



Customer: Invatec

Web Site: www.invatec.com

Customer Size: 800 employees

Country or Region: Italy

Industry: Manufacturing—High-tech and electronics manufacturing

Partner: MHT

Customer Profile

Founded in 1996 and based in Brescia, Italy, Invatec is one of the world's leading manufacturers of minimally invasive medical devices that vascular surgeons use to treat a variety of critical health conditions.

Software and Services

- Microsoft Dynamics
 - Microsoft Dynamics AX
 - Microsoft Dynamics Sure Step

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Medical Device Maker Ensures Rapid Time-to-Market, Strengthens Competitive Edge

“In only 45 days, MHT helped us set up our new distribution center in New York. This is a major advance for us in terms of our capacity to rapidly deliver products to an important and growing market in the United States.”

Roberto Cavicchini, Information and Communications Technologies Manager, Invatec

Business Needs

Invatec specializes in developing and distributing minimally invasive vascular interventions, which surgeons can use to unblock and repair clogged arteries. The company competes directly against industry giants, such as Johnson & Johnson, for a share of the estimated U.S.\$300 billion global medical devices market. From 2004 to 2009, Invatec's revenue grew from \$30 million to more than \$100 million.

The company derives its competitive advantage from the speed of its product development life cycle. Whereas larger companies typically allow up to a year of development time for new products, Invatec historically has been able to roll out new products in under six months—from design and proof of concept to market release.

For five years, the company relied on several stand-alone systems to handle accounting, production, quality control, and inventory management. In addition, its main accounting system did not provide multilanguage or multicurrency functionality. Without a single fully

integrated system, the company was unable to maintain its hallmark efficiency, a problem compounded by its rapid growth. “There was always a lot of paper moving back and forth between departments, especially between quality control and production, which slowed things down,” says Roberto Cavicchini, Information and Communications Technologies Manager at Invatec. “And, without logic built into the system to handle transactions between locations in different countries, it was practically impossible to get a current, consolidated assessment of the business.”

Company leaders recognized that, to successfully pursue opportunities in markets with substantial growth potential, such as the United States, Invatec needed to standardize its global operations on a single, fully integrated enterprise resource planning (ERP) system.

Solution

After evaluating several ERP systems, including products from SAP and Oracle, Invatec selected Microsoft Dynamics AX for its broad-based functionality; flexible, familiar architecture; and built-in support

for multicountry and multilanguage operations. Working with Microsoft Gold Certified Partner MHT, Invatec implemented Microsoft Dynamics AX at five of its design, production, and distribution locations in Italy, Switzerland, and the United States.

Rapid, Dynamic Implementation Process

Invatec set a timeline of 10 months for full deployment of the solution. To verify the basic capability of each IT service provider to meet this goal, project leaders required these organizations to first validate the use of a rigorous implementation methodology. In particular, the organizations needed to demonstrate the use of a methodology with a standardized framework and set of tools to meet the regulatory requirements that apply to the life sciences industry. "We took advantage of the Microsoft Dynamics Sure Step methodology to increase our competitiveness during the sales and bidding process," says Franco Coin, Owner of MHT. Cavicchini agrees: "We saw that the structure and logic of the Sure Step methodology, combined with all of the templates and best practices, offered the best approach to help us meet our goals."

The Sure Step methodology helped MHT quickly adapt to change requests, including Invatec's decision to deploy the solution to a newly established distribution facility in the United States. "We were able to reuse the Sure Step development and deployment templates to streamline the installation of the solution at the new location," says Coin.

Single System to Connect Global Production Processes

With Microsoft Dynamics AX, Invatec now has the ability to seamlessly connect its production processes across multiple locations. Field sales staff can use the customer relationship management module to input information received from medical professionals around the world on ways to

improve products. That information is instantly available to the company's research and development team members in Italy and Switzerland, who incorporate feedback from the field into developing new prototypes. To shorten the development life cycle for its products, the company's manufacturing teams build certain components in parallel with the design process. "The integration of the life-cycle management and production-planning modules in Microsoft Dynamics AX is critical to our ability to make adjustments as product specifications change," says Cavicchini.

Comprehensive Toolset for Enhanced Supply Chain Control

To comply with industry standards and specific government regulations in the geographies it serves, Invatec must be able to trace production inputs across its supply chain to specific finished goods. The company uses built-in lot traceability capabilities in Microsoft Dynamics AX to automate and streamline this task. In addition, MHT helped Invatec implement Qpo.AX, an add-in for Microsoft Dynamics AX designed to help companies in the life sciences industry rate vendor performance to ensure maximum quality control.

Benefits

By implementing Microsoft Dynamics AX, Invatec has increased the efficiency of core business functions, such as warehouse management. In addition, the company can ensure a standardized approach to handling transactions and maintaining compliance with government regulations across its locations worldwide.

Projected Reduction in Warehouse Operations Costs by \$150,000 in Six Months

With improved control of its supply chain and clearer visibility into inventory through

Microsoft Dynamics AX together with Qpo.AX from MHT, Invatec will be able to streamline its warehouse operations. "In six months after deploying the solution, we will be able to reduce our total annual warehouse staffing costs at our largest facility by more than 10 percent for a savings of around \$150,000," says Cavicchini. The company will achieve this savings by automating tasks that employees previously performed by hand, such as manual inventory counts.

Gained Greater Agility Through Reduced Lead Time

Because Invatec can plan faster production, distribution, and delivery of its products, the company can commit to lead times as short as 24 hours. The company's ability to quickly provision the solution to its new U.S.-based distribution center has also played a key role in enabling Invatec to speed market delivery of its products. "In only 45 days, MHT helped us set up our new distribution center in New York," says Cavicchini. "This is a major advance for us in terms of our capacity to rapidly deliver products to an important and growing market in the United States."

Improved Compliance

Invatec takes advantage of the multicountry functionality in Microsoft Dynamics AX, in conjunction with features such as lot traceability and role-based compliance centers, to ensure adherence to government regulations across its global operations. Says Cavicchini, "With Microsoft Dynamics AX, we have a standardized way to handle compliance for any market that we operate in, which gives us greater confidence to pursue growth opportunities."