BioSpectrum the business of Bio & Health Sciences ASIA EDITION

DHL MD: Poor logistics hinder drug shipments

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Mr Herbert Vongpusanachai has spent almost a decade managing Asian logistics market through DHL and has earned in-depth experience of the trends in Singapore, Cambodia, Laos, Myanmar and Thailand. Over the past five years, the respective markets under his care have seen significant growth in business volume and profitability.

In an interview with *BioSpectrum*, Mr Vongpusanachai shares crucial challenges that a logistic company has to face when serving the pharmaceutical industry for shipment of complex biopharmaceutical drugs.

From manufacturing site to the delivery spot, what is the most crucial phase of the shipment? What are the challenges involved?
The life sciences and healthcare industry is ever-changing and has to take into consideration numerous external factors. A key challenge for most pharmaceutical companies and logistics providers would be the adherence to changes and varied regulations across countries.

The constantly evolving regulatory framework in countries such as India and China as well as timely approvals from the US FDA to regulate the import of a particular product will have an impact on the market. In addition, poor transport infrastructure and limited road networks in some countries also affect the time taken for temperature or time critical products from reaching the final destination.

What are DHL's strategies in handling regulatory requirements of different countries?
Running an efficient supply chain is crucial in the life sciences and healthcare industry as it involves knowledge and expertise in handling complexities and specific regulatory requirements across multiple markets. We have a dedicated customs and regulatory affairs division in Asia Pacific that is experienced to handle the unique, stringent and diverse import and export regulatory requirements of biopharmaceutical goods within our network.

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These specialists are trained in customs clearance and are equipped with specific knowledge of pharmaceutical and life sciences industries. At DHL, we have always maintained a good relationship with the customs bodies. There are occasions where the team will collaborate with the regulatory authorities to conduct roadshows and in-house briefings for our customers, keeping them updated on the changes in the regulatory requirements for the different markets.

In a situation where supply chain is disrupted and the drugs are critical to the destination country, how do you manage it?
DHL Express has designed a special product solution for drugs transportation within our network. Any shipment that contains drugs, or time- and temperature-sensitive materials, is tagged with a different and unique product code. All life sciences shipments under this product code receive priority handling - from pick-up to delivery - and the movement of the shipment is monitored round-the-clock by DHL's global Quality Control Centers in Cincinnati, Bonn, Leipzig and Singapore.

This not only gives customers an end-to-end visibility and real-time updates of these critical shipments during transit but also allows DHL staff to forecast shipment movement, anticipate potential delays and prepare contingencies should any disruption occur.

What steps can be taken by pharma companies and regulatory agencies to ensure smooth drug supply in their country?
An efficient supply chain is crucial, from the R&D stages of drug development to the distribution of prescribed drugs to the patients. This long-drawn process involves many complexities such as clinical trials and meeting regulatory requirements across multiple markets. The high investment in R&D means there is high opportunity cost if deliverables are not facilitated effectively via logistics.

Working with a trusted and reliable logistics provider that is able to fulfil an end-to-end supply chain and logistics needs is important to ensure regular stock supply. A good logistics service provider must possess the specialized handling know-hows, have in-depth knowledge of multiple regulatory environments and offers secured methods of transport.

At DHL, we not only leverage the synergies across all three business units but the strategic location of our healthcare hubs around the world, create a seamless and end-to-end logistics solution for our customers. The nature and complex needs of the industry requires such products need to be delivered in a time-efficient, cost-effective and secure manner.

Our ability to provide end-to-end logistics solutions, coupled with our global network allows us to deliver all time-critical shipments in a timely and most cost effective way, thus helping to drive down the overall R&D budget. Our disciplined processes, high quality standards and commitment to zero defects also mean providing reliable, consistent services for customers.