“We are now able to enter the second phase of expansion”

An interview with Jörg Brenn and Christian Brutzer, representatives of Ivoclar Vivadent in Asia

In the presence of 100 guests and partners from South East Asia, dental manufacturer Ivoclar Vivadent recently opened a new marketing office in Indonesia. Located in the western province of Banten, the office is intended to provide market support on both clinical and technical products to business partners in the region. The former general manager of Ivoclar Vivadent China, Jörg Brenn, will head the new operation. At the recently held FDI Annual World Dental Congress in Bangkok in Thailand, Dental Tribune had the opportunity to speak with Brenn and Global Region Head Asia/Pacific Christian Brutzer about the new venture and how it will influence their company’s position and business strategies in the Asia Pacific region.

Dental Tribune: With the new office in Indonesia, your company has recently extended its marketing network to South East Asia. What was the incentive behind setting up a regional hub there?

Jörg Brenn: Besides having a large number of dentists and dental laboratories in Indonesia, there are many of the fastest growing markets in the entire Asia Pacific region. However, this was only one of the reasons for setting up an office there. We also decided to go to Indonesia because of the unique economic circumstances. Most of our competitors are still operating from Thailand or Singapore, so we decided to do something completely different.

The new office is based in the suburb of Tangerang (not in downtown Jakarta), which is very close to the airport. This means we can offer excellent connections for visitors from South East Asia who want to participate in our training programmes, for example.

Christian Brutzer: Some years ago, Jakarta and Indonesia as a whole were certainly a secondary choice in terms of accessibility and logistics. Now, however, one can reach all important hubs in the region and beyond from there. The country also boasts a domestic market potential that is far higher compared with countries like Singapore.

You mentioned that you will be offering educational programmes in Indonesia. How and in what courses will dentists be able to participate?

Brutzer: Ivoclar Vivadent is a system provider. This includes education, which we are now able to offer through the new International Centre for Dental Education (ICDE) in Indonesia. It is on the same level as our ICDEs in Shanghai and Osaka, for example. According to our knowledge, it is also the first training centre that a foreign manufacturer has set up in the country. Since we have highly trained personnel on-site, we will be able to offer support to our clients and partners—and have full access to the Ivoclar Vivadent information network.

How does the new operation in Indonesia fit into your overall business strategy for the Asia Pacific region?

Jörg Brenn: This was only one of the reasons for development in Indonesia. We now have enough resources to accelerate our road map for Asia, we decided to implement it in small, well-thought-out steps. This strategy helped us to get through the financial crisis in 2008/2009 largely unharmed. As the markets in Japan, Korea, China and India have become established, we are now able to enter the second phase of expansion and to venture into new territories. China, particularly, has developed to such an extent that it is now self-sustaining and can be entirely managed by local talent. This allows us to use valuable resources in other markets. We are extremely lucky to have someone like Jörg Brenn, who has 25 years of work experience in the region.

What challenges does the market in Indonesia pose compared with China?

Brenn: Indonesia is at the point of development where China was 15 years ago. There is a similar optimistic spirit, even though it is on another level. It has different characteristics. One can really feel a great deal of energy in the country, which may be fuelled by the new president, whose ideas have provided inspiration for many. While there remains much to be done, one can clearly see the economy moving forward. For example, many Indonesians went to Singapore for dental treatment in the past, but now the country has so many excellent clinics and dental practices that there is no longer any need for patients to go abroad. This has given the dental business in Indonesia greater strength and higher autonomy.

What are the prospects for Ivoclar Vivadent’s business in the region?

Brutzer: The market in Asia is still growing more dynamically than any other market in the world, even more than Latin America. In some countries, like China, we are currently experiencing deflation owing to previous efforts by the government there to slow down growth. Naturally, this has an effect on dental services and the demand for materials and systems. However, we envision the private sector constantly expanding and this development will give us completely different opportunities in the years to come. We are seeing similar developments currently in India.

As usual, we have adopted a middle- and long-term strategy in South East Asia. This means that we did not rush into the market expecting to know everything in just a few months. It will take some time to understand the environment. Fortunately, we are able to address a market like Indonesia with enough resources to accelerate that process. Our approach is based on sustainability.

Brenn: After a year of preparation and observing the market, we are already seeing a positive development in Indonesia. We now know more than ever about huge opportunities this market offers for our business.

Thank you very much for the interview.

“Asia is still growing more dynamically than any other market in the world...”

Christian Brutzer and Jörg Brenn celebrating the opening of Ivoclar’s new SEA office with local staff members.

Jörg Brenn (left) and Christian Brutzer (centre) in talks with DTG Group Editor Daniel Zimmermann.