



Secure, Smart & Counterfeit-Proof Drug Supply Chain for GSK

COMPANY:

GlaxoSmithKline plc

INDUSTRY:

Pharmaceuticals

URL:

www.gsk.com

KEY ISSUES

- Secure, practical and scalable solution for meeting ePedigree compliance mandate
- Absence of visibility in complex distribution network
- Pilferage and revenue losses
- Inaccurate demand forecasting

SOLUTION DELIVERED:

eBizNET – SC Suite

BUSINESS VALUE

- Reliable and practical solution for regulatory compliance and transaction integrity
- Significant reduction in pilferages and revenue losses
- Accurate demand forecasting and effective trade promotion management

CUSTOMER

GlaxoSmithKline plc (NYSE: GSK) is a British pharmaceutical, biological, and healthcare company. GSK is the world's fourth largest pharmaceutical company and a research-based company with a wide portfolio of pharmaceutical products. It also has a Consumer Healthcare operation comprising leading oral healthcare products, nutritional drinks, and over the counter medicines. It is listed on the London Stock Exchange and is a constituent of the FTSE 100 Index.

BUSINESS CHALLENGE

While the pharma companies today face annual revenue loss of an estimated \$ 40 billion due to international counterfeiting, the patients as well suffer due to counterfeit drugs. With this increase in counterfeiting and theft, the pharma industry along with several state governments in USA have mandated the use of electronic pedigrees (ePedigree) to monitor drugs through the supply chains. GSK required a solution to meet regulatory compliance as well as help reduce pilferages and revenue losses. Key concerns being faced were:

- Compliance with ePedigree mandate
- Leverage ePedigree as a business driver
- Gain visibility into complex distribution network
- Improve demand forecasting accuracy and measure effectiveness of trade promotion programs
- Limit liabilities through targeted recalls

GSK chose eBizNET as a strategic partner to help evolve a practical and reliable solution for ePedigree – with an initial pilot solution using the nascent RFID technology and finally moved to a mature Serialization technology.

eBizNET™ SOLUTION

A. ePedigree System Using RFID

In 2004, eBizNET initiated a pilot solution to develop and deploy an RFID based tracking solutions in partnership with SDS Automation and IBM. Salient characteristics of the system were:

- The system was implemented for top selling brands of client to track receipts & deliveries at Dcs
- System was designed using software from SDS and IBM (Tagsys)
- System would allow for product to be quickly scanned (using RFID tags) and store all the data as per EPC Global Standards as well as recorded weight of each case and determine physical tampering of the case if any

B. 2D Barcode and Serialization Technology to Support ePedigree

In 2006, it was realized that the technology surrounding RFID tags was not mature and the accuracy ratings did not match the efficiency desired. The technology only returned a 50 to 70% efficiency rating for each case scanned and 20 to 30% rating for pallets carrying multiple cases scanned. Hence, 2D Barcode and Serialization technology was adopted for ePedigree compliance. A comprehensive ePedigree system using 2D Barcode and Serialization technology was developed in partnership with SupplyScape (leading provider of ePedigree data management software) and IBM (Websphere Middleware). Key features of the system:

- Creates ePedigree when client ships the product to a customer and generates an XML feed to SupplyScape when trailer departs
- Supports progressive authentication for verification so that when the product switched handlers and a new pedigree was added, the new ePedigree became part of the total lineage
- A new application was designed and implemented to track weather at shipping location for vaccine orders and re-route or schedule as necessary

BENEFITS

- Reliable and practical solution for regulatory compliance & transaction integrity
- Significant reduction in pilferages and revenue losses
- A scalable platform to handle chargeback resolution, provide input for accurate demand forecasting, enable effective trade promotion management and support targeted recall and expiration management

BUSINESS VALUE

With the implementation of eBizNET Solution, GSK witnessed a significant reduction in pilferages and revenue losses. The scalable and secure solution enabled high visibility and allowed GSK better access and control over its complex distribution network thus helping it meet ePedigree compliance.

ABOUT eBizNET™ SOLUTIONS

eBizNET Solutions is an affiliate of 7Hills Business Solutions, a leading provider of SaaS Supply Chain Execution Solutions and has its presence in North America and Asia Pacific. With a proven footprint across Retail, 3PL, Automotives, Pharma, Food & Beverages and High Technology, the company offers an array of unique solutions as part of its robust and integrated eBizNET – Supply Chain Suite in a SaaS or On-Demand environment for supply chain communities, supporting all the trading partners in the ecosystem. eBizNET is a cloud partner of NetSuite and SPS Commerce.

To learn more about us please contact: sales_global@ebizscm.com or visit www.ebizscm.com