Orange County Business Journal

THE COMMUNITY OF BUSINESS

JANUARY 13-19, 2014

Manufacturer Follows Device Hub to New Market

HEALTHCARE: 'Major' customer asked Interplex to expand repertoire

■ By VITA REED

Tustin-based contract manufacturer **Interplex Nascal Inc.** is branching out from industrial work into the medical device field.

"This area—Tustin and Anaheim—is a very good area for this kind of work," said **John Fili**, the company's general manager, during an interview at its Gateway Circle Drive plant. "We are in the middle of a really dense population of medical companies."

Orange County's medical device sector ranges from startups to established companies, such as Irvine-based heart valve maker **Edwards Lifesciences Corp.** The companies combine to employ about 16,000 workers here and make a range of products that include replacement heart valves; other implantable devices, such as defibrillators; lasers used for eye and other forms of surgery; monitors; catheters; and surgical instruments.

Interplex Nascal, a unit of Interplex Industries Inc., recently received a contract to supply peripheral cable assemblies for what it calls "a major medical device manufacturer based in Southern California." It said confidentiality agreements prevented it from identifying the company but confirmed it will make surgical device components under terms of the deal.

Interplex Nascal has traditionally specialized in auto parts and other components. The company employs 118 people in a pair of facilities near Jamboree Road and the Santa Ana (I-5) Freeway in Tustin. Its manufacturing work is done in the company's plant off Red Hill Avenue.

Interplex Industries' corporate headquarters is in College Point, N.Y. It's privately held and doesn't disclose financial information.

The company is using molding metal stamping and other manufacturing processes to make parts for the medical devices. It's also doing assembly, functional testing and electrical testing. It previously made what Fili called a much smaller component of the surgical device for the client.

"Instead of [only] stamping, we now make an assembly that is three moldings, two stampings, a spring and a cable—lots of things going in," Fili said.



Fili: "part of a diverse mix of things that we do."



Interplex workers: company added clean room for medical device client

Interplex Nascal has worked with the device maker for more than five years.

The expanded relationship came about after Interplex Nascal's medical device client "pretty much came to us and challenged us with, 'can you do it?' "Fili said.

"The idea just snowballed from there," said Wayne Lipka, an Interplex Nascal field application engineer who worked with the client on prototypes.

Lipka said Interplex Nascal was able to use engineers and other resources from its parent company to work out the product's design.

Contract Manufacturing

Contract manufacturers "provide process knowledge, special equipment and skills that the customer may not have," Fili said, adding that the goal is to make sure the product's "more manufacturable."

"Manufacturing experience sometimes can keep you from making costly mistakes," he said.

The company plans to market itself to potential clients by emphasizing its flexibility and ability to tap into a wider corporate network for expertise.

"I think we are the right size for local development. We're faster and more flexible than a really large operation. At the same time, we have a global presence—28 locations and a corporate structure, we can do things globally that a one-location company couldn't do," Fili said.

The company is working to gain the attention of more medical device maker clients.

It's scheduled to have a booth at the 2014 Medical Design and Manufacturing West event in February at the Anaheim Convention Center. MDM's website notes that the event "presents the

entire products, services and development that will help in the growth of the industry."

"Nascal is really not well known in [the medical device] market yet," Fili said. "Our job now is to let people know what we're doing."

Adding more medical device contract manufacturing work is "going to allow us to grow in depth. It's giving us the flexibility of understanding assembly, as well as the stamping processes which are more one-level," said **Wendy Rawlings**, Interplex Nascal's manufacturing manager.

Rawlings also said it would give Interplex Nascal workers the opportunity to see how the products made in the factory "can be used to develop a product that could save someone's life."

Company executives said medical device work will take a place alongside Interplex Nascal's traditional specialties.

"It's going to become part of a diverse mix of things that we do," Fili said.

The company made some changes to its manufacturing plant to accommodate its device-maker customers, Fili said. It built a clean room at the Gateway Circle Drive plant, consulting with other Interplex divisions that have clean rooms as it built it. The addition led to seven new hires.

Some basics of the company's operations also apply to the new contract manufacturing.

"We were already doing the molding, we were already doing stamping, and we were managing the plating and doing assembly—that was all familiar," Fili said.

Interplex Nascal laid the groundwork for the expanded relationship with its surgical device customer roughly two years ago.

Other companies in Orange County do medical device contract manufacturing, including Breabased Life Science Outsourcing Inc.