

16TH ANNUAL COOL CHAIN



TEMPERATURE CONTROLLED LOGISTICS



Life-science logistics gets it together at Europe's biggest coolchain event

Highlights from the 16th Annual Temperature Controlled Logistics symposium

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ExCel • London



An Independent Conference Report by Alan Kennedy

Life-science logistics gets it together

Alan Kennedy looks at some of the highlights of the 16th Temperature Controlled Logistics Conference held in London on January 31st and February 1st 2017

In London for the first time ever, more than 500 life-sciences professionals, healthcare logistics specialists and industry supply chain executives gathered at the dockside ExCel centre on the last day of January for the 16th Annual Temperature Controlled Logistics Conference.

Never before has the pharma-logistics sector faced such a bewildering array of disruptive threats and awesome opportunities as it does now. In a brave new world of globalisation, industry consolidation, political uncertainty and frenetic techno-change, the pharma-logistics sector confronts a growing array of challenges driven by rising costs, increasing complexity, greater regulatory oversight and ever-higher expectations in terms of patient safety. Over the course of two lively days of intense debate and earnest counsel, representatives from the £10BN pharma cold-chain logistics sector raised questions, considered solutions and examined ways in which the industry can meet these challenges head-on. It all made for a very varied, vigorous and instructive experience.



*Amy Shortman, Conference Chair and CEO,
ASC Associates*

This annual occasion from the IQPC stable is one of the largest of its kind. This year it featured more than 60 expert speakers and a torrent of supporting workshops and debates. A busy exhibition arena formed a natural centrepiece and this was occupied by a swathe of leading specialist suppliers. Themed around "Supply Chain Innovation" and ably chaired by pharma-logistics luminary Amy Shortman, this year's gathering had a firm focus on new ideas in both products and practices. In her opening remarks Amy emphasised the need for the industry to continue its efforts to make pharma distribution safer and more efficient. "Let's all work together to improve the standards of the industry", she intoned and with these stirring words set the overall tone of the varied debates that followed.

The Conference got under way with three opening Keynotes. First on the podium was Val Petursson, Senior Director of Logistics at Teva, who spoke about the need for greater cold chain cost-efficiencies.



*Val Petursson, Senior Director,
 Logistics, Europe, Teva*

In discussing his ‘favourite supply chain mistakes’ Val voiced his concern about the industry’s continuing preoccupation with reactive firefighting, transactional relationships and siloed-thinking rather than pursuing a more strategic focus. He was particularly outspoken in his claim that for many shippers the use of airfreight was a “mistake” and a “misalignment”, a view that formed the thesis for some of the talks that followed and which attracted heated debate. He went on to emphasise the need for a greater alignment between all the different parties involved. “Logistics”, he suggested, “is very often the last piece to be integrated.”

Petursson was followed by Ruud van de Geer from MSD who spoke about his company’s logistics strategy for product protection and regulatory compliance. He described the internal and external approaches to collaboration that have been necessary to make the MSD programme succeed and he voiced concern that the distribution of pharmaceutical products is still “a hidden and unknown process for a lot of people”. As a result, he said, MSD is focusing its new strategy around a pragmatic approach to improving communications, safeguarding quality and controlling compliance, all within a structure of continuous improvement. Nevertheless, when questioned from the floor as to whether the company was planning to be more open in sharing stability data with its supply partners, the answer was a resolute ‘no’, ostensibly due to “the risks associated with the interpretation of the information”. Ruud also admitted that MSD does not currently favour long-term strategic relationships with its suppliers with the company preferring to rely on competitive tendering as its principal means of supplier selection rather than a more contemporary value-oriented (VFM) or whole-life (TCO) approach.



*Ruud van der Geer, Associate Director,
 Supply Chain Management, MSD*

The third and final keynote addressed technical innovation and showed how one company has harnessed sheep’s wool, apparently one of nature’s ‘smartest’ fibres, as a passive pharma insulation material that is not only highly efficient but 100% sustainable. Keith Spilsbury from the Wool Packaging Company, urged delegates to examine the benefits of combining cutting-edge technical know-how with renewable natural products to create eco-efficient cold-chain solutions. In addition to presenting the “genuine sustainability benefits” of wool, he explained how the “amazing insulative qualities” of this unique fibre “presents considerable opportunities for cost reduction in passive packaging”.



*Keith Spilsbury, Strategic Director,
 Wool Packaging Company*

MODAL SHIFT

One of the, perhaps more contentious, topics on the conference agenda was the perennial issue of modal shift, the highly emotive air-freight versus sea freight argument. Ocean transport was very visible on this year's IQPC platform which included a pre-conference interactive workshop session from the Sea Freight Working Group, an industry group with the objective of driving standards, improving sector collaboration and promoting best-practice in pharma reefer handling.



Mark Edwards, Chairman, Sea Freight Working Group and CEO Modalis

Mark Edwards of Modalis who chairs the OFWG Group gave the Closing Keynote on Day One in which he presented the group's progress during its first year of operation. He also announced a new OFWG report which defines the responsibilities of the different sea-freight actors and identifies the potential 'pain points' that might be encountered. The report has translated these into a process-map to serve as a practical guide for those pharmaceutical shippers contemplating a move to marine transportation.

Many other speakers spoke about, or made reference to, the trend towards non-aviation modes of transport. One presenter mentioned rail-freight, in particular the new 'silk route' service between China and Europe, as the 'next big thing'. AstraZeneca stated that its mode-shift programme is on course to reach its target of 70% sea / 30% air by next year. This will represent a complete reversal of its mode ratio of four years ago. "We have seen a huge improvement in terms of performance in terms of quality, consistency and efficiency" enthused Andrew Spencer, who is a Global Category Manager for Freight and Logistics at AstraZeneca. "We have more control with less damage and less temperature deviations"

On the same subject, Rubén Velázquez Treviño from Bayer, presented an interesting case study which looked at the company's experiences of conducting a door-to-door mode-shift pilot using sea-freight between Europe and Brazil. The success of the plot was noteworthy: "The results were even better than we expected. During the nine-month pilot period we went from 38 days door-to-port to around 25 days". Treviño admitted there had been a number of unanticipated costs in going down this route but when pressed from the floor to provide the 'ball-park' cost savings resulting from this approach he said that the savings remained "very worthwhile" at "around twenty to thirty percent".



Rubén Velázquez Treviño, Change Manager - Transport Services, Bayer

SHOWCASING INNOVATION

The event's display area was as busy as ever. This year, in keeping with the London location, the latest innovations were showcased in that iconic symbol of London – a big, red, double-deck, bus! Data



Delegates learning about the new 'Credo Cargo' pallet-friendly shipper system from Pelican

capture and management solutions were much in evidence from companies such as Ebro, Tag, Sensitech and Berlinger. Numerous passive shipper manufacturers such as AeroSafe, Emball'iso, Intelsius and Pelican were also present. Technical cargo covers were on show from companies including EcoCool, TP3 and newcomer TLX Cargo. DuPont and AmSafe BridPort both featured the new third-generation Tyvek® cargo cover and a White Paper was released that examines the oft-overlooked subject of moisture and humidity damage to sensitive pharmaceuticals during transit.

LAST MILE ATTENTION

The thorny question of how to improve last mile pharma distribution was a topic covered by several speakers and several informal round-table discussions took place that examined GDP risk assessment in this relatively neglected segment of the supply chain. Back in the exhibitor arena Berlinger AG, the Switzerland-based supplier of temperature monitoring equipment, was showcasing its tiny, low-cost, electronic 'last-mile' Mini-tag device designed for attachment to packaging to allow the safe transit and storage of medicines after they have left the protection of the primary cold-chain. In support of the product, the company issued a compelling White Paper which considers the issues associated with 'last mile' distribution and domestic storage and poses the questions: "What quantity of drugs are thrown away due to being judged unfit for human consumption at point of use? How many drugs are being consumed that are outside the official margins for safety?"

REGULATORY MATTERS

Maintaining regulatory compliance is one of the industry's biggest incentives for innovation and improvement. But with an increasing rate and number of GDP inspections it is vital that WDA-licensed pharma shippers, forwarders and cold chain operators are fully prepared when an inspection notification arrives. Terry Madigan from the UK's MHRA presented useful guidance for those organisations for whom a GDP inspection remains a daunting prospect.

The new U.S Pharmacopeia Chapter 1079.1 relating to clinical trials was introduced by USP Expert Member Jeff Carrico. Jeff also delivered an illuminating update to the overall USP program in which the USP's relationship with the FDA was clarified. He explained that the USP's role was increasingly one of 'filling in the gaps' not covered by federal legislation and that the Expert Committee of which he forms part is currently assessing its priorities going forwards. When pressed from the floor, he agreed that one of these priorities may be a consideration of how best to close the safety gap that exists in both the 'last mile' delivery of drugs and in domestic storage situations.



Terry Madigan, Senior GMP/GDP Inspector, MHRA



Jeff Carrico, Distribution Committee Expert Member, U.S Pharmacopeia

LEANER AND GREENER

In a presentation entitled Developing Leaner and Greener Temperature Controlled Supply Chains, AstraZeneca’s Andrew Spencer outlined the company’s sustainability agenda which is being vigorously pursued against demanding targets. However sustainability did not appear to be very high up the agenda of some of the industry’s other players. When asked if GSK had taken environmental costs into consideration when developing a decision-model to facilitate the sometimes difficult choice between active and passive packaging solutions, Cold Chain Manager Jeroen Janssens admitted this is not a factor that has been taken into account during its development.

DIGITISATION AND BIG DATA

The impact of digitalisation was never far from the thoughts of many speakers as the industry grapples with the huge implications, both good and bad, of the 'data revolution'. Heather Bogle of Almac introduced an intriguing temperature management system that addresses the huge problem of how to assimilate and make sense of temperature data stemming from multiple sources across different technology platforms. Launched at the conference, the cloud-based TEMPEZ data consolidation system is pharma-specific and highly flexible. Access privileges can be allocated to different supply chain parties for readily accessible data throughout the entire supply chain. And, according to Heather, the system is suitable for both the storage and transportation stages of the distribution process for a full end-to-end temperature history and an assurance that a product has been kept within its safety parameters throughout its transit phase.



Heather Bogle, Supply Chain Solutions Manager, Almac Clinical Services

Despite professing to being a technophobe that occasionally struggles with the remote control for his television, industry stalwart Graham Martin offered a light-hearted yet enlightening glimpse at the techno-future for pharma. He opened his address “Future Proof your Cold Chain” with a brief look at the potential impact of innovations such as drones, 3D printing, drug delivery advances, synthetic vaccines, phone apps, non-invasive surgery techniques, full body scanning and more. He said that although most of these advances are taking place at a hurtling rate, users should not be afraid of technology. “If it suits you,” he intoned, “Go for it!”



Graham Martin, Supply Chain Excellence Manager, Pfizer

Nonetheless a more cautionary note had been sounded earlier by AstraZeneca’s Andrew Spencer who made the point that a technology failure, such as the loss of a GPS signal, which might be a mild inconvenience if it affects a personal fitness tracker, could be catastrophic in the case of a shipment of highly sensitive medicines. “We need to take some giant leaps in hardware over the next two to three years if we are to get the best from technology and drive improvements” he opined.

WORKING TOGETHER

Collaboration was a word on the lips of many speakers and delegates at the show as the industry seeks ways to improve the interface between the various stakeholders in the pharma-delivery chain in the face of growing technical, market, regulatory and cost pressures.

Two of the speakers who stressed the need for a more collaborative approach were Henry Moran and Conference Chair Amy Shortman, both from ASC Associates. They cited the industry's increasing tendency towards outsourcing to experts when they emphasised the importance of supply chain security measures to comply with the Falsified Medicines Directive (FMD). They also explained the need to conduct lane based risk and vulnerability assessments using expertise which combines both Good Distribution Practice (GDP) and FMD. "Outsourcing ensures that companies are objectively auditing their supply chains and using internal and external intelligence to provide a robust and secure solution from a security and temperature management viewpoint".



*Henry Moran, Chief Operating Officer
 at ASC Associates*

AND WE HAVE A WINNER...

Every year the Temperature Controlled Logistics Awards form a highly anticipated part of the conference proceedings. This time round SmartCAE scooped the coveted "Best Temperature Control Logistics Project Award" for its advanced thermal simulation software which allows the rapid development and testing of passive pharma packaging. The "Supply Chain Innovation Award" went to Pluss Advanced Technologies for its advanced phase change materials (PCM) and the Pharma Logistics Newcomer Award was awarded to Reykavik-based Controlant, manufacturers of wireless monitoring and tracking equipment.

CONCLUSIONS

Many other topics were covered in this interactive, multi-threaded event. Supply chain security was a favoured theme as the industry wrestles with the implications of mandatory serialisation, complex track and trace technologies and the need for improved physical protection. Clinical studies, validation planning, lane validation simulations, risk assessment and emerging markets were amongst other areas that were thoroughly examined. Summing up the Conference in her closing remarks, Amy Shortman expressed her delight at the extraordinary breadth and depth of the event's content and thanked all the speakers and, of course, the event organiser, for all the hard work that went in to making Temperature Controlled Logistics 2017 a great success.

NOTE: Next year's Temperature Controlled Logistics 2018 will again take place in London.



About the Author

An independent supply chain consultant and corporate journalist with over 25 years of experience, Alan Kennedy provides strategic guidance and support to a broad range of industrial and commercial clients.

He is also the founder of the non-profit **TEAM-UP** initiative aimed at driving end-to-end pharma-logistics integration. For more details visit www.team-up.global

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