



MEDICAL SUPPLIES AND DEVICES COMPANIES

WHY DISTRIBUTION AND INVENTORY MANAGEMENT ARE CRITICAL

Medical supplies and devices companies manufacture and distribute products that help with the diagnosis, mitigation, treatment or prevention of diseases. According to the [World Health Organization \(WHO\)](#), the world market supports approximately two million different medical devices, which are broken down into more than 7,000 generic devices groups. Whether gloves, gauze and syringes or defibrillators, sterilizers and MRI machines, these products are essential to the health and well-being of every person (and let's not forget every animal) in the world.

BECAUSE THEY ARE SO CRITICAL, medical supplies and devices companies know they must be affordable and be able to reach their end users on time. Meeting these objectives may be easier said than done when the external and internal challenges the medical supplies and devices industry face continue to grow.

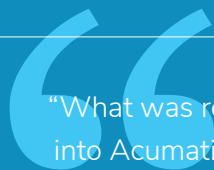
External challenges include the COVID-19 pandemic, growing competition, tightening safety regulations and potential product recalls. Internal challenges include use of outdated, non-industry-specific business management solutions that produce data silos, inaccurate inventory, compliance issues, no real-time visibility and more.

What's the answer? Researching, selecting and implementing the right [medical supplies software](#) and [medical devices software](#) within a comprehensive [Cloud ERP](#) solution.

Medical supplies and devices professionals who follow these steps equip themselves with the distribution and inventory

management tools they need to [overcome external and internal challenges](#) and meet (and exceed) customer demands. They will also equip themselves to rise to the top of the industry market—a market that is, according to [Fortune Business Insights](#), “projected to grow from USD 455.34 billion in 2021 to USD 657.98 billion in 2028 at a CAGR of 5.4% in the 2021-2028 period.”

In essence, they achieve true operational efficiency, which leads to operational success.



“What was really beneficial is that NexTec didn't just try to map our current processes into Acumatica. They made recommendations for ways we could adapt our processes to be more efficient, more streamlined and more effective. That was hugely valuable to us and our operations are better for it.”

- Bryan Deszell, Manufacturing Manager at [InBios International](#)

Operational Efficiency and Success with Distribution and Inventory Management Software

THE IDEA OF OPERATIONAL EFFICIENCY and the practice of operational efficiency are worlds apart.

When medical supplies and devices companies plan to inventory, manufacture and distribute their products quickly and accurately but haven't invested in industry-specific software, their plan is just an idea. The reality is that they and their teams will spend countless hours—and unnecessary resources—on manually counting inventory, creating inefficient production schedules, transferring items between warehouses, locating items and logging shipments.

The practice of operating efficiently requires [medical devices management](#) software and a cloud-based ERP solution, like [Acumatica Cloud ERP](#). Built for the industry's needs, Acumatica automates these inefficient and manual processes. Additionally, financial management, production order and tracking, governance and compliance and client management are integrated within one, centralized system that is accessible from any location at any time.

Per NexTec's [ERP Selection Guide for Medical Supplies and Devices Manufacturers and Distributors](#), data from every department is shared and synchronized within the Cloud

ERP solution. This results in “real-time visibility across all departments. When finance and accounting have access to critical warehouse data, leaders can ensure forecasting accuracy and improve customer service.”

Connected Cloud ERP solutions help companies track inventory in real time (including tracking each part by serial/lot number and expiration date), modernize warehouse processes (including the automation of the aforementioned manual tasks) and ensure quality and compliance (including cutting down of human error and simplifying compliance measures). But's that not all.

They can also help streamline the picking and packing process, getting products into customers' hands faster and with greater accuracy. The NexTec ERP Selection Guide notes, “With integrated technology, you can scan items at packing stations to verify against sales orders. Batch picking functionality inherent in ERP software automatically groups orders in the most efficient way to make the best use of workers' time. Orders that include the same items or items located near each other are picked together to improve productivity.”

“We didn't trust our inventory numbers before. But now, we've got confidence in our numbers and are able to keep our stock at optimal levels. Thanks to the automated workflows in Acumatica, we've increased efficiency and cut the time it takes to report on production activity by over 50%.”

- Houston Lee, CFO of [DAS Medical Holdings, LLC](#)

Benefits of Distribution and Inventory Management Software

The medical supplies and devices industry is very competitive. According to [SelectUSA](#), a US government-wide program that was established to facilitate business investment in the United States, it's also an industry driven by innovation. "Since innovation fuels the medical device sector's ongoing quest for better ways to treat and diagnose medical conditions, when coupled with patient life expectancy increasing and aging populations globally, the medical device sector should continue growing at a positive rate in the future."

That's excellent news for the over 80% of US medical device companies that have fewer than 50 employees. These small-to-medium-sized businesses (SMBs) need affordable and modern Cloud ERP solutions, like [Acumatica](#), that provide the specific financial, distribution, inventory, warehousing and customer service functionality they need to compete.

When they take advantage of these features, they experience the following distribution and inventory benefits:

1 Reduce Time-Consuming Manual Involvement

The purchase order workflow approval eliminates the multi-step, inefficient bureaucratic process with an automated and reduced touchpoint process.

2 Manage All Warehouse Functions with Integrated WMS

An integrated Warehouse Management Solution (WMS) streamlines warehouse operations and increases productivity. It manages all functions of your warehouse, including barcode scanning and verification of picked items; automated picking, packaging, PO receiving, put aways, transferring and physical counting tasks; lot and serial tracking; and pre-printed smart scan sheets for hands-free operations.

3 Run Global Warehouses and Logistics in Real Time from Anywhere

A Cloud ERP solution's mobile capability allows users to access current business-critical information from any location, at any time.

4 Effectively Integrate the Cloud ERP with Other Control Systems

Acumatica's open platform provides integrated business functions (e.g., Financials, CRM, Manufacturing, Distribution, Project Management and Field Services) in one system while also allowing for seamless integration with third-party applications.

5 Automate your Warehouse with Integration Between WMS and Salesforce

Eliminate manual data entry and automate processes through a WMS and Salesforce integration.

6 Ensure Inventory Accuracy with Sales Order and Fulfillment Center API Integration

Update and sync item fulfillment, sales orders and more in real time between Acumatica and Salesforce.

7 Track Products by a Variety of Attributes

Track products by lot or unit, by storage types (refrigerated, climate-controlled, advanced-security) and by compatibility of products between location to ensure inventory is handled properly. Accurate and drilled-down inventory tracking is critical for medical supplies and devices professionals, and cloud ERP software provides this essential functionality.

Moving from manual, time-consuming activities to automated warehouse processes saves medical supplies and devices companies time, money and effort. Their operational efficiency is no longer an idea but a legitimate plan. And that plan contributes to the companies' overall success.

“We can now track lot numbers within the system with forward and backward traceability. Before [Acumatica], lot tracking involved too much time, too much paper and lots of manual tasks.”

- Bryan Beszell, Manufacturing Manager at [InBios International](#)



The Next Steps with NexTec and Acumatica Cloud ERP

IT'S A FACT THAT MEDICAL SUPPLIES and devices companies are under pressure to manufacture and distribute high-quality, affordable products while facing the overwhelming challenges already addressed. [Mercer Capital](#) adds one more challenge: Third-party payors re-evaluating payment policies due to rising healthcare costs.

Thankfully, the business valuation and financial services advisory company agrees with SelectUSA that there's hope for the future. "Demographic shifts underlie the long-term market opportunity for medical device manufacturers. While efforts to control costs on the part of the government insurer in the US may limit future pricing growth for incumbent products, a growing global market provides domestic device manufacturers with an opportunity to broaden and diversify their geographic revenue base. Developing new products and procedures is risky and usually more resource intensive compared to some other growth sectors of the economy. However, barriers to entry in the form of existing regulations provide a measure of relief from competition, especially for newly developed products."

Medical supply and devices professionals have a challenge-filled journey ahead of them, but it's filled with great opportunities. Taking advantage of these opportunities requires having the proper distribution and inventory management tool in place, and that tool is medical supplies software and medical devices software within a Cloud ERP solution.

Choosing the right solution is key to ensuring success. The selection process involves

assembling a project team, conducting a business process review and evaluating ERP solution options based on a company's specific requirements. [NexTec Group](#) can walk medical supplies and devices professionals through the process step by step.



We have been advising companies on industry-specific technology for over 26 years. Our consultants have experience working in the industries we serve, helping them establish close working relationships with our customers and earning us a 95% customer retention rate. We are dedicated to providing clear information so that our customers can make informed buying decisions, and we believe those who are in the medical supplies and devices industry should choose Acumatica Cloud ERP.

Acumatica is an award-winning, user-friendly ERP solution built for the cloud. It seamlessly integrates Accounting, Manufacturing, Distribution, Customer Resource Management (CRM) and more within a single, centralized system. Users have access to real-time, synchronized business data and

can access this data remotely whenever and from wherever they need. Further, Acumatica charges for computing resources used and not for each user added—a unique pricing model that sets it apart from the competition.

From order, inventory and purchasing management to customer relationship management, business and financial reporting, Acumatica has everything medical supplies and devices companies need to run efficiently and profitably. InBios, a company that specializes in the design, development and manufacturing of immunodiagnostic devices, found this to be true after implementing Acumatica's [distribution software](#) and [inventory management software](#).

InBios Manufacturing Manager Bryan Deszell says, “We believe in technology’s power to transform, and we selected NexTec and Acumatica to lead the effort. It’s our platform to build the business on going forward.”

To learn more about Acumatica Cloud ERP, [contact](#) NexTec Group. NexTec is committed to helping SMBs get the most out of the software they choose. We leverage our experience in ERP and the industries we serve to support your key initiatives and drive tangible growth across your business.



“Finding efficient ways to adapt operations and processes based on industry trends can help companies remain competitive and improve their bottom lines. To gain insight into business-wide data, streamline operations and reduce costs, leading medical supplies and devices companies turn to Acumatica Cloud ERP.”

- Jim Gross, Client Account Manager, [NexTec Group](#)



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About the NexTec Group

NexTec Group is an award-winning business software consulting firm with over 27 years of experience in implementing both Cloud and on-premise Enterprise Resource Planning (ERP) software and integrating them with Business Intelligence (BI) and Customer Relationship Management (CRM) solutions. With deep industry experience in medical supplies and devices, NexTec understands the challenges these companies face and provides solutions tailored to their specific needs.

As a gold-certified Acumatica partner, NexTec has one of the largest teams in North American and has been implementing Acumatica for customers since 2015.