

Buffalo Filter

Firm Benefits

During the 30 months since implementation:

- 28 new products developed
- 300% increase in revenues
- 200% increase in new customers
- Expanded engineering staff
- Initiated process for evaluating and prioritizing new projects

New Product Development

Buffalo Filter was started in 1991 in Buffalo, NY as a small, privately-owned company manufacturing its own brand of filters and smoke evacuation systems. Since its acquisition by Medtek Devices in 1995, Buffalo Filter has grown into an industry leader that currently manufactures hundreds of Original Equipment Manufacturer (OEM), private label, and co-labeled products. In addition, Buffalo Filter continues to offer its own brand of technologically advanced smoke evacuation equipment, filters and accessories used by a wide variety of medical specialties. The company's products and services are available throughout the United States and in more than 52 countries world-wide.



Packaging and assembly of tubing products in Buffalo Filter's Clean Environment Room (CER).

The company's products are used to evacuate and filter hazardous smoke plume and/or aerosols created by lasers, electrosurgical tools, and ultrasonic devices used during over 95% of all surgical procedures. Proven to contain toxic gases, live cellular material (including blood fragments) and viruses, smoke plume may cause respiratory and eye irritations or nausea in healthcare professionals. Additionally, it may create visual problems for the surgeon which can affect patient safety.

Buffalo Filter employs approximately 50 people at its corporate headquarters, located in Amherst, NY. Each year the company manufactures approximately \$17,500,000 worth of equipment for its extensive global network of dealers, distributors, and OEM customers.

Situation

Several years after Chris Palmerton, President and CEO, acquired Buffalo Filter, he began working towards his vision of growing the company at an aggressively accelerated rate compared to previous years. He recognized that the development of new products was a

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"The product innovation methodology that Insyte Consulting has helped us implement has enabled our company to become a true global player in our market. We have empowered our company to effectively interact with multi-billion dollar organizations to effectively operate in their environment as we create fast turn around, quality products, and virtually flawless on-time delivery. By building on this process, we have seamlessly focused and integrated all our efforts across the manufacturing, engineering, and operational facets of our business."

Chris Palmerton, President & CEO, Buffalo Filter

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Our experience improves your business

critical element toward pursuing the market opportunities that would fuel the necessary growth to take Buffalo Filter into the future. OEM customers were asking for new products to differentiate themselves from others in the marketplace. Growth in use of lasers and electrosurgical tools during surgery created new opportunity for specialized enhancements to existing products; and the trend toward less invasive laparoscopic surgery created a need for entirely new products to remove smoke. Palmerton realized these mounting opportunities for growth needed to be capitalized on quickly.

This urgency resulted in the organization challenging their engineering team to meet the new product development demand head on. However, this new focus quickly became a strain as other targets, projects, and deadlines were not being met and completed. While customers continued to exert pressure by demanding new product development at an increasingly faster pace, regulatory standards for both domestic and international markets grew to be more complex and demanding. It became clear that Buffalo Filter needed to seek out a tactical and strategic solution to help focus the company during this opportunity for growth.

Solution

Buffalo Filter contacted Insyte Consulting about utilizing a New York State Industrial Effectiveness Program grant to provide the company with assistance in making improvements to the product development process, as well as operational improvements across other areas of the company.

In order to improve the product development acceleration issue, the company had to build a new process and cultural foundation from which they could move to the next level in sales growth, while maintaining organizational effectiveness. As a foundation, Insyte Consulting guided the management team in development of a strategic plan that focused the company's efforts directly toward achieving longer term goals.

With a long-term strategy in place, Insyte Consulting assisted Buffalo Filter in their development of a New Product Roadmap. The New Product Roadmap established a robust, methodical approach that would build the company's technical leadership and concurrently support the pursuit of high probability trends in the market.

The next phase of the project used Value Stream Mapping methodology to create a detailed analysis of the engineering team's product development activities. Using a baseline map of the current new product process, Insyte consultants guided the company through development of a streamlined process that eliminated many non-value activities, accommodated the need for occasional 'quick fix' projects, and differentiated major project parameters from minor ones.

Buffalo Filter was also able to partner with Insyte Consulting to develop a streamlined lean manufacturing process, which heavily contributed to the company's 300% increase in revenue. This improvement enabled Buffalo Filter to dramatically reduce its inventory capital requirement (total turn-over 32 times per year) while achieving more than 99% on time delivery with all shipments. All orders received by 2pm are processed to ship by 5pm, same day. Additionally, in 2004 Buffalo Filter announced the successful achievement of ISO 9001:2000 and ISO 13485:2003 registration from Underwriter's Laboratories, Inc. Achievement of these certifications and registrations cover all design, engineering, manufacturing, sales, and customer service protocols for Buffalo Filter products to meet the required quality standards recognized throughout the United States, Canada, and the European Union.



Richard Barocato fastens rubber feet to the base of a private label smoke evacuator.



Steve McMahon programs microchips for private label smoke evacuators.

The benefit of the comprehensive approach of linking company strategy, a new product road map, and process changes meant the root causes of delays in new products were addressed. The newly-organized process for evaluating and prioritizing the latest projects ensured that only the highest potential projects were allowed time from the company's limited resources. The strategic plan and product road map ensured that projects were synergistic in building Buffalo Filter's leadership position in their target market.

During the 30 months since implementation, Buffalo Filter has developed 28 new products (triple the number than it had in the same period before). Revenues have increased by 300%, and there has been a 200% increase in new customers. In addition, the increased revenues have permitted Buffalo Filter to more than double its engineering staff, further adding to the company's competitive strength.

Buffalo Filter continues to use strategic planning and the product road mapping process to guide its future. The company continues to incrementally improve its engineering development process as the staff and number of projects grows. ❖