In this paper, a novel methodology in designing a micro heat exchanger is proposed by modifying a conventional design methodology for macro products with the considerations of differences between design of a micro and a macro product. The methodology starts with the identification of differences in design considerations for micro scale products compared to the macro scale. These design considerations consist of material selection, manufacturing process, physical phenomena and shape and geometry design. Manufacturability criteria are defined and various potential manufacturing processes for fabricating micro heat exchangers are ranked based on the defined criteria. Following the design methodology, primary design ideas for micro heat exchangers are generated according to the heat transfer principles for macro heat exchangers. Taking micro design considerations into account, the designs from next iteration are created. Finally, the performances of the designs for micro heat exchangers are compared with their macro counterparts. The most appropriate designs for micro heat exchangers are finalized. The micro specific design guidelines obtained by the designer through evaluating the modeling results and the design criteria are formulated in a knowledge-based unit called “Rules To Consider” (RTC). The proposed methodology provides an interactive design process through the RTC unit. The RTC data is used by the designer in the subsequent iterations of the micro-product design as well as can be used by designers/engineers in design of the same category of micro products. Furthermore, through utilization of the proposed methodology by designers/engineers for design of other micro products, the RTC unit can be enriched with micro-oriented design principles and accordingly provide a basic guideline for design of micro products.