

---

## Adapting Medtech Supply to COVID-19 Demand



---

A recent report from McKinsey looks into the challenges manufacturers and suppliers of medtech products have been facing since the start of the COVID-19 pandemic.

You might also like: [Through Crisis to Better Healthcare](#)

With demand for such products, e.g. isolation gowns, nasal swabs, or masks, soaring beyond any expected peaks, market players had to adjust their strategies to meet it as efficiently as possible. The report outlines three typical stages of this process.

- At stage one, existing inventory is used to satisfy the growing demand, but it is quickly exhausted leading to protective allocation of products by manufacturers and distributors.
- At stage two, there are attempts to rapidly increase production, but here various bottlenecks, such as limited production capacity or shortages of supplies, emerge.
- At stage three, public health interventions, such as lockdowns and travel restrictions, result in further supply chain disruptions.

Drawing from the prior experience in the industry, the authors highlight five strategic measures to unlock supply, but warn that “none is a silver bullet.” The choice of a particular intervention depends on the specific product and where bottlenecks lie.

### Five Interventions

**Maximise usage of available supply.** This requires a clear, real-time view of the current distribution of supplies across the regions and facilities to match them with demand and synchronise logistics. Absence of such a monitoring system may lead to time-consuming tracing of supplies and unnecessary competition among healthcare providers.

**Redeploy existing inventory from other industries.** Medtech products can be available from other industries, such as construction, but the issue of technical standards must be addressed by regulators.

**Optimise use of existing capacity** addressing the issues such as equipment failure, suboptimal production rates, and poor quality, among others. On the other hand, bottlenecks may emerge not only in manufacturing but also in distribution, so suppliers need to evaluate their end-to-end supply chains.

**Establish new manufacturing capacity.** This particular option requires significant resources in terms of capital, time and workforce and many regulatory demands must be met. Two alternatives are described here, namely reaching out either to manufacturing organisations with relevant capabilities or to manufacturers from other fields, e.g. automotive or electronics.

**Develop new specifications and designs.** Since the start of the COVID19 pandemic, the examples have been plenty, including CRISPR-based diagnostic detection and emergency ventilators manufacturing.

The authors conclude with four major “lessons learned.” First, they note that none of the strategies described above is a ‘silver bullet,’ and there are no simple solutions to the current challenges. Second, it is utterly important to have a comprehensive real-time view of a supply chain, but in practice this is, unfortunately, an exception. Third, there are considerable risks in relying on a single supplier, which should be kept in mind by manufacturers and regulators alike, whose approaches might hinder the use of alternative sources of supply. And finally, the pandemic has

© For personal and private use only. Reproduction must be permitted by the copyright holder. Email to [copyright@mindbyte.eu](mailto:copyright@mindbyte.eu).

shown that rapidly establishing new medtech capacity is possible, but it remains to be seen if this rate of acceleration will be sustained in the future.

Source: [McKinsey](#)

Image credit: [JohnAlexandr](#) via [iStock](#)

Published on : Sun, 6 Sep 2020