

Medical Devices Company Introduces Record Number of New Products Using Agile PLM

Business Challenge

Rapid Growth and New Platform Design Process

“In our business we have to introduce a new product every month,” explained Rich Christensen, senior vice president of operations for ArthroCare, a medical device company that manufactures minimally invasive surgical products. “Our competitors have sales forces that are larger than our entire company, so we have to be on top with new product introductions.”

To maintain its success, ArthroCare needed a streamlined product development process based on an electronic product record. A driving factor was the company’s move to a philosophy and process focused on developing solutions for individual diseases and conditions to a platform-based product development and manufacturing method based on ArthroCare’s core platform technology called “coblation”. This new approach enables ArthroCare to expedite product development by quickly and efficiently modifying previous product designs to meet changing market needs.

The global growth of the company was another driving factor. With R&D and manufacturing facilities located in the US, Europe and Central America, the company required a centralized product record that was easily accessible by ArthroCare employees around the world.

“Before Agile, if I was overseas at a meeting and I wanted to know what was happening with a key product development project, I couldn’t find out until the next morning,” said Michael Baker, ArthroCare’s CEO. “And I would have to track down the right person who would then have to track down the paperwork.”

Innovative product development depends on an up-to-date and accessible product record. Even with the substantial amounts of documentation required to participate in the medical business, however, the ArthroCare product record was all manual before they implemented Agile PLM.

“People were passing red folders for signatures from desk to desk,” explained Christensen. “It would take several weeks to get through the review process.”

Solution

Global Access to the Latest Product Design Data

“As a fast-growing business, we needed to partner with a PLM solution provider that understood our needs and could grow with us,” said Christensen. “After an exhaustive partner selection process, we felt Agile was the best choice – and our experience to date has strongly validated this choice.”

ArthroCare implemented the Agile PLM solution, and now product development and manufacturing data are exchanged in real time. The same information that was previously printed out and carried in folders is now managed electronically in Agile and tied directly to the product record, enabling people in any of the company’s offices around the globe to access, view and edit that information.

At ArthroCare, about 70% of the staff work on the product development cycle in design, manufacturing engineering, tooling and production. Agile PLM has become a critical tool for all these employees.

“In our business, product development is the key,” said Baker. “Everyone is involved in product development including me. Agile has made our whole product development process much faster, more efficient and



CONTINUED ON BACK



BUSINESS

Designer and manufacturer of minimally invasive surgical products.

CHALLENGES

- ▶▶ Time-Consuming Product Development Process
- ▶▶ Manual and Unavailable Product Record
- ▶▶ Shift to Platform-Based Product Design
- ▶▶ Global Company Growth, Distributed Offices and Acquisitions

AGILE PLM RESULTS

- ▶▶ Faster Turnaround – reduced from two weeks to two days or less
- ▶▶ More New Products – faster time-to-market on record number of new products
- ▶▶ Cost Savings – improved product yield from 95% to 98%
- ▶▶ Improved Product Quality
- ▶▶ More Efficient Compliance
- ▶▶ Streamlined Acquisitions

“Agile has expedited our product development process, made us more efficient, and given us capabilities we didn’t have before to access and share information.”

- ▶▶ Michael Baker
CEO, ArthroCare

easier to manage because the product data is immediately available to me and all the key decision makers.”

Agile PLM helped ArthroCare streamline the product development process, communicate between international locations, boost productivity and minimize engineering changes, leading to faster time-to-market on critical new products needed to aggressively grab market share.

By supporting the migration to a platform-based development environment – which would have been very difficult using ArthroCare’s paper product record – Agile enables the company to leverage previous designs to rapidly meet the latest market demands.

Benefits Realized

- ▶ **Faster Turnaround:** Using Agile, ArthroCare has reduced turnaround time for processing changes from two weeks to two days or less.
- ▶ **More New Products:** “We have three large business units and they all want more new products,” Christensen said, “and they want them faster. We have been able to deliver that with Agile. We have record numbers of new products coming out now.”
- ▶ **Improved Product Quality:** Agile provides proactive reporting and resolution of quality assurance issues. “With Agile, ArthroCare can now move from being reactive to proactive,” said Trish Howell, senior director, materials management, ArthroCare. “By providing product knowledge and history to designers, we can eliminate the use of sub-standard parts in our new product designs.”
- ▶ **More Efficient Compliance:** Agile facilitates compliance with strict FDA regulations and deadlines. “Our quality system and compliance records are extremely important,” Christensen said. “Agile gives compliance auditors confidence in ArthroCare because they can see all our product records in one place.”
- ▶ **Streamlined Acquisitions:** “Agile is a great framework for guiding an acquisition, making it a much smoother process,” explained Christensen. “Agile helps speed the acquisition by a couple months because it tells everyone in the company what information they need and what format they need it in.”
- ▶ **Cost Savings:** Agile has enabled ArthroCare to improve product yield from 95% to 98%, providing a 3% savings on lost labor and materials – a savings which goes direct to company’s bottom line.

To learn more about how your company can get results with Agile PLM solutions visit www.agile.com or call an Agile representative closest to you.



How Products Become Profits™

Agile Software Corporation • 6373 San Ignacio Avenue • San Jose, CA 95119
Web: www.agile.com • Tel: (408) 284-4000 • Fax: (408) 284-4002

EUROPE ▶▶ Agile Software GmbH Karlsruhe, Germany Tel: +49 (0) 721 6291-0
Agile Software AG Egerkingen, Switzerland Tel: +41 62 387 78 87
Agile Software Ltd Bracknell, United Kingdom Tel: +44 (0) 1344 742800
Agile Software GmbH Salzburg, Austria Tel: +43 662 45 73 38-0

ASIA ▶▶ Agile Software Limited Taipei, Taiwan Tel: 886-2-26271010
Agile Software KK Tokyo, Japan Tel: 81-3-5338-9771
Agile Software Suzhou, China Tel: 0512 62526871

Visit our web site for a complete listing of Agile locations worldwide.

Copyright © 2005, Agile Software Corporation. All Rights Reserved. Agile, Agile Software, the Agile logo and the designated trademarks herein are trademarks of Agile Software Corporation in the U.S. and/or other countries. All other brands or product names are trademarks or registered trademarks of their respective holders.

CS-ARTHRO 041805

ArthroCare chose Agile PLM for the following capabilities:

- ▶ Easy and effective change collaboration
- ▶ Integration of engineering product records with manufacturing
- ▶ Global on-demand access for multiple locations
- ▶ Compliance management for Quality Assurance and government regulations
- ▶ Streamlined incorporation of product records from acquisitions

“Agile has made our whole product development process much faster, more efficient and easier to manage.”