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Medical Grade Resin Supply Chain Procurement

Fred Kinkin Sub-Category Leader Resins

Presentation Topics



Supply Chain Procurement

Who we are and what we do



The Last 18 Months

What we have learned and where we go from here



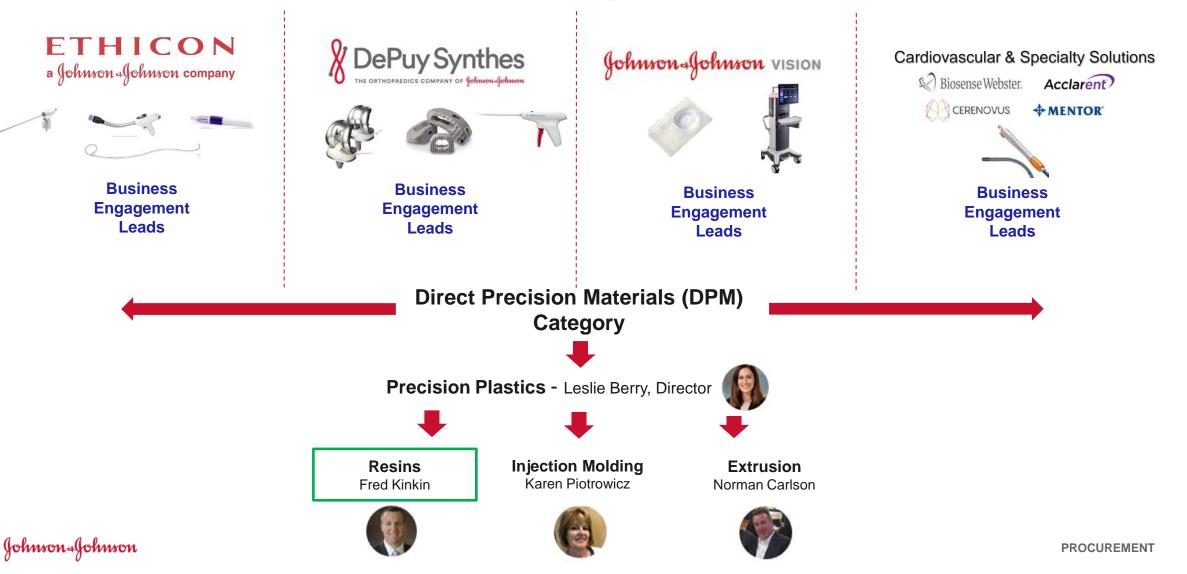
Medical Grade Resins

Importance to Supply Chain



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MedTech Supply Chain Procurement Organization



The Last 18 Months – Designed in Risk

Where We Are Now

VISUALIZATION OF EES RESIN SPEND

Opportunity

NPD

- R&D: Sharing information including real time risks and preferred manufacturers and grades
- Manufacturers: Advocate for materials that reduce long term risk

Base Business

• Find opportunities to harmonize resins in our base business

The Last 18 Months – From an OEM Perspective



Suppliers have been pressure tested Varying levels of performance navigating issues



The Right Level of Inventory is Essential

Just –In–Time does not work for our business goals



Inflation We expect transparency & data-based negotiations



Cost Opportunities

We expect our suppliers to work collaboratively to take out cost

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Our Success is your success When we are able to be successful your business grows

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Medical Grade Resins – A Supply Chain Perspective

Mitigate risks enhancing value to J&J

Medical Grade resins need substantial protection from potential supply events

Notification

- At least 24 months notification of change
- Opportunity for last time buy

Assurance of Supply

- Annual raw material risk reviews
- Proactive measures to reduce high risk materials (inventory, contracts, etc.)

Other Asks

- Limit fragmentation of volume when starting to utilize medical grade over incumbent
- Use most cost-effective materials to meet J&J requirements

Thank you

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