# Pharma & Care



# Introduction

# by Sipke Spoelstra, Director PostNL Logistics Solutions

The world of logistics is constantly changing. Who could have known ten years ago that within five years we'd be going for a completely CO2-free last mile? With the electrification of fleets, robot technology and smart data loggers, the sector has developed rapidly. As an organisation, we embrace this trend and continue to look for ways to find the most sustainable ways of working. At the same time, behind every Pharma & Care shipment is a story that really matters, so quality remains our priority.

Our organisation wants to be forward-looking and launches technological innovations that result in optimisation and growth. In the past year, we've also taken major steps towards a more data-driven approach, allowing us to ensure our quality in a more effective and targeted way. Developments such as the scanglove add to this because they allow for even more efficient processes to be implemented on the shop floor.

Pharma & Care also has ambitious, but specific, goals in the field of sustainability. To achieve these goals we've invested millions in recent years in new locations that have been optimised in terms of sustainability and quality. Emissions per shipment due to the strong drop duplication for various customers are already relatively low, but CO<sub>2</sub> reduction remains a prominent spearhead within our sustainability ambition. The adjustments and developments in our fleet, to our hubs and our network, in both the Netherlands and Belgium show how important this is to us. We've opted for a step-by-step approach to be able to guarantee the quality of shipments at all times and to test the environmental impact, so that we can easily and efficiently scale this up in the coming years.

Based on our mission 'Every day with the greatest care' we go to great lengths to ensure every patient, every hospital and every supplier in the healthcare sector can count on us every day.

We happily take you through the specific developments in terms of quality and sustainability of medical shipments within PostNL Pharma & Care and share the challenges and solutions of a number of customers, including Medcor and Etos, in the field of medical logistics.



After all, building a more efficient healthcare logistics chain where quality and sustainability are paramount is something we do together.

Enjoy your read!

Sipke Spoelstra, **Director PostNL Logistics Solutions** 

# **Contents**

How GDP is embedded in our culture	4
Sustainability at Pharma & Care  How Abacus Medicine safely delivers medicine to hospitals and pharmacies	6 8
SAHZ outsources healthcare logistics for more capacity	12
How Etos ensures quality, from their distribution center to stores	14
Discover the Pharma & Care possibilities: reliable and sustainable medical logistics	16









# "How GDP is embedded in our culture"

Nick Vandenberk, Quality Manager Pharma & Care Benelux

How does Pharma & Care safeguard the Good Distribution Practice (GDP), which GDP-relevant developments do we see in the market and how do we respond to them as a logistics link in the healthcare chain? Quality Manager Nick Vandenberk shows how Pharma & Care handles this.

# GDP compliance within Pharma & Care

The healthcare sector is all about valuable medical shipments that need to be handled with extra care. The impact of GDP guidelines on the recipient, the patient, patient safety and also on us as an organisation is something that all our colleagues recognise and is embedded in our way of working. Everyone is aware that there's a story behind a delivery and that we often transport medicines a patient is waiting for. This makes GDP a key theme of our operational performance."

# GDP awareness within our operation

All our colleagues and subcontractors are offered physical GDP training, tailored to each person's work and job level. Everyone takes these training courses; from drivers and warehouse workers who are in direct contact with the products, to customer service staff. Our training sessions are face to face. Every colleague is a key link in the quality assurance process and it's essential to feel individual responsibility for that link in the chain. The GDP guidelines are translated into daily practice and workers are made aware of this key process and their role in this, with patient safety being the goal. Every link is indispensable to make successful deliveries, with care and under the right conditions.

# How do we do this?

Individual and joint responsibility for quality assurance is captured in our processes and in our culture. For example, we hold each other accountable for maintaining GDP guidelines at all levels of the organisation. Based on risk analyses, we've also integrated control mechanisms in our processes to minimise human error. Examples include the four-eye principle, whereby a critical human act by person A is always checked by person B and the implementation of system-driven processes for traceability and product conformity.

# Market trends

# Increase of GDP in other sectors

Good Distribution Practice guidelines were originally introduced in 1994 to guarantee 'the appropriate storage and distribution of medicines in the European Union'. We now see that these guidelines are increasingly becoming the standard in other sectors and product categories, such as in veterinary services, cosmetics and medical devices. We apply the GDP guidelines in our processes to ensure the highest quality for customers in this segment too.

In addition to a growing number of product categories, we see two other developments: On the one hand, a growing volume of biopharma, which predominantly needs to be transported between 2-8°C. On the other hand, a shift in terms of recipients, from only hospital pharmacies to hospital pharmacies as well as local pharmacies.

# How does this translate to logistics?

Whereas before we were dealing mainly with conditioned shipments from location A to location B, we've noticed that this is becoming increasingly complex. We now have manufacturers in multiple sectors, with a growing volume that requires conditioned transport and deliveries to a growing number of locations. This requires an adjustment of our logistics process due to delivery addresses in difficult-to-get-to locations and increasingly strict urban standards, for example. Whereas we used to drive box trucks and trailers, we're investing more and more in small vans to make conditioned transports on these changing routes.

# **Changing products**

The growing biopharma volume not only means more shipments between 2-8°C. Often, the products are also more sensitive to temperature fluctuations, requiring an even more constant temperature maintenance throughout the process. Any temperature deviations need to be kept as minimal as possible.

# How does this translate to logistics?

As a logistics link in the healthcare sector, we're constantly seeking ways to optimise our services and respond to a changing market. For example, we purchased a brand new state-of-the-art building in Nieuwegein that is fully optimised to guarantee GDP principles.

At our Belgian location, we're continuously adjusting our processes and using other materials to optimise the building and processes as well. For example, we use air cushions around the docks to ensure as little air as possible (with a different temperature) enters the truck during loading and unloading. We also recently installed fans in our warehouse in Turnhout to push rising air down to ensure a uniform temperature flow. This allows an even better temperature control in our premises. "GDP Compliance is the basis, but the focus is mainly on continuous improvement"

Meeting the GDP guidelines and compliance is of course the basis. Above all, we focus on continuous development and improvement. How we do this, how quickly we do this and which projects contribute to this are important themes in our cooperation with customers.

# Transparency and clarity

"Transparency and clarity of the shipment from sender to recipient are essential for our customers. Not only is it relevant to trace the package is, but also to know within what temperature range the shipment has been transported from pick-up to delivery.

For example, a pallet of medicine may only be used after confirmation of what the temperature has been throughout the shipping process. That's why we ensure that this data is made available to our customers at the right time and they -and the patient who needs the product-don't have to wait for it unnecessarily."

# "GDP compliance is the basis, **but continuous** improvement is the main focus."



# **How Pharma & Care** meets sustainability requirements

Eveline Frouws, Pharma & Care Benelux Sustainability Programme manager

PostNL made it in the top 3 of the Dow Jones Sustainability Index again this year. This is the index of the most sustainable companies in the transport and logistics sector worldwide. PostNL aims to achieve emission-free last-mile deliveries throughout the Benelux by 2030 at the latest. Within our specialised Pharma & Care network we've also taken some major steps towards making the entire logistics chain more sustainable.

We're continuously looking for ways to reduce our carbon emissions and energy consumption," says Eveline Frouws, Pharma & Care Benelux Programme Manager. "Within Pharma & Care we look at three main components: our network, our hubs and our vehicle fleet."

# Sustainable network

"We introduced a 'hub and spoke' model in our network which comprises opening small distribution locations, the 'spokes,' near our delivery addresses and making deliveries in smaller vans. This reduces our delivery miles in terms of carbon emissions and due to the shorter routes means we'll be able to go electric in the future."

### Sustainable hubs

"The new building in Nieuwegein means the Dutch Pharma & Care location is completely sustainable. The building is BREAAM-certified; a quality label awarded to building projects that meet sustainable requirements. The building has solar panels, a solarport and a charging square for electric transport. The existing Pharma & Care hubs in Belgium are also being optimised to meet sustainability requirements. This includes low-energy docks and a central unloading strategy, which means less energy is needed to stabilise the temperature in the building."

### Sustainable fleet

"In the Netherlands, our trailers and box trucks already run entirely on HVO100, a plant-based fuel, resulting in 90% less carbon emissions compared to diesel. We're also taking the first steps in both Belgium and the Netherlands to electrify our actively conditioned vehicles to achieve further reductions in emissions. The electrification of our fleet will be phased. The vehicles' temperature capabilities will be subject to rigorous testing to guarantee GDP standards at all times.

# **Electric trailer**

To meet our sustainable fleet plans we've introduced a temperature-conditioned dual temp e-trailer. The fully electric cooling units enable us to guarantee a constant temperature in an ecological way and to monitor the temperature as well as the battery status during transport. The electric trailer recharges itself when it brakes, and has diesel tanks to fall back on if the battery should malfunction or fails to recharge sufficiently.

### **Electric bus**

In addition to a GDP-capable electric trailer, we also have a GDP-capable dual temp bus. This electric bus also has solar panels on the roof that drive the cooling motor.





# **Network**

- Hub & Spoke network model. By placing spokes closer to recipients, we reduce carbon emissions and take steps towards a future carbon-free last mile.
- Continuous data-driven efficiency and optimisation of the routes.



# Hubs

- BREAAM certified hub in Nieuwegein.
- Optimisation of existing hubs with energy-efficient docks.
- Electric charging plaza on solar power.
- Solar panels.



# **Fleet**

- HVO100 All Dutch trailers run on plant-based diesel with 90% less emissions.
- Phased electrification of the vehicle fleet: Electric GDP buses and electric GDP trailers.



Care is essential in transporting and supplying medicines. The shipment is often valuable and fragile and needs to be transported under special, conditioned circumstances. This is why Abacus Medicine works with PostNL. All drivers are qualified and the transport meets GDP directives to ensure a correct supply of the medicines to healthcare providers.

In their search for a proactive and reliable logistics partner, they quickly arrived at PostNL, says Jeroen Neeven, Preparation and Logistics manager at Abacus Medicine. "You have to meet a long list of requirements before you're allowed to transport our medicines. The transport has to be safe, temperature controlled and compliant with the strict rules of Good Distribution Practices (GDP). PostNL met all these requirements. We hardly have any concerns about the quality of the medicine transport now which is very important for us and our customers. For example, it's very important that the temperature of chemo pills is guaranteed at all times."

# Clear information

Another major advance is transparency. "If our customers have questions, we can now provide information about the transport much sooner. The portal is very structured and

relatively simple to operate. Partly thanks to this, we're able to provide our customers with much better information." And that information can be crucial, says Jeroen: "Generally, pharmacies and hospitals order ahead, but sometimes they need information immediately as to how soon a medicine can be provided. It could be a life or death situation."

# **Huge improvement**

Jeroen is also impressed with the proactivity in communication and the reaction speed of the customer service team: "Not only the response time is much better than before, it's also more convenient, we have more insights and a very good contact with our account manager. And where we used to use A4s, we now directly print address labels to put on the packages. It's a massive improvement for us."



# "It's very important to us that the medicines are transported at stable temperatures."



# Social responsibility

The relationship between Abacus Medicine and PostNL goes further than logistics. "Yes, of course we make a profit, but the motivation behind our business is socially driven: We want to make the right medicines more affordable to more people. We also recognise this in PostNL: they're clear about their sustainable and social ambitions."

# **Growing across borders**

Looking ahead, Jeroen sees even more opportunities for close cooperation. "One of our goals is to grow in Europe. Both in the markets that we are already active in, and in new regions and countries. We've already had discussions with PostNL about that. For example, about the possibilities and opportunities we see in Germany."

# Making more medicines affordable for more people

Abacus Medicine is a parallel-importer of medicines. By purchasing medicines cheaply in one country, they can offer them at a more favourable rate in another. This international trade in medicines is complex, but offers customers the same medicines at a lower price. This is how the company increases the accessibility to medicines. With a global network and presence in 14 European countries, Abacus Medicine is a European market leader. In the Netherlands, the company has a site in Amsterdam and a logistics hub in Alkmaar.



# "We set high standards for our carrier"

Medcor very satisfied with switch to PostNL Pharma & care network

When you deliver medicines to hospitals, pharmacies and wholesalers, a good logistics organisation is essential. Medicines need to be delivered on time, with care and sometimes even secured or temperature controlled. Pharmaceutical parallel-importer Medcor used this wish list in their search for a new carrier. "Punctuality and swiftly acting are important to us. We were looking for a logistics partner that meets these requirements. And PostNL fitted the bill."



# Logistics puzzle

From three locations in Lelystad, Medcor supplies whole-saler's, pharmacies and hospitals with parallel imported medicines, among others. From OTC products to opiates, everything has to be transported with the greatest care. Bertus Buffinga is logistics manager at Medcor: "Our biggest challenge is the day-to-day logistics puzzle. On the one hand, we look at how we can get goods to Lelystad. On the other hand, we need to supply our customers from Lelystad. This involves different types of orders for all kinds of customers throughout the Netherlands. Obviously, medical aids are not handled the same as, say, opiates or certain medicines. Also, some orders have tight delivery schedules, such as hospital pharmacies where a patient may be waiting for a particular medicine."

# Focus on fulfillment rate

"Our deliveries fluctuate throughout the week. And that makes it quite challenging to pick up our deliveries every day. Every day before noon, we communicate which pallets and individual parcels are ready, which allows PostNL to decide which transport they'll use." For Bertus, this method of working is closely linked to the fulfillment rate: "That's actually what I focus on all day.

A score of 100% means all shipments have been delivered. But as soon as you miss parcels or a pallet, the rate drops.

A delay, for example, which means something doesn't get to our customers on time, immediately impacts our score." Again, for Medcor, it's ultimately about the end customer because a delay can have major consequences. "Some may simply consider it a late delivery, but for a patient this can have huge consequences and PostNL understands that."

# Conditioned healthcare transport

Transporting medicines, vaccines and medical aids require specific handling. In our special Pharma & care network, we always transport shipments with the necessary care and in accordance with the GDP standard, i.e. constant temperature, secured and under the right hygienic circumstances. We provide proof of delivery for all shipments and proactively inform you about the delivery to provide assurance that the quality and operation of the medication are guaranteed.

# From initial discussions to good cooperation

To support their operations, Medcor started looking for a carrier that provided support throughout the logistics process. Medcor soon arrived at PostNL. Bertus: "We first held talks and stated our wishes. Various audits were conducted to make sure everything was in order, for example in terms of GDP rules. When all this was verified, we entered a test phase and finally chose a start date."

# "Driving up and down ourselves is actually a waste"

SAHZ outsources healthcare logistics for more capacity.

SAHZ, the Haarlem Hospitals Pharmacy Foundation, was looking for a logistics partner that can supply hospitals and pharmacies, but also deliver directly to patients' homes. Urgently if necessary. With skilled delivery staff and GDP-certified\*, conditioned transport. And, of course, as sustainably as possible.



SAHZ produces and supplies medicines to hospitals and pharmacies, and directly to patients. These are two very different networks. "We work from four locations, including one service pharmacy that is open 24/7," says Robin Klinge, Logistics & Purchase manager at SAHZ. "As you can imagine, this poses quite a few logistics challenges, for instance in terms of staffing because it's very labour-intensive. But by outsourcing the logistics to one partner, we have more capacity for our primary services."

### Supplying hospitals and pharmacies

The majority relates to B2B. Robin: "We have our own GMPcertified compounding unit and make our own medicines that we supply to hospitals and pharmacies across the Netherlands using PostNL's GDP network from one central location. As soon as we've prepared the shipments, we register them in the PostNL portal and the packages get a barcode to make them traceable. Everything is picked up in the afternoon, goes to the sorting centre and is delivered the next day."

# Direct care to patients

Smaller pharmacies often supply medicines to their customers using their own courier service. SAHZ takes a different approach. "We also deliver to people's homes, but have a somewhat larger scope than a regular pharmacy which is quite a tricky process. Often it concerns smaller parcels and the collection is at our different sites which means you need

people everywhere, who are available at the right time. That's why we outsourced this to PostNL."

# Urgency: a courier within an hour

In principle, all medicines ordered from the online store for healthcare providers before noon are delivered the next day. But SAHZ often has to handle urgent shipments as well. "If this is the case, the PostNL courier is here within half an hour to pick up the parcel and it will reach its destination within a couple of hours." Again, availability and capacity play a big role here, explains Robin: "If someone has to drive to, say, Maastricht or Enschede, this person will be gone the whole day. And that's a waste of time. Moreover, the PostNL couriers know full well what they're transporting - and are trained for it."

### Less air, more electrical

"We send a variety of parcels. These can be large boxes, but also small packages and we always look at the most efficient way of packaging. We have boxes in different sizes to make sure we send as little air as possible." Sustainability plays an important role in other areas at SAHZ as well, says Robin: "We try to use less plastic in our packaging. We limit our waste and always consider our corporate social responsibility. This also plays a role in our choice of partners. For example, the fact that PostNL wants to make as many electric deliveries as possible, especially in the inner city, is very important to us."



# Further development of the portal

Robin is enthusiastic about the collaboration: "The contact is very accessible and any problems are immediately resolved. We know that shipments will be delivered within the agreed deadline. PostNL sticks to its word. We're currently working on the further development of the portal, so that we can see exactly what time the driver will arrive at the customer, allowing us to provide even more detailed answers to customers."

# **Growth in health logistics**

In terms of the future, Robin expects the number of deliveries to grow significantly. "Scarcity of specific medicines is already becoming more commonplace and it's a problem that is only going to get worse. That's why I don't think it's a good idea to give a patient enough medicines to cover three months, but only for one month. These orders are easy to plan, you can prepare everything and let PostNL handle the rest.

Consultation with the health insurer is required to make this possible." At the same time, Robin sees that more shipments need to be consolidated. "This is very important for the environmental aspect.

There's also a role for pharmacies here who can adjust their inventory management accordingly, by not placing three separate orders, but three orders in one go which makes a huge difference in the number of transport movements."

# "Electric deliveries, especially in the inner city, is ver important to us"



# About the Pharmacy Foundation of Haarlem Hospitals

SAHZ is a pharmacy for healthcare facilities in the Kennemerland region. The company also produces medicines for pharmacies and hospitals. With more than 180 employees, SAHZ supplies medicines to a national network of pharmacies and hospitals. Every week SAHZ sends about 300 parcels, both to hospitals and pharmacies and to patients' homes.

# "We work with the absolute specialist in the conditioned GDP transport of medicines"

This is how Etos ensures the quality, from distribution centre to the store.

The transport of medicines needs to meet GDP guidelines: Good Distribution Practices<sup>1</sup>. These guidelines lay down standards for, among other things, the sourcing, storage and transport of medicines to customers and stores. Compliance with these guidelines is strictly monitored by the Health Care and Youth Inspectorate (IGJ). Enough reason for Etos to outsource all medicine transport to a logistics specialist with expertise in GDP.



"We need guarantees that it is done properly. Our customers must be able to rely on the quality of our assortment of medicines. At Etos, the health of our customers always comes first." We spoke to Fardoe Boonen. She's the Supply Chain Director at Etos and one of her responsibilities includes the storage and distribution of the Etos assortment from supplier to shelf and the online customer. "From the distribution centre in Beverwijk we supply all our stores as well as the distribution centre of our online store. The choice for GDP transport is not only a matter of customer safety, but also of responsibility."

# **Customer trust first**

A small, but important part of the Etos assortment concerns medicines. A product group that requires extra care and attention. Fardoe: "We know that we play an important role in healthcare. In addition to qualified pharmacists providing the best service, we also opt for the best product quality. And GDP transport guarantees that our medicines are stored and transported under optimal conditions, from manufacturer to store. It's very important that our customers know that our medicines are stored and transported according to the manufacturer's specifications."

# Finding the right partner

"Working with a GDP-specialised, external party gives the transport of medicines the attention it needs. After an extensive search, we decided to start working with PostNL Pharma & Care. It's one of the few companies in this market to meet all GDP requirements, i.e. ensuring a stable temperature - between 15°C and 25°C - and a clean and safe cross dock² and transport, to prevent contamination or mix-ups. The medicines are collected, transferred to the Pharma & Care depot in Nieuwegein and transported to our stores in smaller temperature-conditioned vans. This also requires attention because the medicines always need to be physically delivered to the store."

# Reliability first

Fardoe: "To meet GDP guidelines we have to prove we carry out periodic quality checks and audits. This allows us to prove we also comply with the guaranteed temperature requirements and that the quality of the medicine transport meets the standards. PostNL is a very reliable partner for us."

# Sustainable ambitions

When Fardoe considers developments in the market, in addition to the rise of artificial intelligence, she sees one very important other aspect, and that is sustainability. Fardoe: "Etos wants to contribute to a healthy and sustainable society. For example, our aim is to emit 45% less greenhouse gases in 2030

than in 2018. This requires an effort from us, but also our partners, for example in terms of products, such as refill packaging or plastic-free ingredients, but also by looking at process improvements such as using less packaging material and sending less air."

### Less emissions

"When I look at the supply chain, the biggest carbon emissions are produced by logistics movements which is high on the agenda at Etos. Our goal is to make electric deliveries to all our stores in zero-emission zones by the end of 2025. We've already supplied our first store with an electric truck which puts us on the same page as PostNL. They're also committed to more sustainable transport and zero-emission last-mile deliveries. The choice for PostNL Pharma & Care thus closely matches our own ambitions."



# Etos: around for more than 100 years

The company was established in 1918. Etos stands for 'Eendracht, Toewijding, Overleg en Samenwerking' (Unity, Devotion, Consultation and Cooperation) and is currently part of the Ahold concern. The pharmacy chain has more than 500 stores, about half of which are franchise stores. The stores carry an extensive assortment of more than 12,000 items, about 300 of which are medicines. The stores are restocked 1.1 times per week on average. Medicines are restocked once a week.

# Your partner for reliable healthcare logistics

PostNL Pharma & Care

Optimize your healthcare logistics with Pharma & Care, PostNL's specialised Healthcare network that transports medicines, diagnostic materials and medical devices throughout the entire healthcare chain in the Benelux. From pharmaceutical producers and wholesalers to hospitals, pharmacies, stores and direct-to-patient.

# Reliability & quality throughout the entire logistics chain

# **GDP-certified:**

We ensure that the product quality of your pharmaceutical products is maintained throughout the distribution process, with GDP-certified hubs and GDP-certified employees, temperature-controlled trucks and temperature monitoring during transport and storage.

### **Dedicated network:**

Having our own network of vehicles, hubs and drivers, allows us to remain flexible in response to last-minute fluctuations in volume, and to adapt swiftly in case of unforeseen circumstances en route.

# **Conditioned transport:**

Your medical shipments are transported using conditioned transport in two temperature zones: cooled (2 to 8°C) and ambient (15 to 25°C). This is continuously monitored to ensure your medical shipment maintains the correct temperature.

# Fixed drivers for distribution to healthcare facilities:

A familiar face for your medical shipments and a carefree process thanks to our fixed drivers. They know their way around hospitals and companies and know exactly where and to whom to go.

# Reliable international deliveries:

PostNL's large network is able to deliver all your healthcare products within 24 hours throughout the Benelux. We also deliver to Germany and Austria. Looking for an international logistics solution? We're adaptable and committed to finding logistics solutions tailored to your needs.



Pick-ups, deliveries and returns



**Consolidated** streams



# **Temperature** requirements

- Not conditioned
- 2-8°C
- 15-25°C



# **Time**

- Urgent
- Within 24 hours
- Within 48 hours (only BE)
- Courier services



# **Transport options**

- Pick-up before a certain time
- Extra volume/pick-up moments
- Small and large shipments
- Sealed
- Pallets



# **Delivery options**

- Delivery before noon, 14.00 and 17.00 (or to be agreed)
- Delivery in 2 hour-, 4 hour- or 8 hour-time slot
- Doorstep service delivery to appropriate department

# Tracking & monitoring of your shipment with Pharma & Care

As both sender and recipient, you can always track your shipment via Track & Trace. Thanks to the continuous monitoring of the temperature throughout the distribution process by our control room, we can take measures in real time and communicate proactively in the event of any deviations in the process. Senders receive a report on the temperature during the distribution process and confirmation of the quality. By having a dedicated network, we can offer we offer flexibility, stability and reliability in the event of fluctuating volumes for all temperature zones.

# Your healthcare logistics partner in the Benelux

PostNL Pharma & Care guarantees high-quality healthcare logistics pick-up and delivery, reliability, temperature control and fixed drivers. Want to know how we do this and what we can do for you? Contact our team to discuss the possibilities.



Pallets, roll containers, parcels, letterbox parcel, post



**Night distribution** 



**Fulfilment** solution



# Contact us: PostNL Pharma & Care postnl.be/health

