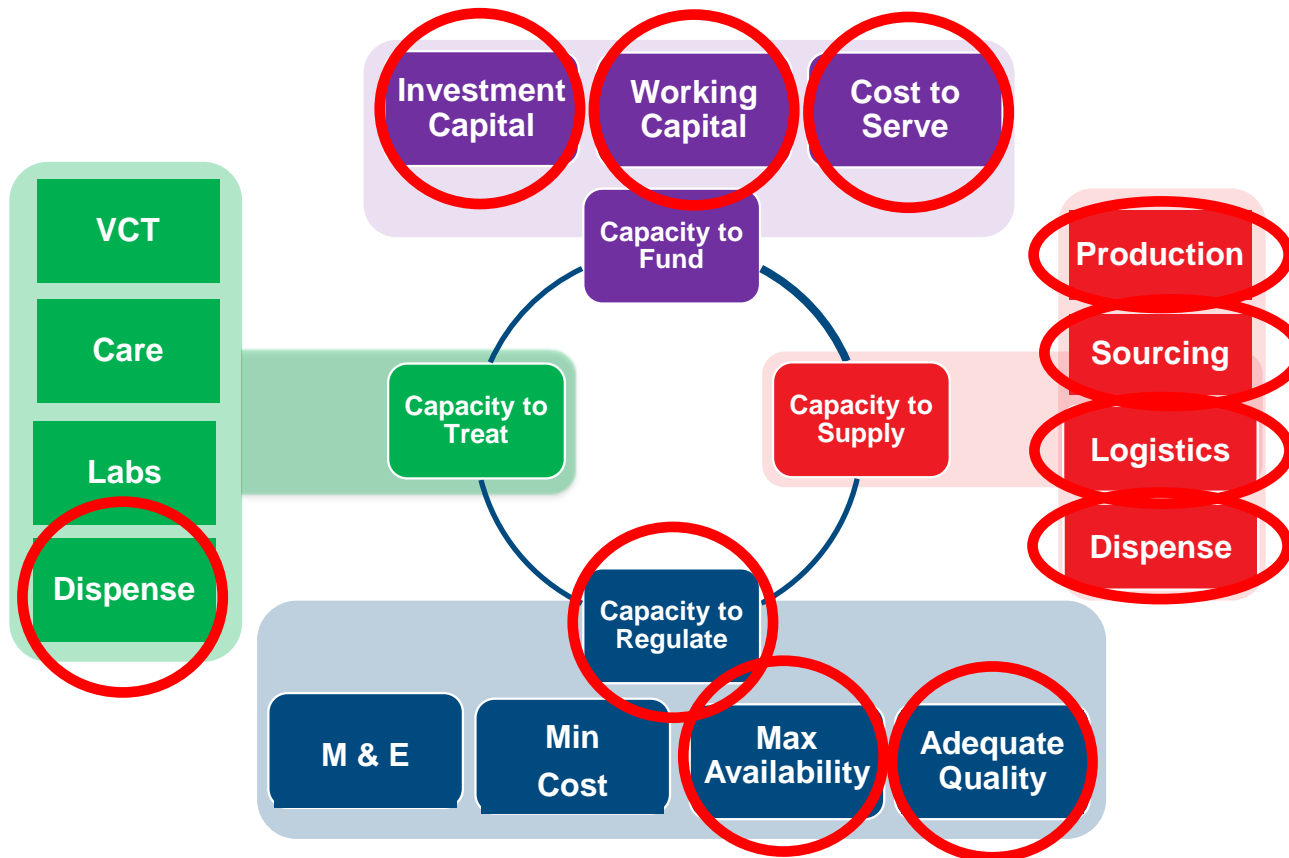




Africa's first-choice healthcare "route-to-market" partner ... driving access to affordable, quality products



The Critical Touch Points Of Supply Chain



Stop Teaching Ancient History ... And Start Teaching Supply Chain!

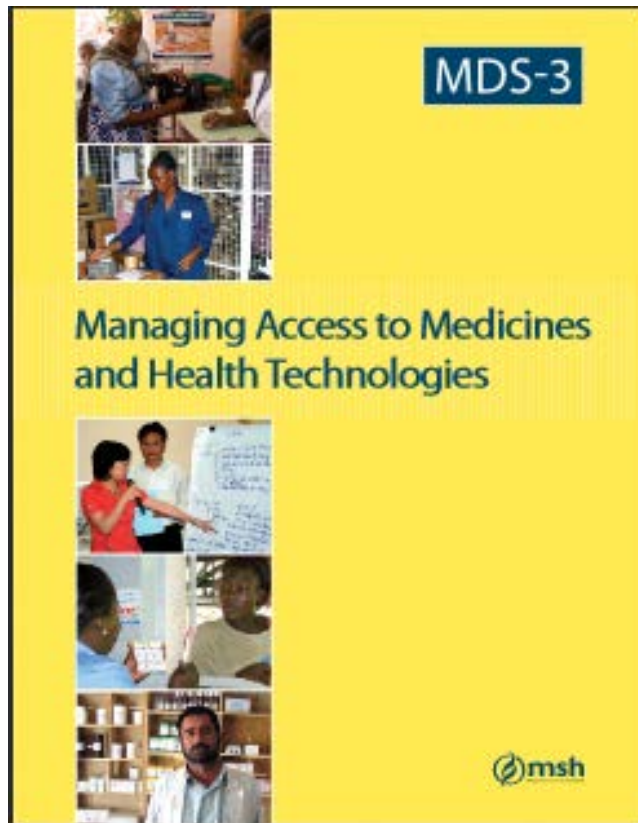
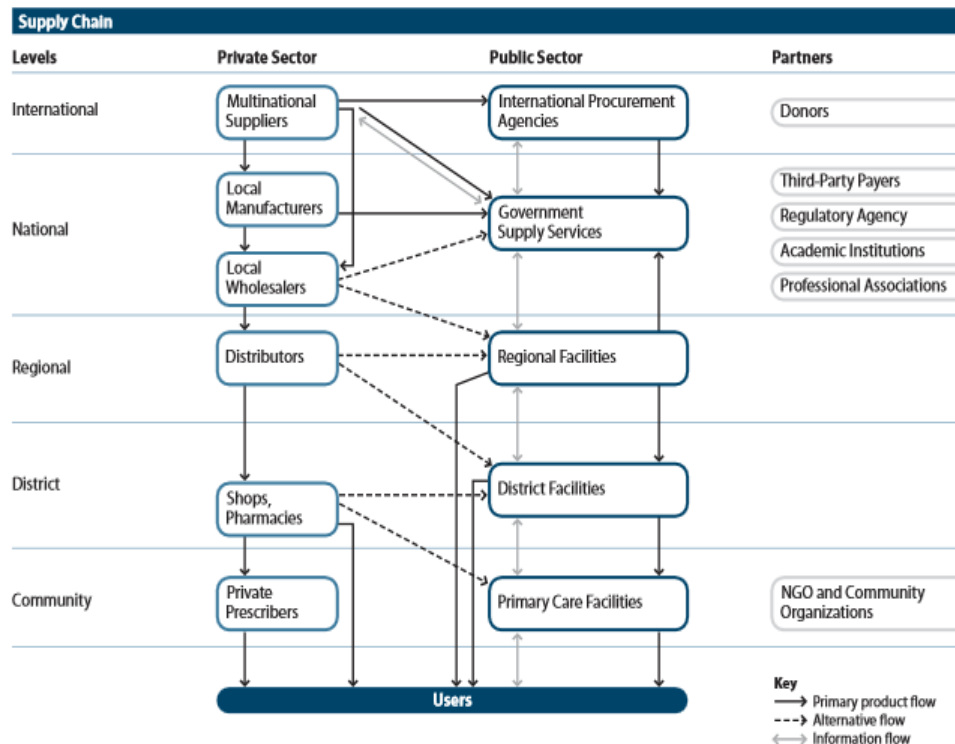
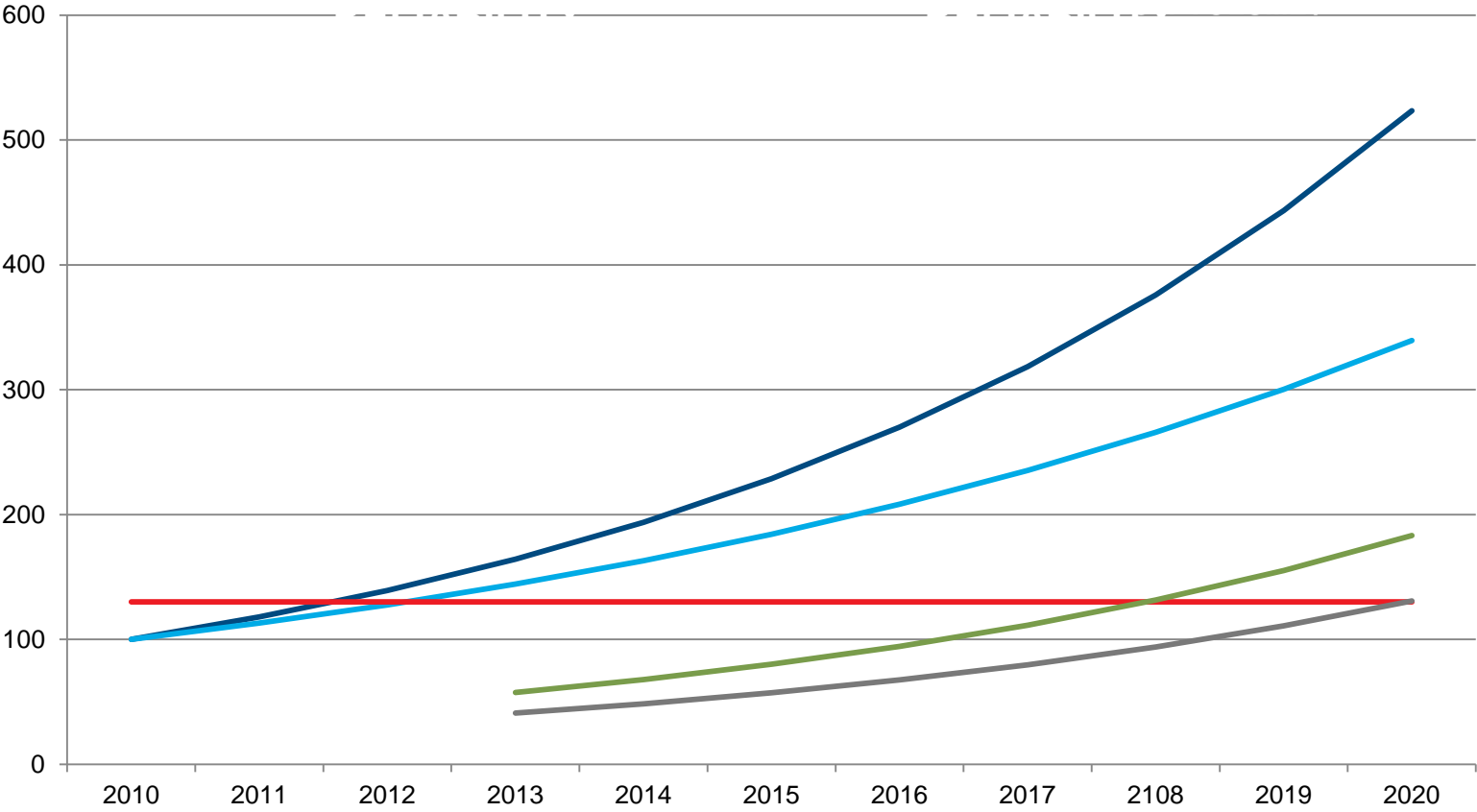


Figure 22-1 Typical pharmaceutical distribution system



“MDS is the leading reference on how to manage essential medicines in developing countries. Originally published in 1982, it was revised in 1997 with over 10,000 copies distributed in over 60 countries worldwide. The third edition, MDS-3 reflects the dramatic changes in politics and public health priorities, advances in science and medicine, greater focus on health care systems, increased donor funding, and the advent of information technology that have profoundly affected access to essential medicines over the past 14 years.”

“The Rule Of 72”

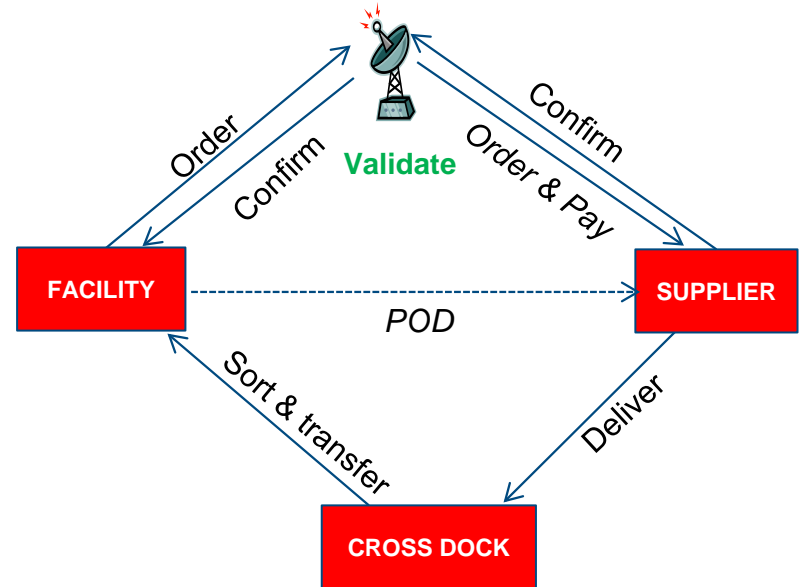


New Ways To See Need & Response In PHSCM

	LOW VOLUME / RELIABILITY SUPPLIERS	HIGH VOLUME / RELIABILITY SUPPLIERS
LOW VOLUME SITES	CMS – 30%	
HIGH VOLUME SITES	Cross-Docking – 40%	Direct Delivery – 30%

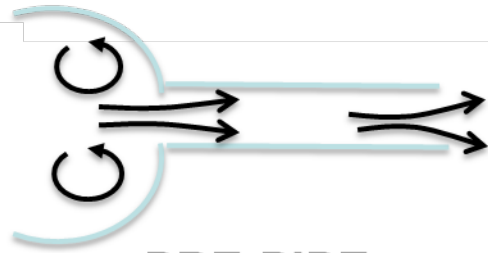
7 Top suppliers X 27 Major hospitals = 70% !
Of volumes

“The CMS CAN Endure!”



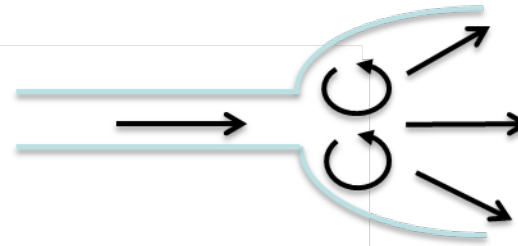
VANs & Control Towers

Buffers – Delinking Variance



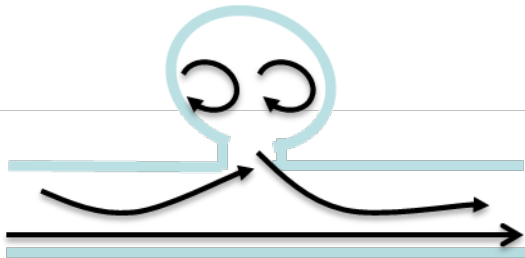
PRE-PIPE

Stop TB – Stock at manufacturers.
 Poor reliability of supply, long
 order-delivery lead times



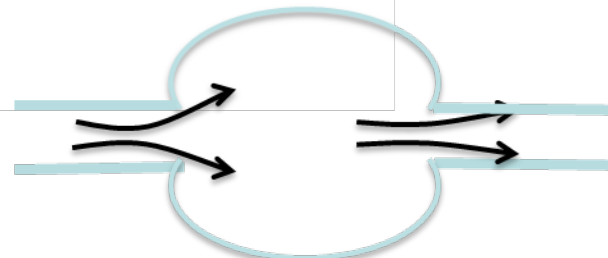
POST-PIPE

The classic CMS model – No
 regional buffering. No supplier
 variance management



PARA-PIPE

The Dutch government project of
 2005 – 100% stock write-off



INTRA-PIPE

USAID's RDC model – 99% OTIF,
 0% Stock outs, .15% expiry

“Pimp The Private Sector” – CML’s Success Story

2011 - ~ 15 trucks
~ 100cbm vehicle volume
~ 80cbm delivered per month

Scale-Up started with ACTs

Added USG RH & GFATM malaria

2012 - ~ 30 trucks
~ 60 sustainable jobs created
~ 610cbm vehicle volume
~ 600 – 1,000cbm delivered per month

Still operating with IHS as 4PL

Replicated in Nigeria ... 4,500 sites serviced bi-monthly by 6 3PLs

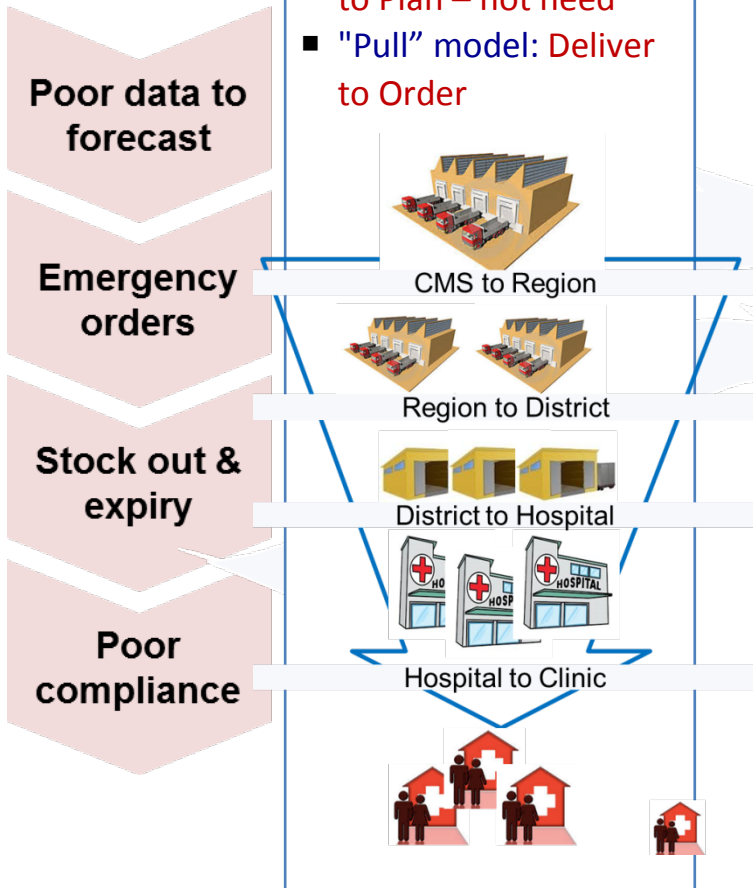
... and replicated in Senegal ...



The Senegal Informed Push Model

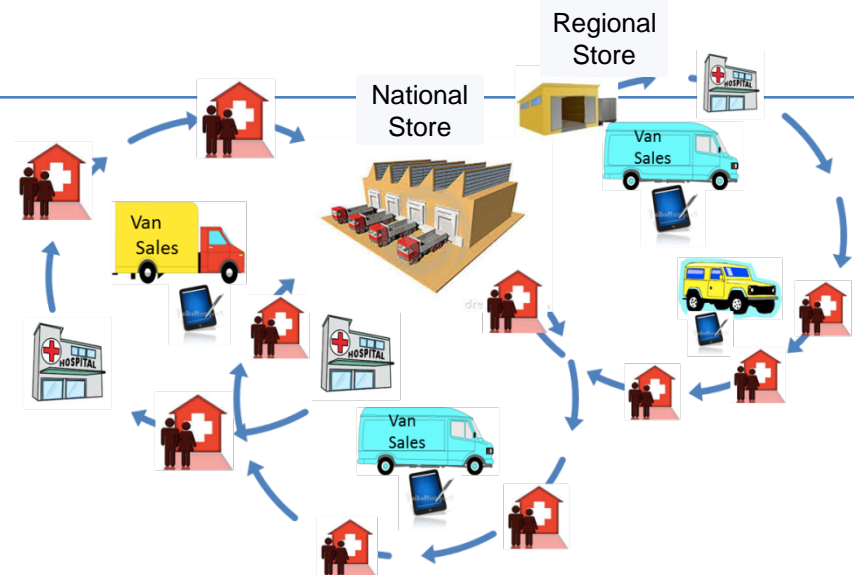
Old Pull & Push Models

- "Push" model: Deliver to Plan – not need
- "Pull" model: Deliver to Order



Informed Delivery Models

- "Van Sales": Deliver to Demand - stock on hand is validated & order built at site based on actual need
- "Model Stock" is continually refined based on consumption, stock on hand and safety levels
- "Smart Drivers" reduce the need for SDP personnel to be skilled & attentive in anticipating & managing needs
- "Level jumping" reduces stock & activity costs
- Decision data informs next cycle of delivery & central procurement needs
- Route volume aggregation buffers demand variance across SDPs





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