

Asia set to lead the way on healthcare but supply chains face complex challenges

18 March 2019 | Opinion | By Karen Reddington, President, FedEx Asia Pacific

New biopharma, medical advances and innovative healthcare products largely evolved in developed parts of the world before making their way to emerging markets.



These sectors are still dominated by companies in North America and Europe^{[1](#)} but we are already seeing a changing of the guard in terms of global innovation.

Asia's strong growth in biologics brings new supply chain demands

Asia is now poised to lead the way, as a growing patient population and increased investment in infrastructure supports the trend to home-grown biologics and other innovative therapies.

China and South Korea are the most active in Research & Development (R&D) such as clinical trials^{[2](#)} prompting expansion of healthcare hubs in a thriving innovation ecosystem.

Yet the trend from small molecular drugs to a biologics-driven drug creation process is one which is increasingly complex, time-consuming, expensive and risky.

The complexity of these drug materials that FedEx is now transporting every day means there's a greater need for more sophisticated [logistic and distribution solutions](#).

The challenge we have as supply chain partners is to find that critical balance between the cost effectiveness of shipping active pharmaceutical ingredients (APIs) and formulations to research laboratories, with safety, trackability and regulatory compliance.

A high-risk industry demands highly-differentiated solutions

As a result, customers have identified pain points in the transportation process.

Our Pharma customers in China cite product quality, speed, logistics costs, regulatory compliance, operational quality and end-to-end supply chain expertise as absolute must-haves for their Speciality Pharma, Biologics, Vaccines and Clinical Supplies.

In such a competitive climate, highly specialised logistic solutions take on even greater importance – providing fast and professional customs clearance, timely and accurate monitoring throughout the journey, and most significantly, cost effectiveness.

Solutions like [FedEx technology SenseAware](#), which controls and monitors temperature-sensitive shipments, provide real-time tracking and visibility into inventory using GPS communications.

This greater visibility, along with enhanced process control and contingency planning in our transportation network, provides a highly secure distribution solution for time-critical and temperature sensitive shipments, while helping customers better manage costs.

In the case of one Pharma R&D organization in China, which is using FedEx to ship sensitive APIs to the U.S., we provide unbeatable China to U.S. transit times, with customs clearance already completed when goods are in transit.



Product Integrity is the Priority

Another customer, a large Pharmaceutical company in Japan producing temperature-sensitive chemical APIs, can ensure the integrity of its highly valuable production samples to laboratories in the U.S. the next day.

With faster end-to-end lead times and greater shipment flexibility, FedEx supports pharma innovators by helping them reduce R&D cycles with a leaner transport chain.

Integrity and consistency of healthcare products are an absolute priority.

Temperature-controlled packaging solutions protect product integrity, particularly for customers who require next-day delivery to the U.S. Ultimate peace of mind comes with 72-hours continuous protection.

New models of collaboration

Finally, building secure and compliant distribution solutions requires stronger collaboration with customers.

Putting innovation into practice - by integrating technology with transportation - we are also integrating compliance with the supply chain process.

This is raising the overall service level of the supply chain industry to better meet the requirements of biopharma customers, ensuring innovation remains at the heart of everything we do.

Learn more about [**FedEx healthcare solutions**](#).

1- <https://www.kvoo.com/story/39762562/bio-pharma-logistics-market-global-industry-analysis-size-share-growth-trends-and-forecast-2019-2025>

2- ["Challenges of conducting clinical trials in Asia", August 2018, International Journal of Clinical Trials](#)