



*Meeting held on 14 May 2015 @ 13h30
Venue: Conference Centre, Lentegeur Hospital*

1. Welcome: Dr Beth Engelbrecht

Dr Engelbrecht, Head of Department of Health, Western Cape Government, welcomed everyone present.

She thanked the Business Development Unit for organising the meeting. This forum was the interface between the public and private sectors where experiences were shared and where the available opportunities were discussed.

She welcomed Minister Mbombo, Minister Winde, Mr Harris and Dr van Niekerk.

Dr Engelbrecht introduced Mr Harris and stated that he had recently facilitated a meeting with all the local medical device manufacturing companies to understand their challenges with interacting with the public sector and in general. She further encouraged the audience to visit the exhibitions on display, of which Mr Harris will provide more detail.

She mentioned that Western Cape Government supports local manufacturing specifically innovation in healthcare.

2. Health Innovation in the local medical industries: Mr Tim Harris

Mr Tim Harris, CEO of Wesgro, said that he has been actively engaging with local medical equipment manufacturers during the two months that he has been at Wesgro. Wesgro is funded by local and provincial government and their mandate is tourism, trade and investment promotion for the City of Cape Town and the Western Cape Government.

Recently the Premier, Minister of Economic Opportunities, the mayor of Cape Town and Wesgro visited Angola to strengthen and promote the medical industry market for the province by strengthening relationships.

The Western Province owns the medical manufacturing industry because 40% of devices made in the country are manufactured locally. There is huge potential to grow the sector and correct the trade balance. Wesgro's role will be to promote opportunities and act as a facilitator as well as to create a cluster that will act to unlock more support from the National Department of Trade and Industry.

Because of the number of universities in Cape Town providing an academic boost, there was a focus on research and development which had the potential to expand these businesses.

He introduced the 13 exhibitors:

- Gabler Medical – market leader in equipment mounting and system suction and oxygen therapy.
- TiTaMed – specialise in high precision engineering.
- Cerdak – developed ceramic treatment of wounds.

- Nuangle Medical – specialise in a close wound drainage system.
- Obsidian Health – supplier of innovation solutions to healthcare providers.
- Sinapi - expertise in chest drainage.
- Southern Medical – orthopaedic devices.
- Southern Implants – manufacturing and distribution of dental implants.
- Viva Medical – manufactures a range of drip sets.
- Vula Medical – facilitates health referrals by mobile phone.
- Wondermed – developed a portable treatment system.
- Shonaquip – developed a range of wheelchairs and posture support devices.
- eMoyo – medical device quality assurance company.
- Malachite Medical – range of surgical drapes and gowns.

He talked of the incredible level of innovation within these companies and commended them for making a difference to people's lives. He advised that they can become a trade surplus producer in the Western Cape and South Africa.

Dr Engelbrecht illustrated that the public sector can be innovative as well. An example is the soft tissue transplant breakthrough. Innovation is driven by a need identified or by innovative responses due to lack of resources.

3. Introduction of Minister Winde: Minister Mbombo

Dr Engelbrecht introduced Minister Mbombo as a dynamic and driven person: she has a doctorate in nursing and was a professor at UWC. Minister Mbombo then introduced Minister Winde, stating that he is unique in that he has expertise in being an entrepreneur as well as a politician.

4. Recognising health innovation in the Western Cape and its inclusion in the role of economic development: Minister Alan Winde, Minister of Economic Opportunities

Minister Winde asked the question whether we are open to innovation and entrepreneurship in the health sector. His impression, gained from speaking with innovators, is that we are not.

The Department of Economic Development produced the Economic Partnership Report which found that there is a chasm in innovation in South Africa and also a chasm between local researchers to the local production and manufacturing industry. South Africa exported medical equipment to the value of around R1 billion annually, but imported equipment to the value of around R11 billion. The question arose as to the reason why local manufacturers were not better supported by both the private and public health sectors.

Innovation had been provided seed money to the value of R26 million on 70 innovation projects which included four projects at UCT to the value of R1.8million, two projects at CPUT to the value of R800 000 and five projects at Stellenbosch University to the value of R1.8 million. More funding should be provided for research and for projects such as the establishment of the Health Technology Park. The investigation into the establishment of a Science Technology Park by his department and the Department of Science and Technology was nearing the end of the second feasibility study.

Great innovations exist but they get sold internationally. The intellectual property needs to be kept locally. When it comes to procurement, the bigger companies are more competitive but we can look at how local companies can get full support. We would ensure that procurement systems give advantage to local manufacturers by addressing red tape. Barriers needed to be pushed back. The message is to rather buy local products.

Dr Engelbrecht added that it is very positive to hear and it confirms the importance of innovation for this region.

Questions / comments

- a) Dr Podlas from Century City Private Hospital stated she had started two projects but found it not easy to obtain funding; there is too much red tape in the public sector and processes take too long. Dr Engelbrecht responded that the public sector do not have systems in place to deal with intellectual property. Mr Manning and the BDU has been tasked to assist with drafting the policy on intellectual property for the Western Cape Department of Health.
- b) Dr Lison from SAMA commented that it is not the doctors that refuse to use local products. Public sector tender processes don't give advantage to local manufacturers. The products imported from China are cheaper than the local products. What can be done to change the attitude of the bureaucrats? Minister Winde responded that a full analysis should be done of the total costing as to why local products are more expensive. Look at areas to where mechanisms can be put in place like BEE. Provide incentives to local manufacturers such as tax and training incentives. The local industry is not competitive enough and should look at where it is lacking. Feedback can be provided to Minister Winde if there are any failures in the system or red tape that can be addressed to improve efficiencies.
- c) Dr Podlas enquired about how Wesgro and the public sector can assist to promote medi-tourism to expand as in Brazil and India. Staff and expertise are available. If we link with international companies such as Johns Hopkins University who have indicated interest in assisting. Minister Winde agreed and responded that tourism is a big economic engine. Health tourism is a focus area in the Department's plan. Dr Engelbrecht added that it would be useful to follow up on the hospital tourism requests to the private hospital license committee as several licenses were approved previously for medical tourism facilities. Mr Harris added that he will contact Dr Podlas to talk about links and ideas on the way forward.
- d) Mr Cobus Kotze from Cerdak stated that the problem with tenders was that the specifications are set so specifically that companies wishing to compete with the international companies cannot: if the specifications could be more flexible by allowing innovation this could improve the current system. Minister Winde responded that such details of problems should be brought to his attention so that the red tape unit can address it. The email address is: redtape@westerncape.gov.za.
- e) Ian Duvenage from ManMakeMachine commented that if Government assist the local manufacturers it would add more weight and assurance to others to use local products. Minister Winde responded that he welcomes any ideas and platforms where this can be encouraged. He advised Mr Harris to promote the local manufacturers to the world and Africa. Dr Engelbrecht added that Minister Mbombo has asked that a PPHF meeting addresses the Department's procurement processes.
- f) James Gower, a private individual, enquired how young adults at tertiary institutions are being encouraged to pursue their innovative ideas further. Is it only companies that are being looked at or do individuals qualify as well? Minister Winde responded that funding is mostly focussed on companies to create employment. Requests for innovation will be looked at and competitions are out there for the individuals.
- g) Dylan Edwards from Vula Mobile enquired about students who pitch new products such as software to sell to the public sector. What can be done to get the systems to integrate with the

public sector? Minister Winde responded that the enquiry can be forwarded to him: there is a team called Government Hack that finds solutions to such problems.

5. Inclusive Healthcare Innovation initiative: Dr Lindi van Niekerk

Dr van Niekerk from the Bertha Centre for Social Innovation and Entrepreneurship, at the University Of Cape Town Graduate School Of Business described their work in innovation in the public service. In partnership with UCT Faculty of Health Science and Groote Schuur Hospital, they catalyse innovation by developing capacity, developing an ecosystem within which innovation can flourish, and developing the pipeline for implementation.

The centre is working towards narrowing the delivery gap, so that the amazing new healthcare solutions reach the needy. She described the system within which innovation finds itself and how every part must be approached in promoting innovation. There are several ways to catalyse innovation potential, one of which is to address the culture of the organisation. Some ways of developing innovation capacity include funding, by awarding prizes and thus stimulating competition: the Bertha Centre sources funders for these.

Innovation is the responsibility of everyone within the healthcare system. Innovation must enhance value. The resources are abundant.

A study was done at Groote Schuur Hospital to see how innovation can be implemented. A year-long programme was established which provided support, mentorship and training to staff. The result was positive. Some innovations are very small yet bring about distinct improvements in their areas. Innovation is an inclusive process which involved everyone in the hospital.

A new innovation hub was launched in February 2015: everyone is encouraged to visit it. There are 18 projects of which 8 were selected. This is a good example of partnerships between public and private sector.

The Bertha Centre can be accessed via their website, www.gsb.uct.ac.za/berthacentre, or by mailing her at lindi.vanniekerk@gsb.uct.ac.za.

Dr Engelbrecht added that this project stimulates positive energy in Groote Schuur Hospital and she would like to expand it across the province.

6. Closing comments: Minister Nomafrench Mbombo

Minister Mbombo thanked everyone for their attendance.

She asked whether we are open for innovation. The Western Cape Government has added innovation to the core values C²AIR² (caring, competence, accountability, integrity, responsiveness, respect). Although previously there has been a reluctance to partner with the private sector, these values are being implemented through partnering with NGO's to bring health services to communities. New ways of doing things at health facilities are implemented as well as introducing innovative equipment.

Statistics from the Department of Trade and Industry in 2015 shows that 43% of the South African medical device manufacturing companies are in the Western Province.

Innovation can be promoted by looking at how we can utilise more of the local products. How can we deliver services and improve the economy at the same time through partnerships? How do our

services impact local manufacturers? Look at innovation in service delivery of health workers. The public sector is willing to work with the private sector. Red tape should be addressed by looking at the procurement systems and how they work.

Minister Mbombo looks forward to more feedback and inputs from the private sector on how innovation can be improved and the BDU unit can be contacted in this regard.

Final remarks

Dr Engelbrecht ended the meeting by stating with pride that one of the often-quoted barriers to business with the public sector, namely delays in payment, did not apply in the Western Cape: less than 1% of all the payments were made beyond 30 days.

She thanked the exhibitors and the members for attending. She noted that these exhibitors were only some representative samples of the industry.

The following meeting would take place in the auditorium, situated on the opposite side of the same building, as this venue would be undergoing renovation. The auditorium had a capacity of 120 people only: members were thus encouraged to respond timeously to the team's notices of the meeting.

The Forum has various themes and topics for the year to accommodate inputs and suggestions from members which are welcomed and should be directed through the BDU unit.

The meeting closed at 15h15 after which the members viewed the exhibits and networked with each other.

Exhibitors

Medical Device Manufacturing Companies were present to exhibit their service and offerings. They were:

1. Gabler Medical

The company is a market leader in the field of equipment mounting systems, suction and oxygen therapy equipment. The company is the sole distributor of the Receptal range of disposable suction liner products.

Contact Stefan Mocke on 082 044 5546 or smocke@gablermedical.com

2. Ti-TaMED

The company specialised in high precision engineering by designing, prototype, test and manufacture implantable and non-implantable medical devices such as titanium pedicular spinal screw system. They collaborate with surgeons to create new or improve technologies to grow the industry.

Contact Kevin on 083 406 3824 or Kevin@titamed.co.za

3. Cerdak

The company uses its knowledge of ceramics to develop unique medical devices for treatment of wounds. Cerdak wound dressing have shown value in the challenges of reducing infection and increasing bed availability by preventing colonisation and speeding up wound healing rate.

Contact Cobus Kotze on 083 661 0188 or cobuskotze@dakot.co.za

4. Obsidian Health

The company is a leading supplier of innovative solutions to healthcare providers and clinicians which support improved patient care and faster recovery.

Contact Wayne Willemse on waynew@obsidianhealth.co.za

5. Nuangle Medical (NAM)

The company developed the Expella Closed Wound Drainage System.

Contact Lindsay, Shahim or Clinton on 011 467 4145 or care@nuangle.co.za

6. Sinapi Biomedical

The company manufactured a compact chest drainage device a feeding cups for babies and a urine meter to measure output fluid.

Contact Chris de Villiers or Michelle van Rensburg on chrisd@sinapibiomedical.com or MichelleV@sinapibiomedical.com

7. Southern Medical / Medika SA

The company develops and manufactures advanced, innovative and high quality orthopaedic, spinal and trauma devices and instrumentation as well as a range of ophthalmic products and advanced wound care devices under the company Medika.

Contact Tanya Snyman on Tanya.S@southmed.co.za

8. Southern Implants

The company is a manufacturer and distributor of dental implants with major intellectual property in implantable devices, arthroplasties and tissue regeneration.

Contact Michael Duggan on 076 888 6170 or Michael.D@southernimplants.com

9. Viva Medical

The company manufactures a range of specialized infusion administration sets (drip sets).

Contact Lindsay or Marisa on 021 855 3297 or Lindsay@vivaline.co.za / marisa@vivaline.co.za

10. Vula Medical

The company developed the Vula Eye mobile app that provides healthcare professionals with basic diagnostic guidelines that facilitates eye health referrals.

Contact Dylan Edwards on 082 821 1464 or Dylan@vulamobile.com

11. Wondermed

The company manufactured the wound hub which is a comprehensive and portable system designed to treat wounds, burns, clean diabetic ulcers and help with circulation problems.

Contact Gilbert Bell on 083 444 4445 or gilbert@wonder-med.com

12. Shonaquip

The company designs and manufactures a range of innovative and modular paediatric wheelchairs and posture support devices suitable for use in rural and under resourced regions. They also promote and support equal rights and participation of people with mobility disabilities.

Contact Shona McDonald on 082 490 0357 or shona@uhambofoundation.org.za

13. eMoyo

The company has proprietary software that controls the KUDUwave which operates on the principles of telemedicine which provides remote testing and interpretation services.

Contact Jillian Scotland on 011 782 1154 or jillian@emoyo.net

14. Malachite Medical (Prion Tex)

The company is a supplier of a complete range of single-use and reusable surgical drapes, gowns and procedure packs branded under the Prionguard name.

Contact Tony Healy on 021 797 1878 or thealy@priontex.com or info@malachitemed.co.za