



UPS Healthcare

# SUPPLY CHAIN VITAL SIGNS

2022 Medical Devices Industry Study

Executive Summary



# State of the industry

The medical device industry is still overcoming hurdles presented by the pandemic, as well as supply chain issues, raw material shortages and transportation delays. But the industry is also seeing new trends emerge. The ageing of the population is shaping and accelerating personalized medicine and at-home care devices. Wearables have become a must-have in healthcare. Artificial intelligence (AI) and virtual reality (VR) devices are enabling medical professionals to evolve their methods and treatment. And expanding digitalization increases focus on risk management, cybersecurity and consumer data privacy.



## INDUSTRY INSIGHT

Because visibility and reliability are so critical to preventing loss or delay of high-value medical devices, **the track-and-trace market is forecasted to grow 19% annually through 2024.**

SOURCE

<sup>1</sup> Mercer Capital, Five Trends To Watch In The Medical Device Industry



# State of the industry

**5.4%**

Estimated global medical device CAGR 2021–2028

**\$657.9B**

U.S. medical device market by 2028

**15-20%**

Sales by the Top 10 companies in a highly segmented market

**60%**

Share of medical device market outside the U.S.

**\$29.6B**

Projected size of global wearable healthcare/ medical devices market by 2026

**9.5%**

9.5% CAGR for medical outsourcing in China (The APAC region is known to have the best medical tech manufacturing in the world)

**27.1%**

China's share of the global medical device contract manufacturing market

**20.3%**

IVD device segment share of medical device contract manufacturing in 2020

SOURCE

<sup>1</sup> Mercer Capital, Five Trends To Watch In The Medical Device Industry



# About the survey

The UPS Healthcare Supply Chain Vital Signs survey is intended to provide the healthcare industry with insights into supply chain issues impacting pharmaceutical companies, medical device manufacturers and laboratories across the United States, Europe, Asia-Pacific and Latin America.

## Timing

November 2021 to February 2022

Conducted independently by Worldwide Business Research Insights (WBR).

## Methodology

Quantitative (November–December 2021, WBR Insights)

600 director level+ healthcare supply chain and logistics professionals across North America, Europe, the Middle East, Africa and the Asia Pacific region.

## About this summary

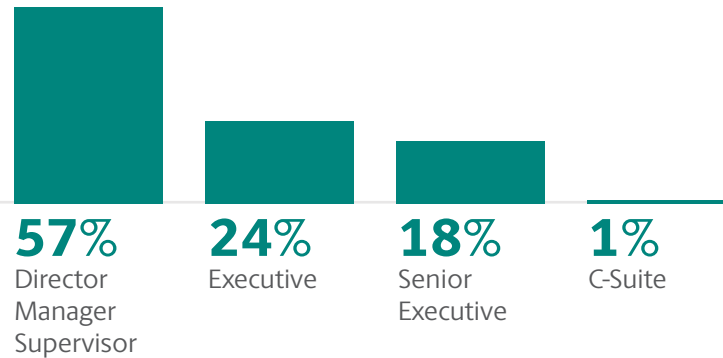
Subset of 222 medical devices executives and managers—from the WBR Insights quantitative group—with purchasing, supply chain or materials management responsibilities.



# About the respondents

WBR INSIGHTS

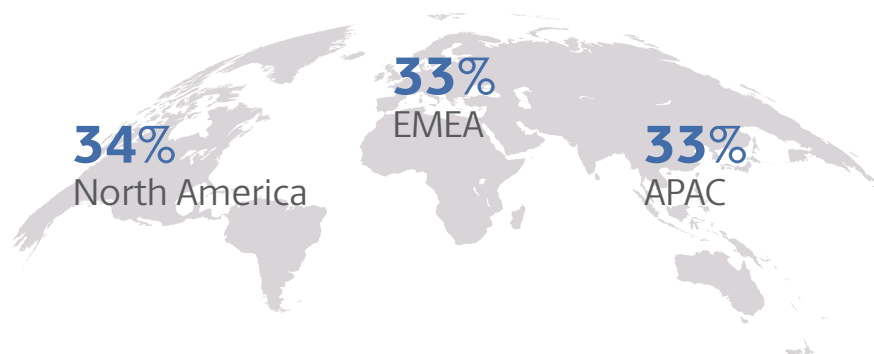
## Seniority



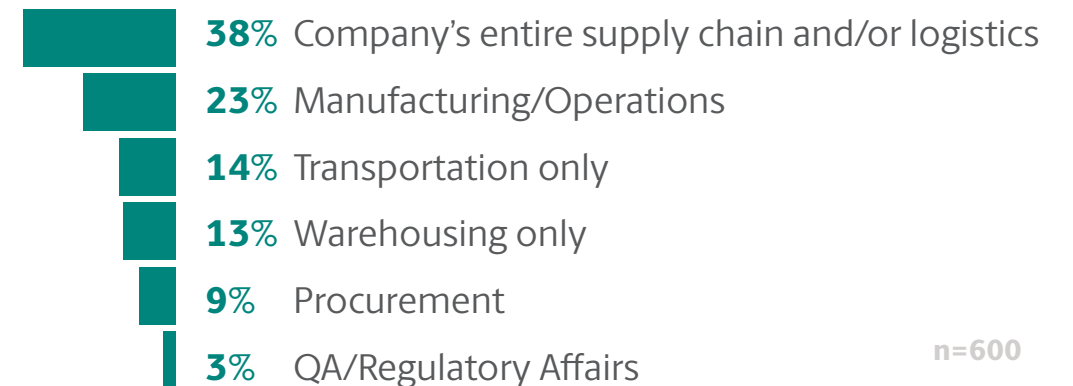
## Company Size



## Geography



## Job Responsibility



n=600



# OUR FINDINGS

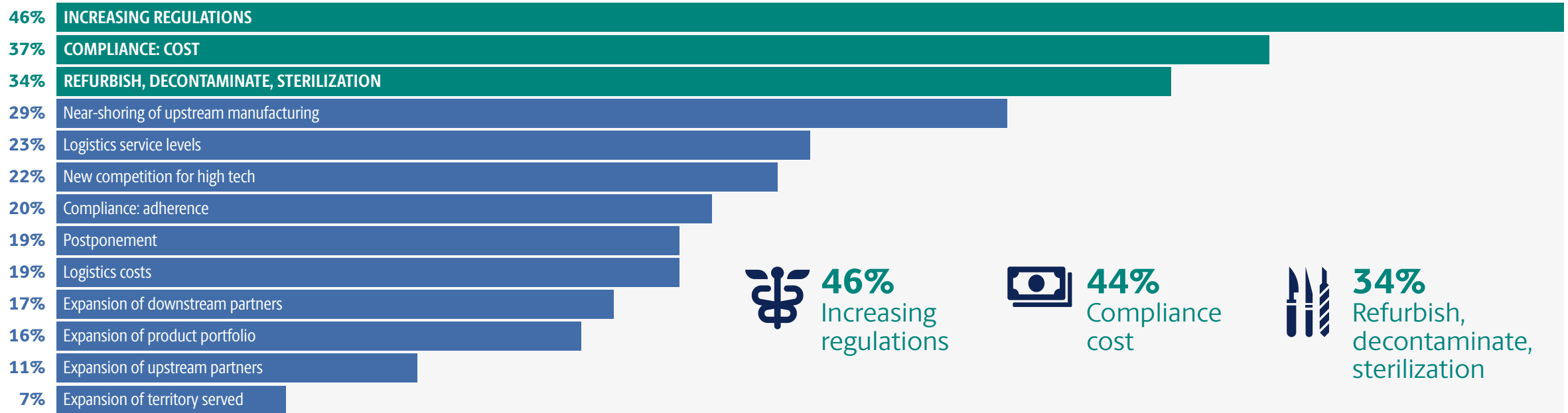
PRIORITIES AND CHALLENGES | WBR Insights Research



TOP SHORT-TERM STRATEGIC PRIORITIES


Q.

Among the following options, which are the top three strategic priorities to which you are paying the most attention for the next 1-2 years?



 **46%**  
Increasing regulations

 **44%**  
Compliance cost

 **34%**  
Refurbish, decontaminate, sterilization

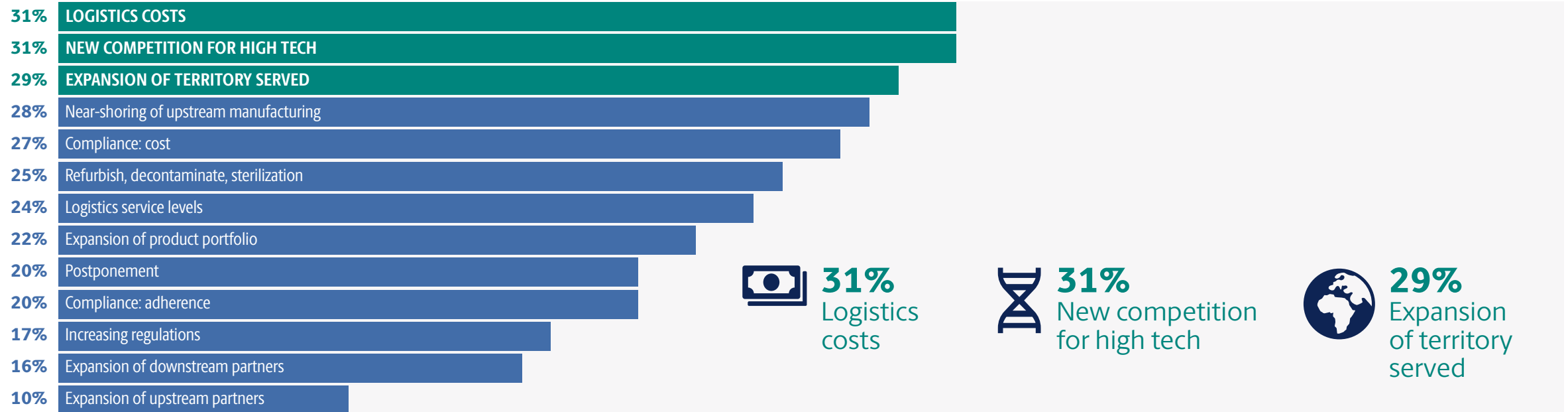
n=222



## TOP LONG-TERM STRATEGIC PRIORITIES

Q.

Among the following options, which are the top three strategic priorities to which you are paying the most attention for the next 5-10 years?



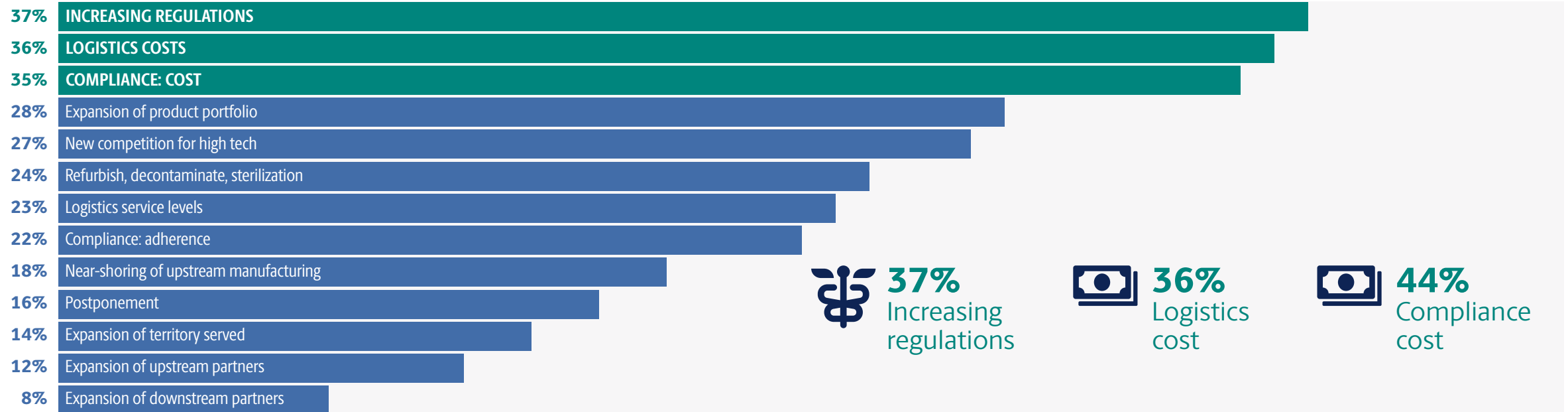
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## TOP SHORT-TERM CHALLENGES

Q.

Among the following options, which are the top three challenges to which you are paying the most attention for the next 1-2 years?

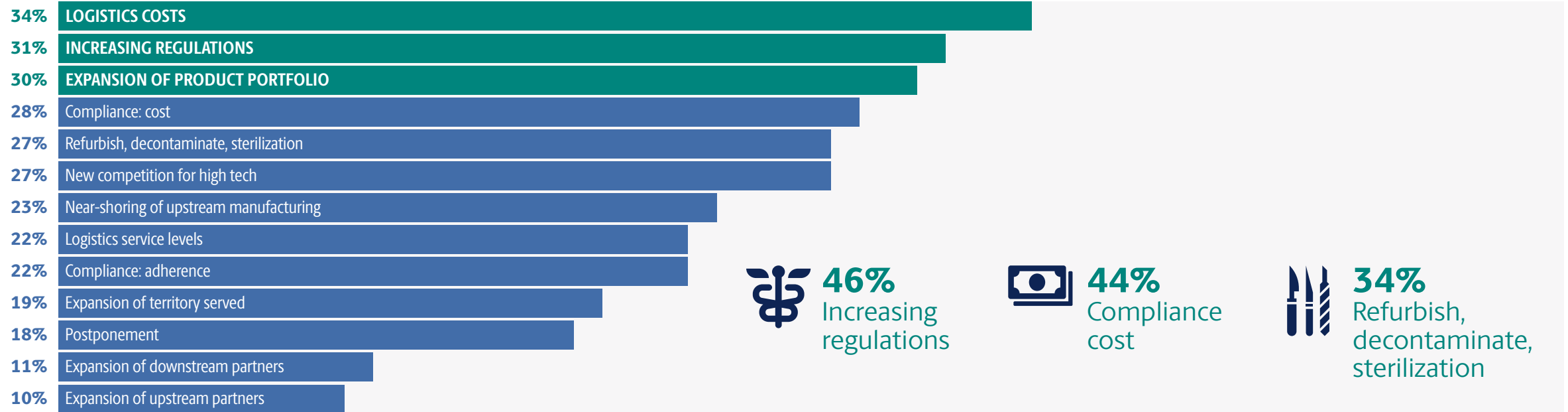


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## TOP LONG-TERM CHALLENGES

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Among the following options, which are the top three challenges to which you are paying the most attention for the next 5-10 years?

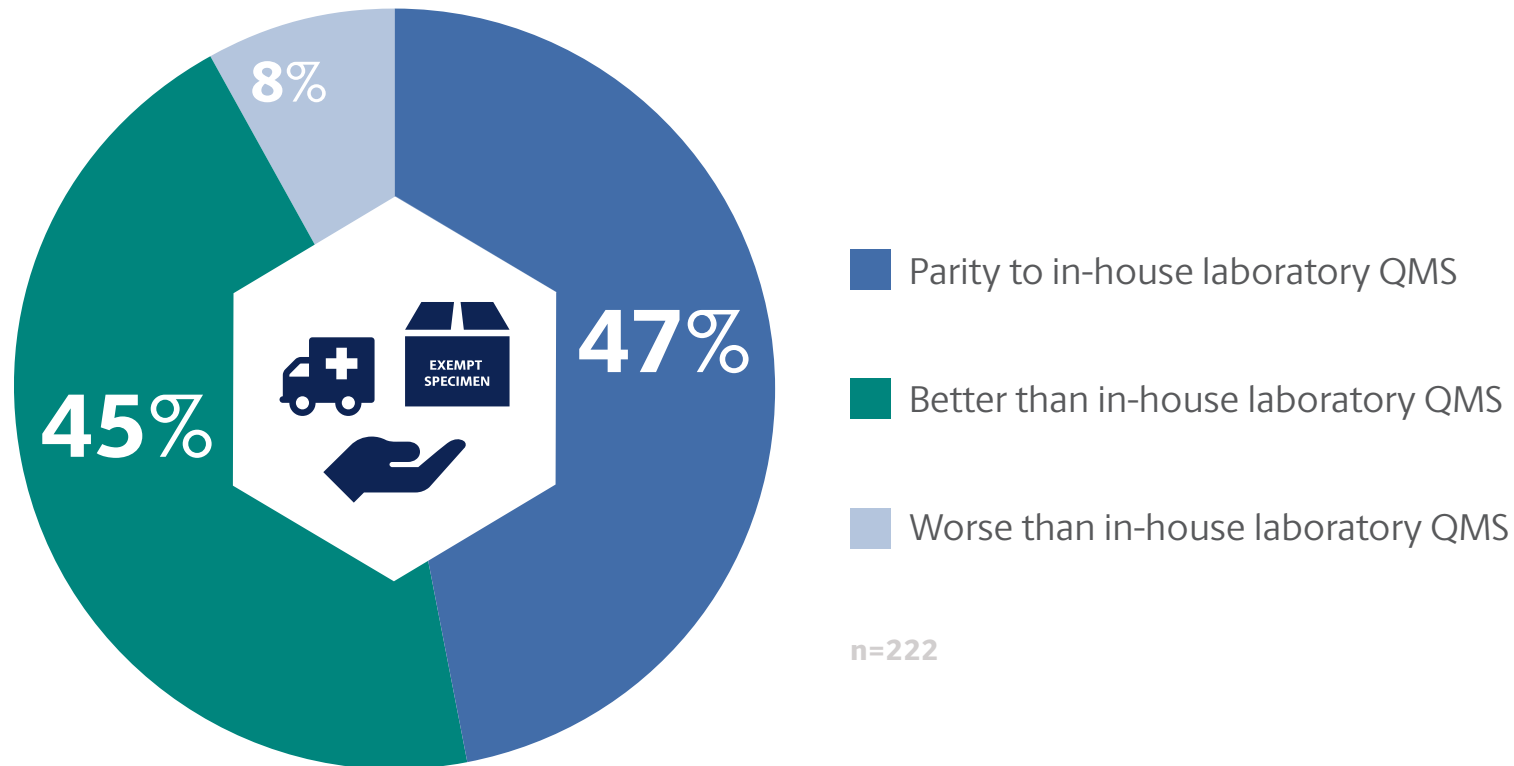


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## QUALITY MANAGEMENT SYSTEMS

Q.

In general, how well do you think 3PLs execute quality management systems?





# HOW CAN UPS HEALTHCARE HELP?

## **Inventory Reduction Solutions**

Take the load off your inventory while improving service to the hospitals you support by outsourcing logistics and leaning on our 1,000+ multi-client field stocking locations.

## **Loaner Kits and Decontamination**

Our healthcare-dedicated, multi-client loaner hubs are staffed with experts who help quickly process, replenish, decontaminate and ship surgical kits and medical devices.

## **Visibility**

Gain better control over shipments with visibility and monitoring solutions.

## **Same Day Delivery**

Our loaner kit hubs, healthcare-specific distribution centers, and field stocking locations are optimized to get your medical devices out with same-day delivery anywhere in the US.

## **Reverse Logistics**

When you need to get your equipment back into inventory for the next order, our reverse logistics services can help make it easier, faster and more flexible.







## UPS Healthcare

**We'd love to learn more about your business needs.**

Contact us to learn how a customized logistics plan could help position you for success.

**ASK AN EXPERT**

