

A perfect partnership

Outsourcing manufacturing and development could be the key to keeping ahead of your competition. **Carl Lidén** explains why.

Company Profile

PartnerTech develops and manufactures products under contract for leading companies, primarily in telecommunications, IT, the engineering industry and medical technology. Its medical products include blood analysis equipment, modules for radiology and anaesthesiology equipment, a mechanical heart compression system, dialysis equipment, allergy testing equipment, DNA analysis equipment, prostate treatment equipment and printed circuit boards for various medical instruments.

Further Information

Website: www.partnertech.com

With the costs of research and development escalating, and talented staff in short supply, the challenge to remain competitive is a difficult one for medical equipment companies. Which is why an increasing number of firms are adopting a business strategy that involves handing over the burden of the development and manufacturing to a third party. This frees the business up to focus on its high-level research and marketing efforts, says Carl Lidén, corporate sales manager at PartnerTech.

‘Medical equipment companies put a lot of capital, time and other resources into developing research, but a contract manufacturer can take care of the development of a complete system, from involvement in writing the specifications, through certification and production,’ he says. ‘It can deal with the entire range of activities involved, including development, prototyping, production, service in the field and maintenance; it is a one-stop shop. That leaves clients to concentrate on the core aspects of their business such as research and marketing activities.’

Advantages of contract manufacturing

There are a number of benefits from using a contract manufacturer. One is a tight control of costs. ‘We understand the customer’s requirements and the cost drivers,’ says Lidén. ‘In medical products the cost drivers are set at the very beginning of development. Because of our

production experience, we know what will cause cost and quality issues over the entire product life cycle. So we involve customers early on in the process to discuss manufacturing costs and hit their targets.’

Another advantage is that the contract manufacturer is free from internal departmental pressures to cut corners in order to get to market on time.

‘When a firm designs a medical equipment product it always has a marketing date in mind for introducing that product,’ says Lidén. ‘All the initial development steps aim at meeting that deadline. But, because of the focus on a particular date, it is easy to make the wrong decisions for the product in the long term. Marketing demands push the design and the regulatory fulfilment in a way that can have negative implications for the long-term production.’

Functional silos are not a problem at the contract manufacturer, either. ‘Many of our bigger customers have to contend with functional silos, “walls” between departments, from marketing, to development, to production and so on,’ says Lidén. ‘That doesn’t happen in contract manufacturing, we have just one interest; having the best product finished on time. There is no question, for example, of different departments being concerned about who is going to get the most prestige for a particular project.’

Excellence and experience

Medical device firms are unlikely to hand over development and production without

being satisfied that the contract manufacturer can deliver on a number of levels, including regulatory issues, technical expertise, and global distribution and after-sales service. PartnerTech takes particular care with all three aspects of the medical equipment production process, says Lidén.

‘We have a highly experienced team with the technical skills and knowledge to deal with quality issues, and understand and meet the regulatory demands of the various authorities,’ he explains.

‘PartnerTech has centres of excellence based in Scandinavia, for example, with expertise in system integration, electronic components and enclosures, and which focus on meeting worldwide regulatory demands, such as QSR, PAL and CE.’

The firm also offers lower cost solutions for high-volume manufacturing at production units in Poland and China. The majority of the company’s units are certified according to the ISO 13485 medical device standard – a regulatory requirement for medical devices distributed in a number of international markets, and necessary for CE mark approval in the EU.

In today’s global economy, perhaps one of the most important aspects of PartnerTech’s service is its worldwide reach. ‘We take care of distribution of products all round the world, working with the customers’ ERP systems,’ says Lidén. ‘Through our customer centre concept and our locations across the globe, our customers can communicate with a contact locally, and still have access to the whole range of activities within PartnerTech.’ ●