rootstock CLOUD ERP | MEDTECHDIVE

Manage Growth and Uncertainty with Rootstock Manufacturing Cloud ERP on the Salesforce Platform



For medical device manufacturers, these are the best of times, and these are the worst of times, to paraphrase Charles Dickens, from "A Tale of Two Cities."

Over the past decade, there has been explosive demand for medical devices, a trend spurred by an aging population with health issues. But increased competition, along with supply chain issues as a result of the pandemic, have tempered this demand. Today, two key factors separate some medical device companies from the rest: speed to market and cost containment.

Finding the right operating technology is one of the most important choices medical device manufacturers can make to get to market quickly while keeping costs down. Unfortunately, new and early-stage medical device manufacturers often use manual processes and/or disconnected point solutions for financials, customer relationship management (CRM) and compliance, and are therefore unfamiliar with state-of-the-art options.

In order to grow, manufacturers need to eliminate errors, friction and gaps that keep the business from capturing current and future opportunities. A lack of integrated business systems is often the root cause for many of these issues.

A cloud-based manufacturing enterprise resource planning (ERP) system is a great place to start when it comes to addressing friction points. While streamlining and automating common business processes, enterprise resource planning systems also provide real-time data for actionable decision-making, enable innovation and continuous improvement to fuel growth, and offer the ability to pivot and respond to disruptions and opportunities rapidly.

The ultimate ERP benefit:

Enable your company to respond to more revenue opportunities while reducing costs and risk.





Choosing an ERP

Choosing the right ERP system is essential if you want to achieve your business goals while also building a foundation for future operational improvements. It takes time to find a cloud ERP solution both designed for medical device manufacturers — including capabilities for all of the unique regulatory challenges of this industry — and configurable to support your specific business needs.

The right cloud ERP will also empower your teams to work smarter, connect with data from across your business and give you actionable 360-degree visibility into your business, suppliers and customers. It should also be accessible by both on-site and remote employees, which is important in today's business environment where employees can be on-site, remote or traveling to meet with customers.

Cloud-based ERPs, which can be deployed, maintained and monitored centrally, are the solution of choice for medical device manufacturers. IT benefits include simplifying infrastructure, reducing downtime for business continuity and scalability. Cloud-based systems are especially important for those without a large IT staff and with remote team members.



> We are just beginning to see the power of this next-generation technology platform

DAVID BURTON,
senior solution architect at Rootstock

But not all cloud-based ERPs are alike.

"Many ERPs that are now available through the cloud were not originally built for the cloud," said David Burton, senior solution architect at Rootstock, a global cloud-based ERP provider. "And many of those systems are based on 30-year-old technology. They are essentially on-premise solutions that have been moved to the cloud in a hosted model."

Rootstock, however, "is based on a cloud-only technology stack that has been developed over the course of the last 20-plus years," he said. "We are just beginning to see the power of this next-generation technology platform."

Rootstock is the premier supply chain-focused cloud ERP built on the Salesforce Platform. It connects easily with other Salesforce products, as well as applications built natively on the platform available through the AppExchange. Just like you add apps to your phone, you can add apps for your business with the added value that the apps work together.

Together, Rootstock and Salesforce provide a "manufacturing operating system" to grow and manage your manufacturing business with a comprehensive view of your customers and supply chain.



SPR Therapeutics - Rapid Growth Aided by Rootstock Cloud ERP

"We've doubled revenue for the last three years," said Ben Austin, chief financial officer of SPR Therapeutics.

"If we didn't have Rootstock Software, we wouldn't have been able to grow," he said.

SPR Therapeutics, headquartered in Cleveland, Ohio, manufactures a minimally-invasive and short-term implant device that offers chronic pain relief. Its SPRINT PNS® System, which delivers temporary peripheral nerve stimulation (PNS), has been studied broadly in clinical trials, and has been shown to provide significant and long-term relief for 70% of users for chronic pain in the back, shoulders, knees, feet and ankles. The treatment is an alternative to ablation, permanent implants or surgery without the worry about addiction to opioids.

SPR just celebrated 10,000 Sprint PNS Procedures.

The Challenge

SPR Therapeutics launched its second-generation PNS device in late 2018 to strong sales. But Austin quickly identified operational issues that would hamper growth.

"We were the typical small business with siloed systems," said Austin. Specific areas of concern included:

Inventory Management

"Rapid Inventory was the software we used to track inventory, and it was integrated with Quickbooks through a batch processor that failed several times a day," Austin said.

Quality Control

"We used IQS for quality management, but it was inefficient," he said. "Everyone in quality control input information into Word documents," he said.





Financial Data

Since systems didn't talk to each other, it could take days to determine key financial metrics such as revenue. SPR used a basic Zoho CRM system that didn't integrate data with Quickbooks. To determine revenue, the information needed to be manually reconciled. The company often looked back four days or more to gain this information.



Complaint Management

"As an FDA-approved product, the FDA regulates many of our processes," said Austin. "We must record complaints in an accurate and efficient manner." Prior to using Rootstock, complaints were tracked manually via a Word document sent through email. Every complaint submission was touched by a variety of people, from quality, compliance, engineering, sales and R&D, which made it challenging to manage the resolution and quality control processes.



Order Processing

Before Rootstock, the company used a manual system for sales orders. "Salespeople filled out a paper sales form and emailed it to the accounting team," said Austin. "The accounting team would generate an invoice through Quickbooks, attach it to an email and send it to the customer." This process led to a delay in accounts receivable and a decrease in productivity.

With an eye on the future, Austin asked the leadership team and board to move from manual processes and systems that didn't talk to each other to an integrated ERP platform. The company chose Rootstock, which went live at SPR on Aug. 1, 2019. Shortly after that, COVID-19 hit.

"Sales came to a standstill in March 2020," Austin said. "In April, I asked our sales operations manager to create functionality in our system that would allow salespeople in the field to provide critical data on our customer base. Based on that information, our team was able to start selling again in May 2020, which was a record sales month for us. We've continued having record sales months ever since."

An ERP That Made Growth Easier

Austin listed the three biggest benefits of using Rootstock at SPR:



1. Scalability and customization

"Rootstock has been able to grow and scale with us as our business grows," Austin said. "That's important, because our employees have fully embraced the Rootstock platform," he said. "They see the potential and are coming up with new ideas and enhancements they would like to see on the platform. In fact, we have so many project requests, we can't keep up with the demand."



2. Integration of the platform and workflows

Once Rootstock's ERP was in place, the inventory, sales, financial, customer service and quality processes worked together seamlessly, with no need for manual intervention. This helped sales, and the company also made quantum leaps in productivity. One example: Prior to Rootstock, one employee spent 80% of his time managing the manual quality process. Today, that employee is now the quality control manager, who spends their time visiting suppliers for onsite quality checks, as well as making sure products are working as intended. Another example: After Rootstock was deployed, the complaint management system was overhauled. Today, sales are up, and the number of open complaints are down. "We are closing complaints faster and sharing information with all team members, increasing quality and regulatory adherence because of the integrations built," Austin said.



3. Transparency and analytics

While all team members benefit from this, it is especially helpful for the leadership team. "Our CEO Maria Bennett uses the system every day," said Austin. "Our senior vice president of sales also uses the system daily to get the data he needs."



Side Narrative: The Power of Salesforce

In 2012, Rootstock launched its ERP based on the Salesforce Platform. Why did it choose Salesforce?

Over 150,000 companies around the world use Salesforce, which is the third-leading technology provider in the world. Best known for its flagship CRM application, Salesforce now markets the world's most robust next-generation cloud platform to support enterprise systems that automate business processes.

150,000+

companies around the world use Salesforce



Known as a platform that is secure, compliant, reliable and highly scalable, Salesforce keeps technical infrastructure up-to-date, so Rootstock can focus on innovating and improving on the solutions it offers customers.

The Salesforce Platform enables low-code tailoring of applications and provides an easy way to connect to other Salesforce cloud solutions and eco-system applications through a single common data model – which requires no manual integration. The platform enables configuration to tailor the solution to users' specific requirements. In addition, there are over 4,000 applications built on the Salesforce Platform, including Rootstock.

"The underlying technology stack is based on Salesforce's industry-leading, low-code technology, which has over three million people developing the platform at any given time," Burton said.

"Most medical device manufacturers we speak with have heard of Salesforce, and more than half of our customers already use Salesforce for CRM," he said.



ComplianceQuest

ComplianceQuest (CQ) is a Rootstock strategic partner. It provides medical device manufacturers with an AI-powered next-generation quality and safety management platform also built on Salesforce. Rootstock and ComplianceQuest are complementary and are often implemented as part of a company's overall technology infrastructure, as was the case with SPR Therapeutics.

"ComplianceQuest is pre-validated for the Life Sciences industry and easy to implement, use and maintain, allowing for streamlined communication and collaboration across the entire product value chain, from engineering, R&D to Customer Satisfaction," said Nikki Willett, chief strategy officer and vice president of industry solutions at CQ.



Rootstock and ComplianceQuest work together to provide a full quality and compliance solution that is ideal for medical device manufacturers. One way they accomplish this is through supplier management. Rootstock suppliers, stored in Salesforce accounts, can be leveraged by CQ as part of its supplier quality management solution, which keeps a pulse on supplier performance and traceability throughout the supply chain.

CQ and Rootstock also work together to improve the complaint management process. Through process automation, Rootstock data on parts and materials can populate CQ parts needed for both supplier quality performance as well as understanding which parts may be causing issues with products receiving customer complaints.

Additional processes benefiting from Rootstock and CQ's collaboration include receipts and work orders. When Rootstock determines that an inspection is needed for parts, products or work orders, an inspection record is automatically generated in CQ. ComplianceQuest then handles all of the inspection activities and pushes the result of pass/fail back to Rootstock. For any failed inspections, CQ creates a nonconformance disposition task for somebody within Rootstock to act on the data and handle the material transactions accordingly.



Implementing Rootstock

"Once the decision has been made, it generally takes six to seven months to deploy Rootstock, depending on the size of the organization, its complexity and the level of participation from the customer," said Burton.

Rootstock will assign an implementation team. The team will sit down with each customer team and map out business processes. When possible, this is done in person.

The process is comprehensive. "They met with key players on our team and spent 40 hours with us on that part of the project alone," Austin said.

Then, the implementation team puts together a "straw man" configuration for the software and completes a pilot launch. The team makes changes based on the customer's feedback, which usually is complete after two or three iterations of changes.

Before Rootstock is live, the implementation team trains employees, either on site or remotely, through the web.

Rootstock also followed Salesforce's industry standard for web-based training to create its own web-based training and certification program.

Additional software, such as ComplianceQuest, is generally added one or two months after Rootstock goes live.

Sometimes, implementations are even faster.

"We implemented Rootstock and ComplianceQuest in four and a half months, not three years like you would do with something like SAP or Oracle."- Tim Purdie, CIO & CISO of Aphria.

rootstock®
CLOUD ERP

Rootstock Cloud ERP is the platform of choice for medical device manufacturers.

Built inside of the industry-leading Salesforce Platform, Rootstock provides a single source of truth for all functions to streamline all parts of the business process – including sales, marketing, financials, customer service, supply chain, manufacturing, quality, inventory traceability, compliance, distribution and sales.

Rootstock also connects directly with ComplianceQuest to manage every aspect of the life sciences quality control and compliance processes.

When you are ready to grow, we are ready to help.

Learn More



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