

March 18, 2011

PRESS RELEASE:

ACTEON North America Releases a Response Statement to Air Technique's Market Share Claims Dated 3-14-11

Recently, an announcement was released by Air Techniques, a competitor of ACTEON, with lofty claims of sales growth and "category" dominance of the caries detection device market share. No data sources for this claim were cited outside of the company making the release.

The claim was most likely made via an analysis of the Strategic Data Marketing (SDM, <http://www.sdmdata.com>) report. This sales and marketing database is frequently the source for sales and marketing statistics for the US and UK dental industries.

Focusing in on a single product category and making a global conclusion about market share can lead to a distorted impression of that product's position in the market. Because the Spectra device is a single purpose device, it is categorized in one place and one place only, as a caries detection device. On the other hand, ACTEON's SoprolIFE device is both a caries detection device *and* intraoral camera. Therefore, it may vary on how it is classified in certain market data reports according to the dealer who is providing the information. Some dealers may classify it as a caries detection device and others may classify it as an intraoral camera which may dilute the overall market share of SoprolIFE through dealer distribution.

Also, ACTEON is a dominant provider in the integrated dental chair manufacturer market. Hundreds of sales of the SoprolIFE as an integrated option on a delivery system or chair from a manufacturer may be counted as a delivery system as a whole and not broken out with their individual components. This means they may not be captured by all data reports, further diluting that market share data. Therefore, it is virtually impossible to really make an accurate claim of leading a product category in dollar or unit sales without taking into account these other factors.

Since SoprolIFE devices are frequently categorized across a broad spectrum of equipment sales, citing only ONE limited category as the basis for a market-wide conclusion is at its best inaccurate and at its worst, deceptive and disingenuous.

A true and unbiased analysis of market share would require an accounting of sales of both Spectra and SoprolIFE by their SKUs, ignoring the arbitrary and subjective categorization process. It is doubtful that our competitor will be willing to share this information since this data will undoubtedly create a different picture of the market share for these two products... one showing the clear and irrefutable fact that SoprolIFE dominates the US and world markets in electronic caries detection devices.

In response to Air Techniques claims of market share dominance, ACTEON contacted the four largest Dental Distributors in the United States (2 National and 2 Regional) which collectively represent an over 75% market share of equipment and technology sales. Using unit sales data, we have compared the performance of Spectra versus SoprolIFE in terms of number of units sold in the US throughout 2010. **This data shows that SoprolIFE outsold the Spectra device by almost a 2-1 margin.** ACTEON found this information to be very encouraging since SoprolIFE was not on the market for the full 12 months of last year.



In addition to inaccurate sales analysis, there are additional clinical statements in Air Technique's release which are not entirely accurate. Please see the following:

Using fluorescence technology, Spectra emits safe high-energy LED light onto the tooth surface. The dentist or hygienist then views the tooth on a screen, which clearly displays both a color and numerical reading to precisely indicate the existence and extent of any decay, calculus or plaque. Spectra is the only handheld caries detection device one [sic] on the market with these capabilities.

The Spectra does not show any decay, calculus or plaque in its software dependent analysis. According to their own website's product brochure, the Spectra device displays "the cariogenic bacteria on your monitor. The denser the bacterial colonization, the more intense the red fluorescent signal will be." No actual tooth tissue changes are displayed but instead, a photo-sensitive subcomponent of bacteria called "porphyrins" is displayed on the screen. An inference is drawn that the denser the bacterial colonies, the greater the likelihood that an active caries exists. An arbitrary numerical value is assigned to the density of the colony and this is the basis upon which the clinical assessment is made. SOURCE: see (http://www.airtechniques.com/userfiles/files/Spectra_Brochure_RevA_Twain_Layout%201.pdf). These statements appear to be contradictory. The press release says the device displays decay where the reality is that a subcomponent of bacteria is displayed, the presence of which does not guarantee the presence of an active carious lesion. Also, the fact that a professional cleaning is required prior to Spectra's use has also been omitted.

SoproLIFE also uses safe, high energy LED light to analyze the teeth but this is where the product similarity ends. Sopro uses a different wavelength of blue light (450 nm) which produces a fluorescent signal which is analyzed in real time by the camera's electronics. This processed signal shows changes in the tooth's structure with a red signal indicating a tissue disturbance consistent with a carious lesion and a green signal indicating healthy dentin. No bacterial counts, no colony assessments, no inferences needed... we show that the tooth is either changed or it is not. For this reason, we do not need any numerical assignments since there is no clinical relevance by doing so.

Please also note the following statement from their release:

"Spectra is the only handheld caries detection device one [sic] on the market with these capabilities."

This statement is misleading since the SoproLIFE clearly has the same capabilities as the Spectra with the exception of needing to assign arbitrary numerical values through software to potential infection sites. To announce that they are the only device yet boast only 60% market share seems again, contradictory.

Lastly, it seems further curious that while exhorting the reader to visit sites like www.cliniciansreport.org and www.dentaladvisor.com for validation of their claims, no quotes or other supporting statements from these sources are referenced. Instead, the release contains canned quotes from the company themselves.

Wyatt Wilson, VP/COO of ACTEON, Inc said, "We thought we should make this information available to clarify the message that is being delivered to the market as well as clinicians. When someone is spending a few thousand dollars on a certain technology we want to make sure he or she has all the information available to them prior to their purchase. We are confident that when a clinician chooses SoproLIFE, they have made the best choice for their practice... regardless of the sales categorization."

