## JABIL





### **CASE STUDY**

- Company: Candela
- Industry: Medical Aesthetic Devices
- Country: United States
- Employees: 875
- Website: Candelamedical.com



- Fast-growing medical aesthetic device leader struggled to scale its global manufacturing footprint.
- Rapid business growth strained existing supply chain management capabilities.
- Unwavering commitment to quality necessitated focus on continuous process improvements.

#### **SOLUTIONS**

- Jabil Healthcare's extensive experience in the medical device sector proved pivotal in consolidating and ramping volume manufacturing.
- Jabil's Workcell Model provided a dedicated team with expertise to align manufacturing and quality efforts.
- Jabil's global supply chain team ensured consistent and economical sourcing of components.

#### **BENEFITS**

- In less than 18 months, Jabil brought 11 new Candela products to market.
- Jabil global supply chain team identified new suppliers and strengthened Candela's ability to weather a challenging environment.
- Shared commitment to quality and process improvements is fueling double-digit business growth.





Candela is a leading global medical aesthetic device company driven by an unwavering focus on quality and innovation. Over the past half-century, the company has pioneered impactful breakthroughs using energy-based laser devices for treating a multitude of conditions, ranging from hair removal and wrinkle reduction to traumatic scarring involving wounded warriors and burn victims.

"For us, it's all about innovating medical treatments that can change lives," explains Geoff Crouse, CEO of Candela. "A lot of people, even those in mainstream medicine, don't know that laser devices can be used to improve a broad spectrum of conditions that substantially impact quality of life."

When applied to the epidermis, dermis and subcutaneous skin layers, Candela's energy-based laser technology creates wounds, which the body then heals to generate collagen, elastin and hyaluronic acid for improved skin results. With more than 700 patents and over 50,000 medical devices deployed worldwide, Candela's growth is powered by its passion for quality.

"Quality is the cornerstone of everything we do," adds Mary Trout, Chief Commercial Officer of Candela. "We don't win at Candela unless our customers win, which means that patients have a treatment that is clinically sound with high efficacy and great results."

"Jabil brought us an incredible amount of manufacturing, supply management and quality expertise, which is one of the reasons we chose them as a partner,"

**Todd Van Horn**Chief Operating Officer
Candela

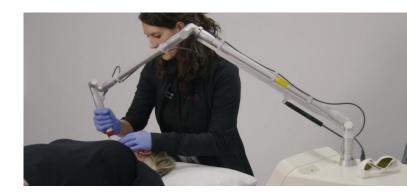
#### QUALITY IS TOP PRIORITY

This steadfast commitment to quality has helped Candela earn a stellar reputation among dermatologists around the world, which in turn is fueling a rapid growth trajectory. Traditionally, Candela managed its global manufacturing operations internally. As its products gained momentum, however, it became increasingly apparent a partner would be needed to assist with significant business expansion.

"We identified early on that Candela neither had the capacity nor the capabilities from a manufacturing and supply chain standpoint to achieve our long-term goals," says Todd Van Horn, Chief Operating Officer at Candela.

To meet its rigorous growth and quality requirements, Candela issued an RFP for a manufacturing partner that matched the company both philosophically and categorically. Says Crouse, "My philosophy is that the No. 1 criteria of a partner would be somebody that could help us innovate and deliver the highest quality products in the market."

Equally important was selecting a partner with proven healthcare experience and the ability to scale readily and rapidly—from all aspects of product design through manufacturing and delivery. "We view ourselves as a medical device company, and we wanted a medical device-capable partner," adds Crouse. "Jabil Healthcare brought that to the table."







#### DEDICATION AND EXPERIENCE

As the largest global manufacturing solutions provider in healthcare, Jabil leverages a multi-disciplinary, collaborative approach to helping customers improve product safety, performance, sustainability and accessibility. Additionally, the company goes to great lengths to protect customers' intellectual property with sophisticated IP security systems.

For Candela, what stood out most was Jabil Healthcare's extensive experience in the medical devices sector, which blended world-class manufacturing and supply chain knowhow with exceptional engineering and product design prowess. "Jabil brought us an incredible amount of manufacturing, supply management and quality expertise, which is one of the reasons we chose them as a partner," recalls Van Horn. "Ultimately, that results in a higher quality product with fewer issues and a better customer experience."

Candela also determined that Jabil's Workcell Model was a major advantage, as it dedicated a cross-functional team to oversee all aspects of the project. As a result, Jabil Healthcare was well positioned to help Candela better align its dispersed manufacturing footprint, spanning a facility in Massachusetts, a third-party manufacturer in Israel and a newly acquired company in Denmark.

"The flexibility that Jabil brought was a huge asset," says Crouse. "When we looked at our manufacturing footprint, there was a ton of complexity. It's very difficult for us to create an efficient global supply chain and logistics network. In working with Jabil Healthcare, we were able to evaluate on a global scale what we wanted our manufacturing footprint to look like."

"Jabil brings a level of manufacturing expertise and external knowledge from multiple medical device worlds that increases our skills and capabilities exponentially."

**Geoff Crouse**Chief Executive Officer
Candela

# SHARED COMMITMENT TO EXCELLENCE

One of Jabil Healthcare's first steps was to assist Candela in consolidating its manufacturing and supply chain operations. Faced with extremely aggressive timelines, Jabil Healthcare quickly mobilized highly qualified transfer teams to move Candela's current manufacturing to a Jabil Healthcare facility in Tijuana, Mexico. "Through the transfer process, Jabil was able to catalyze its expertise," says Van Horn. "They guided innovation in terms of process improvements, manufacturing best practices and quality."

In less than 18 months, Jabil Healthcare brought up production lines to produce 11 Candela products. Not only did the collective teams meet aggressive deadlines, but they also transferred complex capital equipment, ramped volume manufacturing and met rigorous product quality requirements. "I was fascinated when I visited Jabil Healthcare," remembers Trout. "Being able to monitor the entire manufacturing process was great, as well as looking back and seeing step-by-step where things went well, along with where we could improve not only device designs but also the way they're manufactured."

Regular war-room meetings provide an opportunity for Jabil Healthcare and Candela to address time-sensitive issues while collaborating on continuous process improvements across the board. Jabil Healthcare even held a five-day kaizen workshop to facilitate a collective effort and identify ways to improve manufacturing processes, scale production quickly and ensure topnotch product quality.

This focus on excellence has extended to working with early product designs and prototypes to improve manufacturing results at scale. In particular, Jabil Healthcare's medical device design experts provide pragmatic, real-world advice on how to optimize both product performance and quality. "Jabil brings a level of manufacturing expertise and external knowledge from multiple medical device worlds that increases our skills and capabilities exponentially," says Crouse.





Additionally, Jabil's global supply chain capabilities continually play a pivotal role in empowering Candela to ramp product launches by ensuring a consistent and economical supply of core components. As Candela and many other companies across the healthcare sector face supply chain headwinds, Jabil has mobilized procurement and supply sourcing experts to address any weak links in Candela's overall supply chain.

"Jabil's supply chain management team identified suppliers who couldn't match our ramp and capacity goals," says Van Horn.
"They then found and qualified new ones to give us the strength and resilience to weather a challenging environment, which is absolutely critical."



#### **CUSTOMER-FIRST CULTURE**

While preparations are under way to celebrate Candela's 50th anniversary later this year, the company is doubling down on its goal to become a billion-dollar business in the near future. Thanks to its partnership with Jabil Healthcare, Candela is poised to reach its business goals while reinforcing its market leadership. "Over the next two to three years, Candela will continue to transform our manufacturing and elevate quality standards," says Trout. "Through our partnership with Jabil, we can drive growth, support more customers and build more devices with improved quality."

Collaboration and cooperation between Candela and Jabil Healthcare resonate up and down all levels within each organization. Alignment across engineering, supply chain and manufacturing operations is reinforced by open, executive-level communications. "Jabil has been very good at building relationships with my team," notes Van Horn. "This has helped us to achieve our goals and frankly has cemented the relationship to accomplish what we need to in the next year, two years and beyond."

Jabil Healthcare's customer-first approach complements Candela's constant dedication to its customers, who count on them to deliver results-driven medical aesthetic devices. "Our brand promise is 'Science, Results, Trust.' Where Jabil Healthcare comes in is trust," concludes Crouse. "When Jabil talks about Candela, you can feel the pride, and we see they share our focus on quality."

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Mary Trout
Chief Commercial Officer
Candela

Jabil (NYSE: JBL) is a manufacturing solutions provider that delivers comprehensive design, manufacturing, supply chain and product management services. Leveraging the power of over 200,000 people across 100 sites strategically located around the world, Jabil simplifies complexity and delivers value in a broad range of industries, enabling innovation, growth and customer success. For more information, visit jabil.com.

