

LIFE SCIENCES & HEALTHCARE CASE STUDY

LEADING GLOBAL PHARMACEUTICAL COMPANY MAXIMIZES NEW PRODUCT AVAILABILITY THROUGH AGILE DISTRIBUTION

This leading multinational pharmaceutical business has nearly 100,000 employees and is one of the largest United States corporations by total revenue.

It develops and produces medicines and vaccines for a wide range of disciplines, including immunology, oncology, cardiology, endocrinology, and neurology. The business has three units – an innovative medicines division, an off-patent drug division, and a consumer healthcare division.

CUSTOMER CHALLENGE

One of the company's existing prescription drugs was pending approval from the U.S. Food & Drug administration which would mean that it could be sold over the counter (OTC), in pharmacies and other retail outlets.

In order to align with the timing of a national advertising campaign, the company wanted to ensure that the product was provided with equal shelf availability at each of its customers' outlets.

As a result it needed an agile packaging partner that would be able to handle the production of 30,000 promotional displays within just one business day, and then manage the delivery of 14 million units to an additional 20,000 locations, with all locations receiving the promotional displays and units on the same day.

However, its current distribution network was at full storage capacity and could not handle such a large new product launch in such a short timeframe.

In addition it needed a partner that could ensure the required consistency of regulatory and quality program compliance was met, while offering flexibility in its solution, since the roll-out of the drug was based around a 'soft' forecast.

CUSTOMER CHALLENGE:

- Nationwide new product launch in short timeframe
- Required flexibility and agility
- Ensure quality and regulatory compliance

DHL SUPPLY CHAIN SOLUTION:

- Collaborative, cross-functional team
- OMS processes ensured demand could be met
- Labor shared across multiple sites

CUSTOMER BENEFITS:

- 30,000 promotional display units produced within 8 hours
- 1,800 orders and 14mn units delivered to 20,000 outlets
- Flexible solution, on-time and within budget
- Cost saving of c. \$250,000



DHL SUPPLY CHAIN SOLUTION

DHL Supply Chain was appointed to handle the product launch as it possessed the capacity and resources to ramp-up quickly, and produce the required promotional displays in time.

A cross-functional team was established, and collaborated in planning all aspects of the launch, leveraging DHL Supply Chain's project management framework and toolkit for planning, communication, and controls.

To ensure that all processes for quality, safety, production, labor management, capacity planning and reporting were in place to handle demand, the team followed the DHL Operations Management System.

The team leveraged its packaging and production capabilities and established a "pop-up" distribution network in four strategic markets around the country. Labor was shared across multiple sites so that operations could quickly ramp up, and the DHL Supply Chain regional campus network was able to provide experienced resources for each market.

CUSTOMER BENEFITS

DHL Supply Chain met its customer promise, with its skilled packaging engineers successfully producing 30,000 units within eight hours, and then delivering 1,800 orders and 14 million units to nearly 20,000 U.S. retail outlets.

All safety, quality and regulatory requirements were met, and the solution was implemented on-time and within budget.

The design of the solution allowed flexibility in terms of space and labor, meaning that the network could be quickly reconfigured as the soft forecast was refined – eliminating one of the "pop-up" markets.

Having successfully helped integrate the new OTC product into the portfolio, DHL Supply Chain continues to support the company's packaging and distribution needs.

FOR FURTHER INFORMATION

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