
NORDIC LIFE SCIENCE

Review 2008

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THE COMBINED FORCE OF THE NORDIC COUNTRIES

YOUR COMPLETE DOCUMENTATION OF THE NORDIC LIFE SCIENCE INDUSTRY

LIFE SCIENCE VENTURE CAPITAL MARKET

SCANDINAVIAN START-UPS PROVE ATTRACTIVE WORLD WIDE

NORDIC-AMERICAN COLLABORATIONS

CROSS-BORDER INITIATIVES SHOW THE WAY

SCANDINAVIAN BIOTECH CLUSTERS

STRONG TRIPLE HELIX TRADITION OBTAINS GLOBAL ATTENTION

SPECIAL REPORT:
NORDIC INNOVATION SYSTEMS ENHANCE
THE REGIONS COMPETITIVENESS

SWEDEN
DENMARK
FINLAND
NORWAY
ICELAND



Contract manufacturers free up energy and capital

Medical device companies often want to focus on the development, sale and marketing of new applications. To revitalize this process while ensuring that capital is not tied up unnecessarily, the companies may outsource production to contract manufacturers like PartnerTech.

Among the driving forces of medical device companies is the growing demand for quality of life and the desire to live longer. As a result, new analytical and treatment methods are being pursued while some aspects of treatment are moving from expensive institutions to health centers and the home.

PartnerTech's Medical Equipment business area specializes in the development and manufacture of medical device products and analytical instruments in the life sciences.

Carl Lidén, Corporate Sales Manager, Medical Equipment, says, "We free up the time, energy and capital of our customers so that they can concentrate on their core operations. When we handle their production, they don't have to tie up capital unnecessarily or deal with the problems that volume fluctuations can cause. We develop and manufacture both modules and complete systems, as well as taking care of the storage, distribution and servicing of products, accessories and spare parts."

New customers are often recommended to us by the ones that we have worked with earlier. Some of our customers are Biotage, Gambro, Getinge, Gyros, Jolife, Phadia, Perten Instruments, Thermo Fisher Scientific, PerkinElmer and Finnzymes Instruments.

Taking an integrated approach

As a contract manufacturer, PartnerTech often gets involved at an early stage of product development but may begin later in the life cycle as well. When we start participating during the product development phase, the foundation is laid for cost-effective production and the time from concept to market launch is shortened. PartnerTech's project organization – which consists of development and production engineers, as well as assembly personnel – is structured with medical device and biotechnology customers in mind. To ensure superior quality, we use certified production processes and specific areas for the assembly of individual products. Our quality system meets customer requirements for global delivery.

"Most of our units are ISO 13485 certified," says Carl Lidén, "which is a pre-requisite in this industry."

PartnerTech's customer centers and plants in Sweden, Norway, Finland, Poland, the UK, the United States and China can adapt production to the specific requirements of each customer and product.

The plants in Åtvidaberg and Vellinge, Sweden – as well as Moss, Norway, and Vantaa, Finland – have special medical device skills. The first three are also Centers of Excellence with expertise in system integration, electronic components and enclosures.

"Our organization is set up so that our customers have a local connection at the same time as the structure and supply chain is global," says Carl Lidén. "Åtvidaberg focuses on systems that are subject to strict regulatory requirements, Vellinge on electronic components and point-of-care instruments, Moss on design and Vantaa on systems and point-of-care instruments.

"PartnerTech's units in Poland are often devoted to large-scale production of mature medical device products."



Diverse assignments

The assignments we receive from our customers are often comprehensive. Carl Lidén gives an example: "We handle both production and integrated assignments. When it comes to integrated assignments, we often get involved at the product development or new product introduction phase. If a customer has developed a prototype, we frequently streamline production on the basis of cost-effectiveness studies. Storage, logistics and spare parts management are often part of our integrated assignments. A third type of assignment is outsourcing, which involves reaching agreement with our customers on ways for us to take over all or part of their production. We have a well-established transfer process to make that transition as smooth as possible."

United States is usually a key market

Because new medical technology products and instruments tend to be technically sophisticated, they are associated with high development costs. Most companies focus on a launch in the United States, the single biggest market for many products, in order to recoup such investments. But due to the strict FDA approval process, it may be difficult to enter the U.S. market. Both the company that applies and its suppliers are subject to complex, extensive regulations.

"PartnerTech has passed several FDA inspections and meets QSR, 21 CFR Part 820 for medical device products," says Carl Lidén. "The purpose of the inspections is to ensure compliance with the law."

He adds that PartnerTech conducts regular trainings, preferably with customers, to maintain superior skills and expertise. Providing the same training to both employees and customers makes the work process much easier.

Page 94: Together with Jolife AB, PartnerTech developed an integrated solution for the LUCAS™ mechanical chest compression device. Ambulance and hospital personnel use the device to save the lives of people who have had sudden cardiac arrest. LUCAS™ has been used on app. 10000 patients since 2003. PartnerTech's assignment includes product development, verification, cost-effectiveness, manufacturing, final testing, spare parts management, inventory management and distribution. PartnerTech's responsibility for production also ensures flexible volumes.

This page: Each customer center is responsible for its geographic market. Every product is manufactured at the plant that is most suitable in terms of expertise, costs and distribution.

PARTNERTECH

PartnerTech develops and manufactures products under contract for leading companies, primarily in telecommunications, IT, the engineering industry and medical technology. With approximately 1,800 employees at its plants in Sweden, Norway, Finland, Poland, the United States and China, PartnerTech reported sales of approximately SEK 2,6 billion for 2007. PartnerTech AB (www.partnertech.com), the parent company, has its head office in Malmö and is listed on the OMX Nordic Exchange in Stockholm.