



Success Story

Medical Device Company Scales Operations to Meet 10-year Growth Plan



A medical device company dedicated to advancing cancer diagnostics has dedicated the last 150+ years to tackling pathology challenges head on, from better slide production to world-leading Digital Pathology empowering AI development. Continuous improvement drives their team, so when the experts realized their US storage and distribution operations could not scale to meet their 10-year growth plan, the company partnered with Alpine Supply Chain Solutions to architect a plan.

The Challenge ▶

A Tiered Approach to Operational Improvements

The company's growing line of pathology equipment includes tools for specimen preparation and processing including instruments and consumables, stainers and coverslippers, digital pathology and slide scanners, and more. To accommodate expansion, the organization determined they would need to more than double the size of their warehouse. But because building a new facility would be an enormous effort that took some time, the company decided to analyze their current operations before breaking ground.

Alpine performed a Best Practice Assessment (BPA), an exercise designed to help organizations uncover opportunities for improvement while benchmarking their operations against competitive, best in class operations. The focus of this BPA was to identify and quantify best practices that could be implemented in the company's existing facility to make the current operations as efficient as possible.

They could then transition these processes seamlessly into the new site once built. The medical device manufacturer was quick to implement wins in the fast pick area while also streamlining the process for products shipped without overpack.

The manufacturer also tapped Alpine to help them confirm the proper size and layout of their new facility. To do so, Alpine embarked on a Storage Type Analysis (STA) to assess the ideal size and quantity of storage equipment required for the company's Forward Picking and Reserve Storage locations. According to Ron Rafe, a Managing Director at Alpine, "We immediately saw that moving from their current facility which had a ceiling height of 16 ft to a new facility with a ceiling double clearance would afford new storage opportunities and methods. Right sizing storage locations was a key takeaway from the STA. Numerous carton flow locations were removed from use as they did not match well with product profiles.

One item the medical device manufacturer carries is wax which had very different requirements from their other components and consumables. In the end, it was decided that pallet flow storage would be best suited for the fast-moving heavy weight, lot controlled, wax products, while small bin storage would be a better fit for smaller, slower moving items. To create the flexibility to adapt to changing global markets, the wax pallet flow will be implemented as single select pallet rack. This means the facility can delay an investment in the more expensive pallet flow until the storage density is needed.

Moving Forward ▶

The organization is currently breaking ground on their new 80k sq ft facility and has plans to fully transition operations to this building in early 2024. The new facility will offer:

- **Room to grow**
- **Bigger cooler space**
- **Separate hazardous goods and non-water miscible rooms**
- **Upgraded risk management**

The new facility will launch SAP WM in place.