



CASE STUDY

Stryker Meets Market Demand, Streamlines the Back Office, and Reduces Costs with Sentinel

Once a traditional medical device manufacturer, Stryker Corporation, one of the world’s leading medical technology companies, had evolved to a maker of intelligent medical devices where the software it develops is an integral component to the operation and maintenance of the medical devices it brings to market. The company is now in the midst of another transformation – moving its medical device hardware to a services-based model in order to meet the demands of today’s hospitals and surgeons where capital expense budgets are shrinking. Stryker chose Sentinel Cloud to enable the transformation.

Business Challenges

Stryker had been using hardware dongles to enable and enforce licensing of its SDC3 product, used by surgeons in the OR to enable improved surgical experiences. Through HD video capture, HIS integration, and device management that expands sterile field control and streamlines OR setup, the use of SDC3 leads to increased consistency and personalization.

The use of hardware dongles were effective for enforcing licensing of the SDC3 product, but there were operational challenges. Issuing dongles for its software was costly and time-consuming. Stryker estimated that the internal costs associated with preparing and shipping each dongle were approximately \$400 (USD) and from order date to deliver date, took a minimum of 3 days to reach the customer. *“It was frustrating for our customers. The hospital would have the SDC3 box sitting in front of them but would have to wait for us to ship the dongle in order to use specific features.”*

Challenges/Requirements

- > High License Enforcement Costs
- > Time Consuming Fulfillment
- > Expand Licensing Models to Meet Market Demand
- > Same day product activation
- > Integrate Enterprise-Wide Licensing & Entitlement Management w/all Stryker Products & Back-Office

Solution

- > Sentinel EMS
- > Sentinel Cloud Connect
- > Back-Office Integration
- > Licensing Workshop & Licensing Blueprint

Results

- > Streamlined operations
- > Expanded license models
- > Reduced operation costs
- > Improved customer experience & satisfaction

stated Saeed Elfadil Saeed, senior manager, Stryker Corporation.

There were also dongle management issues and support costs associated with lost dongles and replacement dongles. In addition, Stryker was unable to offer trials of SDC3 and specific features.

“With CAPEX budgets shrinking, we knew we needed more flexibility in licensing our high-value devices – for example, instead of purchasing the device upfront, hospitals could pay only when they used the device,” said Saeed. “It was time for a change.”

Requirements

The company needed to minimize the need to ship license dongles for software orders and to allow for same-day ordering and activation. The new license management platform would need to allow Stryker to establish an enterprise entitlement and license management system for all of its products and easily integrate with the company's Oracle and Salesforce.com implementations.

To meet market demand, the new system needed to enable Stryker to adopt new license models including trials, concurrent users, subscriptions, and usage-based. The new system also needed to support isolated networks. “We considered building the licensing system ourselves,” said Saeed. “But we quickly realized that it was not our core expertise. Our expertise is in helping surgeons. We are not licensing experts.”

The Solution

After researching and evaluating three commercial licensing technology vendors, Stryker chose Gemalto's Sentinel solution. The Sentinel solution consists of Sentinel EMS and Sentinel Cloud Connect hosted by Gemalto. The Sentinel team conducted a Licensing Workshop with the Stryker licensing project team in order to identify and work through relevant use cases. The team segmented the use cases into two project phases. Next, Gemalto delivered a Licensing Blueprint based on the outcomes of the workshop.

“We decided to take a phased approach to implementation in order to quickly show value and secure executive buy in for the second phase of the licensing project,” said Saeed.

The Implementation

In phase one of the implementation, which supports 20 different licensing use cases, Stryker implemented Sentinel

EMS with Sentinel Cloud Connect as its licensing back-office platform. Sentinel EMS manages all license definitions, license generation, and collection of license usage data. Sentinel Cloud Connect works as a license server in the cloud, servicing applications integrated with Sentinel APIs. Stryker also transitioned from hardware dongles to cloud license enforcement for its SDC3 product and eventually plans to implement Sentinel EMS licensing for all of its products. This first phase enabled SDC3 systems to use cloud-licensing infrastructure to enable and enforce the current Stryker license models and add new trial licensing.

In phase two, a direct integration between Sentinel EMS and Oracle and integration between Sentinel EMS and Salesforce.com will replace the current batch job script. The second phase will also introduce new license models including subscription and a post-paid usage option as well as support for more use cases including isolated network environments.

Results

Since implementing Sentinel EMS with cloud licensing, Stryker has streamlined its operational processes and reduced costs significantly. The ability to trial Stryker products and features before buying and instant electronic product activations have also enhanced the customer experience. The addition of subscription licensing and usage based pre- and post-paid licensing will allow hospitals and surgeons to use the latest Stryker medical devices while preserving tight capital expense budgets.

“Phase one of the Sentinel Cloud licensing implementation has been so successful that we had no problem showing the value and getting the executive support we needed to begin phase two,” volunteered Saeed.

About Stryker Corporation

Stryker is one of the world's leading medical technology companies and together with its customers, are driven to make healthcare better. The Company offers a diverse array of innovative products and services in Orthopaedics, Medical and Surgical, and Neurotechnology and Spine, which help improve patient and hospital outcomes. Stryker is active in over 100 countries around the world. For more information, visit: www.stryker.com

About Gemalto

Gemalto, through its acquisition of SafeNet, is the market-leading provider of software licensing and entitlement management solutions for on-premises, embedded, and cloud-based software vendors. Gemalto Sentinel is the most trusted brand in the software industry for secure, flexible, and future-proof software monetization solutions. For more information, visit: www.SafeNet-Inc.com/software-monetization-solutions

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