

## Medtronic goes under the knife again



[Elizabeth Cairns](#)

Five months ago Medtronic [cut off some of its slower-growing tech](#); now the axe has fallen again. Yesterday the world’s largest medtech said it would spin off of its sluggish patient monitoring and respiratory interventions businesses into a new company within the next 18 months. These units include various ventilators and laryngoscopy systems, and pulse oximetry and brain monitoring techs. Combined, these units generated global revenue of around \$2.2bn in Medtronic’s fiscal 2022, which ended in April this year, and employ more than 8,000 workers. Medtronic says their combined revenue growth “sits below the company average”, but according to *Evaluate Medtech*, the sellside forecasts these units’ sales to shrink 2% annually out to 2028. The only segments set to shrink faster are Kanghui, which houses the products obtained via [the 2012 acquisition](#) of the orthopaedics specialist China Kanghui Holdings, and Medtronic’s ear, nose and throat business. The latter is forecast to contract 13% per year to 2028, data compiled by *Evaluate Medtech* show, despite Medtronic’s [acquisition of Intersect ENT](#), which closed in May. Perhaps the ENT unit might be the subject of a future divestment.

### Selected forthcoming healthcare spin-offs

Parent	New group	Focus	Date
General Electric	GE Healthcare	Medtech	Expected early Jan 2023
Johnson & Johnson	As-yet unnamed	Consumer care	Expected mid-2023
3M	As-yet unnamed	Medtech	Expected 2023
Medtronic	As-yet unnamed	Renal care*	Expected 2023
Novartis	Sandoz	Generics	Expected H2 2023
Danaher	Environmental and applied solutions business	Environmental	Expected Q4 2023
Labcorp	As-yet unnamed	Clinical development	Expected H2 2023
Medtronic	As-yet unnamed	Patient monitoring and respiratory interventions	Expected late 2023 to early 2024

\*To be spun into a joint venture with Davita. Source: Evaluate Medtech & company communications.

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Evaluate HQ  
[44-\(0\)20-7377-0800](tel:44-020-7377-0800)

Evaluate Americas  
[+1-617-573-9450](tel:+1-617-573-9450)

Evaluate APAC  
[+81-\(0\)80-1164-4754](tel:+81-080-1164-4754)

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