

Case Study: Third Party Logistics

A Global Generic Pharmaceutical Leader Partners with Knipper 3PL for Comprehensive Distribution and Logistics Support



THE SITUATION

- ▶ A publicly traded global pharmaceutical company wanted a new 3PL partner to replace their existing provider due to ongoing performance problems, poor customer service, and reporting issues. They turned to Knipper to manage complete warehousing and logistics for their 250 SKUs.



OBJECTIVE & REQUIREMENTS

The client's goal was to partner with a provider with a proven ability to:

- ▶ Expertly manage a high volume of orders
- ▶ Provide responsive and knowledgeable customer service
- ▶ Execute a seamless transition from the previous 3PL provider while ensuring business continuity
- ▶ Handle detailed reporting

Requirements:

- ▶ Implement a program to manage 1,000+ monthly orders and 8,700 line items
- ▶ Provide controlled and cold chain management for 15% of its orders
- ▶ Customer Invoicing



THE KNIPPER 3PL SOLUTION

- ▶ Distribution services for the client's 250 SKUs
- ▶ Client Services Management
- ▶ Customer Service support for customer inquiries
- ▶ Information technology services that include a user-friendly 3PL reporting portal, an integrated access center to house detailed customer data, and customer invoicing functionality
- ▶ Procedures to manage controlled products per DEA requirements



THE RESULTS

- ▶ The complete program was developed and implemented in under 90 days
- ▶ Today, Knipper manages 15,000 cases, receives 1,400 pallets, and processes 8,700 line-items per month with storage capacity that exceeds 4,500 pallets
- ▶ The client now enjoys a fully integrated telecommunications and IT system that captures key data from each customer and an EDI system to manage order receipts
- ▶ With a formal process to manage controlled products, the client is compliant with DEA requirements



THIRD PARTY LOGISTICS

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Email: info@knipper.com

FULFILLMENT & DISTRIBUTION

- ▶ Trade-focused warehousing and distribution – cGMP, VAWD, and 21 CFR part 11 compliant
- ▶ Inventory, storage management
- ▶ Automated Pick-and-Pack (Perfect Pick®), Pick to Light
- ▶ DSCSA Serialization service
- ▶ Product launch commercialization, advanced data and analytics
- ▶ EDI and comprehensive reporting
- ▶ 3PL Consignment / Title and Flash Title models
- ▶ Repacking/relabeling, reverse logistics

CONNECTIVITY

- ▶ Electronic Data Interchange (EDI) transaction sets
- ▶ Proven document time-tested and document mapping techniques for EDI to customer's specific file formats
- ▶ Complete US DSCSA serialization support to ensure your data is mapped and supports EPCIS XML files from your serialization partners including axway, rfxcel, SAP, tracelink, and others

ORDER PROCESSING

- ▶ Orders received, pricing determined, order validated against customer license and other business rules (i.e., credit limits, shipping windows, class of trade, REMS qualified, etc.)
- ▶ Valid orders are released upon completion of processing or held for release at a later date, if required
- ▶ Order processing issues handled by customer service through resolution
- ▶ Warehouse receives order to Pick, Pack and Ship; Orders received by 3:00 pm EST are shipped the same day

CASH COLLECTION & PROCESSING PAYMENTS

Short Pay – Knipper will resolve any difference in payment through resolution, including:

- ▶ Negotiated discounts with the manufacturer
- ▶ Disagreement on invoices
- ▶ Reconciliation processed monthly or bi-monthly with manufacturer, as needed

BILLING

- ▶ Customer billed when product is shipped
- ▶ Payment terms established
- ▶ Management of customer contracts
- ▶ Cash collection and payment processing
- ▶ Reconciliation processed per manufacturer needs

CHARGEBACKS & CONTRACTS

- ▶ Manages pricing and contracts for client's customers
- ▶ Chargeback process with predetermined client pricing and eligibility on contracts
- ▶ Rebate through ERP, state-of-the-art system MS Dynamics® 365