

Revolutionizing Clinical Supply Chain Management for a Global Pharmaceutical Company

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Context

Our case study revolves around one of the top global pharmaceutical companies, renowned for its robust drug pipeline and rapidly expanding product portfolio. Over the past few years, the company has made multiple major acquisitions and currently boasts a clinical trial portfolio of over 300 active trials sponsored by its research and development (R&D) department. With several new product launches the company's rapid growth has placed significant stress on its Clinical Supply Chain Group.

Challenges Faced by the Company:

- 1. Speed of Integrating of New Assets into its Supply Chain: The company faced challenges with the integration of newly acquired assets into its existing supply chain ecosystem. This hindered the efficient utilization of these assets and delayed the realization of their full potential.
- 2. Lack of End-to-End Visibility: The global supply chain lacked comprehensive end-to-end visibility, making it difficult for stakeholders to track and monitor the movement of clinical trial supplies. This lack of visibility led to inefficiencies, delays, and misalignments in the supply chain.
- 3. High Levels of Material Waste: The company faced a significant challenge in managing material waste, particularly with investigational medicinal products (IMPs) and comparators. Approximately 50% or more of these materials were being wasted, resulting in substantial financial losses.
- 4. High Cost of Clinical Studies: The cost of conducting clinical studies and managing the associated supply chain was a major concern for the company. The inefficiencies and challenges in the supply chain were contributing to the high cost of study execution.
- 5. Slow and Time-Consuming Planning Processes: The planning processes within the clinical supply chain were slow and time-consuming, leading to delays in study initiation and execution. This impacted the overall productivity of planners and the speed of clinical trials.
- 6. Supply Chain Disruptions due to Unknown Risks/Crisis: The company faced supply chain disruptions due to unforeseen risks and crises. The lack of proactive risk management and real-time monitoring made it challenging to identify and mitigate these risks in a timely manner.
- 7. Lack of Agility due to Siloed Information: The company's decision-making processes were hindered by the reliance on siloed information. This led to increased risks and misalignments within the clinical supply chain.

Solution:



ALPS - A Clinical Supply Chain Control Tower

After careful evaluation of various options, including commercial off-the-shelf (COTS) control tower and analytics platforms, the company decided to implement ALPS - A Clinical Supply Chain Control Tower.

How ALPS Helped Solve the Problems:

- 1. End-to-End Visibility: ALPS provided a one-stop shop for all CSC stakeholders, offering global supply network visibility for the entire portfolio of studies. These enabled stakeholders, including trial supply managers, logistics managers, and program managers, to have real-time visibility into the movement of clinical trial supplies, ensuring efficient inventory management and coordination.
- 2. Proactive Risk Identification and Mitigation: ALPS provided an early warning system for known and unknown risks. Known risk alerts were based on business rules defined by users and an unknown risk sensing system that monitored global risks and performed impact assessment of supply chain assets. This allowed the company to identify potential risks in advance and take proactive measures to mitigate them, leading to issue avoidance and improved supply chain resilience.
- 3. Material Waste Reduction: ALPS facilitated the reduction of material waste by providing asset insights and analysis. By unifying data from various internal and external sources, ALPS enabled the company to optimize material utilization, leading to better visibility of waste. The company set a goal to achieve a 5-7% reduction in material waste by 2024, with a future target of 25% or more, resulting in significant cost savings of approximately \$5 million.
- 4. Improved Decision-Making Speed and Accuracy: ALPS increased decision-making speed and accuracy by providing near real time information about the inventory in supply network, upcoming expirations, days of supply and key performance indicators (KPIs). This enabled stakeholders to make informed decisions based on real-time data and insights, leading to an agile supply chain.
- 5. Enhanced Collaboration and Reduced Lead Time: ALPS improved cross-functional collaboration and transparency into business continuity risks. The company observed a reduction in team meetings, emails, and reduced firefighting, leading to improved productivity of the existing workforce. Additionally, ALPS aims to reduce material planning lead time in 2024, with its material planning intelligence feature.

Conclusion

Implementation of ALPS helped the company to improve their end-to-end visibility, enabled proactive risk management, material waste tracking, improved agility, enhanced collaboration, and reduced supply lead times. This resulted in a more efficient and resilient clinical supply chain, supporting the growth of its R&D pipeline, and ensuring the uninterrupted supply of critical medications to patients enrolled in clinical trials worldwide.

