

Improved Response Time; Cost Savings Realized Through Service Partnership

The Challenge

Haemonetics, a testing and supplies company, wanted to improve the customer experience but a backlog of service and repair requests for existing installed systems were creating issues for customers. Compounding the problem was that costs to provide service to customers continued to increase while customer satisfaction continued to decline.

As the company struggled to meet service demand, the situation was also dampening customer enthusiasm for Haemonetics' newest innovative equipment. Feedback from the field was that unhappy customers were reluctant to invest in new technology because they did not trust that they'd get the service support they needed when upgrading their equipment.

To attempt to remedy the situation, Haemonetics reassigned manufacturing staff to service functions including repairs and preventive maintenance. While those employees were technically proficient and able to provide quality service, they were now bogged down with service and repair requests which diverted their attention away from Haemonetics' new product launch. In addition, the company lacked the manpower necessary to reassign enough people to service and repair which meant they were unable to significantly reduce the remaining service backlogs. Facing increasing competition, Haemonetics needed to find a way to be more flexible and nimble with service while maintaining a sharp focus on innovation.

The Alpha Source Group Solution

Working with Alpha Source Group, Haemonetics quickly realized that the skyrocketing costs of maintaining and managing an in-house service department and repair depot was hampering their ability to innovate, eroding customer confidence and negatively impacting the bottom line.

Alpha Source Group proposed handling all Haemonetics equipment servicing through ASG depot centers strategically located throughout the country. This dramatically expanded Haemonetics' service footprint nationally. ASG's team of service technicians and engineers, who are experts in multiple OEM modalities, were able to immediately improve service and repair output, quadrupling the number of machines repaired monthly with a third of the work force and allowing Haemonetics to turn its attention to their upcoming new product launch.





Working with Alpha Source Group, Haemonetics outlined an aggressive 120-day start plan that would transfer the entire service function to ASG including the sourcing of all parts, setting up the infrastructure to support service including IT, and hiring and training personnel to Haemonetics' exacting standards, including all FDA, OSHA and DNR guidelines. Working quickly, the Alpha Source Group team exceeded the launch goal and was up and running within 60 days – less than half of the time period initially agreed upon.

With a successful transition to an outsourced service partner, Haemonetics was finally in a position to reorganize their manufacturing operation to become more agile, efficient and innovative to better meet the needs of their customers. As part of this reorganization, Haemonetics expanded their partnership with ASG to include the warehousing and shipping of all of their products to customers across the country.

The Results

Haemonetics realized:

- An immediate reduction in the backlog of prior service requests for monthly preventative maintenance and refurbishing by more than 50%. (Confirm)
- Reworked more than 2,000 pieces of testing equipment after the discovery of a manufacturing defect, saving time and money and improving device quality during a new product launch.
- Enhanced end-of-service-life (EOSL) equipment management for both legacy products and new equipment.
- Renewed focus on product innovation and manufacturing resulted in cost savings, and greater efficiency throughout the entire company.

“Alpha Source Group services our equipment better than our own staff, at a significantly lower cost and faster turnaround times. Freed from the headaches of managing service, our team was able to reorganize and focus on what we do best — design and manufacture the highest quality laboratory testing equipment for our customers and ensure an exceptional experience for our valued healthcare clients.”

Haemonetics' Vice President of Service & Operations