreements give them appropriate protection. It is advisable to appoint non-exclusive representatives for a limited period of time, and to include an arbitration clause as a means to resolve any disputes that may arise.

The U.S. Dollar is Ecuador's official currency. Typical terms of sale are confirmed letters of credit or direct payment in U.S. Dollars. There are no trade barriers/restrictions in this sector. However, a sanitary registration certificate is required for biomaterials. Anesthetics require prior authorization from the Ministry of Health and the National Drug Council (CONSEP). Imports of X-rays must obtain prior authorization from the Ecuadorian Atomic Energy Commission. Foreign suppliers are also required to provide the Federal ID number.

The Ecuadorian Federation of Odontologists organizes an annual congress that is the industry's specialized event and constitutes a good forum to promote products. DentalExpo is a major exhibition organized by the distributors of dental equipment to promote dental products.

**For More Information:** The U.S. Commercial Service in Quito, Ecuador can be contacted via e-mail at:

Amparo Meneses, Comercial Assistant  
U.S. Comercial Service  
Av. Colombia 1573 y Queseras del Medio  
Quito, Ecuador  
Tel: 011-593-2-256-1404; 250-5752, Ext. 409  
Fax: 011-593-2-250-4550  
E-mail: Amparo.Meneses@mail.doc.gov

### **The U.S. Commercial Service — Your Global Business Partner**

With its network of offices across the United States and in more than 80 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting <http://www.export.gov/>.

*Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice.*

*International copyright, U.S. Department of Commerce, 2006. All rights reserved outside of the United States.*