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INVERNESS MEDICAL TAKES AN INNOVATIVE APPROACH TO LEAN
*Maine MEP Helps Scarborough Plant Create New Production Layout and Save
Hundreds of Thousands of Dollars in Operation Costs*

SCARBOROUGH, ME – Inverness Medical Innovations is a major global developer of diagnostic products to assist laboratory and healthcare professionals in both preventative and interventional medicine. At their plant in Scarborough, Maine, they manufacture diagnostic kits to detect the flu and other communicable diseases. But because diseases such as the flu are more common in the colder winter months, their facility experiences extreme swings in demand for their kits. Inverness has relied on an influx of temporary labor to accommodate these swings, as well as build up stock for the busy times.

“Unfortunately, the product has a shelf life limitation, which posed a challenge to us. Also, the sub-component pieces of our products must all be serialized for traceability, and we had to make sure that continued to happen per SOP (standard operation procedures) in order to prevent potential costly product recalls or field corrections,” said Jason Hallee, director of operations at Inverness Medical Innovations. “We enlisted the help of the Maine Manufacturing Extension Partnership (Maine MEP) with the hopes that they could help us find ways to improve our facility layout and help adjust to demand fluctuation.”

“The first step at Inverness was to have the operations managers and production workers utilize the Lean Manufacturing techniques of Value Stream Mapping and Kaizen events. We mapped out their existing facility and then optimized their facility layout using new automated equipment in a flexible manufacturing cell orientation, and created one continuous flow and balanced line,” said Larry Robinson, project manager for the Maine MEP. “This, and the rapid improvements gained through Kaizen events allowed Inverness to adjust to changes in daily demand by quickly reorganizing their capacity on an as-needed basis.”

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The Maine MEP also helped the Inverness team devise a project to reduce lead-time to finished goods from an average of 25 days to 2.5 days, which is a 90 percent reduction, and to accomplish this in 90 days. Other improvements included a labor reduction of almost 18 percent, which results in the reduction of three percent in the cost per device.

“We will be able to reduce our reliance on temporary contract labor during our busy season, now that we’ve created a continuous flow on the production line,” added Hallee. “The in-line process forced us to change the way we quality control tested the product and that resulted in reducing the risk of batch failure and mix-ups in products during kit assembly. In the end, we have projected a savings of \$250,000 in operations costs annually. I was very impressed with the professionalism and real world experience that Larry and his team brought with them to Inverness Scarborough and would recommend this service to any manufacturing site, as it’s a great value and will deliver concrete results.”

The Maine MEP is an affiliate of the NIST under the U.S. Department of Commerce. The national MEP is a network of manufacturing extension centers that provide business and technical assistance to smaller manufacturers in all 50 states, the District of Columbia and Puerto Rico. Through MEP, manufacturers have access to more than 2000 manufacturing and business “coaches” whose job is to help firms make changes that lead to greater productivity, increased profits, and enhanced global competitiveness. For more information on the Maine MEP program call 1-800-637-4634.

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