Interview: “Patients do not just want implants; they want teeth”

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With a record number of 2,000 participants, dental implant solutions provider Nobel Biocare held its second Global Symposium in New York City last week. Dental Tribune ONLINE had the exclusive opportunity to speak with CEO Richard Laube about the state of his company, problems in Asia and the newly launched Foundation for Oral Rehabilitation.

Mr Laube, this is the first Global Symposium you are attending as CEO of Nobel Biocare. Has the event met your expectations?
So far the meeting has been a pleasant surprise for us. We were sold out already in April and even had to turn 500 to 600 customers away. On the positive side, this makes it a real special event. We were a little bit nervous about the logistics, but all went very well. Speakers have also been extremely disciplined and very focused in their messages that they wanted to convey. I am only hearing good things from the participants.

You joined Nobel Biocare during turbulent times. What is the state of the company compared to when you took over as CEO in 2011?
It is true that we have been drifting over the years but we are back with patient-focused, clinically-relevant and evidence-based innovation. We are in materially better shape today to when I joined the company two years ago. The results from Q1/2013 were a pleasant surprise as we expected the numbers to be lower. We are seeing good things in our business and are confident we can keep this momentum going. Since 2011 we have brought three new implants into the market and upgraded our NobelClinician and NobelProcera software platforms. We also announced a new second-generation NobelProcera 2G Scanner and introduced the OsseoCare Pro for iPad. We also have a couple of new announcements here. All this combined offers probably the most exciting product line-up in the industry and provides us with the opportunity of leading the industry again. I also think that we have good stability in the team which is very important. A workforce consists of business relationships and you can’t have that relationship by changing people.

You have been working for big corporations like Néstle in the past. How does the dental industry differ from your previous working experiences?
It has taken me some time to adjust but I have been learning quickly for the team’s sake. Generally speaking, to work in the dental market is like a contact sport where you have to deal with customers on the frontline every day. Take this symposium for example, where 2,000 of our customers have gathered.

The size of Nobel Biocare is also much smaller and I learned that even the slightest changes can have a dramatic impact on the whole organization. Therefore, you have to be thoughtful about every decision you take. On the other hand,
things can be done much faster, which gives us an advantage when it comes to innovation, as we are able to work very closely with our researchers and developers. You do not usually get this out of big companies.

Nobel Biocare seems to struggle in Europe and Asia, in particular. Do you consider these problems to be an effect of the current market conditions or are there other reasons for this negative performance?

We had years of struggle in Europe but our figures there have consolidated this year compared to the first quarter of 2012. We are actually seeing increasing evidence that we perform better than some of our key competitors. I personally expect us to be out of the water soon and to see relative progress. I estimate we will do at least as good as the market in that region, if not better.

In Asia, we are actually doing very well, particularly in China and India. The problems there are of mathematical nature and concern our business in Japan which used to provide 17 percent of our total business in the region. Difficulties there were in part market-inflicted through the tsunami and the negative press on dental implants in 2012, in part self-inflicted as we were a little bit fooled by the positive numbers in prosthetics in the first quarter of that year, not looking at the implants that were actually going down. As we are seeing the implants rebound, I think we will have a good run in the second half of this year.

How does your company intend to return to sustainable growth?

We grow when customers order from us and these customers are starting ordering more when we are doing good things for them in the area of innovation, commercial relationship partnering programmers, as well as in training and the education that we provide to allow them to treat more patients and do new things. It is a fact that there are only 11 to 12 percent of licensed dentists in the world that are placing dental implants. In the recent past, we have not taken on that challenge of helping dentists learn how to place implants properly. These are opportunities where we can also contribute to the growth of the total market.

With the NobelProcera 2G Scanner and a new open access partnership with 3Shape you have recently consolidated your foothold in dental CAD/CAM. How important has this field become for your company and will we see new products to be introduced for this segment in the future?

CAD/CAM is critical. Patients just do not necessarily want implants, they really want teeth. Our ability to provide them with teeth in complex reconstructions is a huge competitive advantage if you are dealing with anything more than a three- or four-unit bridge. We have a disproportionate market share in what we call complex screw-retained componentry. We can put together a 12-unit zirconia implant bridge with eight holes for screws, for example, in a way that is very difficult to replicate by our competition.

Besides new third-party platforms, implant bridges and scanning design centres we presented at IDS in Cologne this year, we are announcing angulated screw channels here in New York. With this subtle but almost revolutionary development, we can now go in by 25 degrees on the cheek site or the tongue site and make access to screw-retained components much easier.

With the Dentsply–Astra Tech merger and growing competition from manufacturers in Asia, e.g. Korea, the implant market seems to be on the brink of major change. How do you evaluate the development of the market and how is your company positioning itself in the years to come?

We welcome any competition as it is beneficial for patients. Our challenge is to stay ahead and innovate. Implant dentistry is still a field that is emerging rapidly and transforming itself constantly through innovation. Our aspiration is to stay in front of that.

With the Foundation for Oral Rehabilitation (FOR) your company has launched a new endeavour in New York. What role will it play for your business?

I would like FOR to give Nobel Biocare sweaty palms because they are talking about patient care in ways that the industry cannot deliver yet. FOR is supposed to always be a big step ahead of us providing us with the chance to develop new ideas and open new business opportunities in the future.

Thank you for the interview.