

# Preparedness /Continuity Plan/Processes

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# Fenwal Preparedness Planning: Key Tenants

## Objectives

- Ensure a reliable product supply for customers
- Act in the interest of patient and employee safety
- Keep customers and other key stakeholders fully informed
- Promptly investigate and resolve issues

## Comprehensive, global approach

- Comprehensive, global preparedness plans for each facility, as well as for Fenwal, overall
- Trained people to respond – 24/7
- Contingency plans and back-up processes

## Preparedness Planning: Proactive Approach

*Proactive approach to prevent disruptions, minimize impact and ensure a prompt, effective response should an issue arise*

	Suppliers	Manufacturing Facilities	Communication & Distribution Ctrs.
<b>Prevent Disruptions</b>	Guidelines for multiple scenarios		
	Audits for compliance with contingency plans		
<b>Minimize impact</b>	Investment in inventories		
	Process redundancies		
<b>Rearrange, reprioritize, redirect to meet demand</b>	Surge capacity		
		Collaboration with gov't agencies	

# Rapid Response: Dedicated Teams

## ▲ Functional experts assembled based on issue

- Senior management team leader, central command center
- Cross-functional representation: e.g. manufacturing, quality, supply chain, operations, marketing, EHS, communications, etc.
- Defined roles and responsibilities; around-the-clock access

## ▲ Skilled and trained in threat management

- Simulation, role playing, and scenario planning
- Periodic training

## ▲ Focused on managing issue for best possible outcome

- Operational continuity
- Manage project to closure

# Managing Risk in the Supply Chain

## Global, Comprehensive Continuity Plans for All Facilities

- **Each Fenwal facility has Emergency Preparedness and Business Continuity Plans**
  - Document and regularly test business continuity plans to ensure functionality
    - Pre-tested SOPs
    - Contingency plans cover customer service, manufacturing plants, distribution centers and localized customer interruptions
  - Communications protocols
    - Emergency contact lists
    - Alternate communications methods
  - Investment in Business Interruption minimization

## Ensuring Responsive Communication Channels

- **Back up generator in case of power outage**
- **Emergency customer contact protocol including laptop and cell phone deployment to CS Reps to continue to service customers from off-site locations.**
- **Ability to redirect customer calls to the alternative Customer Service Center (Illinois to Belgium/Belgium to Illinois)**
  - Hurricane Andrew: back up call center established same day
  - Customer Service in 2 locations (Illinois and Belgium)

## Contingency Overview: Customer Service

- **Centers in Illinois and Belgium**

- Contingency plans in place for:
  - Facilities
  - Phones
  - Systems
  - Power
- Emergency Order Process Developed and Practiced Periodically
- Remote log in available.

## Contingency Overview: Affected Customer Site

- **Proactive customer communications:** *once made aware, we will contact you if we do not hear from you*
  - Phone, fax, email
  - Sales rep
- **Product allocation strategies**
  - 9/11: First truck on-site at St. Vincent Hospital
- **Expedite delivery as necessary**
  - Local distribution
  - Plant
  - Replenishment centers

## Contingency Overview: Affected Fenwal Site (cont.)

- **Product Distribution**

- Back-up generating capacity in case of power outage in all key facilities
- Emergency Contact Protocol implemented
- Network reconfiguration capability
- Priority freight agreements with transportation providers
- Priority flow of key product activated
- Coordination with local, state and federal agencies to ensure flow

## Contingency Overview: Localized Distribution Interruptions

- Third Party Logistics (3PL) Supplier is well prepared:
- They utilize a Potential Problem Analysis Plan – “what if”.
- Ability to service customers from multiple warehouses:
  - 2 Main Distribution Centers – Arlington, TX and Antwerp, Belgium
  - Additional warehousing in Bogotá, Mexico City, Hong Kong and San German, PR.
  - The CCC in San German could serve as the North American back up warehouse, provided appropriate licensing is obtained.
  - Both 3PLs have a network of warehouses, which, based on licensing, could be used as alternatives.
  - Agency run centers in Switzerland, Portugal, UK, India, China and Korea.
- Product expedited out of harms way
  - e.g. natural disasters, etc.
- Re-route port of entry if needed
- Priority freight agreements activated if needed

## Proactively Managing Manufacturing Risk

- Manufacturing in socially, politically and economically stable areas
- Investing in core technologies to ensure capacity, quality, and flexibility
- Developing and maintaining reliable processes with a focus on statistical process control
- Contingency planning
- Building strong partnerships with quality suppliers

# Manufacturing Contingency Planning

*Examples of how plants plan for and respond to unexpected interruptions*

<b>Plant</b>	<b>Precaution</b>
Haina, Dominican Republic	<ul style="list-style-type: none"><li>• Prepare production areas for storm intrusion – cover and protect in-process material, raw material, tooling/fixturing, all computers</li><li>• Disaster recovery – move to alternate site, place orders with pre-validated secondary suppliers, plant restoration prioritized based on supply vs. demand of finished products</li><li>• Back up generator for key processes</li></ul>
Lake Zurich, IL Headquarters	<ul style="list-style-type: none"><li>• IT systems are backed up near campus.</li><li>• Back up Generator is available.</li></ul>

# Alternate Process Sources Within Fenwal's Network

## Example

<b>Production for U.S. Market</b>	<b>Primary Plant for Finished Product</b>	<b>Alternative Manufacturing Sources for Sub-Components (i.e. tubing, bag assembly) Within Fenwal's Network</b>
Blood Packs Units	Maricao, PR	Haina, DR LaChatre, France

## Building Strong Partnerships with Quality Suppliers

*Key suppliers are audited, certified, and required to maintain strategic inventory or have the ability to supply from multiple locations*

### Example

Location	Product	Alternatives
Longmont, Colorado	Instruments (Automated Equipment line)	Supplier in Strongsville, OH

# Summary

- Fenwal is committed to uninterrupted service to our customers
- Patient care and employee safety are top priorities
- Fenwal is prepared for natural disasters and other emergencies such as Pandemic Flu
- All Fenwal facilities have established, business continuity plans that are regularly tested and improved