Determining Marginal Improvement in Innovation

Keith Calvert, Director, CMNA Engineering Administration, The Tech Group

Q: Considering the financial pressures faced by OEMs, what will be the impact to R&D and innovation in the medical device industry?

Research and development is the cornerstone of growth in the medical device industry. R&D funding is available; however, the issue isn't availability as much as availability for marginal improvement. The question to ask is, "Will a marginal improvement reduce costs for the patient and caregiver?" This type of due diligence aids the DFx process for commercializing a new device but can extend time to market. Device OEMs have to quantify product benefits and that process has to be factored into the risk of the investment. Can the OEM get a premium? Is the product safer, either for the patient or the caregiver? How does human factors come into play? Is there long-term or short-term care impact? Understanding payback and market acceptance is not always as clear. If gains are incremental, up-front due diligence is even more important. Understanding how users interact with the device, how waste can be eliminated, how safety can be incorporated, and how patient compliance can be enhanced becomes a much larger component of the development cycle. Ultimately, innovation trumps marginal improvement and if the device is transformative, the financial support and resources required to bring the product to market will be available.

Source URL (retrieved on *03/09/2014 - 12:25am*):
http://www.mdtmag.com/blogs/2013/09/determining-marginal-improvement-innovation