

Lost in Translation: The Challenges of a QMS Audit

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You've developed a great product and feel ready to jump into Japan's medical market. Not so fast. Before you can sell your medical device in Japan, you need to register it. One of the key requirements for product registration is a successful quality management system (QMS) audit. This certification became a requirement in Japan in 2005 when amendments to the Pharmaceutical Affairs Law went into effect. As more and more companies have faced QMS audits, a better understanding of the process has emerged. This article describes several ways to increase your company's chance of achieving compliance.

Paper versus On-Site Audit

A QMS audit can be conducted on paper only, or it can also involve an on-site audit. All manufacturers of Classes II, III, and IV medical devices could theoretically undergo on-site audits, but manpower shortages at Japan's Pharmaceutical and Medical Devices Agency (PMDA) have meant that only a small number of foreign manufacturers have actually been audited on-site. The PMDA weighs a number of factors when deciding whether an on-site audit is necessary for a given medical device.

The major issue usually taken into consideration is the risk of the product itself. New Class III and IV medical devices and cell-and-tissue-based devices are the most likely to receive on-site audits. On the other hand, almost all Class II devices receive paper audits instead of on-site audits—at least until the PMDA increases its staff.

Other factors that could influence the paper versus on-site decision include the risk of the manufacturing processes conducted and the risk associated with the company's location. The United States, Canada, Australia, and the countries of the European Union are seen as safer than various other countries. Corporate risk (whether the company has a history of defects, recalls, regulatory violations, etc.) is also considered.

Coordination of Regulatory Submissions

Whether your QMS audit is on-site or on paper only, it is vital to maintain exact consistency with your company's other regulatory submissions to the Japanese government. Auditors are likely to quickly notice whether there is any inconsistency between your QMS documents and your product registration dossier, however minor.

For example, problems could arise during the audit if product dimensions are specified in inches in one submission and in centimeters elsewhere—even if the figures are equivalent to each other. It can also be a problem if the product is called by one name in the dossier and another name in the QMS audit. Japanese auditors have a reputation for being extremely detail oriented and conservative.

Cultural Issues

If the PMDA does decide that an on-site visit is necessary to audit your medical device, it is a good idea to place a prominent sign in the manufacturing site's main reception area that welcomes the auditors by name. This is commonplace in Japan and will make the auditors feel more at home.

It is also a common Japanese practice for companies to post key items highlighting their commitment to quality, regulatory compliance, customer satisfaction, etc. These postings may include certifications received, corporate standards, and policies. Displaying such plaques and certificates in the conference room where you will meet the PMDA auditors will give them a better impression of your company.

When interacting with PMDA auditors, it is important to understand their background and culture. Japanese top government officials are considered the cream of the crop in the country and are drawn only from the best Japanese universities. Thus, they are used to receiving a great deal of social respect, and it is important that you act accordingly. It is always best to have your senior management greet and escort the PMDA auditors throughout their entire visit.

Make sure to address the PMDA auditors with “Mr.” or “Ms.” plus their surname, or their surname plus “-san.” In addition, try to avoid expressing disagreements harshly. Speak slowly and clearly at all times, avoiding slang, idioms, or jokes.

These auditors enjoy wide leeway to interpret vague regulations as they see fit. On the other hand, they also feel a strong responsibility to protect the Japanese public from defective products, and tend to enforce regulations very strictly.

Company Presentation and Documentation

On the first day of an on-site audit, one part of the schedule usually includes an introduction of your company. This is a 15-20 minute PowerPoint presentation of the company and its products. It is advisable for this presentation to use neutral, low-key language, and avoid referencing competitors.

During the on-site audit, PMDA auditors may ask for virtually any kind of information regarding your operations. Therefore, for preparation purposes, you should divide your documentation into the following broad categories and have it readily accessible.

- **Required documentation.** This is major documentation such as the quality manual, standard operating procedures (SOPs), and seihin hyojun sho (device master record).
- **Miscellaneous documentation.** This includes individual records of production, purchasing, testing, design, etc.

Generally, the PMDA prefers examining hard-copy records instead of electronic. If your records of production and purchasing are stored in computer systems, it is acceptable to show them to the auditors on a computer screen. However, if you choose this route, you should be prepared to show the auditors your system’s safeguards against wrongful deletion, alteration, or mixing-up of files, as well as its backup system.

In order to show that there are no discrepancies, it is also crucial to have on hand the product application dossier and QMS documentation that was previously prepared and submitted to the PMDA. This will have been submitted mostly in Japanese, but it should also be prepared in English for your own use during the audit.

A manufacturing site’s SOPs are another key element of QMS documentation that auditors routinely examine in on-site audits. However, it is not enough to simply hand over Japanese translations of key SOPs and expect the auditors to read them. Rather, it is best to prepare an overview of each key SOP with its major steps explained in both Japanese and English. This is a critical step because auditors often focus primarily on SOPs. If you don’t translate them, you may give auditors a bad impression of your company as well as create potential misunderstandings. The auditors will typically want you to demonstrate that the facility’s staff fully understands how to follow the SOPs relevant to their duties. It is also helpful for staff to be able to identify which SOPs to consult regarding areas outside their regular duties.

QMS Renewals

Once you’ve earned your QMS certification you must be renew it every five years (see Table 1 for fees). Although first-time QMS audits are for single products only, renewal QMS audits can cover all products manufactured at the same manufacturing facility. Therefore, it is possible to select a range of representative products and only submit detailed documentation for those products. QMS compliance (as outlined in the new Pharmaceutical Affairs Law) has been a requirement for less than four years. Therefore, no data exists yet on whether renewal audits will be conducted on paper only or on-site.

Medical Device Type	Fee for First-Time Audit	Renewal Audit Fee (USD) ¹
New medical device	\$10,372 ²	N/A
Biological-origin medical device, Class IV medical device, etc.	\$9382	\$6158 + \$339 ³ /each additional product

Sterilized medical device	\$2553	\$5333 + \$138/each additional product
Other medical device	\$1727	\$4549 + \$107/each additional product
Labeling, packaging, storage only	\$942	\$3757 + \$74/each additional product

¹ All conversions are based on the rate of 1 USD = 90 JPY.

² There is no difference between the basic fees for on-site versus paper-only QMS audits. However, for on-site audits, travel expenses for auditors will also be charged.

³ The renewal audit fee can cover multiple products.

Conclusion

In 2007, the number of QMS on-site overseas audits was about 13. In 2008, that number more than doubled. A continued increase is expected in 2009, so Western medical device manufacturers selling high-risk products in Japan should be prepared for the possibility of an on-site audit.

If you are selected for a QMS audit, you should study all relevant Japanese regulatory requirements and make sure that they are thoroughly implemented. Japanese officials see quality as supremely important to allowing products into their country. If you fail an audit you will have to go through a lengthy process of improvement that will jeopardize your product's approval status in Japan.

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